

# ALWAYS PRESENT

## INTEGRATED REPORT 2020 - OVERVIEW



Luigi - Post Office  
teller

**Posteitaliane**



Growing sustainably.  
For a carbon neutral 2030

# ALWAYS PRESENT

## INTEGRATED REPORT 2020 - OVERVIEW



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# Poste Italiane Group: responsible for the welfare of the country

Poste Italiane Group represents a unique reality in Italy, a leader in the logistics sector and at the forefront in the financial, insurance and payment services sectors. The 12,765 Post Offices and 125,000 employees allow the Company to guarantee a widespread presence throughout the country, ensuring proximity to citizens and the Community. Its role in relation to the entire nation makes the Group responsible for the well-being of the communities in which it operates, with the belief that its contribution can represent a valuable tool at the service of citizens and institutions in such a critical period of Italian history.

The first half of the year was a defining moment for the country and the entire Company. The benefits of business diversification and operational resilience were confirmed in the emergency environment due to the Covid-19 pandemic. Thanks to its business model, Poste Italiane has been able to guarantee operational continuity, ensuring an uninterrupted service to its stakeholders and showing a strong ability to adapt despite the current critical and unfavourable context. In this scenario, the extensive collaboration with national institutions continued, making the Group's operational know-how available to support the logistical activities of the Civil Protection, which are fundamental in the emergency scenario.

Despite the difficulties, in 2020, Poste Italiane continued along the path already begun in previous years of integrating ESG objectives into its business, aware that environmental and social sustainability, combined with innovation, will play a decisive role in the economic recovery. The new **"2024 Sustain & Innovate"** Strategic Plan, based on these elements, is a tool with which the Group aims to guide the country towards responsible and sustainable growth.

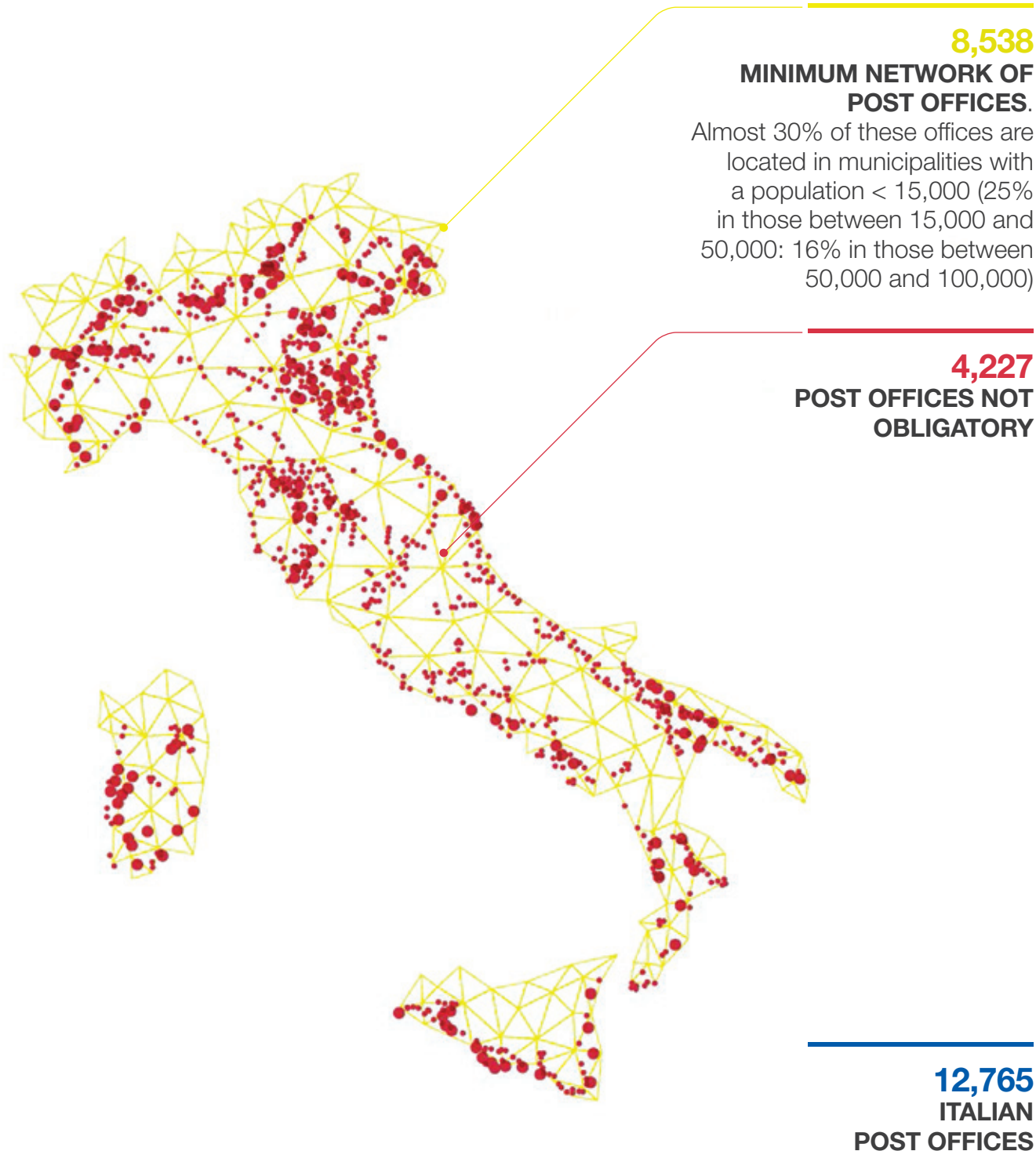
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Poste Italiane recognises social and environmental factors as relevant as business criteria. By doing so, the Group ensures the integration of non-financial issues within the corporate strategy to create long-term value for all the different categories of stakeholders

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# Highlights

## 2020 output of Poste Italiane's value creation process

In 2020, through ongoing investment in the six forms of capital on which the Company is based, Poste Italiane value creation process generated a series of outputs that can be linked to the United Nations Sustainable Development Goals.

### NFS

### MAIN RELATED TYPES OF CAPITAL



Market revenue **€10.5 billion**  
EBIT **€1.5 billion**  
Net profit **€1.2 billion**  
CAPEX **€680 million**

**Partnerships and strategic acquisitions**  
sennder, MLK Deliveries, Tink and Moneyfarm

**575 million** Post Office transactions  
**90 million** on digital channels and  
**115 million** on third-party networks

**€569 billion** Total Financial Assets  
**€15 billion** Net inflows retail

### FINANCIAL



**12 million digital identities issued**  
to allow access to PA platforms and services

First operator in Italy for **cards issued (28.9 million)** and  
**e-commerce transactions (25% market share)**

**12,765 Post Offices** throughout the country and around **7,000**  
Post Offices open during lockdown

**Record 210 million** in parcel volume  
and achieving **37% of market share**

Leading employer in Italy **with 125 thousand people (55%**  
**of whom are women)**

**5 million** daily visitors on the **Group's website/app**

### PHYSICAL-STRUCTURAL



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

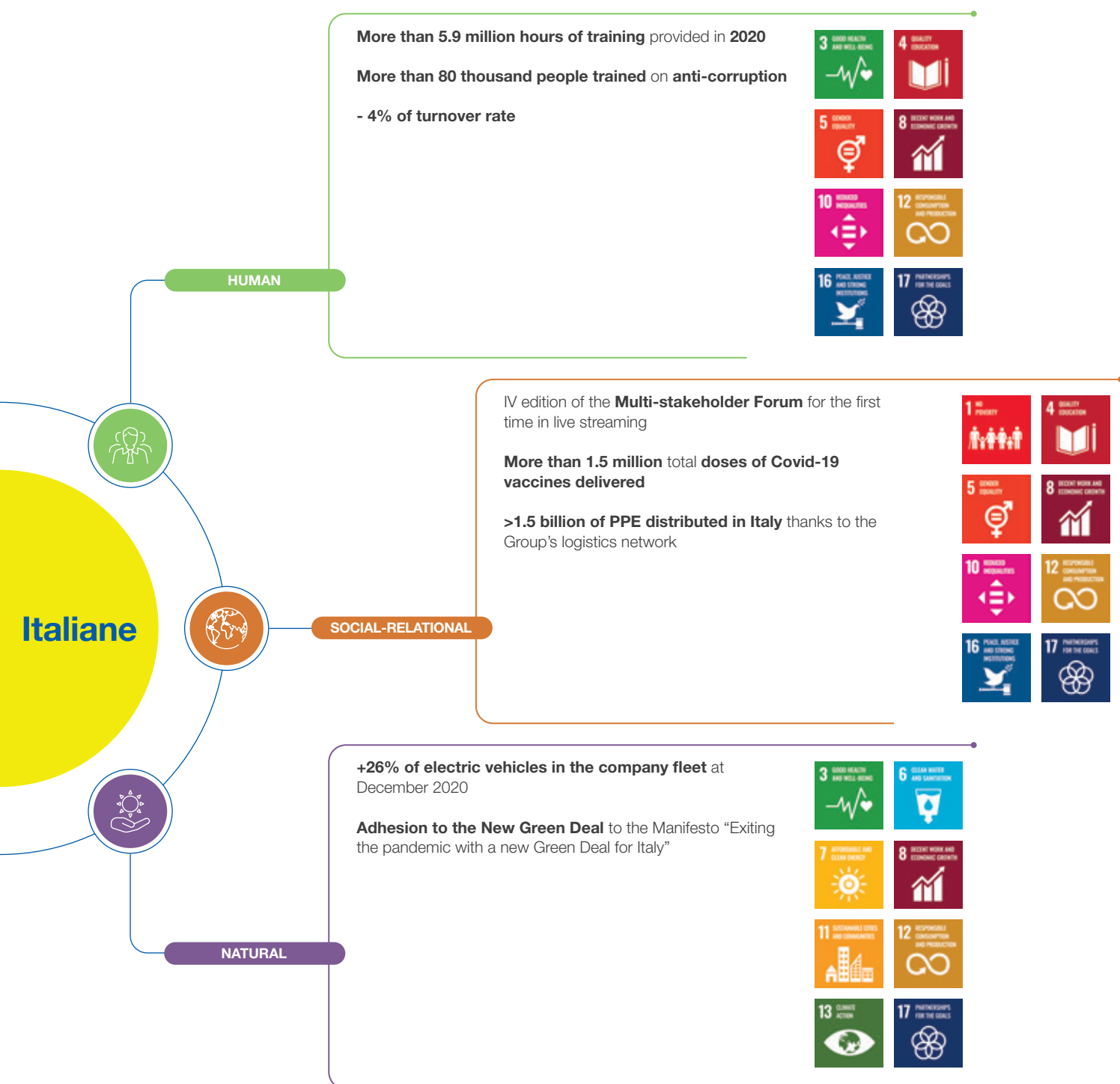
BancoPosta Fondi SGR **the first asset management**  
**company in Italy** certified **ISO 37001:2016**

**ISO 14001:2015**  
July 2020

**ISO 26000:2010**  
June 2020

### INTELLECTUAL

Poste





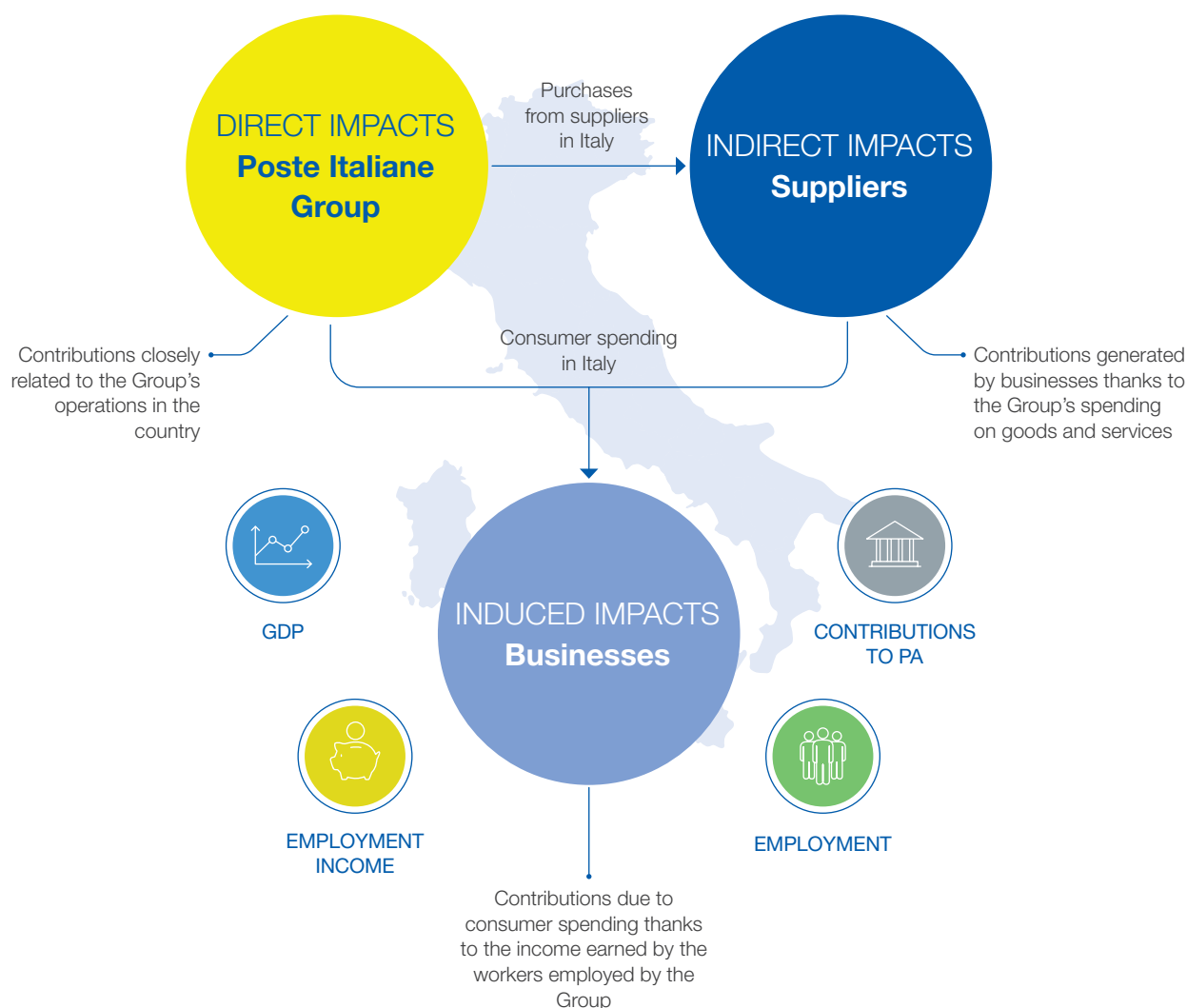
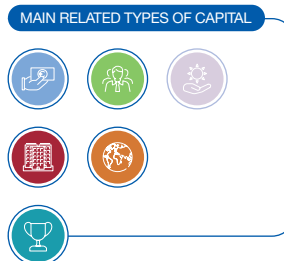
# The impacts generated by Poste Italiane

Poste Italiane's widespread presence throughout Italy and the resources at its disposal enable the Group to generate economic, environmental and social impacts for the various categories of stakeholders with which it interacts, thus playing a fundamental role in the life and economy of the country.

In 2020, Poste Italiane recorded a turnover of approximately €10.5 billion and generated direct, indirect and induced impacts that involved the entire Italian economy.

Specifically, in 2020, the Group generated impacts in terms of Gross Domestic Product for a total value of **€12.2 billion** and €2 billion in terms of tax revenues, involving approximately 191 thousand workers throughout the production chain. The use of this workforce entailed the distribution of income to workers, for a total of **€7.4 billion**.

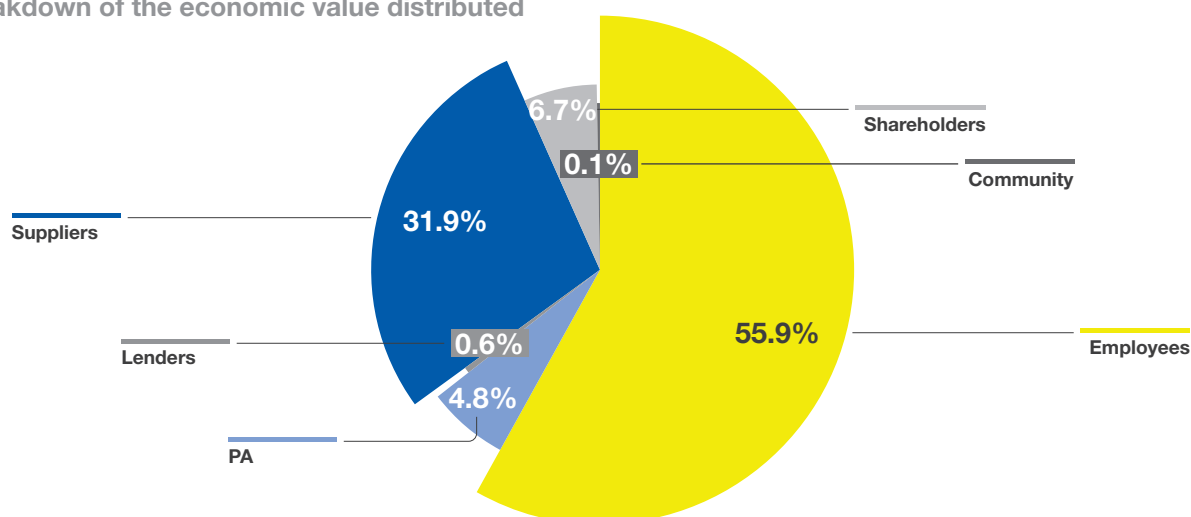
Thanks to the leverage effect, explained by the "multiplier", the expenditure made by Poste Italiane for purchases from local suppliers generates impacts on the entire national economy. According to estimates, in fact, every €1 million spent by the Group is able to generate an impact on the economy of €4.09 million in terms of GDP, €0.69 million in tax revenue and €2.49 million in employment income, creating over 64 jobs in the country's production system.



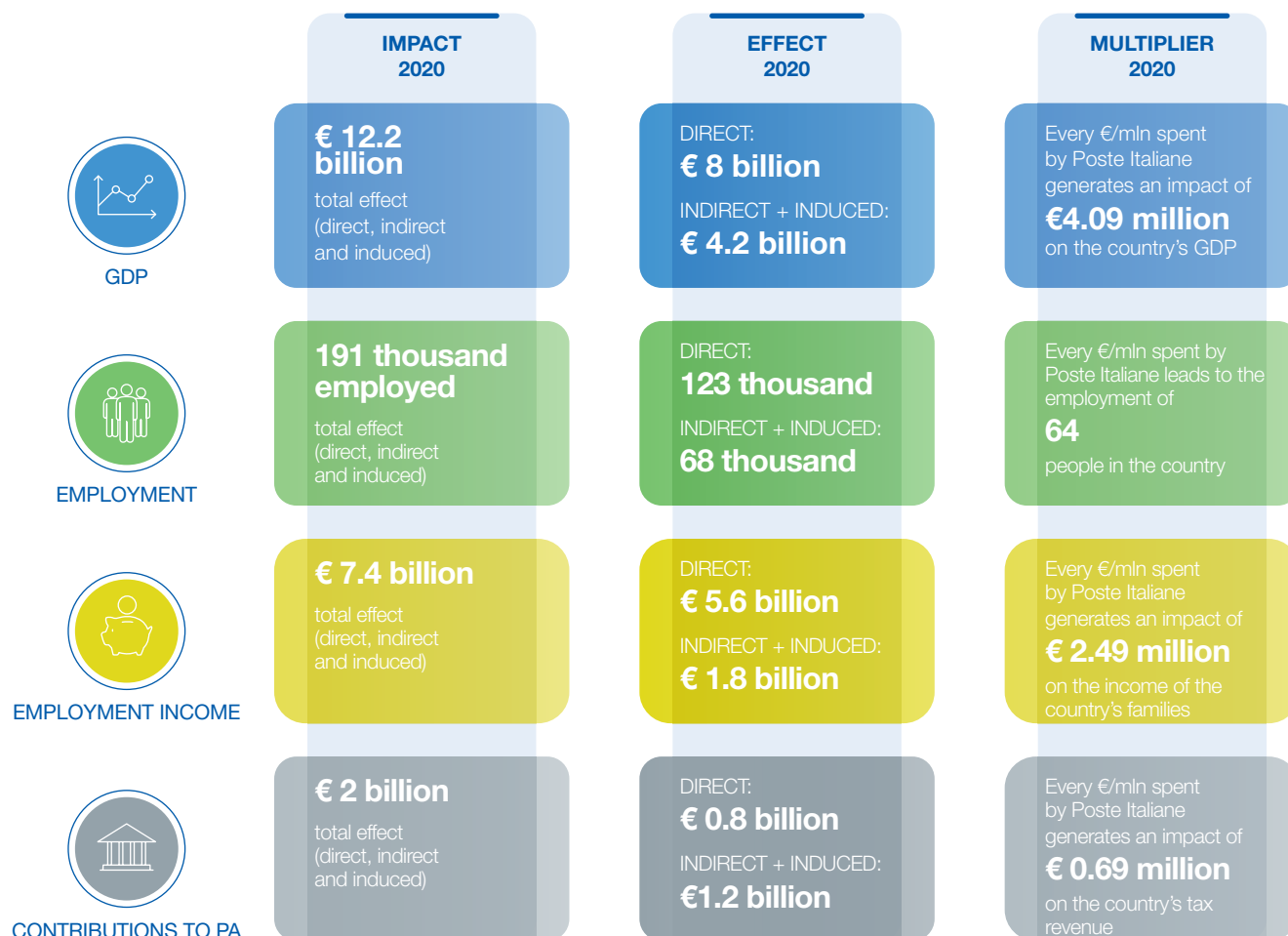
In 2020, SMEs impacted on the level of Gross Domestic Product for a value of €1.2 billion, leading to the employment of 21,000 people and an income distribution of around €567 million. Furthermore, the Group generated more than €370 million in terms of tax revenue.

The wealth generated by Poste Italiane is redistributed to its stakeholders, demonstrating their importance for the Group's value creation process. In 2020, **over 88%** of the **corporate wealth** generated was **distributed** to the various **stakeholders**. In particular, employees and suppliers are among the categories that have benefited the most from the wealth generated, respectively obtaining 55.9% and 31.9% of the total distributed value.

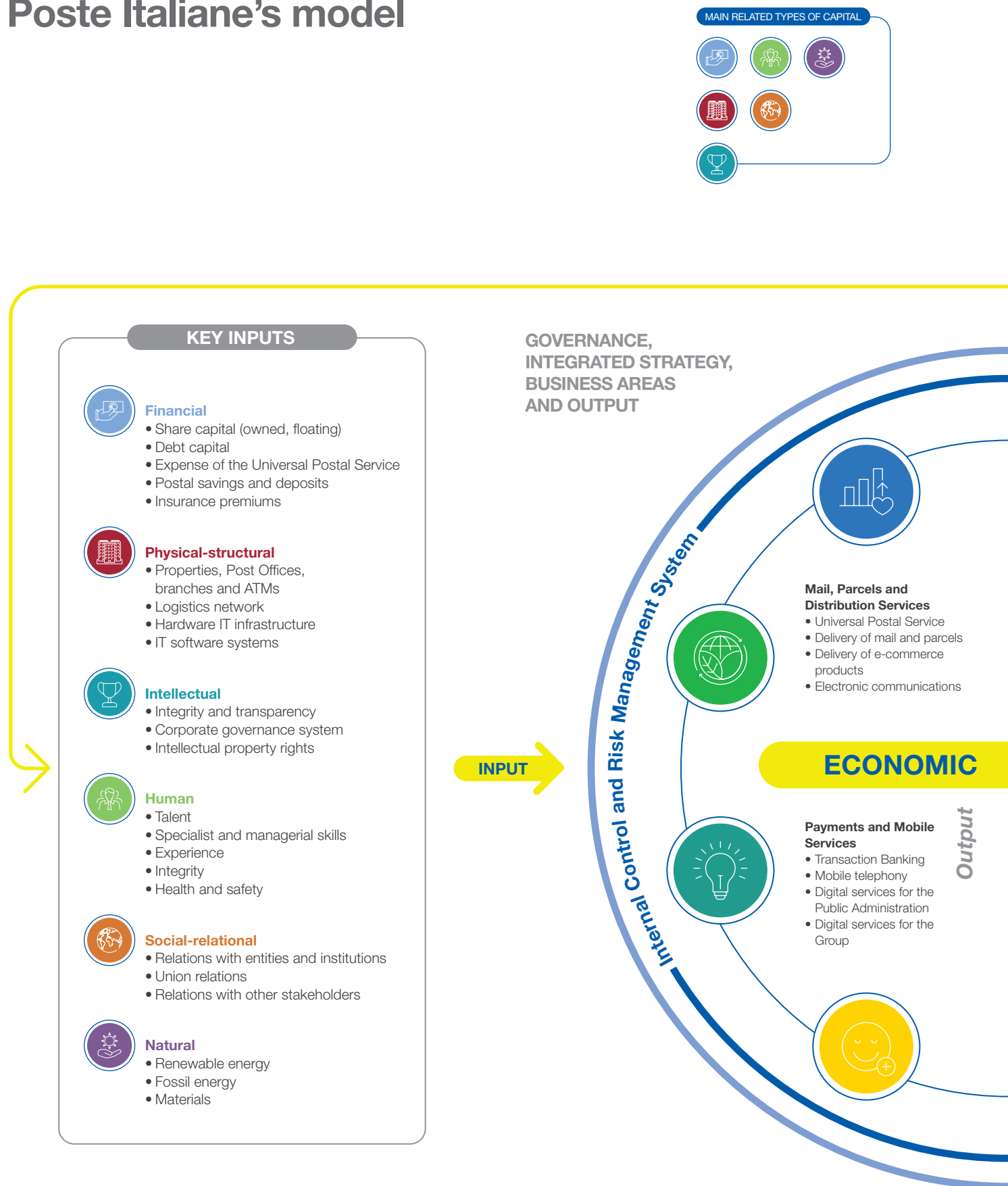
### Breakdown of the economic value distributed



### Impacts generated by Poste Italiane's activities on the national economic system



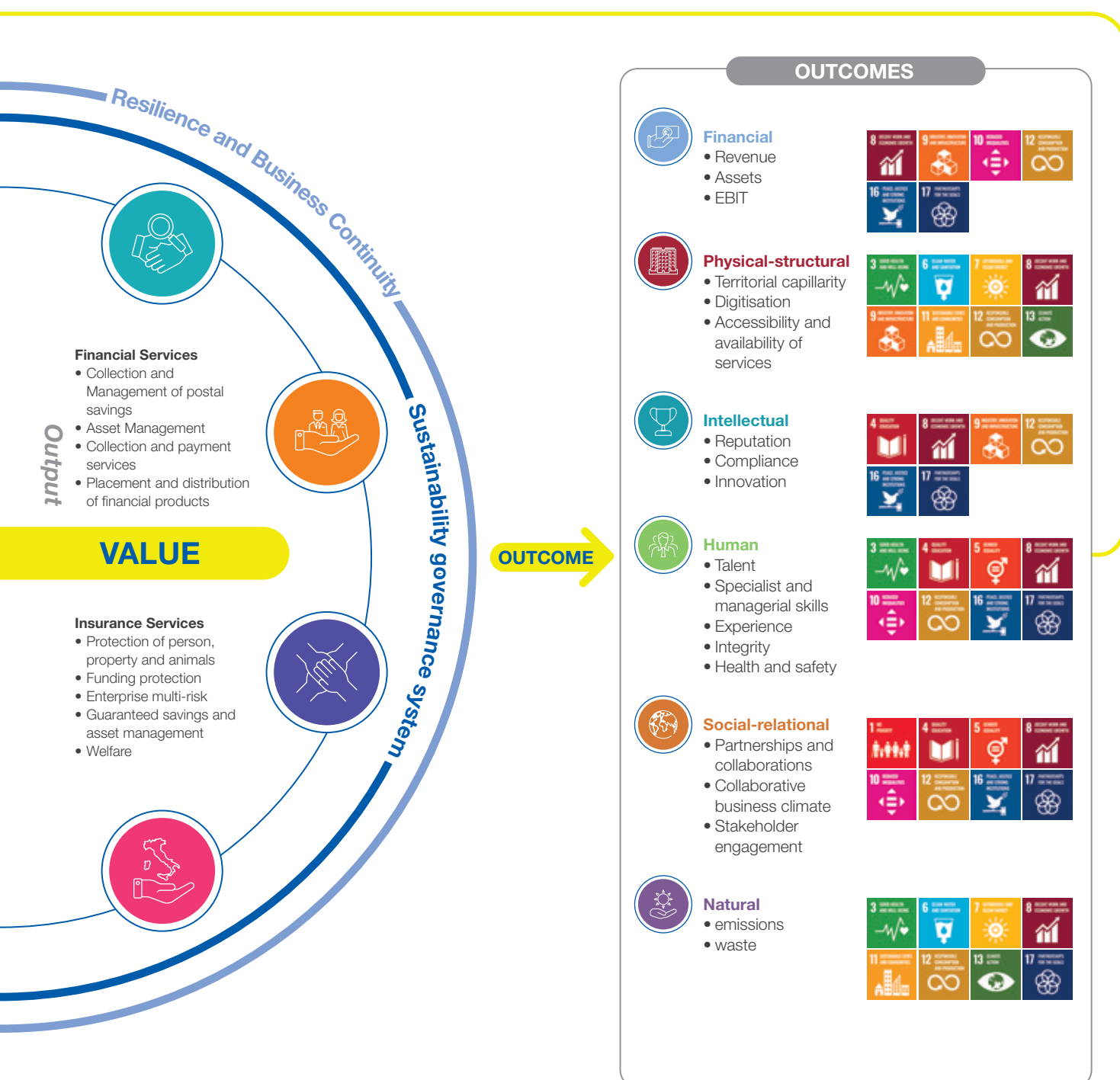
# Poste Italiane's model



# The value creation process at Poste Italiane

Poste Italiane's value creation process involves a business model, a Governance and a Strategic Plan integrated with an ESG perspective, and involves six different types of capital that exceed the financial one, including physical-structural, intellectual, human, social-relational and natural capital. In this way, the Group can determine its own range of products and services (outputs) and generate impacts (outcomes) that are not only economic, but also environmental and social and attributable to the United Nations Sustainable Development Goals (SDGs).

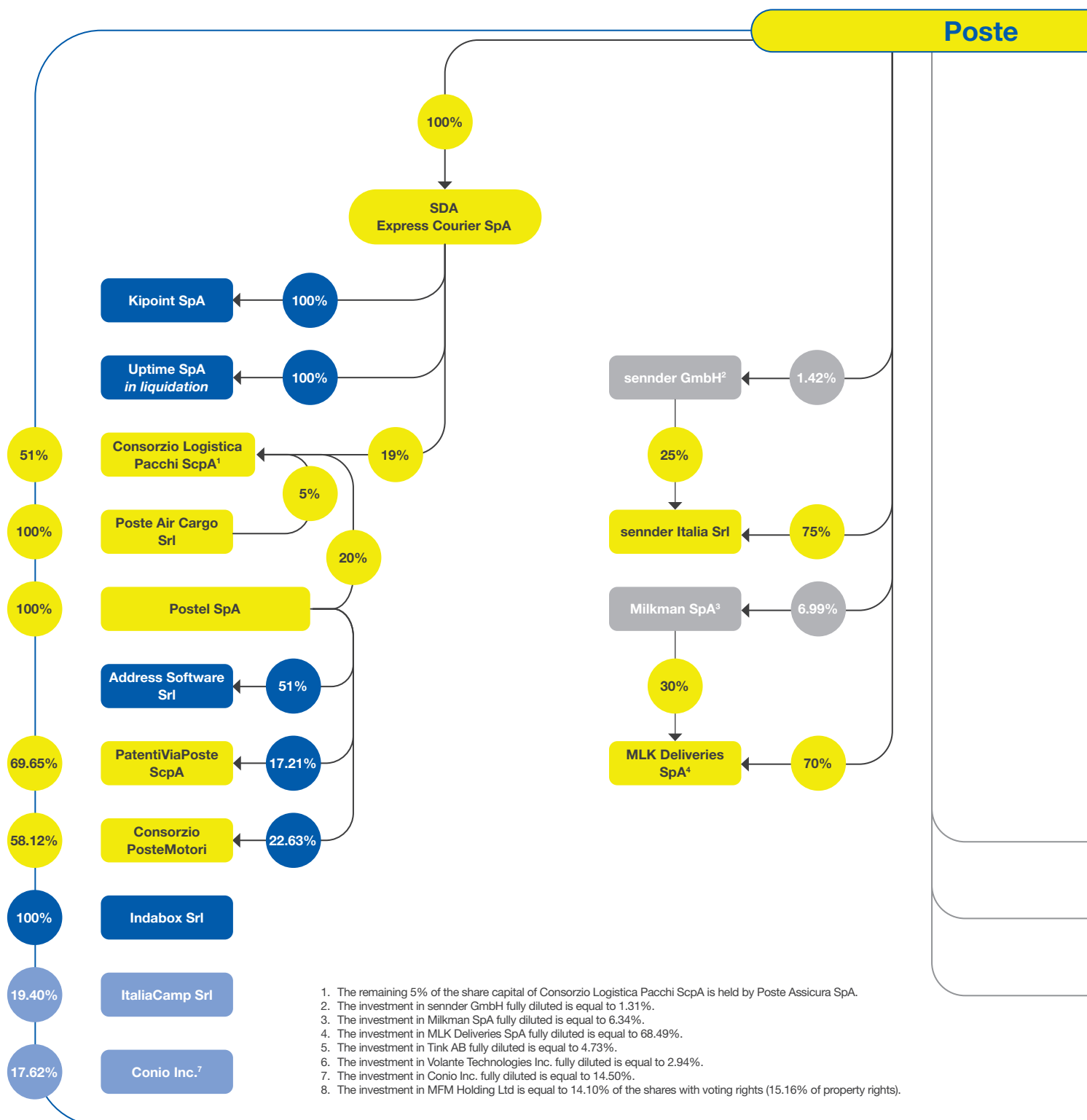
The following diagram illustrates the interaction between strategy, value creation process and forms of financial and non-financial capital that characterise Poste Italiane's business model.



## Poste Italiane Group company structure

Poste Italiane's Business Model is implemented by the Group's organisational structure and its companies, which contribute to the creation of value over time through the activities and services provided. At 31 December 2020, the Group held, directly and indirectly, investments in 30 companies and consortia, of which 16 are consolidated on a line-by-line basis, 4 are subsidiaries and valued using the equity method, 4 are associates and valued using the equity method and 6 represent minority stakes.

### Direct and indirect investments of Poste Italiane SpA at 31 December 2020



1. The remaining 5% of the share capital of Consorzio Logistica Pacchi ScpA is held by Poste Assicura SpA.

2. The investment in sennder GmbH fully diluted is equal to 1.31%.

3. The investment in Milkman SpA fully diluted is equal to 6.34%.

4. The investment in MLK Deliveries SpA fully diluted is equal to 68.49%.

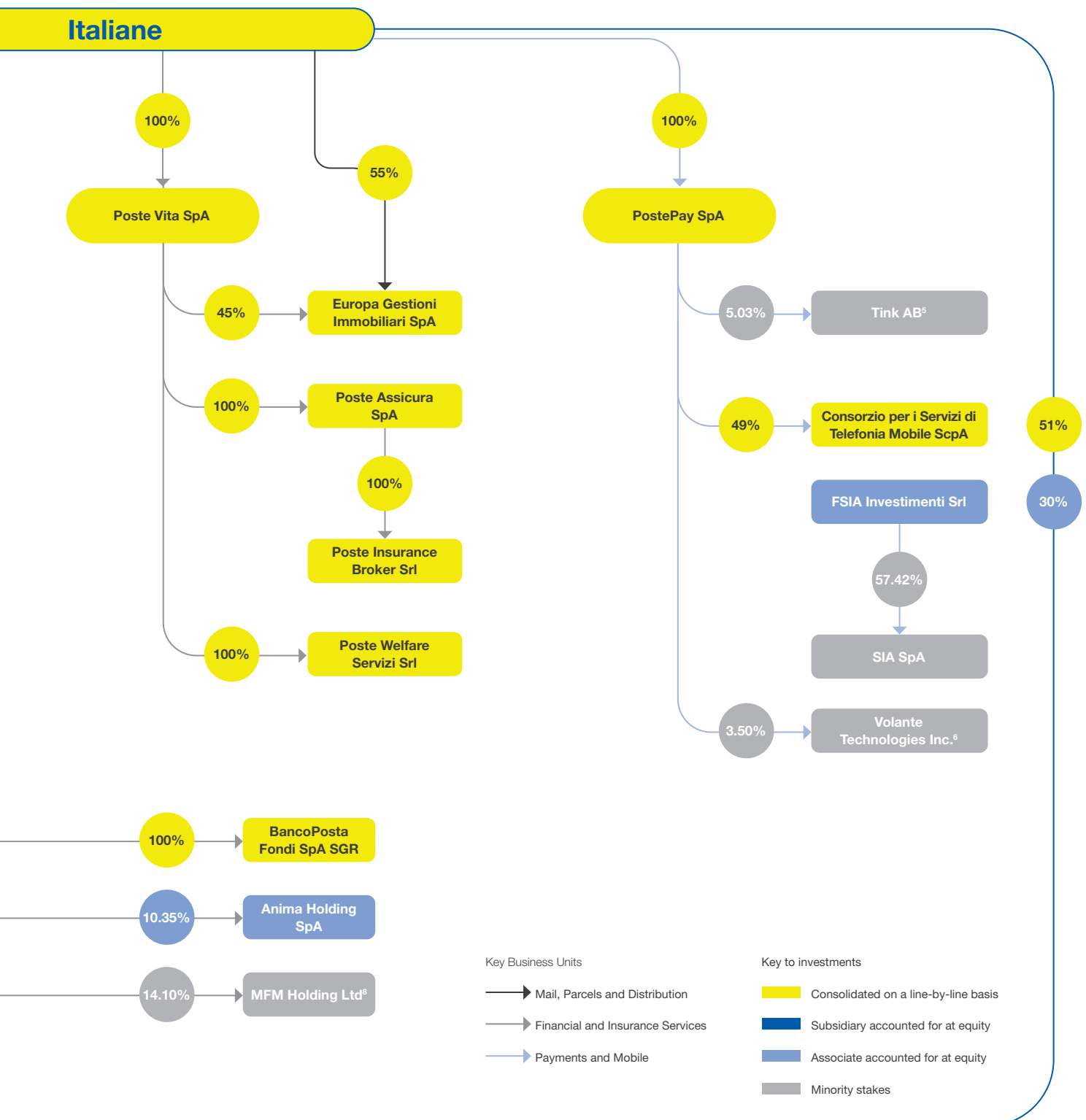
5. The investment in Tink AB fully diluted is equal to 4.73%.

6. The investment in Volante Technologies Inc. fully diluted is equal to 2.94%.

7. The investment in Conio Inc. fully diluted is equal to 14.50%.

8. The investment in MFM Holding Ltd is equal to 14.10% of the shares with voting rights (15.16% of property rights).





# 2024 Sustain & Innovate Strategic Plan

In March 2021, Poste Italiane’s Board of Directors approved the new four-year strategic plan “2024 Sustain & Innovate”, which continues the path of sustainable and economic growth started in recent years thanks to the solid foundations created by the 2022 Deliver Plan. Over the period of the plan, €3.1 billion of investments is envisaged in strategic assets to achieve financial objectives.

FINANCIAL OBJECTIVES	OPERATIVE OBJECTIVES
<ul style="list-style-type: none"><li>• 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.</li><li>• Parcels segment: €2.0 billion (2019: 0.85 billion).</li><li>• EBIT: expected operating break-even by 2024.</li></ul>	<ul style="list-style-type: none"><li>• Double the volume of automatically sorted parcels.</li><li>• B2C parcels market share: 38% by 2024.</li><li>• C2X market share: 57% by 2024 (2019: 41%).</li></ul>



MAIL, PARCELS AND DISTRIBUTION

## 2024 SUSTAIN

FINANCIAL OBJECTIVES	OPERATIVE OBJECTIVES
<ul style="list-style-type: none"><li>• Revenue: €2.7 billion (2019: €1.7 billion).</li><li>• EBIT: €1.3 billion (2019: €0.8 billion).</li><li>• Net profit: 5% CAGR in the period 2019-2024.</li><li>• Solvency Ratio: &gt;200%.</li></ul>	<ul style="list-style-type: none"><li>• Gross premium revenue: €26.5 billion (2020: €16.7 billion).</li><li>• Double the average premium of the modular offer.</li><li>• 8,000 Post Offices enabled to sell car policies by 2024.</li></ul>



INSURANCE SERVICES

## INNOVATION

The following chart shows the main financial and operational targets defined for the four business areas, referring to 2024.

**€3.1 billion** of investments in the **2024 Sustain & Innovate Plan**

## SUSTAINABILITY



### PAYMENTS AND MOBILE

#### FINANCIAL OBJECTIVES

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

#### OPERATIVE OBJECTIVES

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

## & INNOVATE

### FINANCIAL SERVICES



#### FINANCIAL OBJECTIVES

- Revenue: €5.9 billion (2019: €5.8 billion).
- EBIT: €0.7 billion (2019: €0.9 billion).
- Common Equity Tier 1 Capital: 17%.

#### OPERATIVE OBJECTIVES

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

# Mail, Parcels and Distribution Strategic Business Unit

“2024 Sustain & Innovate” strategy



## MAIL, PARCELS AND DISTRIBUTION

Key logistics player for a sustainable business, accelerating the transition to the growing parcel market.

- Evolution of the logistics network
- B2C market leadership
- Growth in C2X and B2B markets

The Mail, Parcels and Distribution segment's strategic objective 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, 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.

210 mln delivered parcels

37% B2C market share

The services are provided through **2 logistics networks**, the Postal Logistics Network and the Parcel Logistics Network, which will be further integrated in 2020 by increasing the interchange of volumes of small parcels (carriable parcels, i.e. under 5 kilos) using cost-effectiveness as a criterion. 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, during 2020, the start-up of MLK Deliveries activities enabled the activation of a third “last mile” network, specialised in parcel delivery with value-added services (“Same Day” and “Scheduled Delivery”).

The postal logistics network activities' have unique characteristics and comprises around **31 thousand letter carriers** and **1,510 delivery offices**. Moreover, in line with the process launched in recent years, Punto Poste, the proximity network complementary to that of Post Offices, has been greatly expanded and can count on around **10,800 delivery points** consisting of lockers and collection points (mainly tobacconists) that offer continuous service, 24 hours a day, up to 7 days a week. Larger parcels and express products are delivered through the subsidiaries SDA Express Courier and sender. In addition to the 12,765 Post Offices, the network has around **5,500 pick-up lines** and **88 branches for collection**; **3 automated hubs** and **10 mini-hubs** for sorting; around **900 road transport lines** and **5,500 delivery lines**.

## Strategic company operations



### Nexive Group Srl

Postal operator active in Italy with a market share of around 12% in mail, equal to around 350 million volumes per year (of which around 5% recorded mail), and a market share of around 1% in parcels, equal to around 8 million items delivered in 2019.



### Sengi Express Limited

Chinese leading company in the creation and management of cross-border logistics solutions for Chinese e-commerce merchants active in the Italian market.



### MLK Deliveries SpA

Company active in the field of flexible home deliveries, which allows customers to take advantage of a more personalized service, with the choice of day and time of delivery and same day delivery.






### sender Italia Srl

Company that carries out road transport activities by national and international long-haul road, based on highly digitized processes that allow an optimized management of the distances traveled.

In 2020, a total of around **2.3 billion** pieces of **mail** were sorted and a record number of **parcel** volumes were recorded to the extent of **210 million** units (+41.7% compared to 2019), reaching a peak of around **1.3 million items per day** in December. Moreover, during the year, Poste Italiane was able to exploit the increase in the population's propensity to online purchases, establishing itself as the leader in the business-to-consumer (B2C) segment with **37% market share**.

The table below lists the main activities carried out by the SBU during the period and indicates the main pillar of the Group's sustainability strategy.

SEGMENT	OPERATING REVIEW	PILLAR
Parcels	Introduction of new aircraft and intensification of air connections to southern Italy	
	Acquisition of a shareholding in sennder Italia for the optimisation of road transport activities	
	Start of operations of new parcel sorting centres in central and northern Italy	
	Development of collaboration with Amazon	
	Development of collaboration with Zalando	
	Implementation of the new Punto Poste Da Te service, which, thanks to lockers installed in condominiums/company offices, makes it possible to collect, send and top up Postepay and SIM cards in complete autonomy	
	Additions made to Poste Delivery service: the parcel delivery service for private individuals and businesses	
	Implementation of the new Poste Delivery Web service: the online service that allows sending parcels, up to 30 kg, throughout Italy and the world	
	Acquisition of an investment in MLK Deliveries to provide customers with advanced delivery services (e.g. agreed-upon hours)	
	Development of a new collaboration with Pharmap for the home delivery of medicines	
Mail	Implementation of the new Poste Delivery Business service, the complete offer that provides several services dedicated to the recipient for the development of e-commerce	
	Acquisition of an investment in Sengi Express Limited for the development of the parcel business from China	
	Acquisition of the entire share capital of Nexive, for the rationalisation of the mail market value chain	



# 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 confidence

The Payments and Mobile Sector includes payment management activities, card payments services and mobile and fixed line telecommunications and 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. 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 the Group as a whole.

28.9 mln payment cards issued

+ €5.5 bln on total transactions

In 2020, Poste Italiane established itself as the largest payment card issuer, with **28.9 million** payment **cards** issued on the market, with **total transactions** up by around **€5.5 billion** compared to the previous year. Increased payment card transactions and growth in the customer base in telephony mitigated the negative effects of the healthcare emergency reconfirming the positive performance in 2019, both in terms of revenue and operating profit.

The Group's intention is to offer advanced and digital services, orienting its offer towards the combat against cash and the use of electronic money. In this regard, in 2020, Poste Italiane expanded its payment services portfolio by introducing Postepay Digital, the new full digital prepaid product, and Postepay PA, the prepaid product dedicated entirely to Public Administration. In addition, the Codice Postepay and Postepay Evolution products have been further enhanced through the implementation of new features.

With regard to the telecommunications segment, thanks to the agreements signed in 2020 with TIM and Open Fiber, the Group also aims to increase the penetration of the online channel and enrich the telephony offer, both fixed and mobile, by exploiting ultra-broadband fiber. In addition to this, there is a series of further mobile services, which have made Poste Italiane confirm its position as a leading operator in the telco sector, including Postepay Connect Back, which enables customers to receive a cashback discount for unconsumed Giga; PosteMobile Casa WEB, the innovative home internet connection solution based on 4G wireless technology; and Postepay App Mobile Services, which enable customers to manage all the information on their PosteMobile SIM directly from the app.

## Strategic company operations



### Volante Technologies Inc.


U.S. company specialized in the development of technological solutions underlying the payment and financial messaging processes in the cloud and on-premise for the acceleration of digital transformation and the modernization of financial services.



### Tink AB

Swedish company accredited as PSD2 operator at the Financial Supervisory Authority. Tink AB is one of the leading open banking platforms and it provides banks and financial institutions with PSD2 technology solutions.

The table below lists the main activities carried out by the SBU during the period and indicates the main pillar of the Group's sustainability strategy.

SEGMENT	OPERATING REVIEW	PILLAR
<b>Electronic money</b>	The marketing of Postepay Connect, the offer that combines the Postepay Evolution prepaid card and the PosteMobile SIM card in a single app, has continued	
	New Postepay Connect Back offer has been developed: up to €4 per month in cashback will be credited to the Postepay Evolution card for any unused Giga	
	New Postepay PA offer has been developed: the prepaid card that allows Public Administration entities to offer citizens a payment card on which to credit funds provided by the PA	
	New Postepay Digital offer has been developed: a digital prepaid card that can be requested in the app and activated immediately	
	Provided support for the Cashless Italy Plan to encourage electronic payments	
	Codice Postepay offer has been further developed, allowing payments to be made directly from the app by framing the QR Code	
	Further implementation of the collaboration with Lottomatica	
	Acquiring services for Public Administration implemented	
<b>Collections and Payments</b>	Continued partnership with ENI through the activation of Postepay acquiring services	
	Implemented acquiring services in the transport sector	
<b>Telecommunications</b>	Consolidated the role of Poste Italiane in the PagoPA system	
	Implemented new funds transfer service in collaboration with Western Union	
	New PosteMobile Casa WEB service developed, the innovative internet connection solution with self-installing, portable modem and fast internet connection up to 300 Mbps	
	Continued development of PosteMobile Casa Standard service, the voice traffic offer for the home	
<b>Telecommunications</b>	The marketing of PosteMobile Casa Internet, voice and internet offer for the house, continued	
	Started collaborations with Open Fiber and TIM for the development of fiber optic services through ultra-broadband technologies	

# 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 in asset allocation
- Expansion of omni-channel for the Customer
- Integration of non-life coverage into the investment offering

The Financial Services Strategic Business Unit carries out the placement and distribution of financial and insurance services, such as current accounts, postal savings products, mutual investment funds, loans from partner banks and policies.

The business area's strategic objective is to further evolve its service model by combining the traditional physical model with the opportunities provided by technological innovation. The priorities of the 2024 Sustain & Innovate 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.

In 2020, in order to maximise its range of products and services, Poste Italiane Group **invested €63 million** in the financial sector, primarily in digitalisation, simplifying processes and improving the customer experience with a view to multi-channel delivery. In particular, steps were taken to enable remote sales through the digital channel not only for postal savings products, but also for insurance products and mutual investment funds.

Among the services offered in 2020 in the financial area, particular importance is attached to the service of assigning tax credits, which has enabled customers to obtain the liquidity relating to the credit in a single payment directly into their BancoPosta current account.

**15,000 requests** for the transfer of the tax credit

**18.1% CET 1 Ratio**

## Strategic company operations



### MFM Holding LTD

Digital asset management company, specialised in ETF (Exchange Traded Funds) portfolios.










### BNL Finance<sup>1</sup>

Company belonging to the BNL Group - BNP Paribas Group, leader in the CQ credit market, which responds to people's credit needs through clear, safe and flexible financial solutions.

1. The transaction is expected to close by the first half of 2021.

The table below lists the main activities carried out by the SBU during the period and indicates the main pillar of the Group's sustainability strategy.

SEGMENT	OPERATING REVIEW	PILASTRO
Postal Savings	Developed new interest-bearing postal certificates	
	Continued marketing of Supersmart offers	
	New solution implemented to subscribe to Certificates dedicated to minors	
Current accounts	Provided tax credit transfer service and implemented new promotions on the issue	
	Strengthened digital offer channel for retail current account products	
	Developed service model for Premium customers	
	Implemented promotions for Business and PA current accounts	
	Developed new current account service for the Small Business segment	
Asset management	Developed new Mutual Investment Funds	
	Renewed and expanded the range of First and multi-class Life policies	
	Renewed and concluded Obelisco Fund protection initiative	
Distribution of third-party products	Evolution of Poste Italiane's offer to cope with the Covid-19 pandemic	
	Implementation of the product for the advance redundancy payments and special arrangements for BancoPosta and Postepay Evolution customers	
	Developed new initiatives for BancoPosta loan holders	
Other assets	Renewed three-year agreement with the Ministry of Economy and Finance (MEF) for the regulation of treasury services and the movement of funds on behalf of the State	
	Developed a new model of remote consulting for the placement of investment products	

# 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

Poste Italiane is a leader in the Life insurance sector and offers competitive and high-level solutions for Non-Life and Welfare 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. Moreover, 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.

Over the year, the business unit made **investments of €23 million**, mainly for the development and functional/infrastructural improvement of the most important business support systems.

In the Life business, investments were made in portfolio management systems and, in the latter part of the year, the project stream for the development of the new internal model for the calculation of capital requirements for Solvency 2 purposes was launched. The Poste Vita Group also continued to invest in the development of the new reserved area, the optimisation of claims management and compliance with the new IFRS 17 accounting standard.





In 2020 the Insurance Services business area contributed €1,643 million to Poste Italiane revenues and closed the year with a **Solvency Ratio of 267%**, confirming the insurance group's solvency.

**€153.7 bln** Poste Vita Group **net technical provisions**

**267% Solvency Ratio**



The table below lists the main activities carried out by the SBU during the period and indicates the main pillar of the Group's sustainability strategy.

SEGMENT	OPERATING REVIEW	PILLAR
Insurance products	A new product, Poste Nuovi Progetti Futuri, has been developed: a multi-class policy that provides access to the opportunities offered by financial markets through a gradual approach	
	Implemented the new product Poste Progetti Futuri Dinamica: the multi-class policy to seize the opportunities offered by the markets in a gradual way dedicated to Affluent customers	
	Extended, to all subscribers of a health policy, the <i>per diem</i> and reimbursement of medical expenses for hospitalisation for Covid-19.	
	Implemented the new Postefuturo Investimenti product, Poste Italiane's offer for investing savings online	
	Marketed Poste Guidare Sicuri offer, which completed the Group's non-life insurance offer with the launch of a "Motor" product	

# Poste Italiane's Sustainability Strategy

Poste Italiane has adopted a Sustainability Strategy consisting of a set of Sustainability Policies and an ESG Strategic Plan, which contributes to the achievement of national and supranational social and environmental development objectives.

The policies adopted incorporate all the principles, qualitative objectives and different management methods, regulating in a synergistic manner the various issues that emerged from the materiality analysis and the areas required by Legislative Decree no. 254/2016.

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

### 1. INTEGRITY AND TRANSPARENCY



### 2. PEOPLE DEVELOPMENT



### 3. DIVERSITY AND INCLUSION



### 4. SUPPORT FOR LOCAL COMMUNITIES AND THE COUNTRY AS A WHOLE



**MAIL, PARCELS  
AND  
DISTRIBUTION**



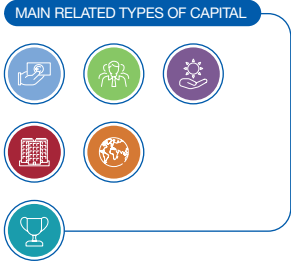
**INSURANCE  
SERVICES**



**2024 SUSTAIN**

The **ESG Strategic Plan**, based on **eight Pillars** that identify the ESG areas relevant to the Group, includes all the specific quantitative and qualitative objectives and targets that the Company has set itself with a view to continuous improvement of its sustainability performance and that contribute to the achievement of the United Nations Sustainable Development Goals (SDGs).

The Plan is structurally integrated into the strategic objectives defined in the “2024 Sustain & Innovate” Business Plan, with the aim of achieving responsible growth and accompanying Italy's path to sustainability and social inclusion.



# The Sustainability path undertaken by Poste Italiane to support value creation

## MAIN RELATED TYPES OF CAPITAL



Over the years, Poste Italiane has embarked on an important process of consolidating its sustainability strategy aimed at **creating shared value** for its stakeholders and developing its reputation.

At the same time, the Group is committed to disseminating a corporate culture oriented towards sustainability issues, which are put into practice through the implementation of three main guidelines - Reporting, Strategy and Governance. All this has allowed in a short time to lead to important evolutionary transformations and the achievement of **numerous** national and international **goals** and awards.

For Poste Italiane, sustainability is an integral component of its activities, processes and corporate strategy and represents a fundamental driver in the strategic and financial choices of the Group

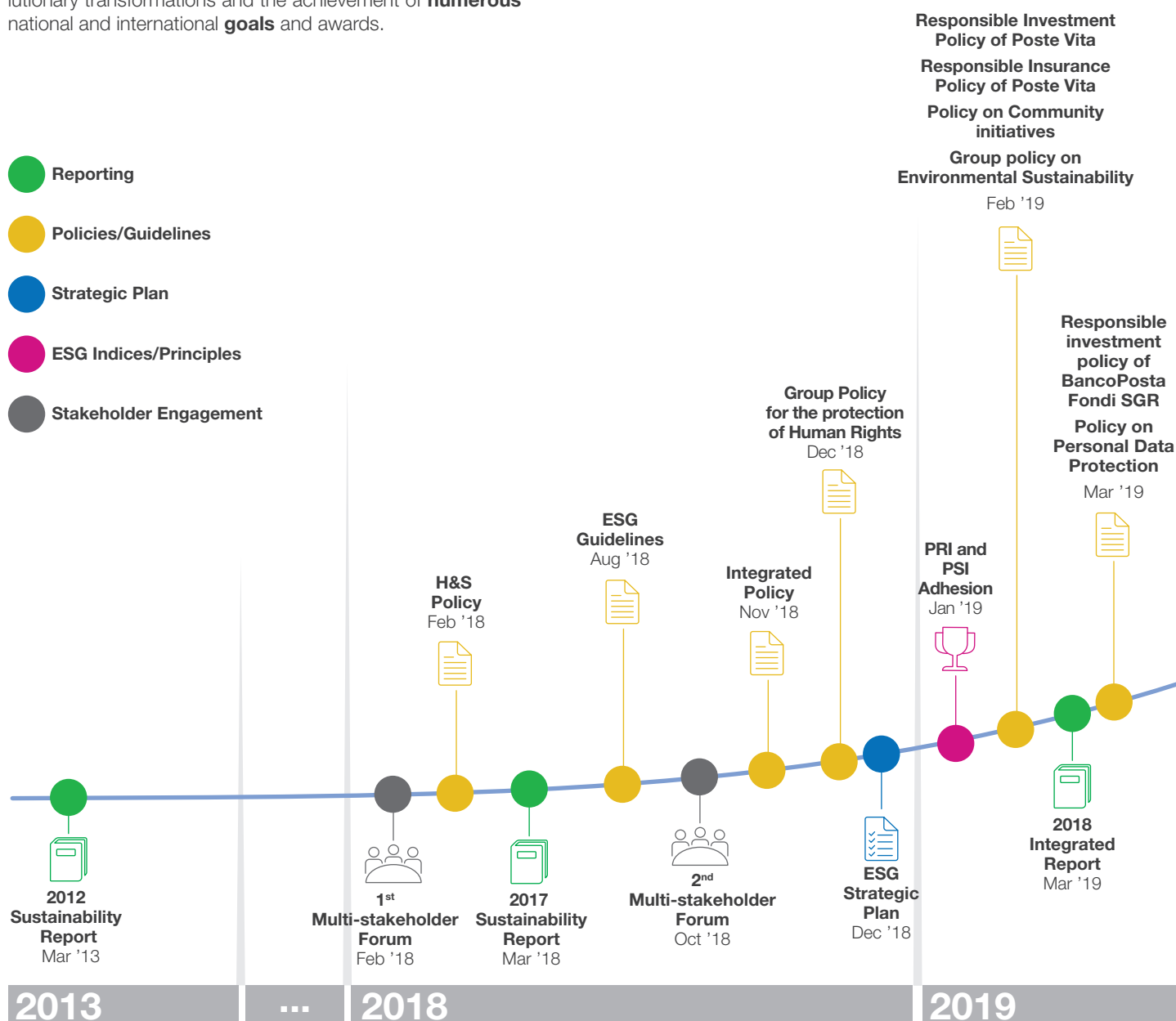
Reporting

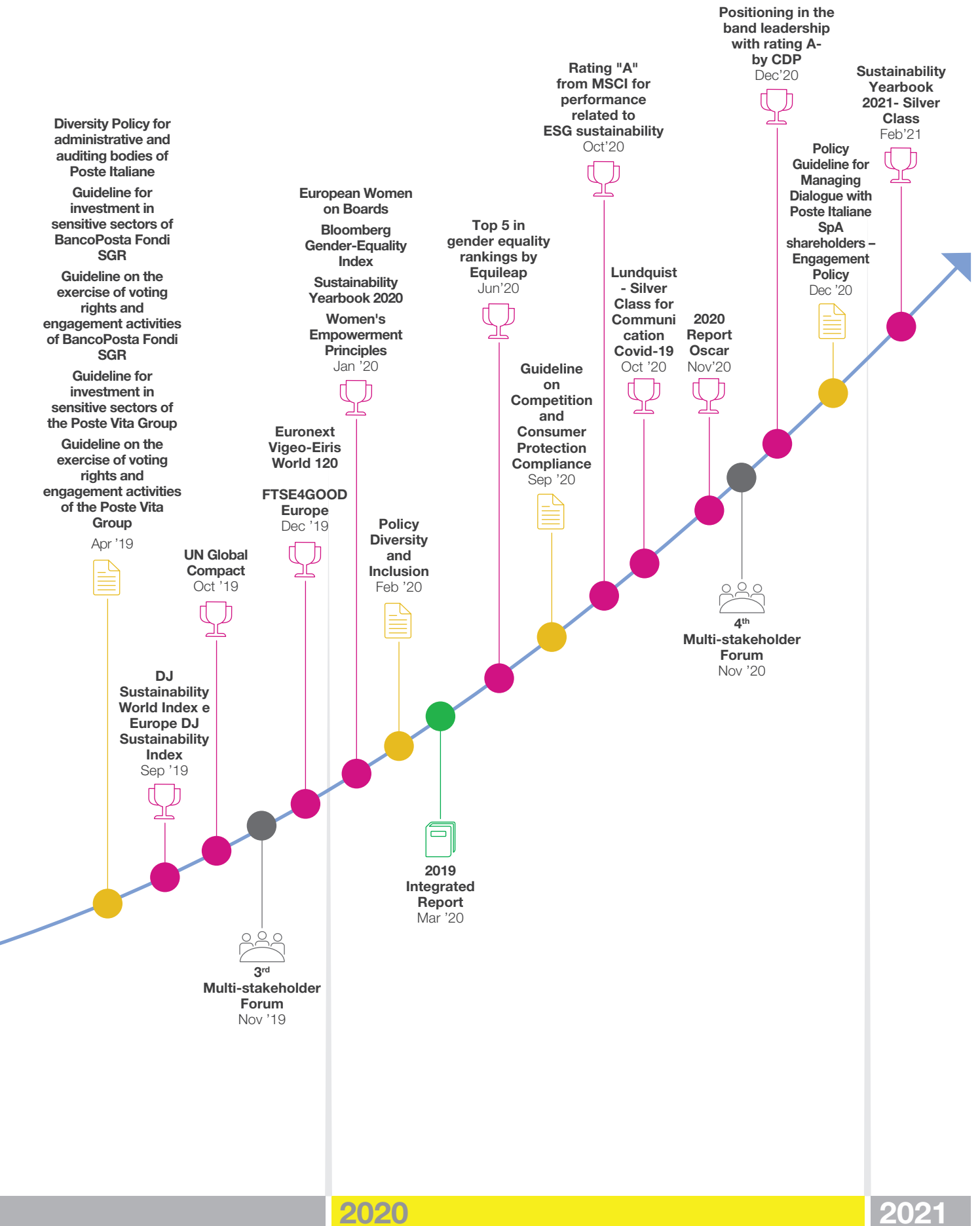
Policies/Guidelines

Strategic Plan

ESG Indices/Principles

Stakeholder Engagement







# The value of reputation: ESG awards and recognitions

Poste Italiane sees reputation as a fundamental asset that can guide the choices of its stakeholders. The good rating that a company earns, in fact, increases the trust in it by increasing its competitiveness. **Monitoring by RepTrak**, a platform that measures corporate reputation, in April 2020, found that the Group had made **significant progress** through improvements in the quality of its services and its focus on ESG issues.

An important index of the reputation achieved by Poste Italiane is represented by the many **awards and recognitions** achieved in recent years, which further strengthen its image and confirm the effectiveness of the strategic choices made.

## MAIN RELATED TYPES OF CAPITAL



### Top Manager Reputation



In 2020, the CEO of Poste Italiane, Matteo Del Fante, was confirmed in the "Top 15" of the Top Manager Reputation ranking, achieving seventh position in the ranking.

### Top Employer Italia 2021



Poste Italiane is Top Employer Italia 2021, for the second consecutive year. The prestigious award was given to Poste Italiane by the Top Employers Institute, the global certification body for excellence in HR practices.

### Best performance in the 500 Top Brand Finance



Poste Italiane is ranked 39<sup>th</sup> in the Global 500, advancing 12 places on the previous year.

### 1<sup>st</sup> in the world's Top 100 insurance companies



In 2020, Poste Italiane ranked first in the world ranking for brand reputation drawn up by Brand Finance for the insurance sector. The Brand Strength Index (BSI) indicator assigned a score of 85.5 and a corresponding rating of AAA.

### SMAU Innovation Award



Poste Italiane has been awarded in the financial and logistics sector for having identified, through an extensive process of scouting and analysis of companies and start-ups in Italy and abroad, some realities in which to invest, to integrate and develop its services.

### Punto Poste da Te, Salvadanaio digitale and PosteMobile Creami WeBack products of the year













"Punto Poste da Te", "Salvadanaio digitale" and "PosteMobile Creami WeBack" are Poste Italiane solutions that have won the "Elected Product of the Year" award, an important recognition of the Group's ability for innovation.

### Leader in media communication



Poste Italiane was awarded the special prize "Bic-Best in Media Communication" in the CSR (Corporate Social Responsibility) section, for its communication effort during the health emergency.

<p><b>Silver Class for communication</b></p> 	<p>Poste Italiane was recognised as an example of excellence for communication to stakeholders during the Covid-19 pandemic and for the information platforms Postenews.it and TG Poste, obtaining the “Silver Class” badge.</p>
<p><b>4<sup>th</sup> position</b></p> 	<p>In the Webranking Europe 2020-2021, Poste Italiane is in fourth position, advancing five steps from the 2019 ranking for the insurance sector, obtaining “5 stars”.</p>
<p><b>Top 10 Socially Devoted</b></p> 	<p>Poste Italiane has once again ranked in the Top 10 Italian companies, services sector, compiled by social bakers.</p>
<p><b>Poste Italiane at the top for young people</b></p> 	<p>Poste Italiane ranked first in the “Logistic &amp; Supply Chain” sector, and among the top 10 in the “Business” segment, within the classic Most Attractive Employers Italy, which includes the most attractive companies on the Italian employment scene for young people.</p>
<p><b>Certificate of Excellence</b></p> 	<p>In 2020, Poste Italiane received the Certificate of Excellence from Universal Postal Union for the results achieved in the sustainable development strategy and the reduction of polluting emissions.</p>
<p><b>Report Oscar</b></p> 	<p>Poste Italiane was awarded the Report Oscar for standing out within the “Large FTSE MIB Companies” category, presenting an Integrated Report with a high degree of maturity in terms of disclosure, quality of information and clarity of presentation.</p>
<p><b>Award “2020 CSR Coup de Coeur”</b></p> 	<p>In 2020, Poste Italiane received the “2020 CSR Coup de Coeur” award in the employee category from PostEurop, for its commitment in promoting employment inclusion programmes for women victims of violence.</p>
<p><b>Best fund in Italy</b></p> 	<p>FondoPoste was awarded as the best fund in Italy in 2020. The prize was awarded by IPE - Investment &amp; Pensions Europe.</p>
<p><b>First Place in the Financial Innovation- Italian Award</b></p> 	<p>BancoPosta won first place in the “savings” category at the “Financial Innovation - Italian Award” promoted by the Italian Financial Innovation Association, thanks to the “Salvadanaio digitale” (Digital Money Box) feature.</p>
<p><b>Poste Vita awarded at Milano Finanza Insurance Awards</b></p> 	<p>The Poste Vita Company was awarded in the “Value Companies” category at the Insurance Awards by Milano Finanza, for achieving the best premiums in the life insurance sector and for the largest investments made in 2019.</p>
<p><b>Poste Assicura’s “Poste Vivere Protetti” product wins an award</b></p> 	<p>In 2021, the product “Poste Vivere Protetti” of the Poste Assicura Group company was recognised with the “2021 Celent Model Insurer Award for Customer Experience Transformation”.</p>
<p><b>Poste Italiane Group among the best employers for women in Italy</b></p> 	<p>Following the analysis conducted by the German Quality Institute ITQF in collaboration with the media partner La Repubblica Affari&amp;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.</p>

# Sustainability indices in which Poste Italiane is present

In 2020, Poste Italiane confirmed its presence in important **sustainability indices** that represent useful parameters both for communicating the company's results to stakeholders and for assessing and improving the Group's internal performance.

## MAIN RELATED TYPES OF CAPITAL



### Dow Jones Sustainability Indices

In 2020, Poste Italiane confirmed its presence in the Dow Jones Sustainability World Index (DJSI) and the more selective Dow Jones Sustainability Europe Index.



Poste Italiane has been included for the second 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 is positioned within the "Leadership" band with an A- rating in the annual classification drawn up by CDP (former Carbon Disclosure Project).



Poste Italiane is confirmed in third place at European level in the assessment of its ESG performance in the "Transports and Logistics" sector and ranks 47<sup>th</sup> worldwide.



For the second year running, Poste Italiane is included in the Bloomberg Gender Equality Index (GEI), the world's leading gender equality index.



In 2020 Poste Italiane entered the top five of the gender equality ranking of companies belonging to the FTSE MIB index of the Milan Stock Exchange, drawn up by Equileap.



Poste Italiane confirms its presence in the Sustainability Yearbook 2021 and it is awarded Silver Class for its excellent sustainability performance.



Also in 2020, Poste Italiane entered the Integrated Governance Index, ranking first in the general top ten and in the top five in ESG matters.



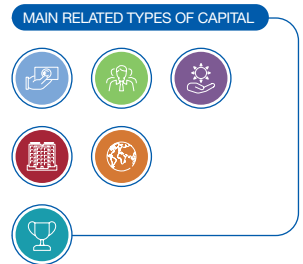
Poste Italiane Group confirmed its rating of 1, considered to be the highest possible, in the Environment and Social areas, assigned by Institutional Shareholder Services Inc. (ISS).



Poste Italiane has been awarded an "A" rating by MSCI, one of the leading agencies assessing performance related to ESG sustainability.

# The main initiatives in support of Sustainability

Poste Italiane is **part of a network** of national and international associations that aims to seek stimuli and opportunities for discussion on issues related to sustainability. In this way, the Group can propose a strategy that is consistent with the evolution of the global ESG context.



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.



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 aimed at incorporating 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.



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.



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.



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.



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.



CSR Manager: a network made up of professionals working in all kinds of organisations (companies, business foundations, trade bodies, Public Administration, non-profit entities) who manage social, environmental and sustainability issues relating to business activities.



Valore D: founded in 2009, this 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.



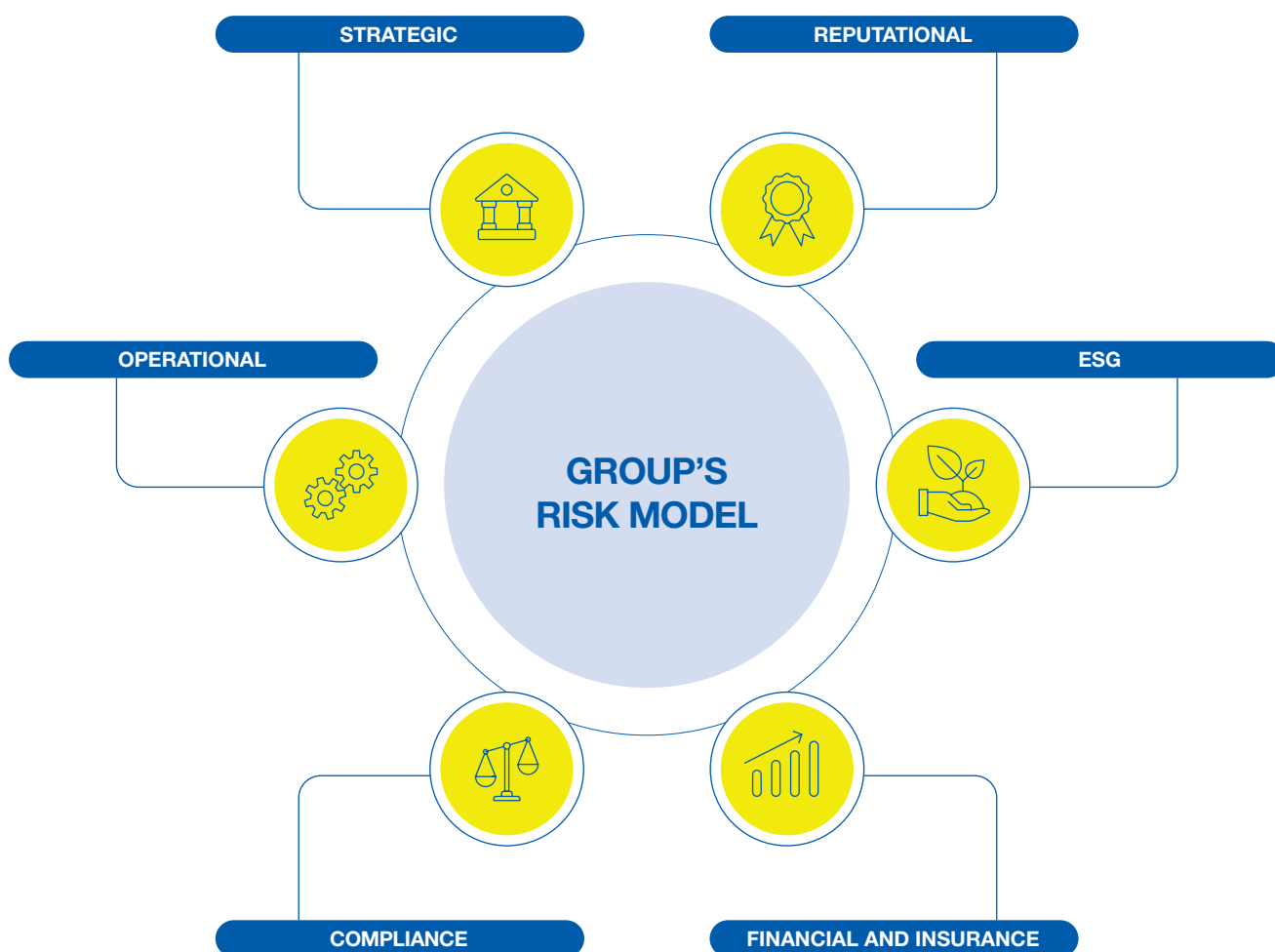
ASPHI: an organisation that has been promoting the integration of disabled people in schools, employment and companies via the use of ICT technology for over 30 years. The collaboration with Poste Italiane has been consolidated over several years, in relation to participation in programmes for the inclusion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

# Poste Italiane's integrated internal control and risk management system

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) consists of a set of instruments, rules and organisational entities aimed at ensuring that the Company is managed soundly, with propriety and consistently with its corporate objectives and pursuing sustainable success. With this in mind, Poste Italiane's SCIGR makes its contribution by defining roles and responsibilities in the ESG area, information flows between the parties involved in the internal control system and towards corporate bodies, and the methods of managing the related risks.

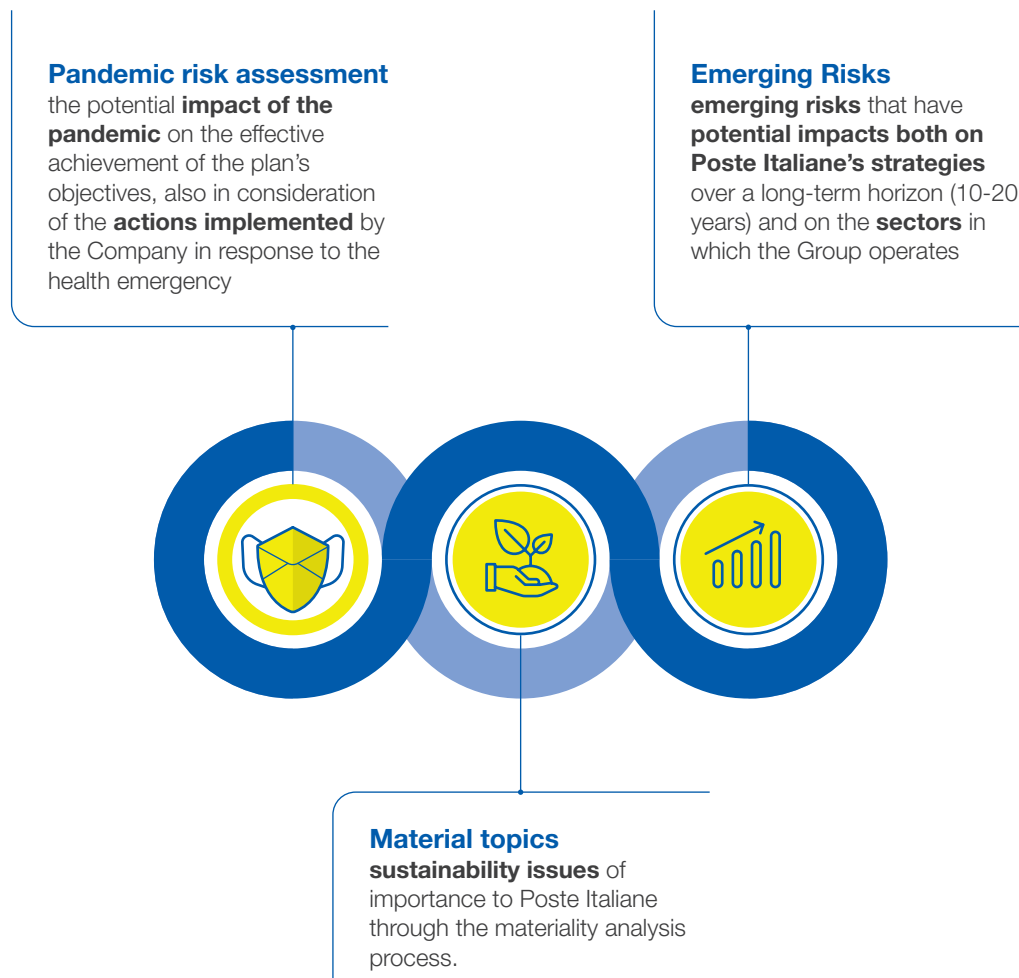
Poste Italiane has adopted a Risk Management model based on the Enterprise Risk Management (ERM) framework, with the aim of providing an organic, integrated vision and an effective, standardised response to the risks associated with the Group's business, the main ones of which are explained in the following figure.



## MAIN RELATED TYPES OF CAPITAL



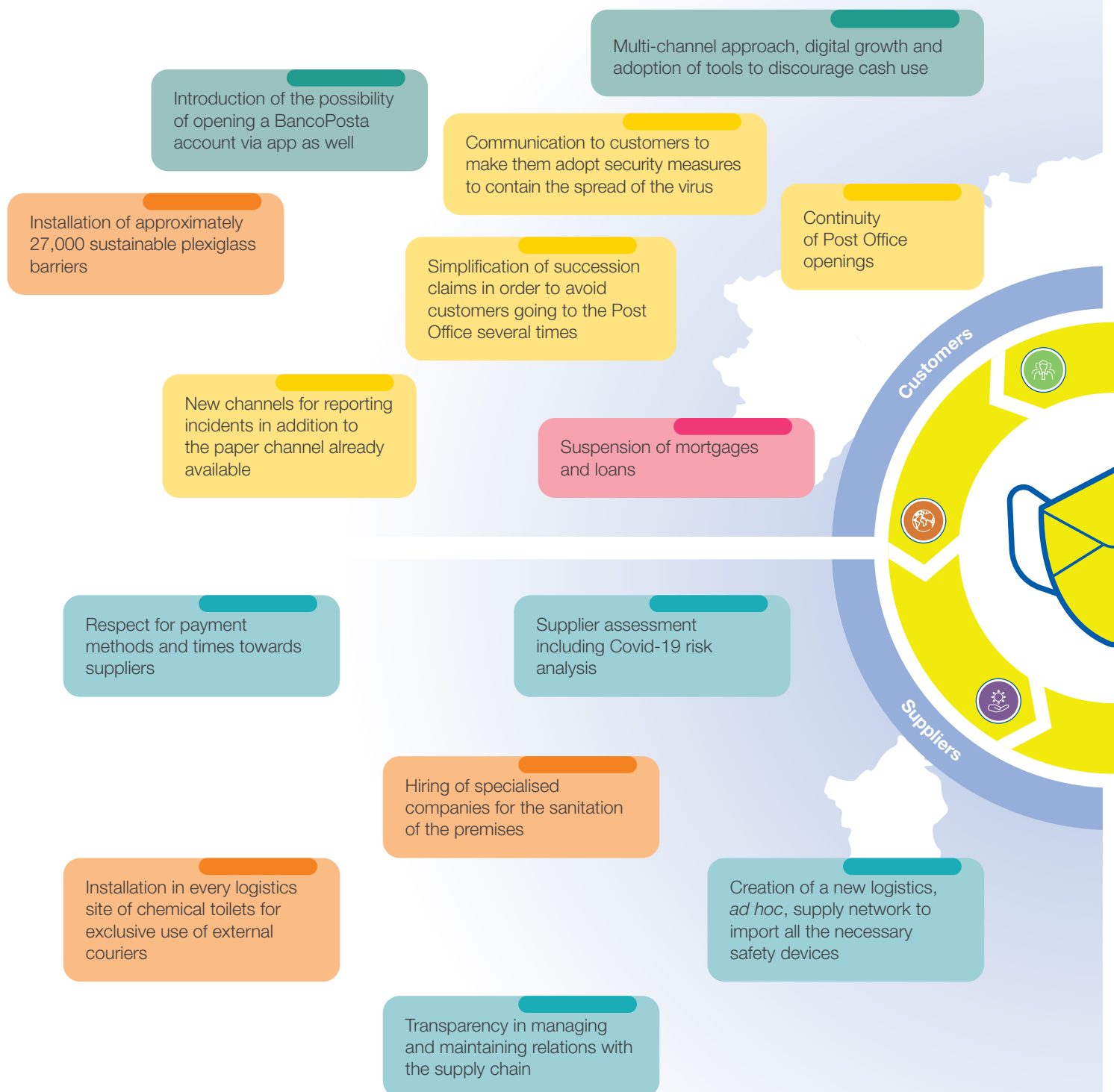
In 2020, Poste Italiane's assessment of the main risks **particularly focused on the external context**, taking into account the country's general objectives for sustainable economic recovery, as defined in the guidelines of the Next Generation EU plan. In particular, the following were considered in the identification and assessment of risks:



# Management of the Covid-19 pandemic



The Covid-19 pandemic, which has been part of everyday life for a long time, has taken the whole world by surprise, requiring great efforts from all economic operators to identify **solutions** aimed at ensuring people's health and, at the same time, continuity of its business. Despite the critical situation caused by the pandemic, Poste Italiane has reconsidered the way it provides its services, achieving important results that have enabled it to **create value for the entire Country System**. Many initiatives developed by the Company are consistent with the Group's ESG values and Pillars and have required the deployment of all the capital that makes up the business model and is used in the value creation process.





## Main pillars impacted



Integrity and transparency



People development



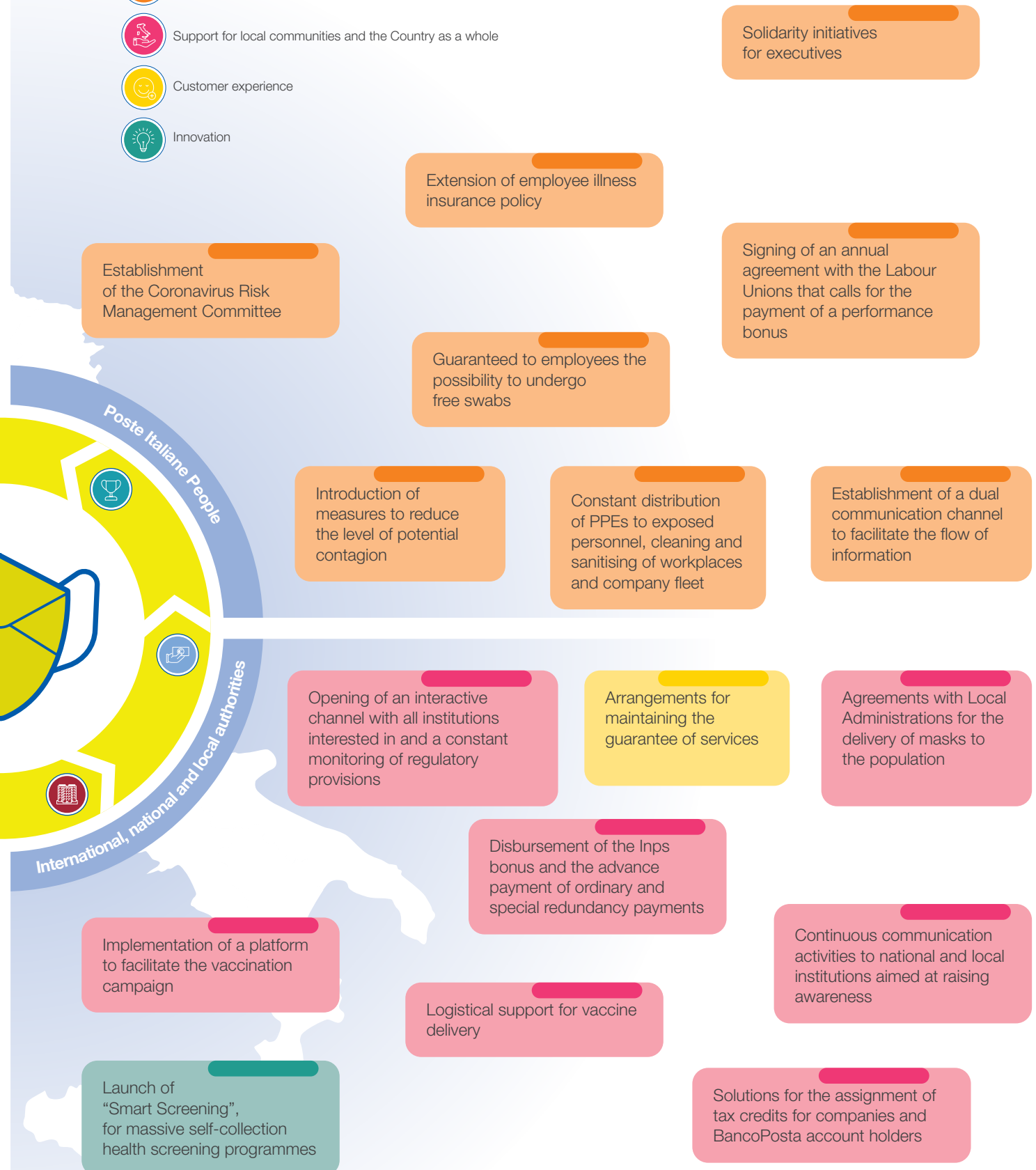
Support for local communities and the Country as a whole



Customer experience



Innovation

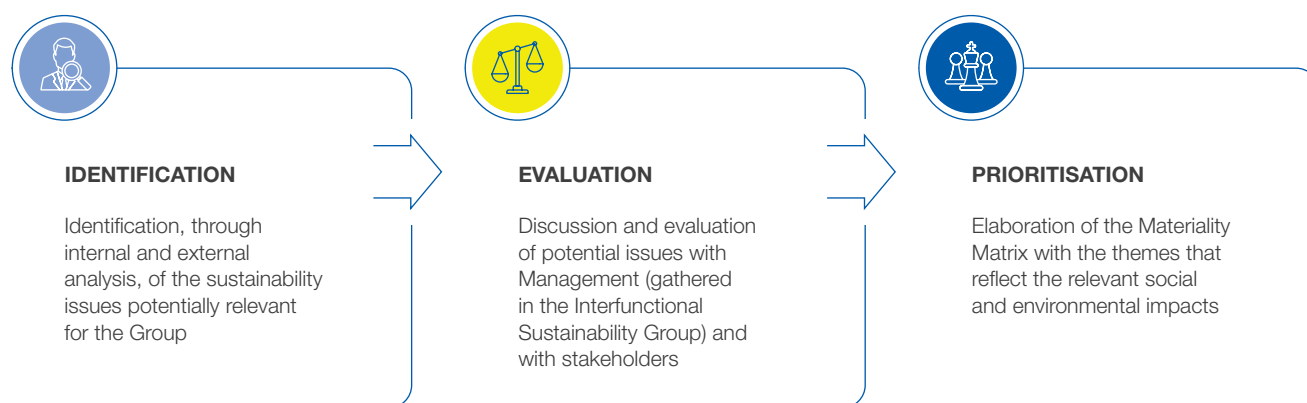




## Sustainability themes relevant to Poste Italiane



In order to gain a better understanding of non-financial issues that may entail risks and opportunities in the achievement of the Company's objectives, Poste Italiane has developed a **materiality analysis** process that is consistent with the provisions of Legislative Decree no. 254/16 and with reporting standards, and which consisted of three phases:



The relevance of the topics identified was defined thanks to the direct **involvement of** internal and external **stakeholders** in specific listening and engagement initiatives, of which the annual Multi-stakeholder Forum represents the utmost expression.

**Posteitaliane**

**la Repubblica**

**Multi-stakeholder  
Forum:  
Sustainability  
and combating  
Covid-19**



At the end of the fourth Multi-stakeholder Forum held in November 2020, a final public event was held in February 2021, live streaming on Repubblica.it, featuring the Top Management and a debate with relevant representatives from the world of institutions, businesses, academia and associations, on some of the main topics discussed in the preparatory focus groups. The event was also attended by Maurizio Molinari, Director of Repubblica, and Fabio Bogo, Director of Green & Blue, the latter as moderator. The initiative represented a useful opportunity to talk about the role of sustainability and its centrality, in its environmental, social and governance aspects, within Poste Italiane's strategy, and to discuss the fundamental role that the Group has played and continues to play in the combat against Covid-19, opening the debate to the various stakeholders.

This process has led to the identification of the economic, social and environmental material issues that may have a substantial impact on the decision-making phases of the Group's stakeholders, and which play a decisive role in defining the Group's strategy, taking into account its structure, the reach of the network served and the diversification of the market sectors it operates in.



Integrity and transparency



Customer experience



People development



Innovation



Diversity and inclusion



Decarbonisation of real estate facilities and logistics



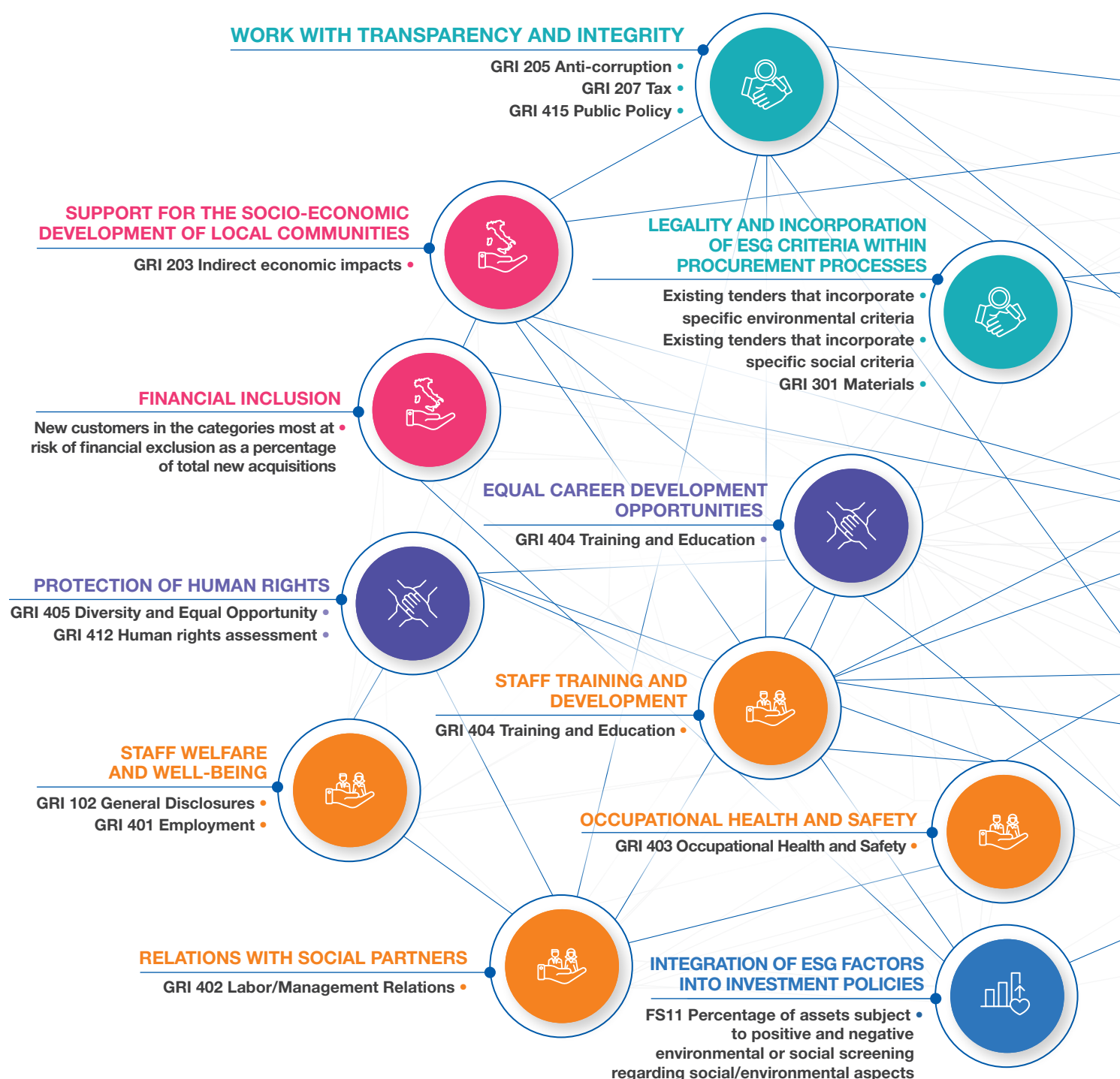
Support for local communities and the Country as a whole



Sustainable finance

## Interconnection between material issues and metrics

Poste Italiane Group adopts an **integrated decision-making process**, providing for specific actions aimed at creating value in the short, medium and long term and taking into consideration the connections and interdependencies between the many factors that affect the Company's ability to create lasting value over time. This approach involves understanding the degree of combination, correlation and interdependence between issues that have a significant impact on economic, social and environmental performance. To this end, 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



Customer experience



People development



Innovation



Diversity and inclusion



Decarbonisation of real estate facilities and logistics



Support for local communities and the Country as a whole



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



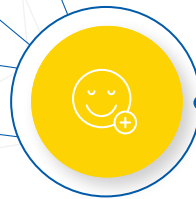
### INNOVATION AND DIGITISATION OF PRODUCTS, SERVICES AND PROCESSES

- 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 regarding social/environmental aspects

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

Poste Italiane commitment to ensuring respect for human rights - promoted in the context of its own activities as well as in the context of activities entrusted to third parties or conducted with partners - is enshrined in the "Group Policy for the protection of Human Rights", which illustrates the Group-wide structured approach in the protection of human rights. In addition to defining the monitoring and management principles of risks and opportunities relating to all forms of Human Rights through systematic application at every organisational and functional level within the Company, the Policy also includes Poste Italiane commitment to pursuing socially responsible investment and management activities.

In order to encourage the development of a **business culture based on respect for and appreciation of diversity** and with the intention of outlining a clear and structured focus on this issue, Poste Italiane, in line with what has been outlined in the Code of Ethics and the Group Policy for the protection of Human Rights, has adopted a specific Policy Diversity and Inclusion. The objective is to promote diversity in all its aspects in order to generate value within the workplace, allowing better assessment and monitoring of the risk associated with the occurrence of discrimination in the Company.

In line with the policies adopted, the Group's risk management model periodically provides for identification of corporate activities and organisational areas in which a human rights violation risk might occur, by applying risk assessment procedures. In particular, the risks associated with human rights have been identified and analysed by considering various drivers - in relation to Poste Italiane (employees) and third parties (suppliers, sub-suppliers, customers, local communities, the financial community).

The following are the risk drivers identified, for the management of which the Group implements multiple actions.

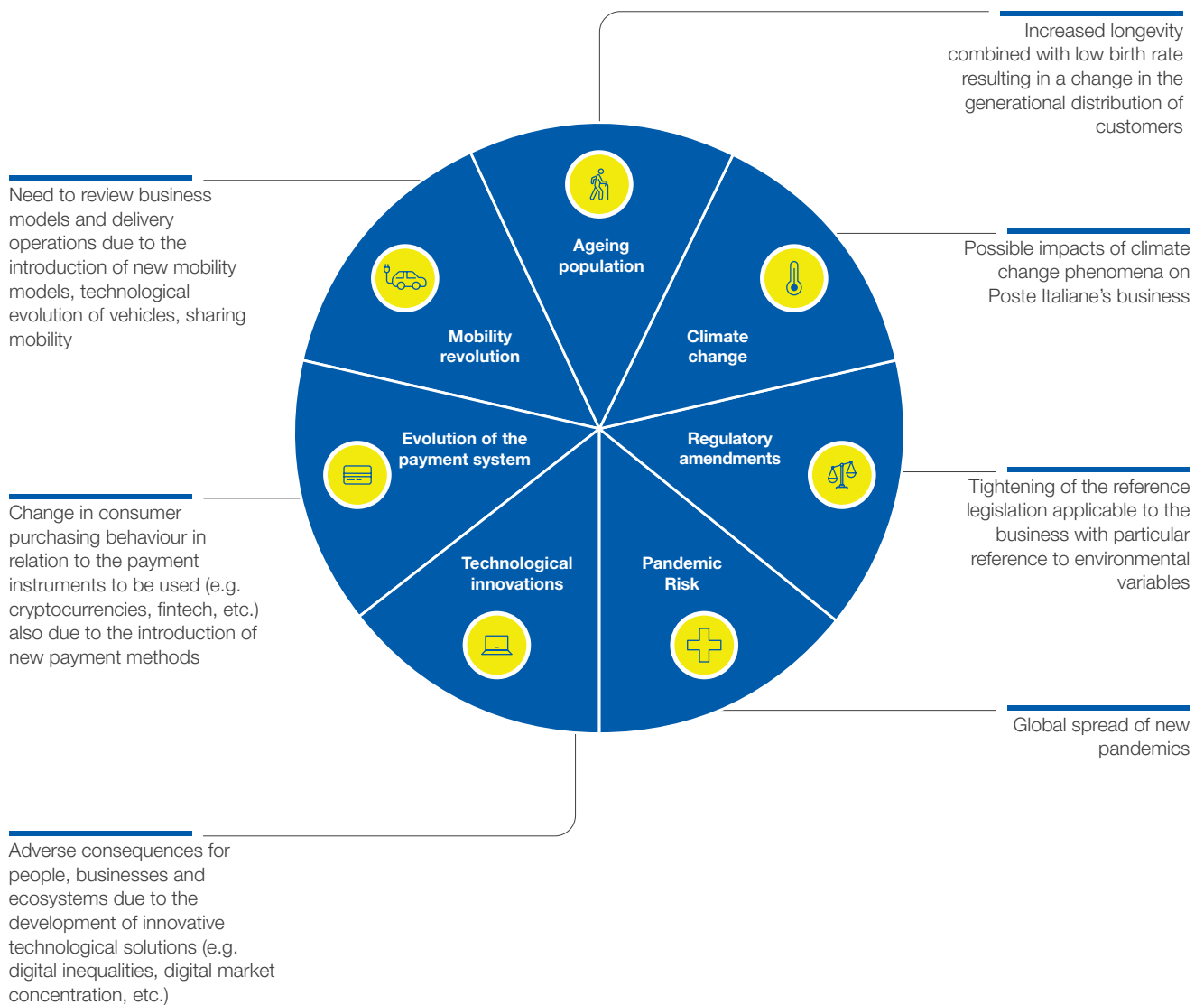


## Emerging risk management



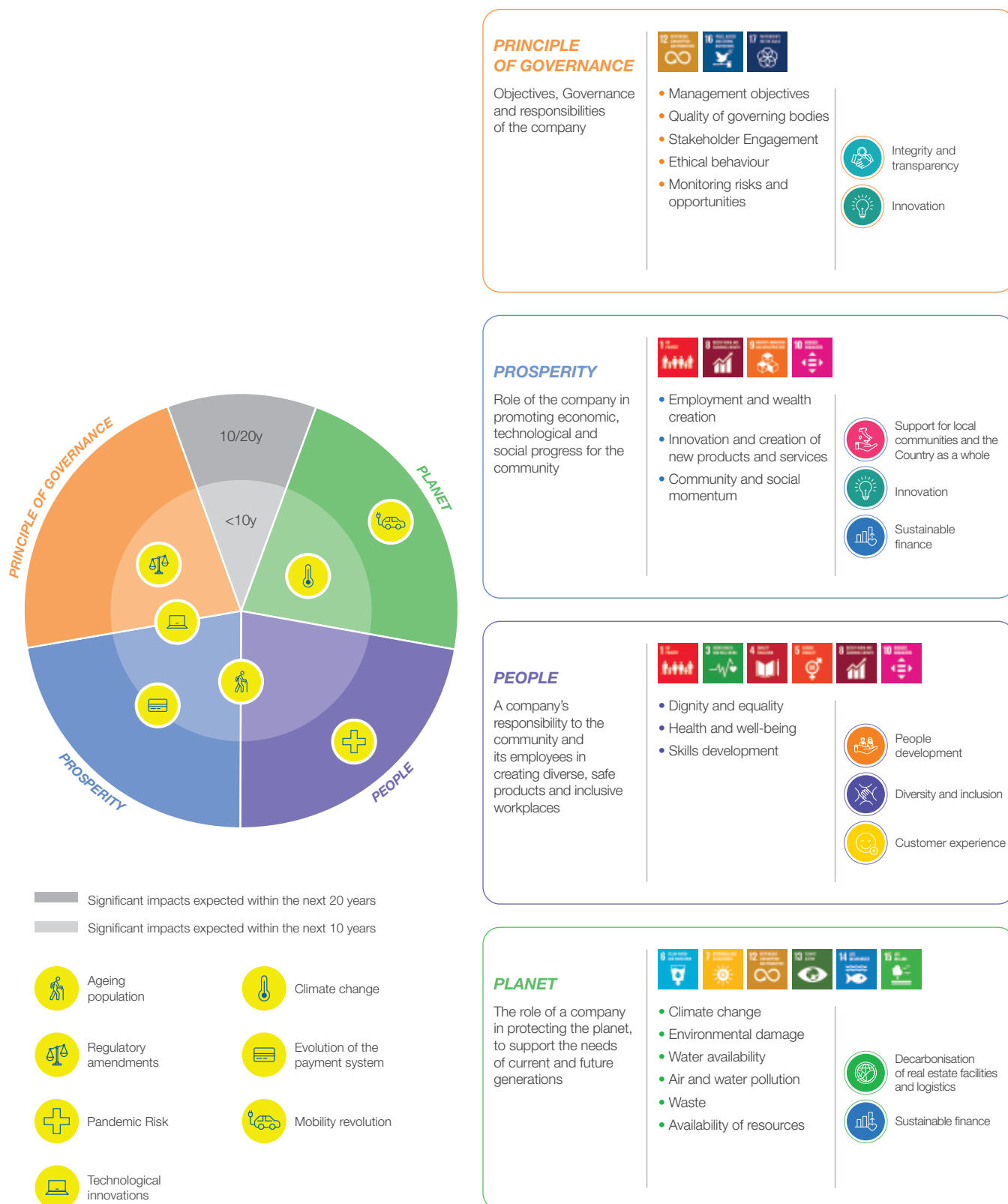
Given the pervasiveness of emerging risks, Poste Italiane considered it necessary to incorporate and manage them within its risk management processes. Emerging risks considered are exogenous, disruptive events that can threaten the business model over a long-term horizon (10-20 years) and are potential game changers for the industry and the context in which organisations operate and 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 identified risks have been **categorised** on the basis of the **common metrics defined by the WEF** in consideration of their impact with respect to the achievement of the SDGs. Moreover, the correlation with Poste Italiane's Sustainability Pillars was also highlighted for each metric. The 2020 Integrated Report highlights which emerging risks are relevant to the Group, how they relate to sustainability and how they are managed.





## Climate Change Strategy



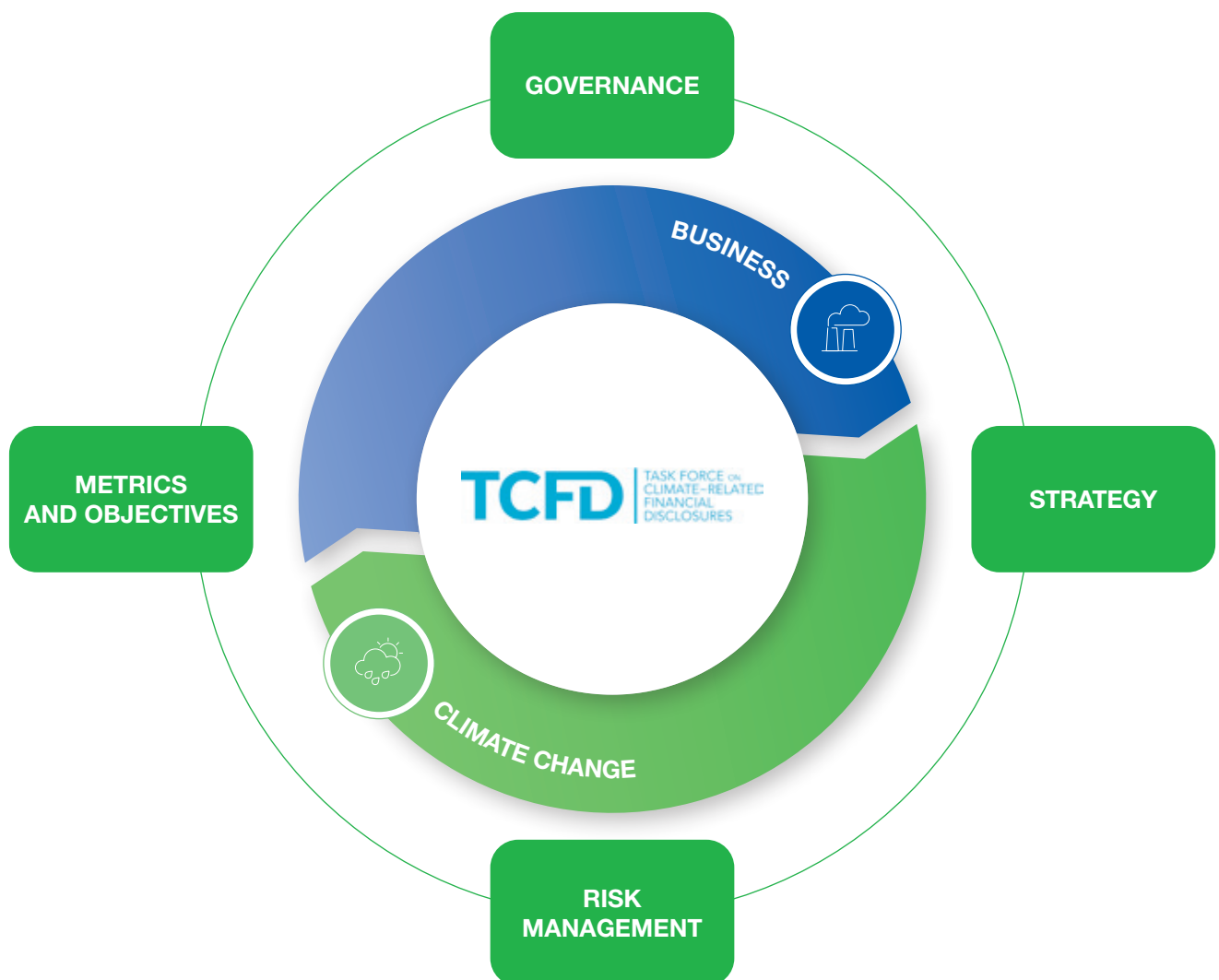
The extensive presence of Poste Italiane on the territory and the related environmental impact of its activities require the Company to adopt a responsible approach in order to reduce its environmental footprint and to contribute to the low-carbon transition of the economy and the entire country. The Group's commitment is also consistent with the recommendations of the World Economic Forum in the Global Risk Report 2020, which lists climate risks among the top five risks globally. In fact, in the coming decades, a rise in average temperatures of 3 degrees Celsius compared to pre-industrial times could trigger disastrous chain effects. The combat against climate change, therefore, is not an option but a must. Thus, it is necessary to consider these aspects when defining the strategies and operational activities of companies.

In this regards, for years, Poste Italiane has been providing extensive disclosure of information related to climate change based on the areas defined by the Task Force on Climate-related Financial Disclosures (TCFD), such as Governance, Strategy, Risk Management, Metrics and Objectives. The TCFD has included a number of recommendations in order to support companies in reporting information in a transparent and comprehensive manner on the risks and opportunities that climate change may pose to corporate performance.

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Poste Italiane is aware of the risks that climate change may pose to its business activities and therefore considers it important to identify the potential impacts of climate change, becoming a promoter of sustainable progress



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Poste Italiane identifies and analyses the risks associated with climate change considering various drivers - attributable to two macro-areas (transition risks and physical risks) - which are illustrated below. In addition to defining the associated opportunities, Poste Italiane provides for specific mitigation measures to respond to the risks identified and associated with each driver.

Taking the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC) as a reference and comparing the various scenarios proposed, the Group decided to adopt the IEA 2DS scenario (2°C Scenario) as the most suitable for the business. In addition to considering the basic assumptions of the model, the trends in the transport sector and the estimated forecast and development in the coming years were considered. Following this, the Group carried out business projections identifying the associated risks and opportunities. Following the analysis, the transition risks identified by Poste Italiane are as follows: emerging regulation, market evolution, technological developments and reputation. It should be noted that the scope of the analysis includes logistics, thus including transport, buildings and facilities, which are key assets for the Company's business.


	RISK DRIVERS	NEGATIVE IMPACTS	TIME HORIZON	MAIN ACTIONS AND TOOLS TO MITIGATE RISKS	OPPORTUNITIES
TRANSITION RISKS	 <p><b>1. Emerging regulation</b></p>	<ul style="list-style-type: none"> <li>Failure to respond in a timely manner to regulatory requests regarding the environment, 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>MEDIUM-TERM</b></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 Group's business.</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><b>2. Market evolution</b></p>	<ul style="list-style-type: none"> <li>Inadequacy of the products and services offered with respect to the demands of customers, investors and other stakeholders, increasingly driven by Sustainability issues</li> </ul>	<p><b>LONG-TERM</b></p>	<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. An example is the development of insurance solutions that encourage, on the one hand, the adoption of sustainable and responsible behaviour by its policyholders and, on the other, contribute to mitigating ESG risks.</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>	<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") disseminated internationally by the United Nations.</li> </ul>

	RISK DRIVERS	NEGATIVE IMPACTS	TIME HORIZON	MAIN ACTIONS AND TOOLS TO MITIGATE RISKS	OPPORTUNITIES
TRANSITION RISKS	 <p><b>3. Technological development and innovation</b></p>	<ul style="list-style-type: none"> <li>Investments in innovative solutions (such as robotics and data centres) which, however, can have negative impacts on the environment, in terms of polluting emissions and energy consumption;</li> <li>limited availability of "green" vehicles suitable for carrying out Poste Italiane's logistics and delivery activities;</li> <li>use of polluting vehicles that may have a negative impact on the environment and on Poste Italiane's reputation.</li> </ul>	<p><b>LONG-TERM</b></p>	<p>As part of the risk management model, the Group considers both the possible impacts that climate change-related phenomena (e.g. extreme climate events, temperature rise, rising sea levels, etc.) may have on the business of Poste Italiane (indirect impact) and those that the Company's activities may have on the 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>Among companies in the utility sector, Poste Italiane has one of the largest fleets of 100% electric commercial vehicles in the country. The Group has entered into a partnership with Nissan for the supply of a new fleet of 70 full electric vans to add to the 1,000 Free Duck electric vehicles that have been delivering mail in city centres every day for years, covering more than 2 million kilometres and avoiding the emission of over 300 tonnes of CO<sub>2</sub> compared to the use of a traditional motorcycle.</p> <p>In addition, there are approximately 1,700 natural gas vehicles, more than 1,000 LPG vehicles and 41 hybrid vehicles. The Group is also 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 environmental Sustainability in the country and allow its electric fleet to increasingly spread throughout all Italian regions.</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>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><b>4. Reputation</b></p>	<ul style="list-style-type: none"> <li>Focusing attention on the development of the pandemic, with reputational impacts due to reduced commitment to environmental issues.</li> </ul>	<p><b>LONG-TERM</b></p>	<p>At the same time as managing the health emergency, Poste Italiane is focused on pursuing sustainable development by continuing to invest in projects aimed at strengthening ESG initiatives. In this regard, in its constant attention to Sustainability, the Group has decided to adhere, together with 110 other signatories among associations, entities and companies, to the Manifesto "Coming out of the pandemic with a new Green Deal for Italy".</p> <p>In order to reduce the direct impact that Poste Italiane's activities may have on the climate, the Company 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> <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 Multistakeholder Forums organised by Poste Italiane. They are also provided with a reporting system that allows them to bring any perceived risks to the attention of the Company.</p>	<ul style="list-style-type: none"> <li>Greater responsiveness compared to competitors in maintaining a high level of attention to environmental issues despite the pandemic.</li> </ul>

Poste Italiane's Governance, which is dedicated to risk and sustainability, has recently updated its climate and water risk assessment methodology to better understand potential risks as well as opportunities over different time horizons (short, medium and long term). The scope of the assessment includes all the Group's production and sorting sites located in different areas of Italy. Following an extensive screening process, the IPCC "RCP 8.5" scenario (which follows a business-as-usual path) was selected as the relevant climate scenario for assessing the physical risks and opportunities for Poste Italiane. In order to assess the potential impact of physical events related to the evolution of climate change on the Group's business, a risk assessment was carried out that considered the extent of the existing risk at the sites and the future risk up to the year 2022 (medium-term scenario). In addition to the assumptions underlying the chosen model, the data for the main precipitation and temperature parameters of the scenario were studied and compared with current data in order to determine the importance of the variation with respect to the existing risk at the sites examined.

The product result is then translated into potential days of business interruption and then multiplied by the value in terms of lost revenue (€) of one day of business interruption. Extreme weather events and changes in precipitation patterns are therefore the risk that emerged from the scenario analysis. The increased severity of extreme weather events such as rainfall, thunderstorms, snowfall and possible flooding or frost could cause disruptions to production, sorting and therefore logistics activities, damage to sites and higher logistics costs. Such acute physical damage and disruption of energy distribution would result in a negative impact on the company's financial performance, thus on its results and cash flows, as well as an injury to reputation and a consequent loss of customer confidence. One example is the floods that occurred in Genoa in 2011, 2014 and 2016, following which the Group collaborated with national and local institutions. The flooding was caused by a lot of rain that exceeded peaks of over 500 mm in a few hours, in several areas of Genoa and its province, resulting in flooding or torrents in flood. The violent storm that led to the overflowing of the rivers, then generated a large wave of water mixed with mud and debris that swept through half the city causing deaths and injuries and causing damage to infrastructure. Among these, Poste Italiane Post Offices were also damaged, resulting in the suspension of services.

As mentioned above, Poste Italiane carried out an analysis based on its production and sorting plants located in different areas of Italy, in consideration of a possible interruption of activities. This enabled the Group to assess the potential financial impacts, compared to 2022, related to climate events. According to these assessments, the sites with the highest potential financial impact due to flooding in 2022 are located in the regions of Northern Italy. In particular, the new Bologna hub has been identified as one of the sites at greatest risk and which would entail significant losses of revenue, in the event of an interruption of operations, due to its operational importance. In response to physical risks, the Group provides for specific mitigation measures, which are explained in the table below.

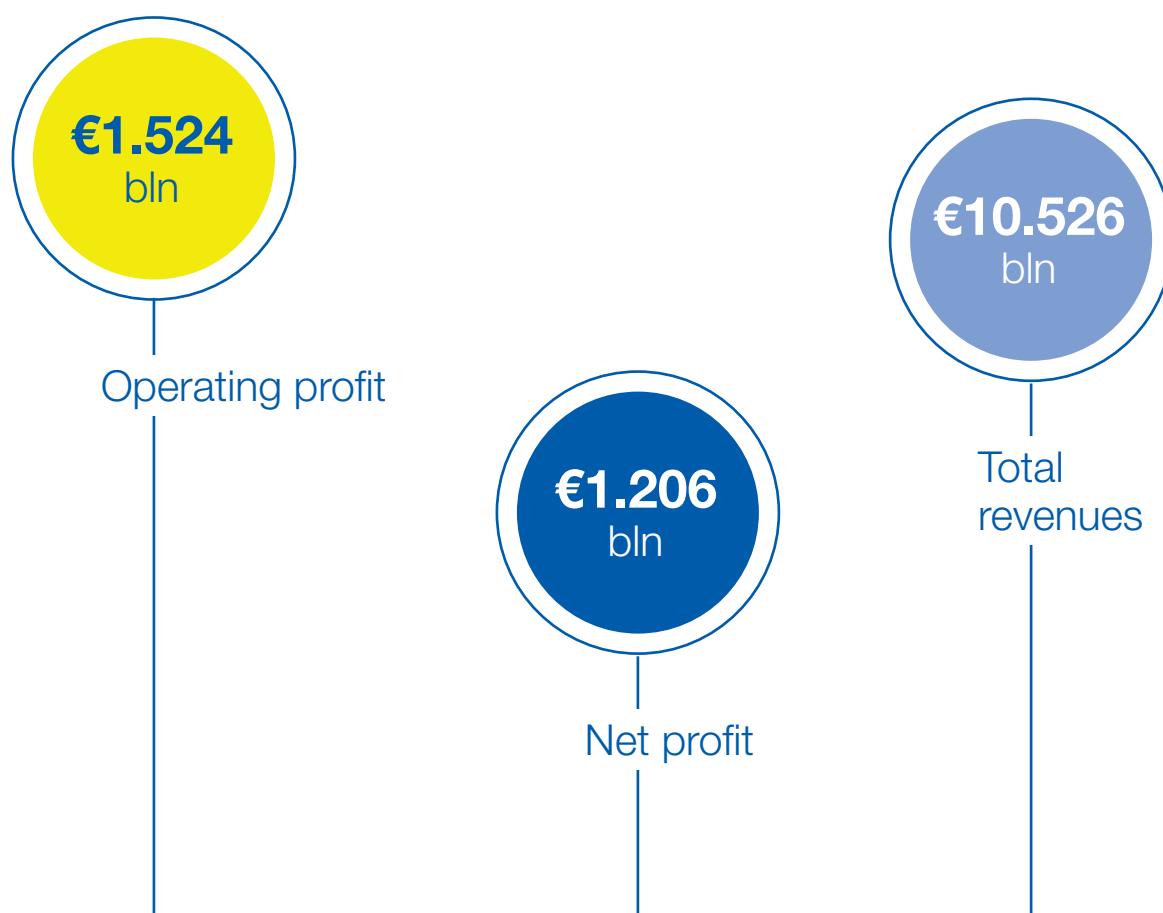
	RISK DRIVERS	NEGATIVE IMPACTS	TIME HORIZON	MAIN ACTIONS AND TOOLS TO MITIGATE RISKS	OPPORTUNITIES
PHYSICAL RISKS	 <p><b>5. Extreme weather events</b></p>	<ul style="list-style-type: none"> <li>Restrictions on business operations due to extreme weather conditions.</li> </ul>	MEDIUM-TERM	<p>In order to guarantee business operations even in the event of extreme weather conditions, Poste Italiane has adopted business continuity and disaster recovery plans in addition to actions aimed at preventing physical damage to structures. These include ISO 45001 certification, a management system that also takes into account structural elements of a company to manage security risks, already implemented and annually renovated by Poste Italiane. Moreover, to prevent possible further damage caused by extreme weather events, the Group has developed an environmental monitoring system to determine the average annual concentration of radon gas in the air, which is analysed on the basis of the assessment of the risk of exposure to ionising radiation. Lastly, for the coordination of emergency and recovery activities, Poste Italiane maintains a dialogue with institutions (e.g. Civil Protection, Civil Defence) and interfaces with relevant bodies and international protection and defence organisations (e.g. participation in drills or other initiatives, etc.).</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>

# 2020 financial results

In a year characterised by the health emergency and the consequent social and economic crisis, the Group achieved solid and resilient economic and financial performance. The negative variance that emerges when comparing 2019 results is primarily attributable to the significant decline in operations in the second quarter of the year. The first part of 2020 was in fact the one most affected by the severe restrictive measures imposed to cope with the emergency; in the second half of the year, each business segment showed tangible signs of recovery that led the Group to achieve an **operating profit of €1.5 billion** and a **net profit of €1.2 billion** for the year.

In 2020, the Group's revenue amounted to about €10.5 billion, down €434 million compared to 2019 (-4.0%). The overall change in revenue was significantly affected by the lockdown effect, which led to a significant drop in operations in the first part of the year. In particular, revenue of the Mail, Parcels and Distribution segment went from €3,492 million in 2019 to €3,201 million in 2020 (-8.3%) and showed lower revenue from traditional mail (-€558 million, or -22.7%), only partly mitigated by the growth in parcels (+€307 million, or +36.1%), thanks to the positive performance of the B2C segment, driven by the development of e-commerce. The Payments and Mobile segment reported revenue of €737 million, an increase of €74 million (+11.1%) compared to 2019. More specifically, both Telecommunications and Electronic Money reported revenue growth of €45 million (+18.6%) and €35 million (+10.5%), respectively, partly limited by lower revenue from Collection and Payment services due to the suspension of tax payments in connection with the health emergency. Revenue of the Financial Services segment amounted to €4,945 million, down €190 million from €5,135 million in 2019 (-3.7%). The distribution of financing products and collection and payment services are the categories that have recorded the greatest decrease in revenue compared with the previous year, with a reduction in volumes and unit distribution commissions for the former and a reduction in volumes on payment slips for the latter. The Insurance segment contributed €1,643 million to the Group revenue in 2020, down 1.6% on the previous year, mainly attributable to the Life business, which contributed €1,500 million, while the Non-Life business contributed €132 million.

## MAIN RELATED TYPES OF CAPITAL



# The Pillars of Poste Italiane's ESG Strategic Plan

In view of changes in the scenario and the demands of all stakeholders, the Group promotes numerous initiatives that contribute to achieving the objectives outlined in the eight Sustainability Pillars that make up the ESG Strategic Plan, the key points of which are summarised below.

MAIN RELATED TYPES OF CAPITAL



**Integrity and transparency**



**People development**



**Customer experience**



**Innovation**





**Diversity and inclusion**



**Support for local communities  
and the Country as a whole**



**Decarbonisation of real estate  
facilities and logistics**



**Sustainable finance**





# Integrity and transparency

- Confirmation of the highest legality rating score
- Number of tenders conducted on the basis of environmental criteria +27%
- Number of tenders conducted on the basis of social criteria +16%
- 75.9% of suppliers with a ISO 14001 or EMAS certified environmental management system





## Integrity and transparency

### SDGs IMPACTED



### MAIN RELATED TYPES OF CAPITAL



In 2020, Poste Italiane confirmed its **legality rating**, receiving the highest **rating** of three stars from the AGCM, awarded to just **7%** of companies

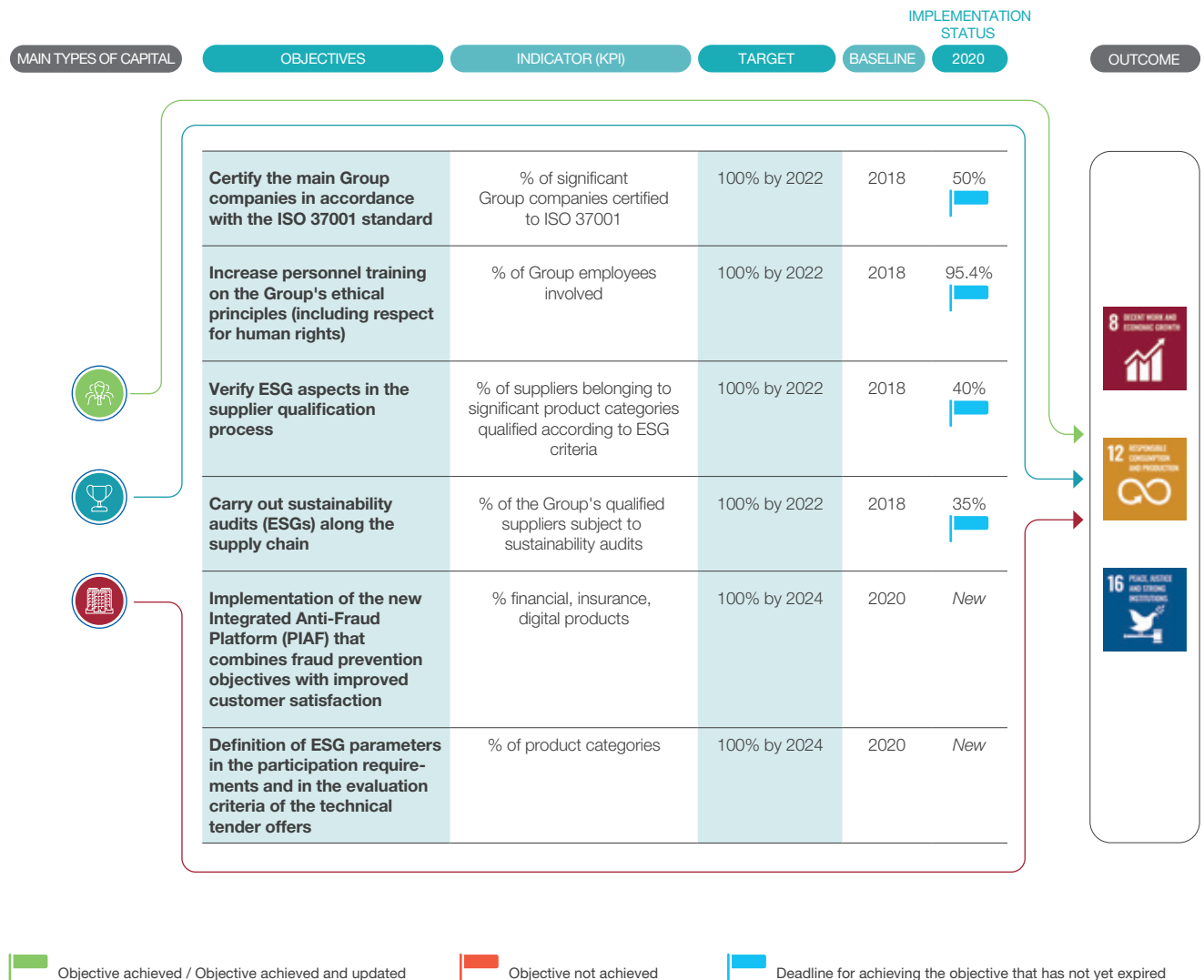
Poste Italiane recognises ethics and transparency as founding values of the corporate identity, drivers of responsible management of relations with different types of stakeholders. For this reason, the Group has adopted a Code of Ethics, an Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001 and an **integrated compliance model**, which makes it possible to create operational synergies among the various compliance risk specialists and ensure unified Governance in managing these risks. During 2020, the Company adopted a Group-wide competition and consumer protection Compliance Programme and drafted the “Guideline on Competition and Consumer Protection Compliance”, which is the founding element of the Programme.

To oversee the Code of Ethics, 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.

**Compliance with regulations, policies and internal and external codes of conduct, respect for rules and the strictest fairness guide Poste Italiane towards an ethical and responsible business**

- Code of Ethics
- Integrated Policy
- Integrated Management System
- Guideline on Competition and Consumer Protection Compliance
- Supplier qualification system
- Tax Strategy
- Guideline on Whistleblowing - Breach Reporting System -

To effectively pursue the principles and policies set out, the **ESG Strategic Plan** includes the following objectives related to the Integrity and Transparency Pillar.



To consolidate the path inspired by the values of ethics, integrity and transparency, 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.

Poste Italiane 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 material impact in terms of tax or reputational risk. To this end, the Company has adopted a Tax Strategy within which it has defined its related objectives.

Poste Italiane and its subsidiary Poste Vita have been admitted to the **Collaborative Compliance regime** with the tax authorities

## Poste Italiane and Guardia di Finanza together to ensure legality and transparency

The importance attributed by the Group to the issues of legality and transparency finds concrete expression through the collaboration with Guardia di Finanza, under which a Memorandum of Understanding was signed to combat economic and financial crime, whereby the Company undertakes to make available to Guardia di Finanza its wealth of information, in particular the data contained in the "Identity Check" system, useful for fighting financial and fiscal offences.

**Posteitaliane**



## The Group extends ISO 37001 certification to BancoPosta Fondi SGR and obtains UNI ISO 26000 certification

To confirm the attention that Poste Italiane Group pays to issues of transparency and risk control, and in line with Poste Italiane's objective of certifying 100% of the Group's companies by 2022, in 2020, BancoPosta Fondi SGR received the ISO 37001 anti-corruption certification, making it the first asset management company to obtain such recognition.

Moreover, during the year, Poste Italiane obtained the UNI ISO 26000, an international standard for the adoption of sustainable development strategies and the promotion of virtuous choices and conduct in the ESG area. Among the various rewarding parameters, the Group distinguished itself for its ability to take into account in its strategic, decision-making and operational processes the requests of all reference stakeholders and for its ability to plan and communicate the social responsibility actions undertaken in a transparent and continuous manner.

Poste Italiane promotes **responsible supply chain management** to ensure sustainability, functionality and traceability of procurement. For the qualification of suppliers, in line with current regulations (art. 134 of the current Public Contracts Code), in 2006, the Company established its own **Supplier Register**, with the aim of simplifying procurement procedures, ensuring homogeneity among the subjects selected in each product sector and transparency towards the market. All suppliers seeking qualification for the Register are required to

meet general requirements (moral and professional suitability), as well as specific business, financial, technical and organisational requirements. In this way, the Group aims to strengthen the governance of the purchasing process. Furthermore, to guarantee efficient and integrated supply chain management and promote the principles of confidentiality, authenticity competitiveness, integrity and availability of data exchange, purchases are managed through the "PosteProcurement" Purchasing Portal.

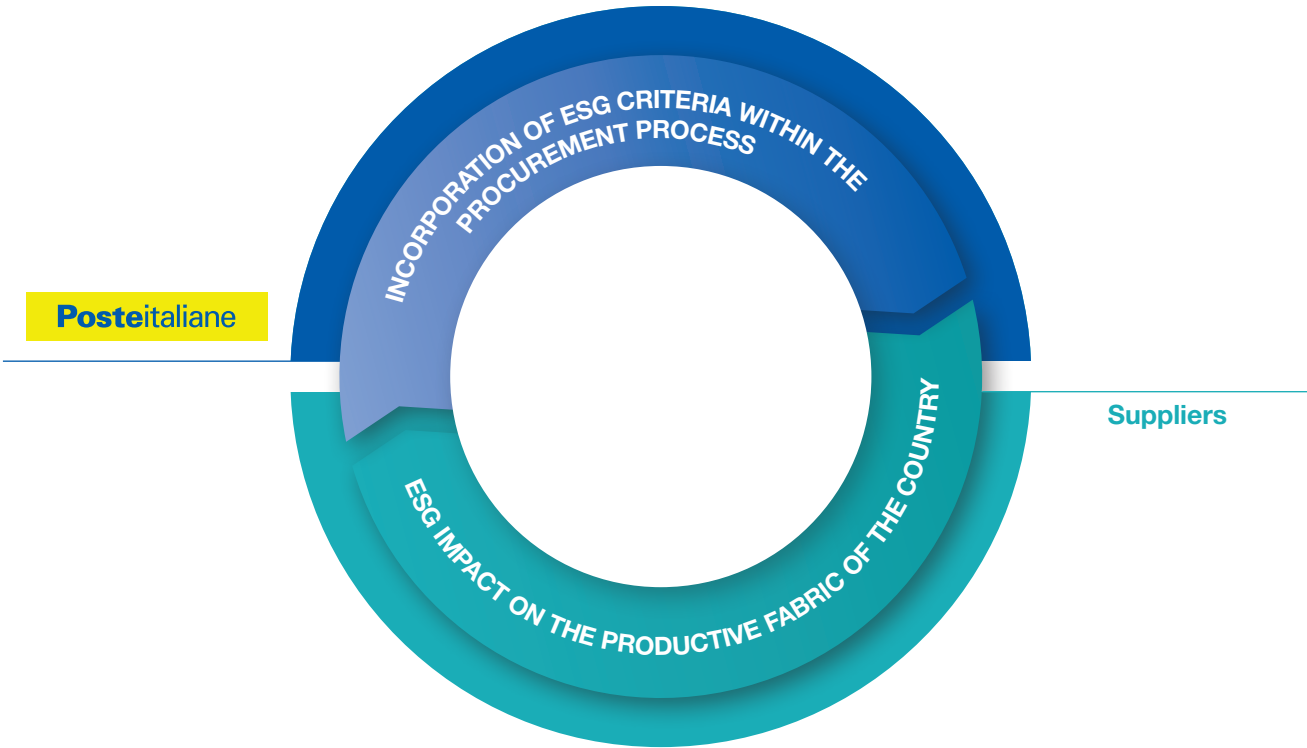
The Group provides for specific environmental and social criteria in the supplier selection process, requiring suppliers to adhere to the principles and standards of conduct set forth in the Code of Ethics, and investigating the presence of requirements in line with ESG issues through sustainability audits. In this regard, ten-

Number of tenders conducted on the basis of social criteria **+16** percentage points compared to 2019

Number of tenders carried out on the basis of environmental criteria **+27** percentage points compared to 2019

ders based on environmental and social criteria increased by 27 and 16 percentage points respectively in 2020 compared to 2019. In fact, **75.9% of the Group's suppliers** have an **ISO 14001 or EMAS certified environmental management system**.

Below are the main indicators used to monitor performance in the area of Integrity and transparency.



Companies analysed for corruption risk

	2018	2019	2020
Percentage of Group companies assessed for risks related to corruption	72	64	66





# People development

- 5.9 million hours of training provided
- Establishment of the “Poste Centro Medico”, center for the prevention, care and well-being of employees
- Implementation of all initiatives necessary to ensure the protection of the health of employees during a health emergency



## People development

### SDGs IMPACTED



Poste Italiane is fully aware of the importance of **human capital** for the achievement of business objectives. For this reason, despite the health emergency, during 2020, the Group deployed its efforts to ensure the development of all employees, offering a total of approximately **5.9 million hours of training** through the implementation of distance delivery methods.

Poste Italiane cares about its employees and recognises that training, welfare, relations with social partners and health and safety in the workplace are fundamental to their development

With a view to people development, at the end of 2020, Poste Italiane launched the “**Insourcing and re-employment**” project, which achieves the replacement of resources employed in production sectors for which the number of employees is greater than actual needs, in new or strategic activities. Participation in the initiative is on a voluntary basis and is supported by a training programme aimed at developing the skills necessary to make placement effective.

The relationship with employees is strengthened through the introduction of **innovative** methods and **channels of communication** and engagement, which have also won international awards, implemented with the aim of increasing the sense of belonging to the Company.

### MAIN RELATED TYPES OF CAPITAL



**5.9**  
million

hours of **training**  
provided in 2020

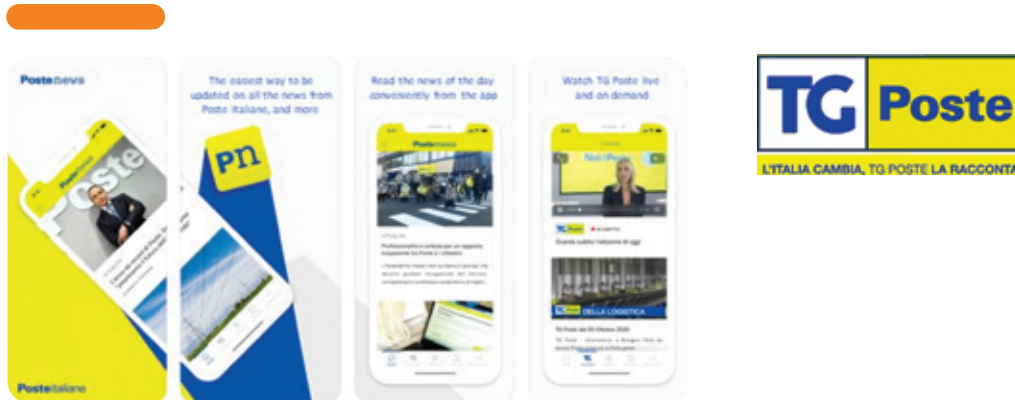
- Code of Ethics
- Integrated Policy
- Group Policy for the protection of Human Rights
- Policy Diversity and Inclusion
- Occupational Health and Safety Policy

Distributed **180,000 hard copies** of the monthly **Poste News**; produced **5,130 articles** and recorded an average of **40,000 visits per month** on the Postenews website



In 2020, the creation of TG Poste was of particular importance, Poste Italiane news programme, broadcast daily and available on the company Intranet, on the app, in live streaming through Postenews section of the company website and on the screens in Post Offices. The initiative proved particularly useful in strengthening relations with and among employees. The Group has also launched the new Postenews app, a tool that enables employees to stay in touch with Poste Italiane at all times, and has added further functions to the "NoidiPoste" app, which can now also be used by former employees.

## New channels communication: TG Poste, Postenews and the NoidiPoste app



During 2020, Poste Italiane organised a series of awareness-raising initiatives focusing on disease prevention, the identification of the main risk factors and good practices for a healthy lifestyle and implemented various protection measures to demonstrate concrete proximity

to its employees. With this in mind, Poste Vita Fondo Salute supplementary healthcare fund for employees has been supplemented free of charge with specific coverage for those infected with the Covid-19 virus.

In line with its health and prevention programme, the Group inaugurated the first "Poste Company Profile" in Rome, a centre of excellence for specialist examinations and diagnostic services for the prevention, care and well-being of employees and their families. This facility will have the best specialists at national level, ensuring a medical service that can fully meet the needs of users.

## Poste Italiane launches "Poste Company Profile"





about  
**224,000**

hours of training on Safety in the Workplace were provided in 2020

In continuity with previous years, the constant monitoring and control of injuries has contributed to the implementation of various initiatives in the protection of the environment in which professional activities are carried out. 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 con-

viction that an effective management system makes it possible both to coordinate 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 addition, in order to guarantee the safety of its workers during health emergencies and to encourage a work-life balance, Poste Italiane underwent an extraordinary reorganisation that led to the adoption of **agile working** by 16,500 employees, around 81% of the resources working in central and territorial staff functions.

Agile work for  
**16,500** employees

## BS OHSAS 18001 Certification

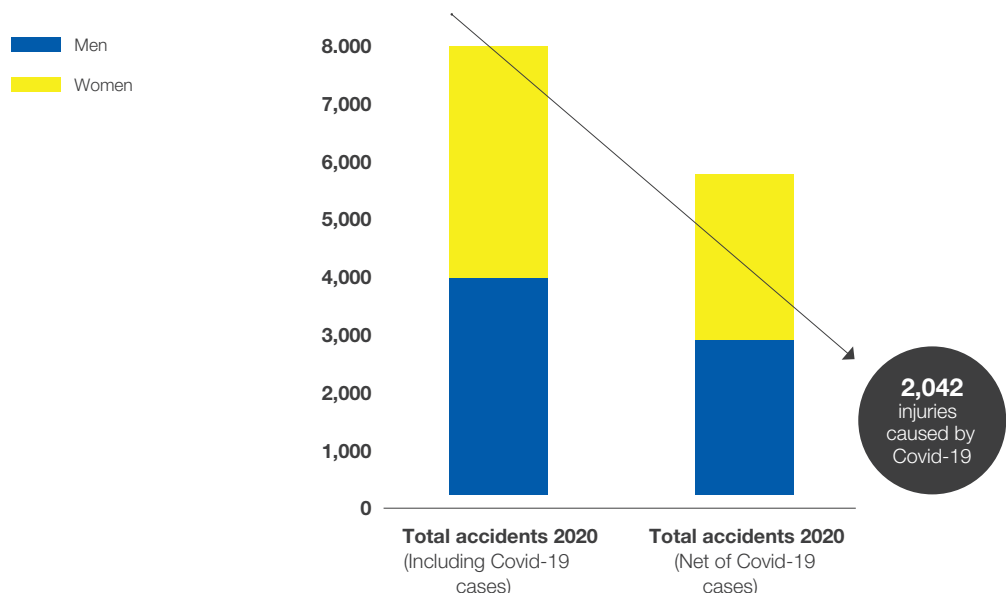
In 2020, Poste Italiane obtained certification of its Occupational Health and Safety Management System (OHSMS), in accordance with the BS OHSAS 18001 standard, in the Group's production units of the Post Office Network, Mail, Communication, Logistics, Business and Public Administration, BancoPosta and Chief Operating Office. The management model BS OHSAS 18001, now ISO 45001, is a fundamental element for Poste Italiane, as it allows controlling and mitigating business risks related to health and safety at work.

The total number of injuries recorded during the year is inevitably influenced by employees who contracted the Covid-19 virus, considered as occupational injuries, to the extent of 953 men and 1,089 women, for a total of 2,042 events.

As set out in the Code of Ethics, Poste Italiane ensures **impartiality and independence** in its relations with Labour Unions (OO.SS.) and maintains ongoing dialogue with all social part-

ners, undertaking to ensure full protection of its workers' rights and their freedom of association and collective bargaining. In this sense, in 2020, following the spread of the epidemiological emergency relating to Covid-19, the Company and Labour Unions signed a series of agreements aimed at ensuring, through the adoption of preventive and support measures, the safety and protection of personnel and their families, and containment of the virus.

## Total accidents 2020



To effectively pursue the principles and policies set out, the **ESG Strategic Plan** includes the following objectives related to the Development Pillar.

**100%** of employees covered by collective bargaining agreements

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2020	
	Provide continuous training to all Group employees	Hours of training provided	25 million by 2024	2018	14.3 million hours	
	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)	% of middle managers and % of employees involved in development plans	20% of middle managers and 25% of employees by 2022	2018	13% employees (POP) 9.5% managers (MLAB)	
	Certify the main Group companies in accordance with the ISO 45001 standard	% of the Group's production units certified	100% by 2021	2018	100%	
	Increase the number of prevention initiatives for employees	Number of initiatives	+40% by 2021	2019	18 initiatives	
	Increase the number of educational and professional orientation initiatives for employees' children	Number of initiatives	+15% by 2022	2019	8 initiatives	
	Increase the number of participations in soft skills development programmes developed on the occasion of care activities	Number of registrations	+ 20% by 2021	2019	27%	
	Reduce the number of Group employees' occupational injuries	Number of injuries	-740 events in the PCL area by 2024	2020	New	
	Reduce the occupational injury frequency rate for Group employees	Injury frequency rate	-8% by 2024	2020	New	
	Maintenance of Occupational Health and Safety Management Systems and related ISO 45001 certifications at Poste Italiane and the main Group companies	% of Poste Italiane Group units with a certified OHSMS	100% every year	2020	New	
	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	% of Poste Italiane buildings monitored	100% by 2024	2020	New	
	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	% employees involved	100% by 2024	2020	New	

Objective achieved / Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

## Training programmes and career development

Training and development programmes	2018	2019	2020
Full Time Equivalents (FTEs)	132,338	126,445	123,583
Average hours of training and development	25.85	40.25	47.61
Total expenditure on training and development programmes (€)	6,322,559	7,709,433	7,020,250





# Diversity and inclusion

- Adhesion to the CEO Guide for Human Rights
- Participation of about 700 employees in the MAAM project
- 46% of middle and senior women managers in 2020



## Diversity and inclusion

SDGs IMPACTED



The Company's primary objective is to encourage the development of a **corporate culture** based on respect for and **appreciation of diversity** which, in all its forms and manifestations and at the various levels of the organisation, is considered source of wealth capable of generating competitive advantage for the entire Group.

Poste Italiane aims to ensure constant dialogue with its employees and promote an inclusive corporate culture that condemns all forms of discrimination

Consistent with the principles set forth in the Group's Code of Ethics and in the Group Policy for the protection of Human Rights, the Group has adopted a specific **Policy Diversity and Inclusion**, which outlines the principles it promotes and the four aspects of diversity that it is committed to developing and protecting: **gender, generations, disability** and **inter-culturalism**.

MAIN RELATED TYPES OF CAPITAL



- Code of Ethics
- Group Policy for the protection of Human Rights
- Policy Diversity and Inclusion
- Diversity Policy for administrative and auditing bodies of Poste Italiane

### Ongoing commitment to human rights for a more inclusive and sustainable Company

As a player that actively contributes to the growth of the social and economic fabric of the country, through the implementation of training activities, Poste Italiane promotes the knowledge and dissemination of the guiding principles adopted by the United Nations Human Rights Council such as values, history, legal instruments, protection systems, responsibilities of companies and institutions. In particular, in September 2020, in continuation of the managerial training workshop "Business and Human Rights: the role of Businesses for Sustainable Development" started in January, an online course on "Business and the Protection of Human Rights" was activated for all personnel. The online course was designed by Corporate Social Responsibility, Welfare and Corporate University, based on content provided by SIOI (Italian Society for International Organisation).

46%

of middle and senior women managers in 2020






44.4%




of the **Board of Directors** of the Parent Company is made up of **women**

The Group aims to create a widespread corporate culture with respect to **gender equality** issues, promoting and seeking these values also within its own management. To this end, Poste Italiane has adopted a "Diversity Policy for administrative and auditing bodies of Poste Italiane", the document with which the Parent Company declares its responsibility towards the values of diversity and inclusion, ensuring the implementation of a series of initiatives aimed at safeguarding equal opportunities in career paths.



To effectively pursue the principles and policies set out, the **ESG Strategic Plan** includes the following objectives related to the Diversity and inclusion Pillar.

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2020	
 	Increase women's involvement in personnel development plans	% of women involved in personnel development plans compared to the average achieved in the two-year period 2016-2018	4% by 2022	2019	14%	  
	Adopt a specific strategy to ensure the strengthening of female representation in the coverage of middle management positions	% of women in middle management positions	2% by 2022	2019	0.6%	
	Investing in mentorship programmes for the development of a new leadership style in line with gender - equality policies	% of female mentors trained	50% by 2021	2019	In 2020, 41 women were trained (+407%)	
	Increase mentoring programmes in order to encourage generational cooperation and the exchange of knowledge	% of mentors to support the younger generations	+15% by 2021	2019	More than 50% of mentors to support the new generations	
	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	1	
	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	Survey of the entire company population to identify the target	
	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	80%	
	Specific employer branding on diversity and inclusion, in synergy with universities	No. of universities involved	4 by 2022	2019	1	
	Define training and communication campaigns aimed at overcoming stereotypes and prejudices (unconscious bias)	No. of communication and awareness plans implemented	2 by 2022	2019	1	
	Carry out training and awareness actions on the protection of human rights	% of the company workforce	60% by 2021	2019	31.4%	
	Define listening and communication campaigns to develop corporate awareness and culture on the issues of diversity and inclusion	No. of integrated communication campaigns (internal/external) No. of surveys carried out on the Intranet	3 integrated communication campaigns 5 surveys by 2021	2019	1 1	
	Create an <i>ad hoc</i> 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	New	
	Equal Salary Certification	Achievement of certification	by 2022	2020	New	

 Objective achieved / Objective achieved and updated
  Objective not achieved
  Deadline for achieving the objective that has not yet expired

## Poste Italiane in support of women

In 2020, Poste Italiane launched an integrated programme to promote the economic independence of women who have suffered violence based on the employment of victims leaving the anti-violence centres in Italy, providing financial support for retraining and raising awareness among its supply chain in order to identify suitable positions. In continuity with the project, a 2021 activity plan has also been outlined to guarantee them housing autonomy. The initiative involves allocating some of the Group's unsold properties to social housing for women coming out of violence. Ten housing units have already been identified for use in early 2021.

In 2020, the Company continued the InspirinGirls programme, promoted by Valore D with the sponsorship of the Ministry of Education. The project aims at fostering reference models free from gender stereotypes, through the dialogue between middle school students and so-called "role models".

As proof of the attention the Group pays to ensuring equal opportunities for all its employees, in 2020, Poste Italiane was included in the **top five** of the gender equality ranking of companies belonging to the FTSE MIB index of the Milan Stock Exchange drawn up by **Equileap**, and was recognised as one **of the best employers for women** in Italy by the research "Italy's Best Employers for Women 2021", carried out by the German Quality Institute ITQF in collaboration with the media partner La Repubblica Affari&Finanza.

With reference to the issue of **generational diversity**, Poste Italiane intends to promote the exchange of skills between employees of different age groups. In line with this vision, two editions of the "FishBowl generation" programme have been created, an innovative format that made it possible to obtain an initial representative survey of behaviours and reference practices to be reinforced and disseminated in the work contexts, in order to encourage proximity and active relationships between the different generations that exist in the Company.

In addition, 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 between people of different generations.

With a view to **supporting vulnerable people**, Poste Italiane provides for the use of Italian Sign Language interpreters to translate the most relevant messages and news items on digital communication channels into sign language, and to support training activities or management interviews with deaf colleagues. Moreover, in 2020, the Group continued its efforts to remove architectural barriers from its offices in municipalities with fewer than 5,000 inhabitants, to make them more easily accessible to all.

## 4Weeks4Inclusion

As part of the initiatives launched to promote the inclusion and protection of diversity within the Company, in November 2020, Poste Italiane took part in "4Weeks4Inclusion", a cross-company initiative that involved the personnel of 27 large Italian companies in diversity and inclusion issues for four weeks. The objective, pursued through webinars, digital workshops and thematic online creative groups, was to create awareness and share the inclusion practices adopted by the various companies, related to gender, generational, disability, vulnerability and intercultural dimensions. Poste Italiane contributed to the initiative by organising a seminar on social welfare with the aim of examining how corporate volunteering initiatives and openness to social realities and the local area can trigger virtuous inclusive processes.



## Operations that have been subject to human rights assessments

Group companies	2018	2019	2020
Total percentage of Group companies subject to human rights assessment	100	100	100





# Support for local communities and the Country as a whole

- Continuity of service even during the pandemic
- Delivery of more than 1,500,000 doses of the vaccine
- Extension of the offer during an emergency to encourage the financial inclusion of all citizens



## Support for local communities and the Country as a whole

### SDGs IMPACTED



### MAIN RELATED TYPES OF CAPITAL



Poste Italiane Group, aware of the impact it has on the economy and the country, has always been committed to **promoting the well-being of its citizens** and leading the country towards progress and innovation through the development of high quality products and services, thus contributing to the achievement of the Sustainable Development Goals of the United Nations 2030 Agenda. This commitment to the promotion of socio-economic interventions in the national territory is enshrined in the Group's **Policy on Community initiatives**.

- Code of Ethics
- Policy on Community initiatives
- Group Policy for the protection of Human Rights

The Group's objective is to have a positive impact on the entire national fabric, leveraging its proximity to the various communities to offer inclusive products and services in the interest of the entire country's well-being

### Poste Italiane alongside the Lazio Region for the requalification of an area of the Tiber river

In continuity with its initiatives to support the social context in which it operates, in December 2020 Poste Italiane, together with Regione Lazio, presented a project to redevelop an area of the Tiber River. The project presented by the Group envisages the environmental and landscape requalification of the area, with a view to relaunching the Tiber and the surrounding areas. Upon completion of the work, the new area will be available to primary and secondary schools for guided tours through cultural itineraries focused on the history of communications and the Italian postal system, and for outdoor activities able to stimulate students' creativity and sociability.



The Group's capillary presence throughout the country and the largest logistics network in Italy allow it to act as a link between institutions, the territory and national services, and to contribute to the development of small local realities. In this sense, in line with the Country's relaunch programme and in continuity with the seven commitments set in 2019, Poste Italiane has promoted several initiatives to **support Small Municipalities**.

Zero

Post Offices closed in 2020

The Company, acting as a point of reference for the community, especially in areas considered peripheral, is committed to offering timely services, physical presence and proximity to citizens. In particular, in 2020, the Group continued to install post boxes in Small Municipalities, with a total of **9,857** new installations in 4,778 municipalities, and **300** Smart post boxes in 231 municipalities. With the aim of reducing the digital divide, **5,692** Wi-Fi spots have been installed, thus reaching the goal of covering 100% of the Small Municipalities.

In 2020, **1,327** new ATMs were installed in 1,320 municipalities, **7,096** video surveillance systems were installed in 2,584 municipalities and **2,830** schools in 2,280 municipalities were enabled to participate in the "Il Risparmio che fa Scuola" programme. In addition, at Poste Italiane's head office, within the Corporate Affairs function, a **dedicated Office to support Small Municipalities** was set up, which can be reached via the e-mail address [piccolicomuni@posteitaliane.it](mailto:piccolicomuni@posteitaliane.it), and which administrators can contact to request information and promote initiatives.

In order to guarantee economic and social sustainability, even in Small Municipalities the aim is to renew means of transport towards solutions with a reduced environmental impact, reaching, in 2020, **1,308** municipalities served by the green fleet.

**Commitment to Small Municipalities - Concrete actions**

In 2020, the Group focused its attention on mitigating the effects of the health emergency on the community and the Italian economy through the implementation of various initiatives aimed at supporting citizens. During the year, in fact, Poste Italiane has put its logistics network and its corporate fleet at the service of the country, helping the entire nation in the combat against the Covid-19 virus.

The Group signed an agreement with Carabinieri whereby all citizens aged 75 and over could request to receive their social security benefits free of charge at home, delegating Carabinieri to collect them. In addition, the Company has

explicitly asked the MEF, the Civil Protection, the Ministry of Labour, the INPS and the Bank of Italy to identify a method of paying pensions in staggered form and, in order to ensure the management of possible crowds outside Post Offices, Poste Italiane has entered into contracts with over 500 security companies and made contact with all the prefects, the Postal Police, Carabinieri and the Civil Protection.

80

**prefectures** (75% of the total) contacted to **intensify controls** in Post Offices and **+6,000** tablets equipped with a direct communication channel with Carabinieri

Thanks to the agreement with 4k Srl, the leading company in home delivery of medicines, Poste Italiane is making its capillarity available to offer an essential service to people who are unable to leave their homes: thanks to the initiative, citizens can place orders with their trusted pharmacy and have them delivered to their home instantly, within 90 minutes.

**Poste Italiane delivers medicines at home**

## Poste Italiane in the front line in the combat against Coronavirus

In order to contribute to the realisation of the vaccination campaign, in February 2021, Poste Italiane launched the new platform for tracking and administration of vaccines against Covid-19, providing the Nation with its logistics and IT facilities. The platform allows citizens in the adhering regions to book their vaccine online, through the call centre, by going to the Postamat and inserting their health card, or directly using the hand-held devices provided to letter carriers. The Group also guarantees its support to the country for the delivery of vaccines. In this regard, the company SDA has in fact strengthened its fleet of vehicles, managing to deliver more than 1,500,000 doses of vaccine in the first months of 2021.

Delivered more than **1,500,000** doses of vaccine from the Group's fleet

With a view to **financial inclusion**, the Company wanted to strengthen its commitment to people who, due to specific personal or physical conditions, do not have direct access to the fundamental products and services needed for their economic livelihood and social well-being. In particular, during 2020, Poste Italiane **accepted thousands of requests to suspend BancoPosta mortgages and BancoPosta loan instalments** for small and medium-sized businesses and self-employed individuals with VAT numbers, and continued its programme to relaunch postal savings, accompanied by improvements in the quality and efficiency of the services offered to customers, including through the development of the digital channel.

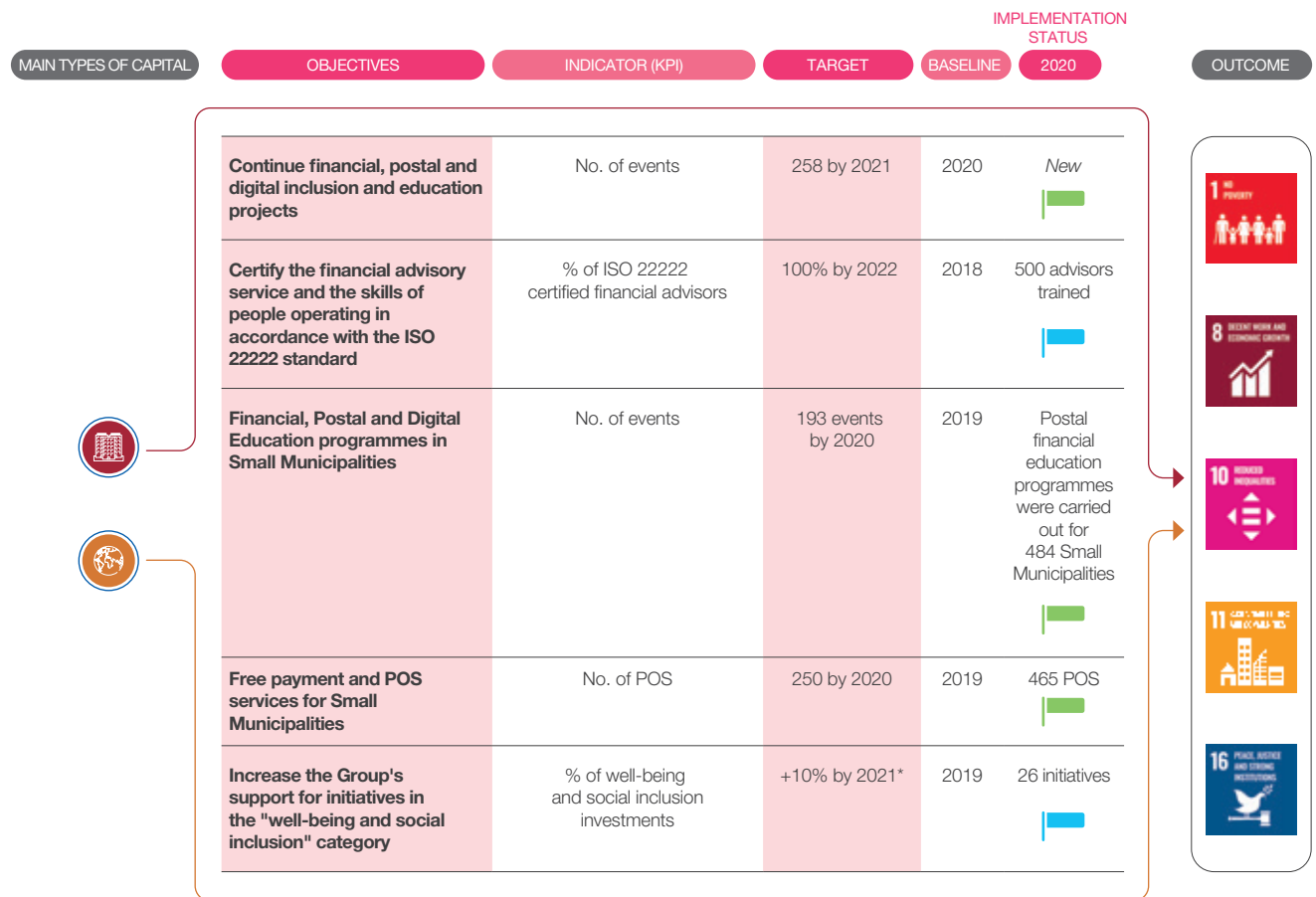
Moreover, in line with the provisions of the "Relaunch Decree" (Law Decree 34/2020, converted with amendments into Law 77/2020), in September 2020, the Group promoted a service enabling individuals, businesses and self-employed professionals to transfer their tax credits to Poste Italiane, obtaining the related liquidity in a single payment directly into their BancoPosta current account. In particular, it was planned 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 PPE and workplace upgrades.

**15,000**




requests for the transfer of the tax credit



To effectively pursue the principles and policies set out, the **ESG Strategic Plan** includes the following objectives related to the Support for local communities and the country Pillar.



\* The baseline year was postponed to 2021 as the health emergency had a significant impact on the implementation of the initiatives. Despite this, Poste Italiane's commitment and great effort resulted in the realisation of 26 initiatives in the area of well-being and social inclusion for an economic value of €532 thousand.

 Objective achieved / Objective achieved and updated
  Objective not achieved
  Deadline for achieving the objective that has not yet expired

## ATMs for inclusion

ATM	2018	2019	2020
ATMs equipped with touchpads for the visually impaired and the blind	7,279	7,728	7,958
of which:			
ATM with voice guidance	6,307	7,020	7,384
<b>Total</b>	<b>7,279</b>	<b>7,728</b>	<b>7,958</b>

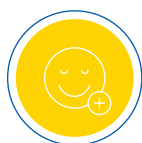






# Customer experience

- -23% complaints received in 2020
- Ongoing dialogue with Consumer Associations
- Development of new features of the Digital Assistant
- Preventive security activities for the protection of corporate information assets



## Customer experience

SDGs IMPACTED



MAIN RELATED TYPES OF CAPITAL



Poste Italiane places **customer satisfaction as the central objective** of its quality policies, reserving a fundamental role in the process of listening to all its customers. The Group constantly strives to improve the quality of its products and services, with the aim of guaranteeing a unique and distinctive experience for its customers and, at the same time, ensuring to intercept and meet emerging needs.

Poste Italiane is committed to providing its customers with a high level consumer experience and ensures the protection of the company's information assets, equipping itself with technologically advanced systems

To effectively pursue the principles and policies set out, the **ESG Strategic Plan** includes the following objectives related to the Customer experience Pillar.

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2020	
	<b>Increase Customer Satisfaction</b>	Customer Satisfaction	+4% by 2022	2018	+0.8%	
	<b>Develop the service model by assigning a dedicated consultant to customers</b>	Number of dedicated consultants	9,500 by 2022	2018	8,078	
	<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	2.68 million	
	<b>Improve and simplify the interaction between customer and Company</b>	Number of calls handled automatically	15% by 2022	2019	18%	
	<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	New	
	<b>Evolution of the Omnichannel Service Model through further development of the digital channel and self-service offer for the subscriptions 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	New	

Objective achieved / Objective achieved and updated

Objective not achieved

Deadline for achieving the objective that has not yet expired

In 2020, the new **Digital, Technology & Operations** function was set up with the aim of creating an ecosystem of innovative product and service solutions that, in a platform logic, aggregates services and customer experiences, maximising customer satisfaction while enabling synchronous mechanisms between IT and operation components, so as to respond quickly and effectively to business needs. The function aims at a continuous improvement of the customer experience and ensures the monitoring and consequent improvement of customer satisfaction, with a view to continuous improvement.

A further step forward was made possible through the adoption of the **Customer Feedback Management**. This tool makes it possible to send customers surveys on perceived quality, making the answers obtained quickly available to the competent structures and highlighting the most recurrent issues outlined by customers.

In order to actively monitor any criticalities reported by customers and direct corrective actions, a Quality and Customer experience Task Force has been set up across the Company.



In continuation of the path undertaken to integrate artificial intelligence within its Customer Care Services, in 2020, the Group further developed its Digital Assistant called Poste.

Poste, the Digital Assistant of Poste Italiane, is the tool developed with the aim of improving and simplifying the interaction between customer and company through the use of artificial intelligence technologies. In the first months of 2020, the new VoiceBot functionality was implemented, a voice-guidance-based system capable of providing indications and answers in an immediate and easily understandable way. Following these developments, Poste Italiane integrated the use of the digital assistant with the instant messaging platform WhatsApp and planned to extend its functionality also in the app and through social media channels. Poste is able to address many standardised and repetitive support requests, giving valuable time to employees in the Customer Service area to handle more complex and emerging situations. The digital solution proved particularly useful during the lockdown period due to the large number of files received.

### Poste Italiane's Digital Assistant evolves



In line with the objective of intercepting customers' needs in order to guarantee an increasingly high-quality offering, Poste Italiane attaches fundamental importance to small and large scale dialogue with Consumer Associations. By setting up the "**Cantiere Consumatori**", (Construction site for consumers) a permanent

working and consultation group made up of a single representative from each Association and Group representatives, it is possible to identify the **best solutions** for reconciling the Company's needs with those of its customers in corporate initiatives.

## Dialogue means innovation: Punto Poste da Te was created

In June 2020, from the elaboration of the ideas obtained thanks to the constant dialogue between Poste Italiane and the Consumer Associations the "Punto Poste da Te" was created, a digital counter that can be installed inside any enclosed space that lends itself to the service. The Group's new creation is a clear example of a service that adapts to the needs of citizens, enabling them to manage shipments and payments directly from their homes or offices, improving the quality of the service and consequently the customer's experience with Poste Italiane.

The digital counter has received the innovation award "Elected Product of the Year 2020", based exclusively on consumer vote, for the category shipping and collection services.



For years, Poste Italiane Group has been investing in the continuous innovation of its technological protection systems, pedantically adopting all the measures provided for by the reference regulations, in order to ensure the correct provision of its services and **guarantee the confidentiality of data and information**. In order to spread a culture of confidentiality and respect for privacy, Poste Italiane has adopted a system of standards and guidelines to ensure a high level of protection of the personal data of those concerned, which it is committed to disseminating and promoting through dedicated courses.

From this point of view, the **Privacy Function**, set up with the task of ensuring the correct use of personal data and compliance with the underlying principles and rules, guarantees a single oversight at Group level for all responsibilities relating to privacy issues. This function, through the performance of its duties, also ensures the drive for continuous improvement. In addition, the Privacy Service Centre operates within the function. Its task is to represent a single point of reference for customers in matters of privacy and to collect and manage efficiently and centrally all the requests received

- Code of Ethics
- Integrated Policy
- Privacy Guidelines
- Policy on Personal Data Protection
- Guideline on Competition and Consumer Protection Compliance
- Integrated Quality and IT Security Management System
- Quality Management System

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.

The approach focused on continuous improvement, the peculiar management of customers' requests and the correct compliance with regulatory provisions, allowed **Privacy Service Centre** to obtain the **certification** of its management system for information security according to **ISO 27001 standard**.

Information security  
management system  
of the Privacy Service Centre  
**certified ISO 27001**

In 2020, the Group launched a Digital Education project aimed to contribute to the digital transformation underway in the country and reduce the digital divide. The first thematic cycle was dedicated to cybersecurity through the collaboration of colleagues from Poste Italiane's CERT, who guarantee and monitor the security of company systems on a daily basis. The topics covered various aspects including data management, encryption and passwords up to current topics such as blockchain.

**Digital  
Education  
Project**









# Innovation

- Marketed the first Postepay in biodegradable materials
- Development of new digital products
- Acceleration in the path digital transformation of the Group to ensure operations during the pandemic
- 48.1 million apps downloaded in 2020



## Innovation

### SDGs IMPACTED



### MAIN RELATED TYPES OF CAPITAL



The Group acts as a **driver of innovation and digitisation of the country**, ensuring the accessibility and functionality of its offer to all citizens and promoting the connection with the business fabric and the Public Administration. Despite the health emergency, thanks to technological investments and strategic partnerships, the Company has been able to integrate its traditional services with new proposals more

focused on a digital approach, ensuring continuity and expanding its offer with products that can also be used remotely.

For Poste Italiane, innovation is the driving force to face the challenges of sustainable development

### Poste Italiane's technological response to the health emergency

With the aim of contributing to the improvement of public health and limiting the physical access of citizens to hospitals or surgeries, in October 2020, Postel SpA, a company of Poste Italiane Group, launched "Smart Screening", an aid service to invite citizens to participate in mass health screening programmes by self-collection. The innovative solution dedicated to Local Health Authorities provides for the preparation and home delivery of the invitation and the self-collection kit, entirely paid for by Postel. Following the examinations carried out, the Company prepares the sending of the results, and in case of positivity, it sends a new invitation to contact the Local Health Authority to perform diagnostic examinations, health treatments and new tests.

**SMART  
SCREENING**



Regarding payments, the Group has undertaken a series of initiatives that place customers in a central position, directing all its efforts towards the continuous improvement of the experience of using the services made available in an increasingly omni-channel logic. The Group's activities have contributed to the development of new digital services and products and to the consolidation of existing ones, making it possible to orient the offer towards the **combat against cash** and the use of electronic money.

Postepay Standard  
**1<sup>st</sup> place** in the ranking  
compiled by Osservatorio  
Finanziario

Postepay Evolution awarded  
as the **best account card** by  
Osservatorio Finanziario

**14.4**

**million** downloads of the  
Postepay App in 2020

The Group's continuous innovation and attention to environmental issues has led to the creation of Postepay Green, the new biodegradable prepaid card made from **materials of biological origin** with a lower environmental impact. The prepaid card reserved for young people aged 10 to 17 allows young customers to make payments safely and quickly, and parents to monitor transactions and quickly top up the card through the "pocket money" system.



### Postepay Green: the biodegradable prepaid card

Since December 2020, PostePay has been supporting the Government in the implementation of the Cashless Italy Plan aimed at encouraging electronic payments and the development of a more digital, fast, simple and transparent system. The programme provides a 10% cashback on purchases made with payment cards or apps in physical stores, paid out in cashback mode.

### Poste Italiane in support of the Cashless Italy Plan

Despite the market contraction, 2020 saw Poste Italiane strengthen its growth in digital payments, thanks also to the many collaborations and partnerships during the year. In this regard, the Group signed an agreement with Volante Technologies that allowed further strengthening the programme to modernise the Group's payment services by implementing the **Open Banking platform** and enabling instant payments, whilst also providing a new gateway to access traditional interbank networks.

In the mobile sector, thanks to agreements signed with TIM and Open Fiber, the Group is able to bring advanced internet connectivity solutions to individuals and businesses and offer the country fiber optic services using ultra-broadband technologies, with the aim of **reducing the digital divide** between different areas of the country. In addition to these agreements, in 2020 there were a series of further introductions, such as the Postepay Connect Back service and the PosteMobile Casa WEB solution, which have enabled Poste Italiane to confirm its position as a leading operator in the telecommunications sector.

In the area of Parcel and Distribution services, in 2020, Poste Italiane committed to making its transport systems even more efficient and in line with market demand. With this in mind, the Group has continued to develop air connections to facilitate the delivery of parcels within 24 hours throughout the country, with a particular focus on southern Italy and the islands. In addition, thanks to a series of corporate transactions, the Group was able to improve its delivery service. In fact, following the joint venture established with sennder, the Company can offer itself as a transport operator, both in the Italian and foreign markets, benefiting from economies of scale and technological optimisation, creating a full-tracked and full-digital operating model, in line with the needs of e-commerce.

4.8

million downloads of the  
PosteMobile App

## Poste Italiane acquires the Chinese logistics operator Sengi Express

In 2021, Poste Italiane acquired 51% of the voting capital of Sengi Express Limited, resulting in the entry of a foreign company into the Group for the first time in its history. The operation will enable the company to develop its B2C business internationally and to consolidate and ship to Italy the volumes purchased in China by Italian consumers. Sengi Express is a reference point for Chinese e-commerce merchants in the Italian market, positioning itself as a leader in the creation and management of cross-border logistics solutions. In addition, as part of this collaboration and in line with the evolution of the needs of e-shoppers, testing has begun of the E2E (End to End) tracking of shipments that allows for the first time verifying on Poste Italiane website the status of the shipment along the entire supply chain, even beyond the borders of the Italian territory.

The digital revolution undertaken by Poste Italiane has involved not only its own offer, but also its processes through the evolution of its distribution model in an omni-channel perspective that guarantees the Company the possibility to provide services in an agile manner and

in step with the needs of its customers. The roll-out of the omni-channel strategy, through the extension of the physical footprint and the enhancement of digital channels, has allowed a radical inversion of its paradigms, affecting the organisation at all levels of business.






## Poste Italiane and Microsoft for the Group's innovation and the Country's competitiveness




**Posteitaliane**



In 2020, Poste Italiane and Microsoft Italia announced a partnership that aims to continue the digital transformation path started by the Company and that promotes the provision of advanced and digital services for Italian businesses and Public Administration. The new agreement revolves around three strategic areas of collaboration. Firstly, the creation of an "Ecosystem Platform for SMEs" aimed at promoting the digital transformation of companies that drive the country's economy. The platform will provide the market with joint services from Poste Italiane and Microsoft to create local and tailored applications using simple and secure solutions. The second aspect of the agreement establishes the development of a National Hybrid Cloud Platform that combines the pillars of Poste Italiane DataCenter 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. Thanks to the hybrid model, it is possible to define which information and applications reside in the public cloud and which remain in the private cloud, with simplified and unified management between the two worlds that will allow taking full advantage of the two approaches. The agreement also includes the launch of a Hybrid Cloud Competence Center to help accelerate the adoption of cloud computing solutions. The third point of the strategy focuses on the Group's digital transformation process: the adoption of Microsoft technology will allow Poste Italiane to accelerate the transformation of existing applications and create new native cloud applications with reduced development time and agile solutions to meet current and future customer needs. The Group will adopt 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.

To effectively pursue the principles and policies set out, the **ESG Strategic Plan** includes the following objectives related to the Innovation Pillar.

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2020	
  	<b>Green-ticket project</b>	% of Post Offices enabled	100% by 2021	2020	New	 
	<b>Install SMART mailboxes</b>	Number of SMART mailboxes	10,500 by 2025	2019	347	
	<b>Increase digital transactions made via the app or the web</b>	Number of digital transactions	100 million by 2022	2019	90.3 million	
	<b>Increase the downloads of the Postepay and PosteMobile apps</b>	Number of downloads	10% by 2022	2019	25%	
	<b>Increase the number of Postepay EVOs</b>	Number of Postepay EVOs	11.6 million by 2024	2019	7.7 million	
	<b>Increase the number of biodegradable cards</b>	Number of biodegradable cards	16 million by 2024	2020	New	
	<b>Increase the number of card transactions (including withdrawals and top-ups)</b>	Number of transactions	2.7 billion by 2024	2019	1.6 billion	
	<b>Increase the number of online payments for goods and services</b>	Number of online payments	894 million by 2024	2019	397 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	New	
	<b>Increase merchants enabled to accept payments with Code</b>	Number of merchants enabled	500,000 by 2024	2019	70.5	
	<b>Dematerialisation of the Issuing/Payment/Refunding Process Counter money orders</b>	% of POs in which processes are dematerialised	100% in roll out	2020	New	
	<b>Replacement of all PCL operating personnel uniforms</b>	Number of PCL operating personnel uniforms replaced	40,000 (all staff) by 2022	2020	New	
	<b>Increase Postepay Wallets</b>	Number of Postepay Wallets	10.5 million by 2024	2019	7.4 million	
	<b>Digitisation of back office processes</b>	% of resources impacted by the new BPM and back office process re-engineering	65% by 2021	2020	New	
	<b>Increase the level of automation of back office processes</b>	% of back office resources supported by automated digital processes	75% by 2024	2020	New	
	<b>RDS-Digital Service Request Project</b>	Number of apps created	App development by 2021	2020	New	
	<b>Digitisation Customer Receipt</b>	Digitisation customer receipt	Digitisation paper receipt by 2021	2020	New	
	<b>Integrated multi-channel on protection insurance products</b>	Creation of pre-sale and sale funnels	Creation of pre-sale and sale funnels of protection products by 2021	2020	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	New	

 Objective achieved / Objective achieved and updated
  Objective not achieved
  Deadline for achieving the objective that has not yet expired

## The dematerialisation of practices

	2018	2019	2020
Percentage of practices dematerialised	88	88	92

## Number of digital services offered (figures in millions)

	2018	2019	2020
Customers registered on Poste Italiane's digital channels (websites and apps)	17.6	20.8	27.1
Digital identities issued	2.6	4.1	12.2
Postepay apps downloaded	8.5	11.2	14.4
BancoPosta apps downloaded	4.1	6.1	8.3
Post Office apps downloaded	3.1	4.6	6.8
PosteID apps downloaded	2.5	4.8	13.8
PosteMobile apps downloaded	3.4	4.1	4.8
Transactions carried out via consumer digital channels (websites and apps)	47.9	57.1	90.3

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# Decarbonisation of real estate facilities and logistics

- Awareness in the use of energy, of water resources and waste management
- Over 95% of the electricity requirement of the Group from sources 100% renewable
- About €10 million invested in projects for the reduction of the environmental impact
- Green vehicles that make up the company fleet 14.2%



## Decarbonisation of real estate facilities and logistics

SDGs IMPACTED



MAIN RELATED TYPES OF CAPITAL



Poste Italiane recognises its responsibility to create sustainable value for the communities in which it operates, undertaking to ensure the efficient use of resources, to mitigate its environmental impact and to develop innovative solutions to support a **low-carbon economy**.

The Company's objective is to reduce its ecological footprint by spreading a culture of environmental protection and encouraging conscious behaviour in the use of energy, water resources and waste management

Over the years, the Company has adopted an **Group policy on Environmental Sustainability** whose objective is to formalise and communicate to stakeholders the Group's commitment to reducing, where possible, the environmental impacts generated by its operating activities and in particular, those arising from the use of real estate and logistics and transport activities. The document also sets out the Principles and initiatives on environmental sustainability towards which Poste Italiane directs its commitment.








- Group policy on Environmental Sustainability
- Quality, Environment, Health and Safety Policy of Postel SpA
- Quality, Environment and Occupational Health and Safety Policy of SDA SpA




More than **95%** of the Group's electricity requirement comes from **100% renewable** sources, certified by Guarantees of Origin

**~10  
million**

invested in projects to reduce environmental impact

In order to effectively pursue the principles and policies set out, the **ESG Strategic Plan** includes the following objectives related to the Decarbonisation of real estate facilities and logistics Pillar.

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2020	
 	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	New	
	Achieve Carbon Neutrality	Net tCO <sub>2</sub> e	0% by 2030	2020	New	
	Reduce emissions from the postal delivery fleet	% of emissions produced	-40% by 2022	2019	-3%	
	Increase the share of environmentally friendly vehicles (electric, hybrid, low emission) of Nexive, SDA, Milkman	tCO <sub>2</sub> e	-15% by 2025	2020	New	
	Increase the share of environmentally friendly vehicles (hybrid, low emission) of sender	tCO <sub>2</sub> e	-8% by 2025	2020	New	
	Use of electricity from renewable sources	% of electricity consumed	≥ 98% by 2024	2020	New	
	Replace the company fleet with vehicles with reduced environmental impact	No. of company vehicles with reduced environmental impact introduced	27,800 by 2022	2019	863	
	Introduce Smart Building solutions on the Group's entire real estate assets	GWh of energy consumed	-8GWh 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	New	
	Make a large building Carbon Neutral	Carbon Neutral Buildings	0 net tCO <sub>2</sub> e of a CS by 2023	2020	New	
	Maintenance of ISO 14001 and ISO 50001 certifications	Corporate processes ISO 14001 and ISO 50001 certified	100% by 2021	Every year	New	

 Objective achieved / Objective achieved and updated
  Objective not achieved
  Deadline for achieving the objective that has not yet expired

Poste Italiane, together with 110 other signatories, including associations, entities and companies, has joined the Manifesto "Exiting the pandemic with a new Green Deal for Italy", promoted by the Foundation for Sustainable Development. The initiative stems from the desire to relaunch the economy in a green perspective, after the significant impact of the pandemic caused by the SARS-COV-2 virus. In this scenario, the Group hopes for the implementation of a new Green Deal, an ambitious European programme for an advanced, decarbonised and circular economy. The Company believes that this project is the way forward for a stronger and more lasting recovery that will enhance the value of activities dedicated to decarbonisation and circularity of production, distribution and consumption models. The Manifesto, signed by its signatories, was sent to Italian and European institutions.

**Poste Italiane joins the Green Deal**

In 2020, the Group's commitment to the decarbonisation of its real estate continued. The Company has been dedicated to increasing **self-generated energy** by providing for additional installations of photovoltaic panels on its facilities. In this regard, a European tender worth €32.2 million was awarded for the implementation of **622** installations of **photovoltaic plants** for the production of clean energy. In addition, the process of **converting to LED** lighting continued, reaching 56% coverage of the square meters of the Group's properties, with an additional **40,000 pieces** installed compared to 2019. Poste Italiane's commitment is complemented by a process of careful monitoring of its environmental impact through the adoption of data collection tools and management platforms to control consumption and utility bills.

With respect to the decarbonisation of its logistics activities, in 2020, Poste Italiane focused on reducing CO<sub>2</sub> emissions by switching to more sustainable means of transport and raising awareness among its stakeholders with initiatives oriented towards sustainable mobility.

Installed an additional **40,000 LED** compared to 2019, covering **56%** of the **sqm** of the Group's properties

Following the implementation of a series of activities, it was possible to achieve a **saving** of over **12,680 tonnes of CO<sub>2</sub>**, substantially reducing the pollution generated by home-work trips.

## Poste Italiane's commitment to sustainable mobility

In line with the provisions of the Environmental Sustainability Policy, the Company is committed to raising awareness among employees on the issue of environmental responsibility, promoting numerous events in the area of Mobility Management with the aim of making home-work journeys more efficient in this respect. Poste Italiane believes that managing the systematic travel of its employees is a key element in reducing negative externalities. With this in mind, the Group undertakes to monitor, on a periodic basis, the environmental impact generated by these journeys.

In this regard, the "PostePedala" campaign was launched on an experimental basis in 2020. This initiative is aimed at employees at Rome office who regularly use their bicycles for home-work journeys. The project aims to increasingly raise personnel awareness of the use of bicycles for home-work journeys, promoting the creation of a community of bikers.

The Group's commitment to the conversion of its fleet through the introduction of green vehicles has taken concrete form with the purchase of 663 electric tricycles and related recharging stations, and by winning the procurement ten-

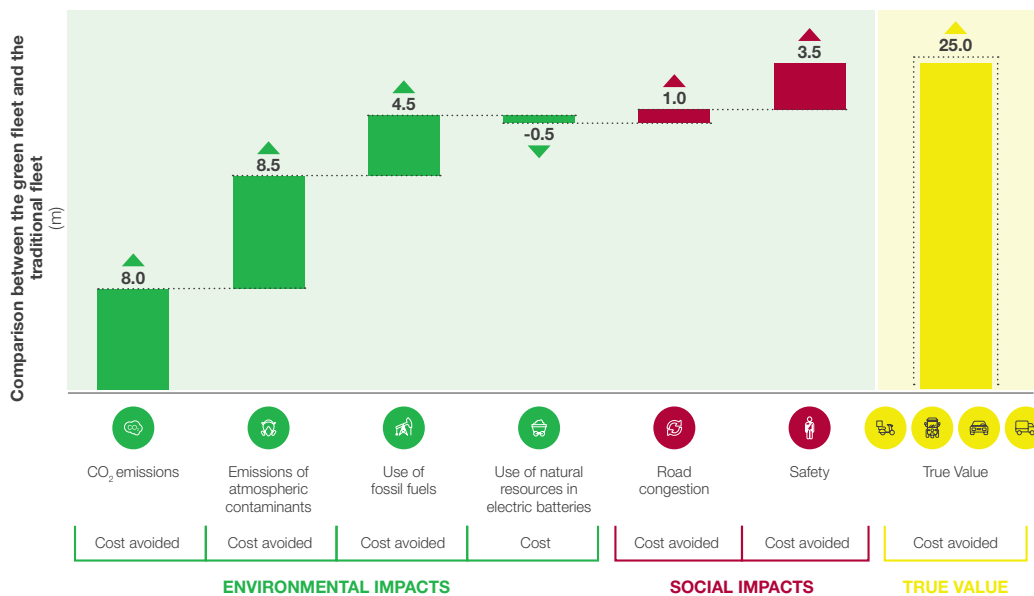
der for the purchase of **5,000** Euro 5 thermal **tricycles**, with completion expected in 2021. These interventions have allowed the company fleet to reach **14.2% of green** vehicles and are in line with the objective of introducing 27,800 vehicles by 2022 to reduce emissions by 40%.

**14.2%**

of alternative vehicles in Poste Italiane's fleet

The Group wanted to take a significant step forward, committing to implementing a **Renewal Plan** that provides for the replacement, by 2022, **of the entire vehicle fleet** with new generation models with electric, hybrid and endothermic propulsion with low emissions. In order to measure the value generated by the introduction of the new vehicles in its fleet, Poste Italiane has adopted a method of assessing investments that involves quantifying the economic, environmental and social impacts that a given project or activity generates for the company and the community. Once identified, the impacts were measured and quantified in monetary terms through financial proxies, allowing an overall representation of the generated value. The figure below represents the results of the analysis in the form of the “**True Value bridge**”, which is the graphical representation of the net impacts of the green fleet compared to a traditional fleet. The positive values represent avoided costs, while the negative values represent additional costs generated by the green fleet compared to the fleet as-is.

## The True Value of the fleet Renewal Plan



According to this model, the new green fleet will generate value for the community (True Value) of +€25 million compared to the traditional fleet, during its total period of operation. In particular, 80% is represented by damages avoided thanks to the lower environmental impacts of the green fleet compared to the as-is fleet resulting from the 40% reduction in CO<sub>2</sub> emissions, equivalent to 2,500 fewer cars in circulation. The remaining 20% is the sum of costs avoided due to the reduced road congestion and increased safety provided by the new vehicles. Electric tricycles and quadricycles, in fact, being smaller in size, will be able to move more easily in traffic, not generating impacts on road congestion and may lead to a lower accident rate and fewer injuries.

## Corporate fleet data

	2018	2019	2020
Total vehicles	34,102	33,477	32,791
of which:			
traditional vehicles	29,786	29,119	28,133
alternative vehicles	4,316	4,358	4,658
of which:			
bicycles	324	324	324
electric vehicles	1,129	1,149	1,448
hybrid motor vehicles	88	79	79
petrol-natural gas fuelled vehicles	1,705	1,726	1,727
petrol-LPG fuelled vehicles	1,070	1,080	1,080
Percentage of alternative vehicles (%)	12.6	13.1	14.2

The Group updates and implements its reporting every year to provide increasingly transparent disclosure of its performance. In this regard, new indicators were introduced in 2020 in the Decarbonisation of real estate and logistics, including specific KPIs related to energy saving programmes:

## Total savings or overall profits from energy saving programmes

Programmes that generated savings (€)	2020
LED project	2,551,886
Energy efficiency programme	724,996
Smart Buildings	148,153
Programmes that generated a profit (€)	2020
Photovoltaic plants	194,934



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# Sustainable finance

- BancoPosta Fondi SGR among the best 50 European asset managers
- Participation in various development initiatives at international level on responsible finance issues
- Assessment of the degree of social responsibility and the carbon footprint of the portfolios of BancoPosta Fondi SGR and Poste Vita



## Sustainable finance

### SDGs IMPACTED



### MAIN RELATED TYPES OF CAPITAL



Sustainable finance plays a central role within the financial sector, determining the introduction of new mechanisms aimed at promoting investments in products and projects that have the benefit of generating positive impacts for society.

Poste Italiane incorporates ESG criteria into its investment decisions, promoting the sustainable economic and social development of the Group and the entire national economy

In fact, the Company is convinced that the inclusion of these issues is necessary to pursue sustainable long-term performance, reduce environmental and social risks and act with transparency and integrity. In this regard, since 2019, Poste Vita and BancoPosta Fondi SGR have been signatories to the Principles for Responsible Investments (PRI), promoted by the United Nations with the aim of raising awareness among economic operators of the need to incorporate environmental, social and governance issues within their investments. Since the same year, Poste Vita Group has also been a signatory to the Principles for Sustainable Insurance (PSI), the signing of which formally commits the company to including sustainability criteria relevant to the insurance sector in its decision-making processes.

**Poste Vita and BancoPosta Fondi SGR** signatories of the **Principles for Responsible Investment** since 2019



**Poste Vita Group** signatory to the **Principles for Sustainable Insurance**



### The new EU Regulation 2019/2088

The Group has implemented the provisions and adapted its operations to the rules of the new EU Regulation 2019/2088 on ESG transparency, applicable from 10 March 2021. The aforementioned Regulation aims to standardise the information given to customers on sustainability risks and the promotion of environmental, social and governance factors in investment activities, placing an obligation on intermediaries who provide advisory services to provide pre-contractual and ongoing information to end investors on ESG profiles.

Sustainable finance is instrumental in mobilising capital to achieve sustainable goals in the international arena, and also contributes to sustainable recovery from the impacts of the Covid-19 pandemic. In this regard, during the year, the Group, through its subsidiaries, Poste Vita and BancoPosta Fondi SGR, took part in a series of initiatives, such as:

- **Investor Agenda**, promoted by PRI, CDP and UNEPFI, as part of this initiative, Poste Italiane joined the other investors who signed the open letter addressed to European leaders with the aim of promoting sustainable recovery from the Covid-19 emergency by strengthening actions for the transition to a zero emissions economy.
- **Investor Statement on Coronavirus Response**, promoted by the PRI, the open letter addressed to the business community aims to raise awareness among companies for the adoption of corporate welfare measures to mitigate the social effects of the health emergency.
- **European Alliance for a Green Recovery**, promoted by PRI and launched by the European Parliamentary Committee on the Environment, the initiative aims to build green investment plans together with more than 50 business leaders of the finance and insurance sector and investment funds of 10 European countries.
- **Climate Action 100+**, an international collaborative engagement initiative to raise awareness of climate change issues among the world's largest emitters of greenhouse gases.

Poste Italiane's commitment finds concrete expression in the various ESG products it has developed. These include the Diamond Eurozone Office (DEO) green fund, which has been awarded the highest rating in terms of sustainability by GRESB, an international organisation that analyses and compares real estate investments from a social and governance (ESG) perspective around the world; Poste Vita's **Diamond Core Fund**, a real estate investment fund whose underlying asset is a property that boasts LEED Gold certification and which has received a line of credit classified as a "Green Loan", representing the first green loan in the Italian real estate sector.

- Responsible investment policy of the Poste Vita Group
- Responsible insurance policy of the Poste Vita Group
- Responsible investment policy of BancoPosta Fondi SGR SpA
- Guidelines for investment in sensitive sectors of BancoPosta Fondi SGR
- Guidelines on the exercise of voting rights and engagement activities of BancoPosta Fondi SGR
- Guidelines for investment in sensitive sectors of the Poste Vita Group
- Guidelines on the exercise of voting rights and engagement activities of the Poste Vita Group

In January 2021, Morningstar ranked BancoPosta Fondi SGR among the **top 50 European asset managers** in the "small" category

First **green financing** in the Italian real estate sector received from the asset underlying the **new Diamond Core Fund**

## Best-in-class ESG Funds: Poste Investo Sostenibile

Launched in January 2020, Poste Investo Sostenibile is the new socially responsible mutual fund whose basket of securities on which it directs investments is selected with specific attention to environmental, social and governance (ESG) factors, combining the best remuneration opportunities with the application of strict parameters linked to the sustainability profile of issuers. The fund is also 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.








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**




During the year, Poste Vita Group continued the evolution of the Multi-class range with the launch of “Poste Nuovi Progetti Futuri”, which provides access to the opportunities offered by the financial markets through a gradual approach. In July 2020, the offering was further enhanced with the development of “Poste Progetti Futuri Dinamica”, a new multi-class policy dedicated to Affluent customers.

## Poste Progetti Futuri Dinamica

Poste Vita has launched the new multi-class policy, “Poste Progetti Futuri Dinamica”, which provides gradual access to markets, with the aim of safeguarding customers’ investment returns from market volatility by including responsible investment options in accordance with Environmental, Social and Governance (ESG) criteria. The product offers a wide range of investment profiles to choose from, based on the customer’s return expectations, risk appetite and investment time horizon. The Premium invested is distributed in a predefined starting combination consisting of 100% in the PostaValore Più Separate Internal Account and 0% in Poste Vita Soluzione Sostenibile Internal Insurance Fund, the new ESG fund. Poste Vita carries out automatic monthly transfers for a maximum of 18 months, as a result of which the investment without guaranteed return or repayment of the capital allocated to the Internal Fund increases and the investment in the Separate Internal Account decreases (gradual reallocation). At the end of the service, the investment will be divided according to the Predefined Target Combination consisting of 40% in the PostaValore Più Separate Account and 60% in the Poste Vita Soluzione Sostenibile Internal Insurance Fund.

To effectively pursue the principles and policies set out, the **ESG Strategic Plan** includes the following objectives related to the Sustainable Finance Pillar.

MAIN TYPES OF CAPITAL	OBJECTIVES	INDICATOR (KPI)	TARGET	IMPLEMENTATION STATUS		OUTCOME
				BASELINE	2020	
	<b>Gradual inclusion of an ESG component in Poste Vita investment products</b>	% of Poste Vita products with ESG elements	100% by 2024	2020	New	 
	<b>Increase BancoPosta Fondi SGR investments involving the integration of ESG criteria</b>	% of total AUM of Funds in placement with: • benchmark composed of ESG Indices for the Funds with benchmark; • investment policies involving specific criteria for selection of financial instruments related to ESG factors for Funds without benchmark	50% by 2022	2019	14.6% 	
	<b>Monitoring of the carbon footprint of investment portfolios</b>	% of active management	100% by 2021	2020	New	
	<b>New insurance protection/coverage offer for green buildings</b>	No. of insurance products for green buildings	Product launch and dissemination on the market by 2021	2020	New	
	<b>Promote the financial inclusion of the most vulnerable social categories (risk of non-self-sufficiency and Senior customers)</b>	Development of offers for the most vulnerable social groups	Product launch by 2021	2020	New	
	<b>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</b>	% of new Life products offered to mass and affluent customers that provide coverage for serious illness and permanent disability	100% by 2021	2020	New	
	<b>Monitor the ESG ratings of the issuers present in directly managed portfolios</b>	% of issuers under ESG monitoring	100% by 2020	2019	100% 	
	<b>Development of an offer dedicated to people with fragility</b>	Development of offer for people with disabilities	Development of the market offer by 2022	2020	New	
	<b>Request third-party managers to adopt Poste Vita's Responsible Investment Policy</b>	% of third-party managers involved	100% by 2020	2019	100% 	
	<b>Development of a new health offer dedicated to employees and retirees of Poste Italiane Group members of Poste Italiane Fund</b>	No. of products defined	Definition of a product by 2020	2019	Definition and sharing of the structure of a product 	

 Objective achieved / Objective achieved and updated
  Objective not achieved
  Deadline for achieving the objective that has not yet expired

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

	2020
Percentage of total AUM of Poste Vita	97
Percentage of total AUM of BancoPosta Fondi SGR	96.7



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# Poste Italiane SpA

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