

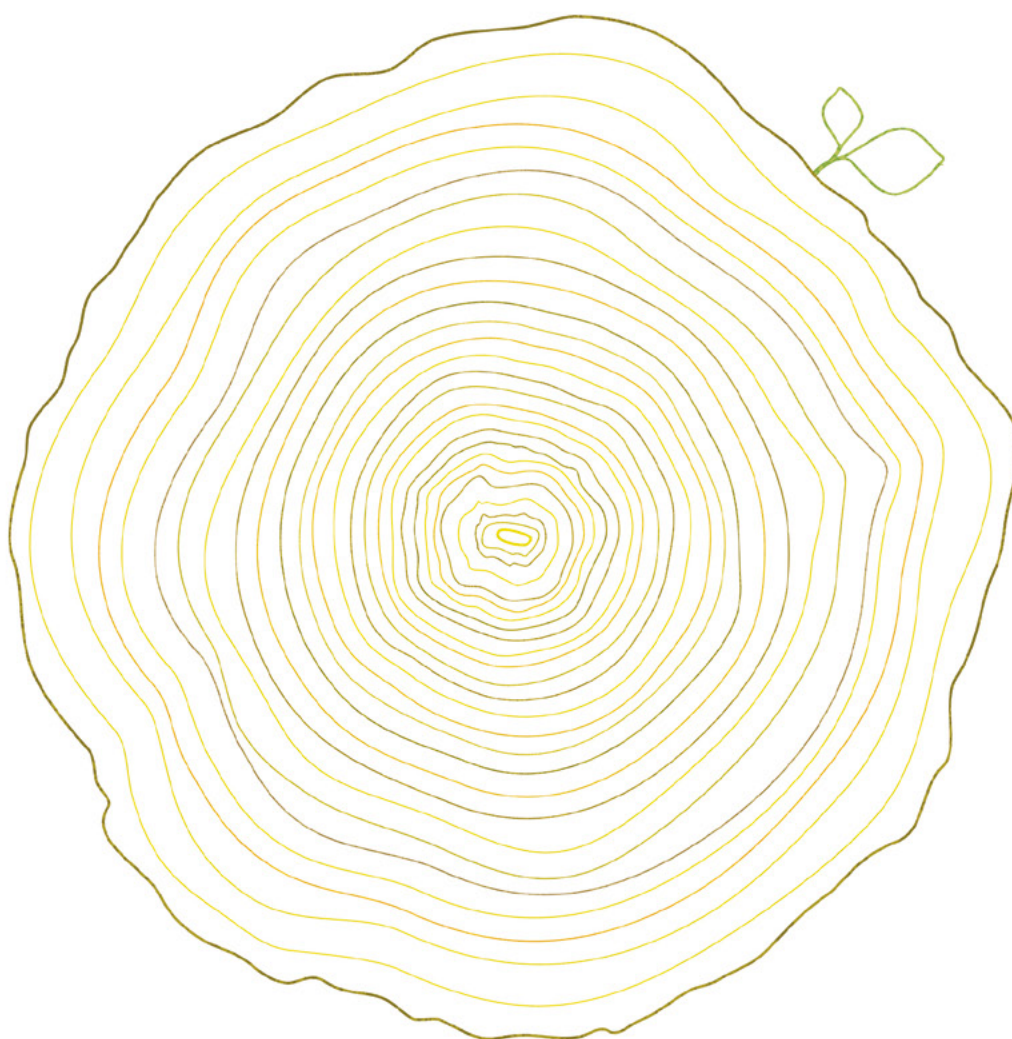
ROOTED IN OUR COUNTRY, BUILDING THE FUTURE.

REPORT ON THE 2022 REMUNERATION POLICY
AND ON THE AMOUNTS PAID IN 2021



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This document has been translated into English solely for the convenience of the international reader. In the event of inconsistency between the terms used in the Italian version and the English version, the Italian version shall prevail, as the Italian version constitutes the sole official document.

Statement from the Chairman of the Remuneration Committee



Giovanni Azzone

Chairman of the
Remuneration Committee
Poste Italiane SpA

Dear Shareholders,

as Chairman of Poste Italiane's Remuneration Committee, I am pleased to present to you, along with my colleagues Daniela Favrin and Elisabetta Lunati, the Report on the 2022 Remuneration Policy and on the Amounts Paid in 2021 ("Report"), approved by the Board of Directors on April 13, 2022.

I would like to thank you for renewing your trust in the Group at the last Shareholders' Meeting, as evidenced by the level of consensus reached which - on the subject of remuneration - was among the highest in Italy.

Our constant commitment to directing remuneration policies towards the highest market standards and proactively seeking fruitful dialogue with you, our Shareholders, and with our proxy advisors, remains a priority for the Remuneration Committee and inspires the definition of the principles of Poste Italiane's Reward Strategy.

Fairness and moderation, merit recognition, a long-term focus, transparency, dialogue with investors and the concept of "no pay for failure" are the founding elements of Poste Italiane's remuneration strategy, defined in close alignment with the Group's values and strategic guidelines, and aimed at attracting, inspiring and retain-

ing the best professional talents during this evolutionary stage of the business.

The Reward Strategy is part of the Group's broader People Strategy and represents a key enabler to effectively implement the "2024 Sustain & Innovate Plus" Strategic Plan, as illustrated to the market during the most recent Capital Markets Day on March 23, 2022.

Although the last two years have been impacted by the persistency of the Covid-19 pandemic, the Group has nevertheless succeeded in seizing and creating new opportunities thanks to the commitment and dedication of its people. As an "anti-fragile" player the Group reacted positively to this period of deep uncertainty and achieved the objectives set for 2021, thus confirming the commitments set in accordance with defined strategic guidelines despite the significant and extraordinary events that are taking place on the global stage. In any case, attention remains focused on all exceptional circumstances, which will be rigorously assessed in accordance with the process specifically defined for these occurrences, as described in this "Report".

In this context of extensive transformation and innovation, the "2024 Sustain & Innovate Plus" Strategic Plan

confirms “People Development” as one of the key pillars of the Group’s strategy to achieve long-term sustainable results. Moreover, to further illustrate the consistency of the remuneration policy with the Group’s strategic guidelines, this year the Report includes a specific section on “People Strategy”.

Poste Italiane has always put the wellbeing and success of its people at the centre of its interests, promoting the commitment to occupational health and safety, cultivating and enhancing talent through training and professional development programmes, investing in inclusive collaboration through its welfare strategy and promoting a healthy work-life balance, while always maintaining its commitment to rewarding merit. These are the key elements that connect the People Strategy with the remuneration policy and the Group’s sustainability strategy, contributing to the creation of shared value.

In line with the direction taken in the last few years, the remuneration policy further strengthens the link between variable short term and long term remuneration and the priorities defined in the Group’s sustainability strategy, where an inclusive, “gender-neutral” corporate culture is taking an increasingly central role. As a result,

this year particular attention has been devoted to the analysis of the gender pay gap, which we are proud to say has revealed the general alignment of pay between women and men with similar roles and skills. These results were achieved also thanks to the actions of effectively monitoring, pursuing and ensuring the gender neutrality of the remuneration policy over time.

As a matter of fact, the new “Performance Share 2022-2024” long-term incentive plan (LTIP) for the CEO-GM and for other managers includes a “Diversity and Inclusion” KPI aimed at promoting a greater female representation in key managerial positions.

In conclusion, the Remuneration Committee believes that this Report, which is aimed at promoting merit-based rewarding and achieving long-term objectives, in line with the principles of transparency, moderation and fairness and enriched by the feedback received by proxy advisors and our Shareholders, confirms the approach towards continuous improvement and presents an effective and balanced remuneration strategy able to support the Group in the pursuit of its goals to create sustainable value for all stakeholders.

I would like to thank Daniela Favrin and Elisabetta Lunati for their significant contribution and constant commitment towards the activities of the Committee. In this particularly complex, challenging and evolving situation, I sincerely hope that the improvements presented in the “Report on the 2022 Remuneration Policy and on the Amounts Paid in 2021” will once again receive positive feedback and contribute to consolidating the virtuous journey that confirms and reflects the deep commitment of Poste Italiane.

Sincerely,

Giovanni Azzone

Chairman of the Remuneration Committee
Poste Italiane SpA

General

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01.

INTRODUCTION, OVERVIEW AND CHANGES



01.

INTRODUCTION, OVERVIEW AND CHANGES

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Introduction

This document containing the **Report on the 2022 remuneration policy and on the amounts paid in 2021** was prepared by Poste Italiane SpA (hereinafter also “Poste Italiane”, “Parent Company” or “Company”) pursuant to Italian Legislative Decree no. 58/1998 (“TUF”), updated by the amendments introduced by Legislative Decree no. 49 of May 10, 2019 – art. 114-*bis* and 123-*ter* – and by the “Regulations for Issuers”, updated with the amendments introduced by resolutions no. 21623 and 21625 of December 10, 2020 and no. 21639 of December 15, 2020 – art. 84-*quater*.

The Report on the 2022 remuneration policy (“Remuneration Report”) sets out in a clear and understandable manner:

- a) the Company policy on remuneration of the members of the management bodies, supervisory bodies (without prejudice to the provisions of article 2402 of the Italian Civil Code), the general managers and the Key Management Personnel, with regard to 2022;
- b) the procedures used for adoption and implementation of said policy.

Furthermore, the first section illustrates the contribution made by the remuneration policy to the business strategy and to the pursuit of the targets of shared value creation for all stakeholders, also considering the working conditions of the Company's employees. This Report illustrates the main action points of the People Strategy, highlighting the most relevant topics regarding the development of the Poste Italiane Group's personnel and confirming the link between the People Strategy, the remuneration policy and the business strategy.

The Report on the 2022 remuneration policy also illustrates how Poste Italiane has taken into account the vote expressed during the General Meeting of shareholders held on May 28, 2021.

The Report on amounts paid in 2021, in a clear and comprehensible manner and, individually for the members of the Board of Directors and Board of Statutory Auditors, for the General Managers and, in aggregate form, for the Key Management Personnel:

- a) provides an adequate representation of each of the items that are part of the remuneration, including the treatments envisaged in the event of termination of office or employment, highlighting their consistency with the Company's remuneration policy for the 2021 financial year;
- b) analytically illustrates the remuneration paid in the 2021 financial year for any reason and in any form by Poste Italiane and its subsidiaries or associates, indicating any components of the above-mentioned remuneration that refer to activities carried out in financial years prior to 2021 and also highlighting the remuneration to be paid in one or more subsequent financial years for activities carried out in 2021, possibly indicating an estimated value for those items that cannot be objectively quantified in the 2021 reference year;
- c) illustrates how the Company took into account the vote cast the previous year on the second section of the Report.

In line with the market's best practices, this Report is accompanied by an additional document referred to as “Remuneration Highlights 2022”, drawn up to provide the market with an immediate overview of the key elements of the remuneration and incentive policies for 2022.

As regards the personnel identified as working for Patrimonio BancoPosta (“BancoPosta Ring-Fenced Capital” or “BancoPosta RFC”) and, in particular, those classified as Material Risk Takers (“Risk Takers” or “MRTs”), details are provided in the “Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022” or “Annex”, drawn up in accordance with Bank of Italy Circular 285/2013 and article 450 of Regulation (EU) no. 575 issued by the European Parliament and Council on June 26, 2013 (the so-called Capital Requirements Regulation, or “CRR”), integrated by Implementing Regulation (EU) no. 637 adopted on March 15, 2021.

Poste Italiane's remuneration and incentive policies are based on the Company's governance model and on the regulatory framework in effect at the time, and they comply with the recommendations of the Corporate Governance Code (as well as the Self-Regulatory Code previously in force), which the Company adopted on December 17, 2020 (specifying that adoption of the previous Self-Regulatory Code had been resolved by the Board of Directors on July 31, 2015).

The policies described in this document apply to Poste Italiane SpA and its subsidiaries (hereinafter, collectively, also “the Group” or “Poste Italiane Group”). The content of this Report is to be used as guidance in the case of subsidiaries subject to specific regulatory requirements such as, for example, Poste Vita SpA, Poste Assicura SpA or BancoPosta Fondi SpA SGR, which adopt specific remuneration policies compliant with these regulatory requirements.

In preparing this Report and the relative Annex, Poste Italiane was supported by the consulting firm WTW.

On April 13, 2022, the Poste Italiane's Board of Directors, on the recommendation of the Remuneration Committee, decided to submit (i) the 2022 Report on remuneration policy to a binding vote by the Shareholders' Meeting, called to approve the 2021 Financial Statements, and (ii) the Report on amounts paid in 2021 to a non-binding vote. At the same meeting of April 13, 2022, the Poste Italiane's Board of Directors, on the recommendation of the Remuneration Committee, also resolved to submit the Annex referring to BancoPosta RFC to a binding vote by the Shareholders' Meeting called to approve the 2021 Financial Statements.

The text of this document will be made available for inspection at the Company's registered office and in the Remuneration section of the Company's website for at least ten years, at least twenty-one days prior to the Shareholders' Meeting, called to approve the financial statements for the year ended 2021, in line with statutory requirements. The Information Circulars regarding equity-based incentive plans can be found in the same section of the Company's website at <https://www.posteitaliane.it/en/remuneration.html>.

Overview

Fixed Remuneration	<p>CEO-GM</p> <p>The total fixed amount is €1,255,000 per year, <u>unchanged from the previous term of office</u>.</p> <p>KMP (Key Management Personnel)</p> <p>The gross annual fixed pay is in keeping with the role held, the scope of the responsibilities assigned, and the experience and skills required for each position, also taking into account specific market benchmarks. The Company's benchmarking is conducted with reference to market medians.</p>
Benefits	<p>Benefits are defined in line with market practices and assigned in consideration of the role held and responsibilities assigned.</p>
Short-term variable incentive scheme MBO 2022	<p>CEO-GM</p> <p>Hurdle condition: Group EBIT: Qualifying conditions: CET1 and LCR for BancoPosta and Solvency II Ratio for Poste Vita. Performance targets: economic/financial (40% weighting), risk-adjusted earnings (20% weighting), ESG (40% weighting), with a focus on the green transition.</p> <p>Payout: deferral of 60% of the incentive over 5 years (pro rata); payment takes place with 45% in cash and 55% in rights to receive Poste Italiane's ordinary shares, subject to a retention period of one year. Incentive level: the maximum amount assigned may be €900,00.</p> <p>Application of non-compliance, Malus and Clawback mechanisms is envisaged.</p> <p>KMP</p> <p>Performance gate: Group EBIT: Performance Targets differentiated and attributable to the following categories: economic-financial (20% weighting), ESG (40% weighting), function-specific targets (40% weighting).</p> <p>Payout: differentiated, in line with the related regulations. Incentive levels: differentiated by level of responsibility and complexity of the role, included within a target of between 30% and 50% of the gross annual fixed pay (threshold level 70% of target and maximum level 140% of target).</p> <p>It is understood that the reference regulations must be respected. Application of non-compliance, Malus and Clawback mechanisms is envisaged.</p>
One-off payment	<p>One-off payments may not be assigned to the CEO-GM and KMP of Poste Italiane.</p>

Medium/long-term variable incentive schemes
LTI PLAN 2022-2024**CEO-GM**

Hurdle condition: Cumulative Group EBIT.

Qualifying conditions: CET1, LCR and RORAC BancoPosta.

Performance targets: Group Cumulative EBIT (40% weighting), relative Total Shareholder Return (40% weighting) and ESG (20% weighting), with a focus on gender diversity.

Payout: vested Poste Italiane's ordinary shares are awarded in the amount of 40% (up-front portion), at the end of the performance period; 60% in five annual portions deferred over a period of five years (the first three equal to 10% of the total shares vested and the remaining two equal to 15%).

Incentive level: the maximum amount assigned may be €1,255,000.

Application of non-compliance, Malus and Clawback mechanisms is envisaged.

KMP

Hurdle condition: Group Cumulative EBIT.

Performance targets: Group Cumulative EBIT (40% weighting), relative Total Shareholder Return (40% weighting) and ESG (20% weighting), with a focus on gender diversity.

Payout: differentiated, in line with the related regulations.

Incentive levels: the assignments at target varies between a minimum of 20% up to a maximum of 85% of the gross annual fixed pay.

It is understood that the reference regulations must be respected. Application of non-compliance, Malus and Clawback mechanisms is envisaged.

Share ownership
guidelines**CEO-GM**

Target amount: 1 gross annual fixed pay.

Timing and manner of reaching target amount: until expiry of term of office/termination of employment; 50% of the shares available under the "Performance Share LTIP" to be held, unless the target amount has already been reached.

KMP

Target amount: ½ gross annual fixed pay

Timing and manner of reaching target amount: whilst belonging to the KMP category; 25% of the shares available under the "Performance Share LTIP" to be held, unless the target amount has already been reached.

Termination of employment

CEO-GM

The amount resulting from the implementation of these provisions/agreements is, in any event, capped at 24 months of gross global remuneration, including an amount equivalent to the indemnity in lieu of notice, if any, as contractually established.

The above amount is determined based on the following predefined formula:

- 10 months if termination occurs during the first year in service;
- 16 months if termination occurs during the second year in service;
- 24 months if termination occurs during the third or a subsequent year in service.

KMP

The amount resulting from application of clauses that regulate ex-ante the economic aspects relating to the termination of the relationship may not exceed a maximum of monthly payments of the effective global compensation, including gross annual fixed pay, the average of the amount received in short-term variable pay for the last three years (or for the period of employment, if shorter) and usually the value of any benefits awarded, as defined below:

- 10 months' if termination occurs during the first year as KMP;
- 16 months' if termination occurs during the second year as KMP;
- 24 months' if termination occurs during the third year as KMP and following.

It should be noted that the amount, as defined above, includes an amount equivalent to the indemnity in lieu of notice, if any, as contractually established.

The Company does not enter into "non-competition agreements" for the CEO-GM and KMP.

It is understood that for KMP subject to specific supervisory regulations on remuneration, payments on termination of employment shall be paid according to the reference legislation.

Changes on the 2022 Remuneration Policy

With a view to continuous improvement, considering the voting results at the 2021 Shareholders' Meeting and the outcome of the engagement activities with institutional investors and proxy advisors, the key changes introduced on the 2022 remuneration policy are described below:

Changes proposed for 2022



The aim is to represent a point of reference on the market, as recognised by investors and proxy advisors, in terms of comprehensive and extensive disclosure.



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02.

REPORT ON THE 2022 REMUNERATION POLICY

02.

REPORT ON THE 2022 REMUNERATION POLICY

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1. The 2022 Remuneration Policy: introduction, principles and term

The remuneration policy is a key lever in promoting the sustainable success of Poste Italiane which translates into the creation of long-term shared value for investors, employees, customers, suppliers, citizens and Italy as a whole.

Poste Italiane is the largest employer in Italy and it is unique in terms of size, recognisability, organisational complexity, widespread presence across the country and degree of diversification of its business. The Group is an omnichannel distribution platform ("Platform Company") that has been providing mail and logistics services for 160 years, leveraging the most extensive infrastructure in Italy. Furthermore, it is recognised as one of the country's leading financial, insurance and payment service provider. Finally, on top of being active in the telecommunications market, in 2022 the Group is expected to enter the energy market as well as extending its range of services in line with the Group's target of becoming a fully-fledged logistics operator also by entering highly specialised verticals in the logistics value chain. This has been enabled by the fact that over the years the Group has developed and consolidated its omnichannel distribution platform model, anticipating the changes to customers' needs and at the same time improving quality of life.

With the "2024 Sustain & Innovate Plus" Strategic Plan, Poste Italiane confirms to be an "anti-fragile" player thanks to the continuous evolution of the omnichannel platform, centred on a customer-focused approach, which over the years has enabled the Group to successfully adapt and react to periods of uncertainty.

By leveraging a consolidated approach, the remuneration policy follows the evolution of the various sectors in which the Group operates - given a context of profound transformation and technological innovation - supporting the alignment among the targets set in the "2024 Sustain & Innovate Plus" Strategic Plan, the Group's People Strategy and its business strategies.

The remuneration policy illustrated in this Report is valid for a period of one year.

1.1 The Reward Strategy

All of the components of the remuneration strategy are inspired and developed organically, in line with the strategic vision and the values of the Group, based on the five principles presented at the Capital Markets Day 2022, with relative details.

Figure 1. THE GUIDING PRINCIPLES OF THE REWARD STRATEGY



Fairness and moderation

Virtuous conduct to support long-term and sustainable growth can only emerge in a context where merit and individual contribution are rewarded, regardless of gender, age and/or other personal characteristics.

At the same time, and without compromising on competitiveness, the various remuneration components are centred around a fair and moderate approach with levels of remuneration that are usually aligned with the market median. The principle of moderation characterises the remuneration of all senior management personnel; each year a specific analysis of the pay for performance remuneration of the CEO-GM is conducted, revealing that despite a performance that is significantly above the Group's peers, the overall remuneration is below the median for the peer group.

Long-term focus

Among its stakeholders, Poste Italiane is considered a partner in the pursuit of sustainable value. The adoption of a long-term vision characterises the strategic business decisions, including in terms of ESG, as well as the Reward Strategy that includes variable long-term incentive plans with a time horizon up to 10 years, guaranteeing the link between the incentives and the Group's results.

Transparency

Compliance with rules, integrity of conduct, loyalty, honesty and clarity are essential values to ensure the proper functioning of organisational processes as well as the reputation and reliability of Poste Italiane. These values are key not only to the achievement of the short-term objectives, but also to the adoption of a virtuous cycle in the long term.

The principle of transparency and compliance with rules represent two cornerstones of Poste Italiane's internal and external relationships. In this context, the incentive plans clearly and accurately present the performance indicators during both the assignment phase and final assessment.

To summarise, transparency is a shared value that is essential to the development of long-lasting relationships.

Dialogue with investors

Promoting a constant dialogue with investors on remuneration matters is one of Poste Italiane's priorities, because on the one hand it facilitates the implementation of the best market practices and, on the other, represents an active stimulus for continuous improvement with positive effects on shared value creation.

Each year, this dialogue is used as a starting point for conducting analyses aimed at identifying - given the market context - possible changes to the remuneration systems and their disclosure with a view of continuous improvement.

No pay for failure

The remuneration policy is aimed at supporting the implementation of the business strategy, with reference to economic/financial and ESG performance. The key indicators are set at challenging levels, the achievement of which guarantees, in particular, the self-financing of all the incentive systems. It is standard practice in Poste Italiane's remuneration policy to set the threshold values of the economic/financial indicators during the budget and Strategic Plan activities. In addition, to ensure financial sustainability over time, the variable incentive schemes are subject to strict malus and clawback clauses and lock-up/deferral/retention periods.

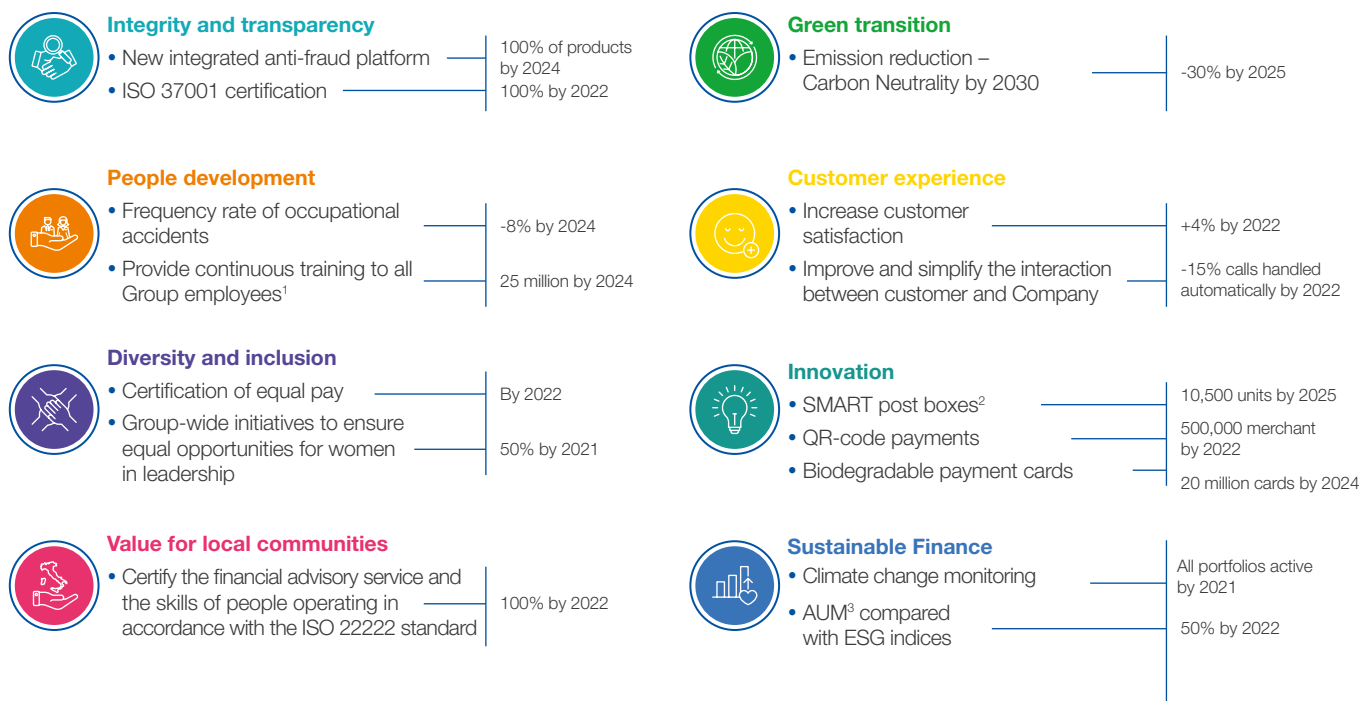
1.2 The link between the Reward Strategy and the Business Strategy

The guiding principles of the Reward Strategy described above represent the building blocks of the remuneration policy, which aims to ensure an appropriate balance between the fixed and variable short and medium-term components.

The remuneration policy is closely linked to the "2024 Sustain & Innovate Plus" Strategic Plan through the variable remuneration component. In particular, the incentive systems include short and long term economic, financial and ESG performance indicators.

For many years, EBIT, a key objective of the incentive scheme that guarantees sustainability, has been the summary indicator of the results common to all Group businesses and is measured annually and multi-annually. This year, the "2024 Sustain & Innovate Plus" Plan combines the cost discipline approach with a focus on the revenues generated by new businesses and growing markets. The development of revenue is achieved through internal and external growth with targeted bolt-on acquisitions aimed at capturing strategic opportunities.

Furthermore, the Group is fully aware that achieving the objectives of the Strategic Plan requires the adoption of a business model that contributes to achieving a low-carbon economy that is inclusive and protects people and the communities we operate in, maintaining a constant dialogue with them over time. This aspect is covered in the "2024 Sustain & Innovate Plus" Strategic Plan, in which innovation and sustainability underpin all of the strategies, as illustrated in the figure below.

Figure 2. SOME OF THE COMMITMENTS ADOPTED BY POSTE ITALIANE IN THE MID-LONG TERM TO CONTRIBUTE TOWARDS EACH ESG PILLAR

1. Cumulative training hours 2018-2024. Over 6 million training hours were provided in 2021.

2. Allow users to control air pollution level, temperature and humidity remotely.

3. AUM of BancoPosta Fondi.

The Group's sustainability strategy is structured into eight key pillars which are covered in more detail in the Annual Financial Report. The image above summarises some of the commitments adopted by the Company in the medium/long term, in reference to each pillar.

The Reward Strategy, which translates into a fair and transparent Remuneration Policy, supports the effective implementation of the strategic priorities in the context of the People Strategy shown below.

1.3 The contribution of all people to value creation: the People Strategy

Poste Italiane is the largest employer in Italy and the most important challenge is to enhance and making the most out of the talent and skills of the four different generations that work in the Group. Encouraging the exchange of these skills and experiences between the different generations represents the cornerstone on which Poste Italiane's People Strategy is based.

The organisation achieves its strategic targets when people feel a strong sense of belonging and develop, in a condition of well-being, their creativity. To do this, it is necessary to ensure a work environment in which people fulfil their expectations and their aspirations.

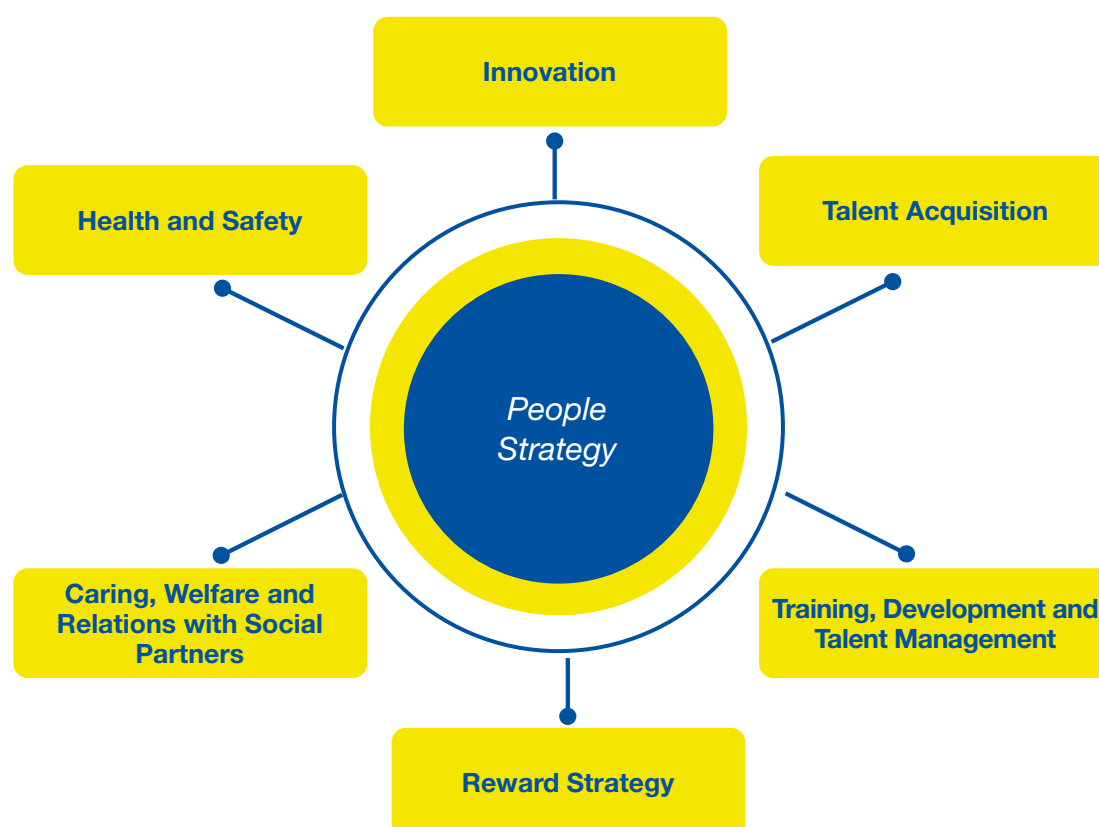
Poste Italiane has always placed the wellbeing of its employees at the centre of its interests with the aim of constantly improving their condition and that of their families. To do so Poste Italiane promotes its commitment to occupational health and safety, provides support for active parenting, focuses on training people, safeguarding their well-being and conciliating working and private life. Modern and flexible work tools and models are also offered with the aim of responding to specific personal and professional working needs.

People represent the key element for achieving Group's targets: human capital, respect for each person, the working conditions, caring, professional development, skills are all crucial elements for creating competitive advantage which generates sustainable and shared value.

The enhancement of people's distinctive skills, in all forms and manifestations, at the various levels of the organisation represents another strategic lever of the People Strategy, fundamental for supporting the Group's growth.

The figure below shows the main areas in which the Group is focusing its investments.

Figure 3. THE MAIN ACTION AREAS OF THE GROUP'S 2022 PEOPLE STRATEGY



Innovation

Poste Italiane has consolidated its role as a strategic pillar for the country building on the Group's integrated omnichannel distribution platform. In this highly transformative context, professional roles are being redefined to be more in line with current demands, existing roles are changing and new positions are being created at all levels of the organisation.

Our objective centres around the enhancement of human capital, focusing skills towards future scenarios and interdependently aligning our organisation and business processes to the deep transformation already underway within the Group, in which people are a key enabling and differentiating factor.

An organisational culture focused on change, on continuous learning and on innovation is essential to equip people with the skills to learn, listen, apply knowledge flexibly to new scenarios and use technology in an appropriate way.

A key example of the Group's many ongoing initiatives has been the launch of "INSIEME 24 SI", a platform designed to collect ideas and contributions from the entire Company's workforce. The platform involves all the various areas within the Company, in line with the objective of responsible growth, the process of digitalisation and social cohesion, supporting proactive action, favouring innovation and shared value creation. The platform makes it possible to promote ideas and initiatives, and to create conditions that allow concrete projects to be launched, proposing innovative solutions able to generate a positive impact both inside and outside the company.

Talent Acquisition

The Poste Italiane Group is required to anticipate emerging needs for new key skills to reflect the evolution of the various businesses in which the Group operates. Technical and managerial skills and their different profiles in terms of age, gender and experience are a key enabling factor for the success of the Group in the long-term.

In the context of the Talent Acquisition strategy, it is essential that Poste Italiane retains its appeal, offering opportunities to build professional profiles characterised by unique skills and experiences thanks to the presence of a diversified, innovative and rapidly changing business. Poste is committed to raising awareness and to guiding younger colleagues towards career paths that can contribute to their professional development in the medium and long term, making Poste an industry leader in the economic and social evolution of the country. At the same time, the Talent Acquisition policy is aimed at attracting professional candidates with distinctive experiences and skills that can support the development of the business. The aim is not only to increase knowledge, but also to promote the know-how of doing, being and becoming.

Training, Development and Talent Management

The Poste Italiane Group is also committed to maintaining an internal market of talent, promoting professional development courses and, at the same time, making a significant contribution to the transformation of existing roles and the creation of new professional positions at all levels of the organisation (upskilling and reskilling), combining people's abilities and aspirations with the needs and opportunities of the business.

Poste Italiane constantly promotes a diversified training offer, also by age group, in line with the emerging needs of the business, as a key driver of the Group's competitive advantage on the market, developing the distinctive know-how of each employee.

In this regard, Poste Italiane is committed to improving the learning experience through the adoption of innovative and increasingly engaging formats and the use of knowledge sharing methodologies, periodically monitoring the efficacy, efficiency and quality of the training programmes delivered.

In relation to people development, Poste Italiane's approach to professional development can be interpreted as an "employee experience", prioritising an organisational culture founded on employees and their needs.

Poste Italiane offers several development programmes aimed at different targets of the company workforce, with the aim of identifying employees' potential and skills and supporting them with new opportunities for professional and career development; as such, coaching and mentoring programmes are becoming increasingly common within the organisation.

The Group adopts an approach centred around continuous learning to enable people to have a positive impact on their individual performance and that of the Group, forging a better understanding of their own skills and abilities, the organisation and the broader external context in which the Group operates to promote an organisational culture increasingly oriented towards widespread and responsible leadership and laying the foundations for professional growth.

Poste Italiane implements development initiatives with the aim of supporting and aligning skills with the Group's business objectives, identifying potential, skills and capabilities to expand the pipeline of professionals at various levels of the organisation, accelerating their professional growth and supporting engagement through the implementation of targeted programmes.

Reward Strategy

The remuneration strategy of the Poste Italiane Group aims to ensure the alignment between the interests of the management and the company workforce with those of its stakeholders. In accordance with the Group's business strategy and People Strategy, the remuneration strategy is based on a multi-year time frame with focus on long-term value creation, and it combines financial and non-financial objectives, within a scenario of healthy and prudent management of current and future risks.

The principles of the Reward Strategy described earlier in this Report are tangibly reflected in the remuneration components, developed organically with the aim of attracting the most talented candidates on the market and motivating and retaining key personnel.

Caring, Welfare and Relations with Social Partners

The Poste Italiane Group's welfare strategy is structured around the goal of improving the wellbeing of the employees and their families, emphasising the centrality of the needs of each individual.

The Company is committed to increasing its responsibility in this area through the promotion of an inclusive culture with benefits for employees and their families and a growing attention on personalised care, a positive work-life balance, the support and development of the younger generations, protecting the vulnerable, different types of parenthood; all these actions generate at the same time a positive effect on the sense of belonging and corporate identity.

Poste Italiane makes sure that protecting and supporting its employees is at the centre of its work, while simultaneously ensuring constant dialogue with unions.

Improving working conditions has always been a priority of the Poste Italiane Group; in this regard, it is essential to maintain a constant dialogue with workers' representatives both during normal operation and in the event of significant organisational changes, through periodic meetings with trade unions. Thanks to continuous engagement and by focusing on the constructive outcomes of the Group's multilateral approach, Poste Italiane is able to guarantee adequate and fair solutions on issues that may have significant impacts on the organisation, on the business and, in particular, on human capital.

Health and Safety

Poste Italiane believes that a culture of safety is a fundamental asset in order to reduce injuries and foster constant improvement in the management systems adopted.

The protection of occupational health and safety is a key value, which all people must be inspired by in carrying out their daily activities. Additionally, the Group is committed to take all the necessary measures to reduce accidents, workplace injuries and occupational illnesses, promoting the psychophysical wellbeing of people through policies, prevention programmes, information and awareness campaigns.

In line with the challenges and objectives of the "2024 Sustain & Innovate Plus" Strategic Plan, one of the goals of the People Strategy is to strengthen internal engagement as a strategic lever able to generate widespread and sustainable benefits in the long term for all stakeholders.

1.4 Preserving the value of all people: the neutrality of remuneration policies with respect to gender

The Poste Italiane Group encourages the development of a 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 one of the greatest resources for the creation of long-term sustainable value. The conscious management of diversity in an inclusive manner, in addition to creating shared social value, determines a competitive advantage for the entire Group, protecting resources and their abilities, and is an enabling element for the involvement and commitment of people to the company's objectives.

The Group safeguards the value of its people and promotes the protection of their psychophysical, moral and cultural integrity through working conditions that respect individual dignity and rules of conduct.

The adopted approach aims to develop and evolve the way in which diversity issues are dealt with, moving from an approach aimed at protecting and integrating diversity to a proactive strategy to overcome any barriers and eliminate the factors that may prevent people from being included in the labour market.

In this context, since 2020 Poste Italiane's Board of Directors has adopted the Policy on Diversity and Inclusion¹.

1. For more information on the Policy: <https://www.posteitaliane.it/it/politica-diversity-and-inclusion.html>

In the context of the Report on the 2022 remuneration policy, the subject of Diversity and Inclusion is expressed in two ways:

- the definition of a specific KPI in the Performance Share 2022-2024 LTI Plan (with 20% weighting), aimed at encouraging – with a structured growth process – greater presence of the “female” gender in managerial positions in line with the principle of fairness;
- the representation, introduced from 2021 on a voluntary basis, of the Gender Pay Gap, in order to monitor constantly any remuneration differences, in line with the Company’s policies and the market best practices.

The Poste Italiane Group also guarantees that decisions regarding remuneration, including incentive systems, are not based on gender, nor on any other form of diversity (age, sexual orientation and identity, disability, health, ethnic origin, nationality, language, political opinions, social and economic conditions, religious beliefs), are based on merit and professional skills aligned with the principles that inspire the Reward Strategy.

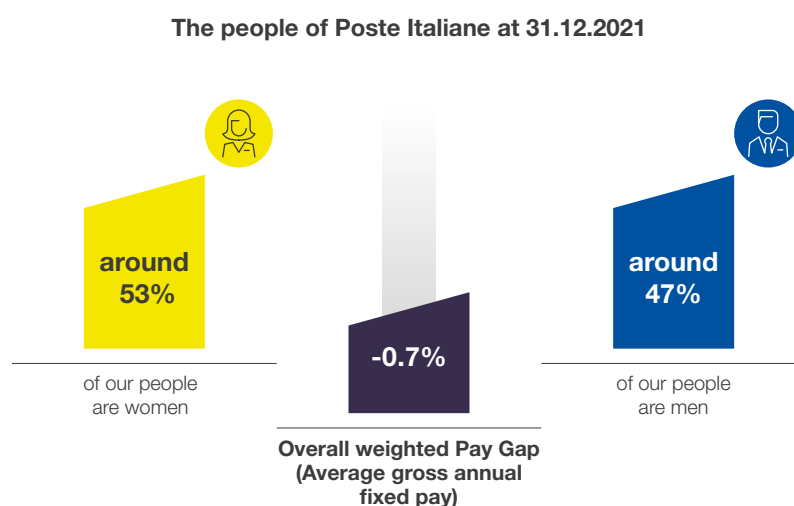
Equal remuneration, for the same role played, represents for Poste Italiane one of the significant elements of the remuneration policy, offering to all of its resources equal access to Company opportunities.

With regard to the gender neutrality of its remuneration policies, Poste Italiane is committed to:

- analyse the evolution of the gender pay gap;
- define an action plan to effectively monitor, pursue and maintain over time the gender neutrality of the remuneration policy;
- explain any significant differences in remuneration and implement the necessary corrective actions;
- ensure equal opportunities for development and professional growth according to meritocratic principles.

Assessing the pay gap, which is calculated weighing the spread measured for uniform population bands (that is with the same degree of complexity and level of responsibility associated with the role) for the relative weight of the gender more represented in Poste Italiane (female) it is noted, as represented in the figure below, an extremely limited gap, of 0.7%.

Figure 4. GENDER PAY GAP OF POSTE ITALIANE PERSONNEL



Poste Italiane has already implemented development measures aimed at increasing female leadership through development and training plans, as well as mentoring and coaching programmes, targeted at the largest work population in Poste Italiane. Like the initiatives to promote a healthy work-life balance, these actions represent yet another driver in the development of women’s careers in the Company.

With regard to Diversity & Inclusion within the Company's People Strategy, Poste Italiane was confirmed for the third year on the Bloomberg Gender Equality Index (GEI), the world's leading gender equality index, in addition to the results already achieved by Poste Italiane in the area of gender equality, such as its inclusion in the top five companies for the gender equality based on the ranking prepared by Equileap on the FTSE MIB index companies of the Milan Stock Exchange.

Last but not least, and confirming the virtuous path undertaken, in 2022, for the third consecutive year, Poste Italiane was certified by Top Employers Institute, in particular for its Learning, Work-environment, Business & Ethics, Sustainability and Diversity & Inclusion policies.

1.5 Measuring the value generated for shareholders

Pay-for-Performance

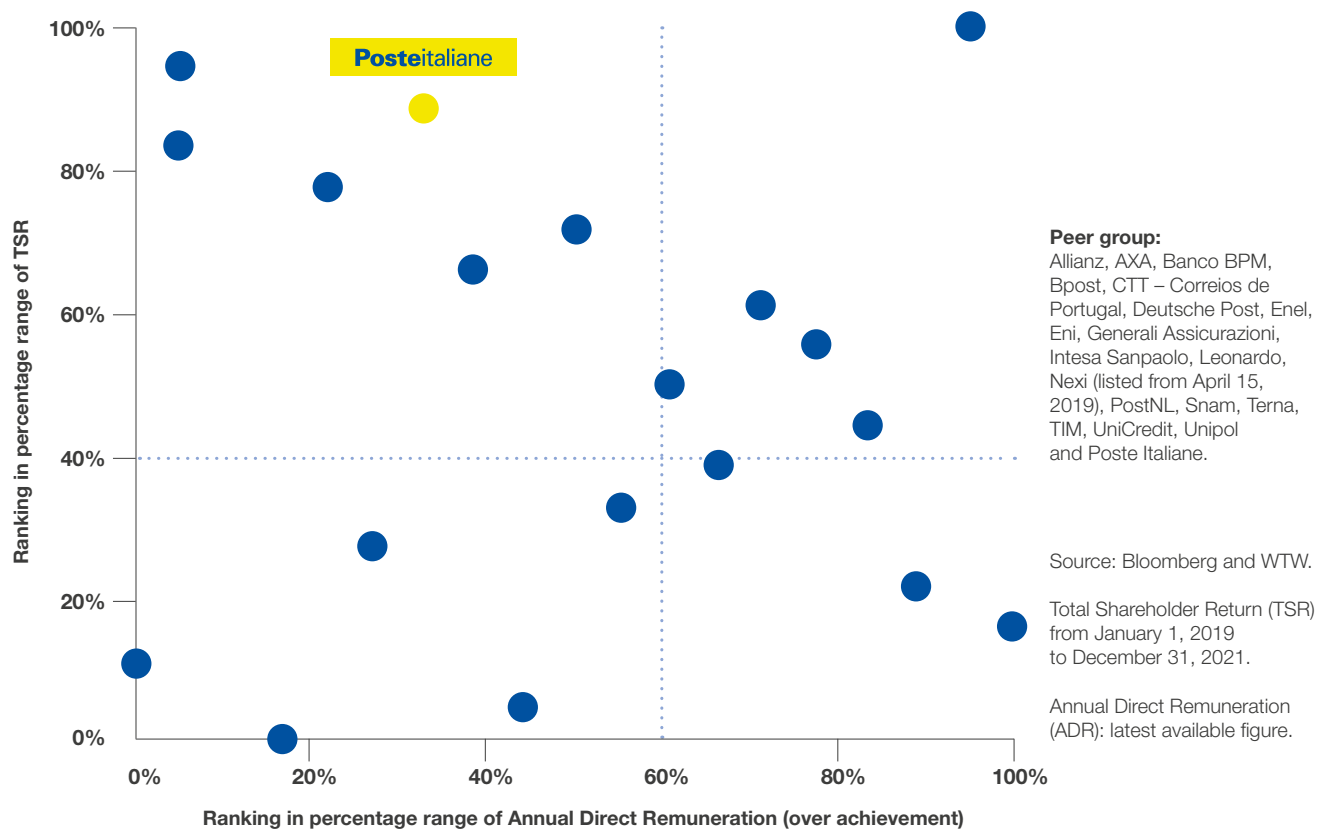
In order to ensure competitiveness and effectiveness, in accordance with the principle of fairness and moderation, the Remuneration Policy must be consistent with long-term sustainable performance.

A valid reference for assessing the adequacy of remuneration, and its alignment with the expectations of all stakeholders, is the "pay for performance", which measures the degree of alignment between the Company's performance and the remuneration levels paid, also with respect to a reference peer group that includes numerous companies, comparable in size, active in the same businesses in which the Company operates, as well as showing similar composition of the shareholders base.

The chart shows the relative positioning of the CEO-GM Annual Direct Remuneration (fixed remuneration and short/medium/long-term variable remuneration) at 12/31/2021, compared to the Total Shareholder Return (TSR) over a three-year period (2019-2021).

Poste Italiane has guaranteed its shareholders a Total Shareholder Return of 93.9% between 2019 and 2021 and is positioned within the high performance segment, with an annual direct remuneration level of the CEO-GM (at 12/31/2021) that is below the median for the reference peer group.

Figure 5. PAY FOR PERFORMANCE 2019-2021, CEO-GM OF POSTE ITALIANE



The overall remuneration levels of the CEO-GM are moderate, in keeping with the guiding principles of the Reward Strategy, as reflected in the remuneration benchmarks conducted annually and, in particular, with respect to the performance achieved.

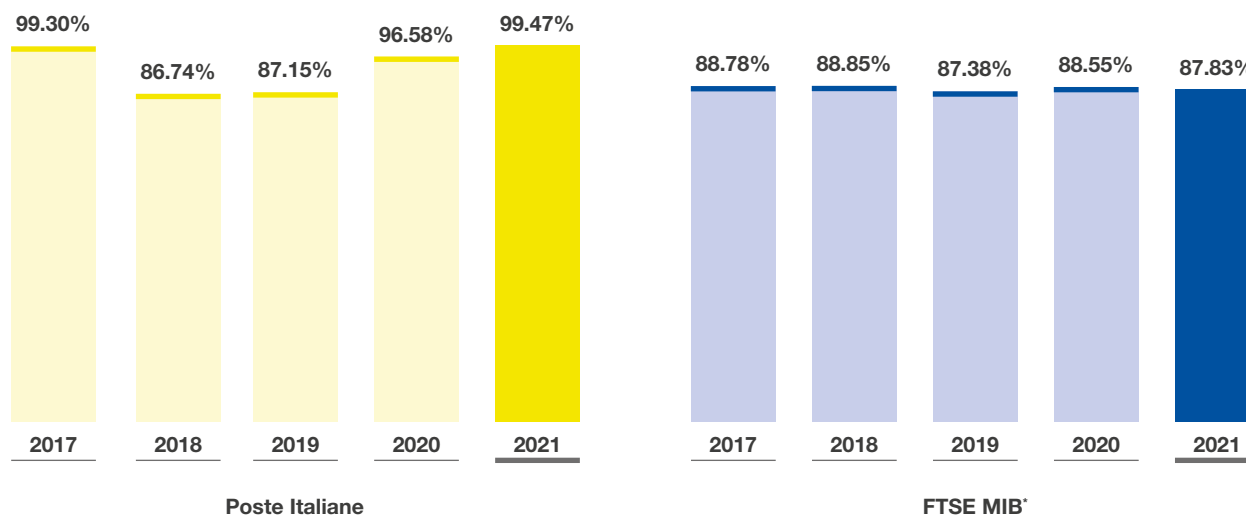
Shareholder support for the remuneration policy

The 2021 Remuneration Policy reported a broad consensus among shareholders, an appreciation confirmed by the favourable vote at the Shareholders' Meeting of May 28, 2021, also with reference to the votes expressed by minorities only.

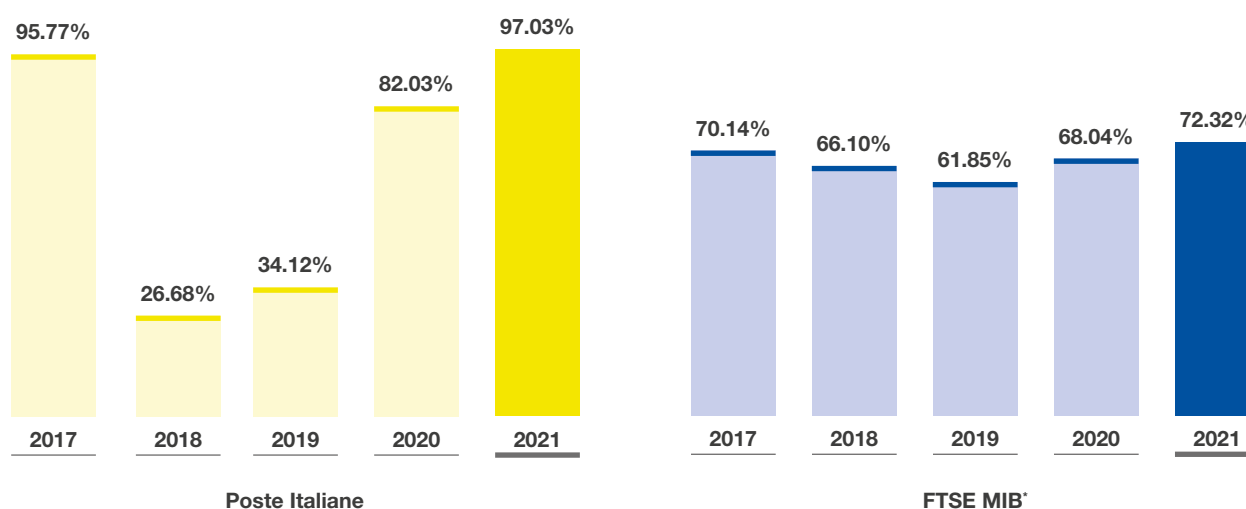
The past outcomes of the voting at the Annual General Meetings on the Remuneration Report in the last five years are provided below:

Figure 6. OUTCOME OF AGM VOTES ON REMUNERATION (2017-2021)

Total votes in favour



Total votes in favour of minority shareholders



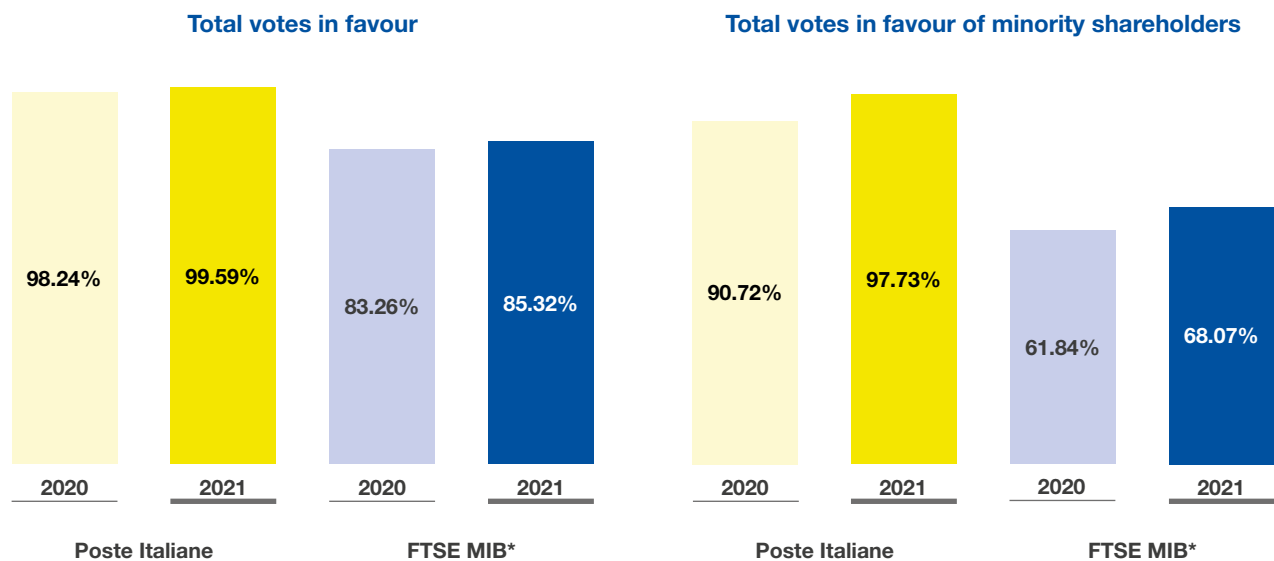
* The reference is to a Panel composed of about 30 issuers included in the FTSE MIB index, selected according to the criteria of capitalisation and registered office in Italy.
 NB: "Non-voting" shares are not considered.
 Source: Georgeson.

The outcome of the vote held during the Shareholders' Meeting was assessed within the context of the overall governance of the Group's remuneration and incentive policies.

In line with the guiding principles of the Reward Strategy, Poste Italiane is committed to maintaining a constructive and ongoing dialogue with its shareholders on remuneration subjects as well, aimed at improving and ensuring more effective public disclosure, based on the best Italian and international standards. This approach - combined with moderation, the continuous alignment with the best practices and the link with Group's business strategies, in the interest of the stakeholders - has led to further improvements in AGM results compared to 2020, a year in which Poste Italiane already represented a market leader.

In 2021, the Report on Amounts Paid, which was put to the vote at the Shareholders' Meeting for its second time, recorded an improvement on the previous year, and the consensus was broadly above the average for companies on the FTSE MIB.

Figure 7. OUTCOME OF AGM VOTES - REPORT ON AMOUNTS PAID (2020-2021)



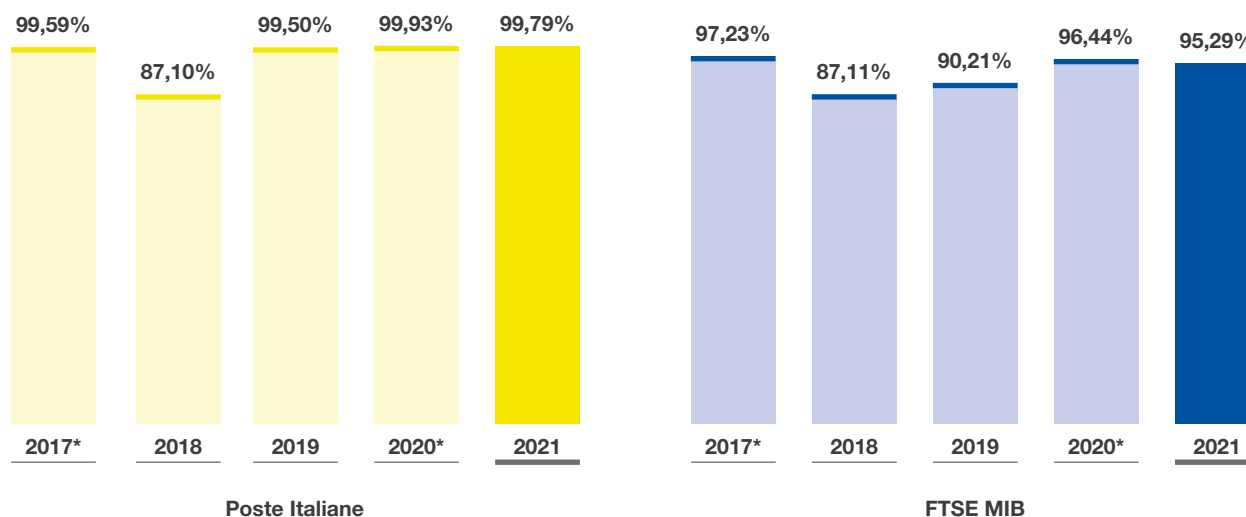
* The reference is to a Panel composed of about 30 issuers included in the FTSE MIB index, selected according to the criteria of capitalisation and registered office in Italy.
NB: "Non-voting" shares are not considered.
Source: Georgeson.

The 2021 equity-based incentive plans (short and long term) obtained a broad consensus of 99.79% of the total votes in favour, and 98.82% of the minority shareholders alone (see Figure 8).

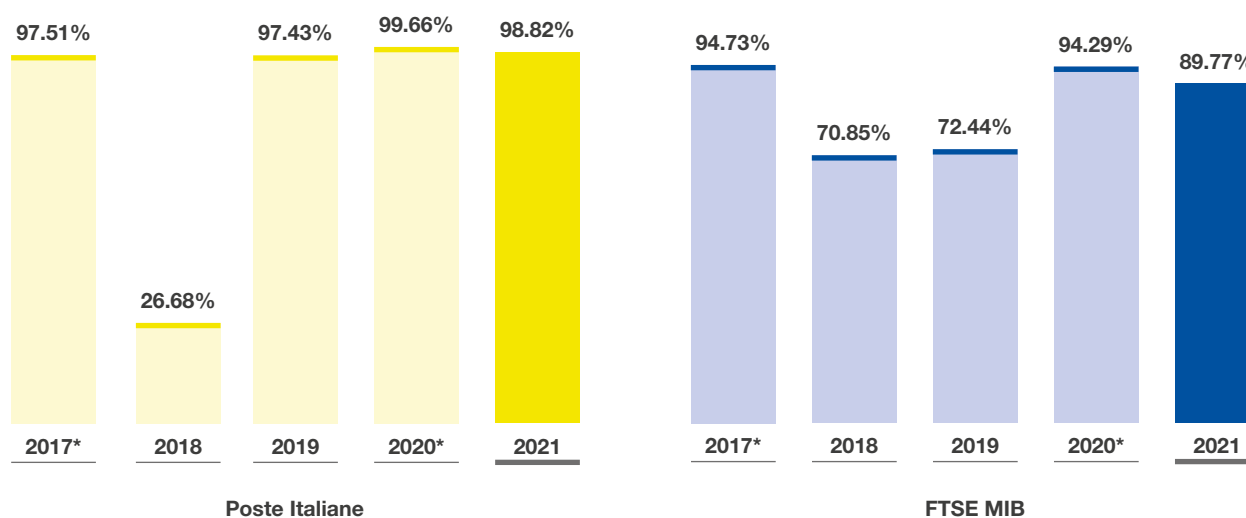
This consensus (up also compared to 2019 when the short term and long term plans were jointly approved, as in 2021) confirms the alignment of the incentive plans with industry best practices. The vote of 99.79% in favour was the highest of the four remuneration topics considered on the Agenda of Poste Italiane's 2021 Shareholders' Meeting.

Figure 8. OUTCOME OF AGM VOTES - INFORMATION CIRCULAR ON VARIABLE EQUITY-BASED INCENTIVE PLANS (2017-2021)

Total votes in favour



Total votes in favour of minority shareholders



* In 2017 and 2020 Poste Italiane submitted only a variable incentive plan focused on short-term equity-based instruments for approval by the Shareholders' Meeting; only FTSE companies that submitted a short-term plan for approval were considered.

NB: "Non-voting" shares are not considered.

Source: Georgeson.

In recent years, interaction with other market operators has provided valuable insights on the Group's remuneration policy, contributing to the positive feedback resulting - as noted in this paragraph - in positive outcomes during the Shareholders' Meeting.

In 2021, the key proxy advisors issued recommendations for a vote in favour of all points of the agenda regarding remuneration, with no particular concerns raised.

Finally, during the Capital Markets Day 2022, Poste Italiane renewed a consolidated and transparent dialogue with the main shareholders' in order to discuss the Group's priorities on the main areas of interest, including remuneration. This dialogue was later supported by broader engagement initiatives with institutional investors and proxy advisors.

2. Governance of remuneration and incentive policies

The process of preparing Poste Italiane's remuneration and incentive policies involves a number of different actors in line with the requirements established by law, by the Company's By-laws and by its organisational and governance model.

With regard to Poste Italiane's Board of Directors (BoD), the related remuneration policy is defined:

- by the Shareholders' Meeting, which determines the remuneration payable to members of the Board of Directors at the time of their appointment and throughout their term of office;
- by the Board of Directors, which determines the remuneration payable to Directors with delegated powers, in consultation with the Board of Statutory Auditors. Moreover, the Board of Directors, on the recommendation of the Remuneration Committee, defines the remuneration for Directors participating to the Board Committees.

The Board of Directors, in line with the recommendations of the Corporate Governance Code, is supported, as regards remuneration issues, by the Remuneration Committee, made up of non-executive Directors - the majority of whom (including the relative Chair) hold the independence requirements - having propositional and advisory functions on the matter.

Information on the Corporate Governance processes applicable to the remuneration and incentive policies adopted for BancoPosta RFC is provided in the Annex "Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022".

With regard to the subsidiaries subject to regulators' supervision regarding remuneration (for example, by the Bank of Italy for asset management activities or the insurance regulator, IVASS, for insurance activities), reference should be made to their own remuneration and incentive policies drawn up and approved in keeping with the Corporate Governance processes.

2.1 Shareholders' Meeting

With regard to remuneration, the Shareholders' Meeting:

- determines the remuneration payable to members of the Board of Directors and the Board of Statutory Auditors at the time of their appointment and throughout their term of office;
- votes on any equity-based plans for Directors, employees or other staff, in accordance with art. 114-*bis* of the TUF;
- holds a binding vote to approve the Report on the remuneration policy of Poste Italiane SpA, in accordance with art. 123-ter, paragraph 3-*ter* of the TUF;
- holds a non-binding vote to approve the Poste Italiane SpA's Report on amounts paid, in accordance with art. 123-ter, paragraph 6 of the TUF.

In line with the provisions of the BancoPosta RFC Regulation, the Shareholders' Meeting may vote on the management body's proposal to set a limit to the ratio of individual variable to fixed remuneration component above 1:1 and, in any event, within the maximum limits set by the applicable regulations. Poste Italiane's Shareholders' Meeting of May 28, 2021 approved, for certain categories of the most significant personnel of the BancoPosta RFC, including the CEO-GM, the proposal to raise the limit on the ratio between the variable and fixed components of individual remuneration to 2:1.

2.2 Board of Directors

With regard to remuneration, the Board of Directors, with the support of the Remuneration Committee:

- determines the remuneration policies and levels of pay for Directors with delegated powers, in consultation with the Board of Statutory Auditors, and for the General Manager, the Head of the Internal Auditing Function, the Head of the BancoPosta function and the Manager Responsible for Financial Reporting; it is understood that the Chairwoman and CEO-GM abstain from voting in relation to the remuneration decisions that concern them;
- sets the performance targets linked to the variable remuneration plans for executive directors and verifies their achievement. It is understood that, as required by law, the CEO-GM must abstain during votes regarding decisions on their performance targets;
- defines the main characteristics and strategic priorities of the variable remuneration plans of Key Management Personnel and verifies their achievement;
- approves the remuneration policies for the current year for Directors and Key Management Personnel and submits them for binding approval by the Shareholders' Meeting;
- approves the report on amounts paid for the previous year for Directors, Auditors and Key Management Personnel and submits them for non-binding approval by the Shareholders' Meeting;
- approves any equity-based plans and submits them for the vote by the Shareholders' Meeting.

Matters relating to the implementation of remuneration policies were discussed in six Board of Directors' meetings in 2021.

The Board of Directors for the 2020-2022 term is made up of 7 non-executive directors, who are also members of the five Board Committees (as shown in the figure below), plus the Chairwoman (non-executive and independent) and the Chief Executive Officer, for a total of 9 members. 5 of the 7 non-executive directors meet the independence requirements set out in article 2, recommendation 7 of the new Corporate Governance Code, as well as the independence requirements set out in article 148, paragraph 3, of the TUF.
















In the context of the Diversity policy for Administrative and Auditing Bodies of Poste Italiane², criteria have been identified regarding the qualitative and quantitative composition of the Board of Directors in order to ensure the effective fulfilment of the tasks and responsibilities allocated to the management body, also thanks to the inclusion of Directors who provide sufficient diversity in terms of the competences required to effectively understand current business, risks and long-term opportunities associated with the Group's activities.

At the meeting of January 26, 2022, the Board of Directors of Poste Italiane SpA resolved to modify the composition of the Nominations and Corporate Governance Committee in order to align it with the latest update to the Supervisory Standards issued by the Bank of Italy, which state that as regards corporate governance, the chairperson of the Control and Risk Committee may not chair other internal committees. In particular, the position of chairperson of the Nominations and Corporate Governance Committee was transferred from Bernardo De Stasio (who, nonetheless, remains a member of the Committee as well as the Chairperson of the Control and Risk Committee) to Giovanni Azzone, an existing member of the Nominations and Corporate Governance Committee.

Therefore, on completion of the transfer, the Nominations and Corporate Governance Committee is composed of Giovanni Azzone (as chairperson), Bernardo De Stasio and Mimi Kung.

2. For more information on the Policy: <https://www.posteitaliane.it/en/policy-diversity-and-inclusion.html>

Figure 9. COMPOSITION OF THE BOARD OF DIRECTORS AND BOARD COMMITTEES FOR THE 2020-2022 TERM (FROM JANUARY 26, 2022)

POSITION	NAME AND SURNAME	REMUNERATION COMMITTEE	NOMINATIONS AND CORPORATE GOVERNANCE COMMITTEE	CONTROL AND RISK COMMITTEE	SUSTAINABILITY COMMITTEE	RELATED PARTIES AND CONNECTED PARTIES COMMITTEE
Director	Giovanni Azzone^{1 2}					
Director	Bernardo De Stasio^{1 2}					
Director	Daniela Favrin¹					
Director	Davide Iacovoni¹					
Director	Mimi Kung^{1 2}					
Director	Elisabetta Lunati^{1 2}					
Director	Roberto Rossi^{1 2}					

Chair   Member  

Directors with delegated powers**CHAIR**Maria Bianca Farina^{1 2}**CEO AND GENERAL MANAGER**

Matteo Del Fante

1. Non-Executive Director.

2. Independent Director pursuant to Consolidated Law on Finance and the Corporate Governance Code for listed companies.

As envisaged by art. 123-ter, paragraph 3-bis of the TUF updated in 2019, in the case of exceptional circumstances, Poste Italiane may temporarily waive its remuneration policies, without prejudice to respect of the legislative and regulatory restrictions. Exceptional circumstances generally refer to situations in which waiving of the remuneration policy is necessary for the pursuit of long-term interests and sustainability of the Company overall or to ensure its capacity to remain on the market. The process is summarised below.

The Board of Directors, on the recommendation of the Remuneration Committee and in consultation with the Related and Connected Parties Committee and the Control and Risk Committee (and other Board Committees possibly involved on issues of competence), in accordance with the Guidelines on the Management of transactions with Related and Connected Parties of Poste Italiane SpA, limited to the remuneration policy items indicated in paragraph 4.1 of the first section of this document, may

temporarily waive the remuneration policy in the aforementioned circumstances. Information concerning any exceptions (including, in particular, the elements to which the exception refers, the description of the circumstances that made the exception necessary, and the procedure followed for the application of the exception and the remuneration paid as a result of this procedure) will be described in the Report on Amounts Paid which is put to vote at the Shareholders' Meeting the year after the application of the exception.

In any case, there may be no exceptions to the principle under which the CEO-GM and Key Management Personnel of Poste Italiane may not be assigned one-off payments or defined variable components other than those described in this document.

Remuneration Committee

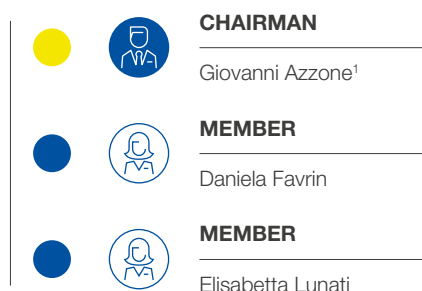
The Remuneration Committee is responsible for providing advice and making recommendations regarding remuneration and incentive schemes. The composition, mandate, powers and operating procedures of the Committee are governed by specific regulation approved by Poste Italiane's Board of Directors.

In general, the Poste Italiane's Remuneration Committee consists of at least three non-executive Directors, one of whom with the role of Chair. The majority of members, including the Chair, must meet the independence requirements provided for in art. 148, paragraph 3 of the TUF and art. 2, recommendation 7 of the Corporate Governance Code. In addition, at least one Committee member must have appropriate expertise and experience in financial matters or remuneration policies and risk, capital and treasury management. This is assessed by the Board of Directors at the time of appointment to the Committee.

Committee meetings are attended by the Board of Statutory Auditors and, by invitation, other competent corporate bodies and functions. As a rule, meetings are also attended by the Head of BancoPosta's Risk Management function when the Committee is to discuss matters relating to BancoPosta's activities.

The following figure shows the composition of the Committee at December 31, 2021. Please note that the Chair of the Remuneration Committee is a director elected from list no. 2 of Institutional Investors.

Figure 10. COMPOSITION OF THE COMMITTEE AT DECEMBER 31, 2021



1. Candidate of List no. 2 – Institutional Investors, for the appointment of the members of the Board of Directors 2020-2022.

The Remuneration Committee has been assigned, among others, the following advisory and consultative tasks:

- making proposals to the Board of Directors, or expressing opinions on the remuneration of Executive Directors, other Directors who hold particular offices and managers with strategic responsibilities in accordance with current regulations;
- assisting the Board of Directors in the drawing up the Company's policy on the remuneration of the members of the Board of Directors, general managers and managers with strategic responsibilities with reference to at least the following financial year and, without prejudice to the provisions of Article 2402 of the Italian Civil Code, of the members of the control bodies, in accordance with the regulations in force, periodically assessing the adequacy, overall consistency and concrete application of the Policy adopted and making use of the information provided by the Chief Executive Officer regarding the implementation of this Policy;
- making proposals regarding the remuneration, including the variable component, of the Head of Poste Italiane's Internal Control Function, in agreement with the Control and Risk Committee established within the Board of Directors;
- making proposals regarding the remuneration of the Manager Responsible for Poste Italiane's Financial Reporting;

- examining, in advance, the annual report on remuneration policy and amounts paid drafted for public disclosure in preparation of the Shareholders' Meeting called to approve the financial statements.
- performing any additional tasks assigned by the Board of Directors.

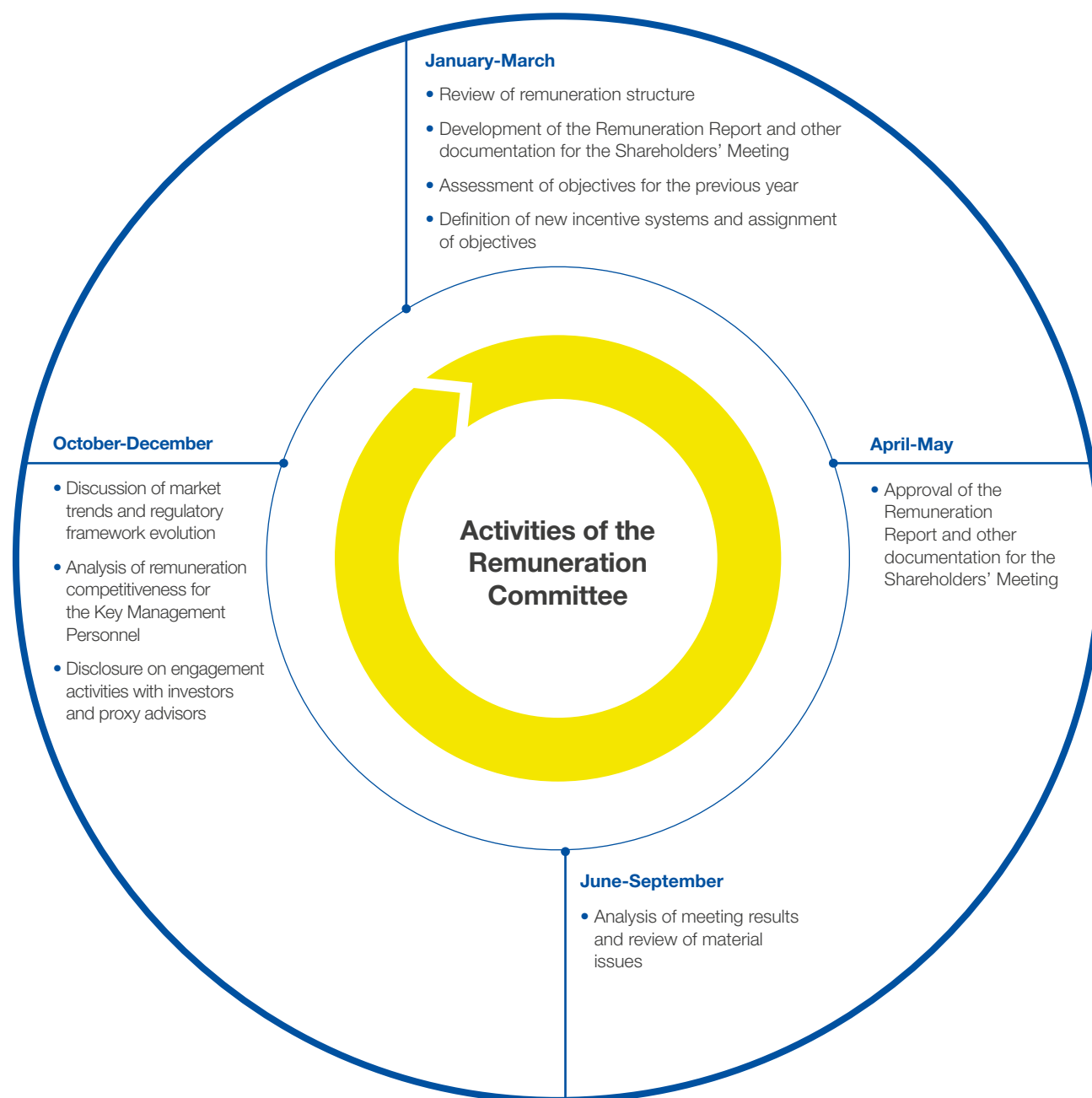
With regard to the responsibilities of the Remuneration Committee in respect of BancoPosta RFC, reference should be made to the Annex "Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022".

The Committee, through its Chair, reports to the Board of Directors on the activities carried out by the Committee at the first available meeting, and whenever deemed necessary.

The Committee has the right to access (within the limits of its assigned responsibilities) the information and corporate functions necessary in order to fulfil its role and may avail itself of external consultants or independent experts at the Company's expense, within the limits of the overall budget approved by the Board of Directors for all Board Committees.

The Remuneration Committee meets periodically and with sufficient frequency to enable it to carry out its duties, in accordance with an annual calendar that normally follows the cycle of activity shown below:

Figure 11. THE REMUNERATION COMMITTEE'S CYCLE OF ACTIVITY



Other Board Committees

When required by internal regulations and corporate governance processes, specific issues relating to remuneration and incentives are discussed by the Control and Risk Committee, Sustainability Committee and/or the Related and Connected Parties Committee in order to provide an opinion. The Committees may, if necessary, be supported by the relevant internal functions or external consultants.

Furthermore, the Control and Risk Committee is responsible for supporting the Remuneration Committee in making remuneration proposals, even variable, for the Head of the Internal Auditing function of Poste Italiane SpA and checks that the incentives underlying BancoPosta RFC's remuneration and incentive scheme are consistent with the Risk Appetite Framework.

2.3 Board of Statutory Auditors

The Board of Statutory Auditors attends Remuneration Committee meetings, providing the opinions required by law and, with regard to the remuneration of Directors with delegated powers in accordance with art. 2389, paragraph 3 of the Italian Civil Code, also checking consistency with the general policies adopted by the Company.

2.4 Other entities

Among the duties and responsibilities assigned to it, the Human Resources and Organisation function draws up proposed remuneration policies to submit to the Remuneration Committee, without prejudice to the need to comply with the specific requirements for BancoPosta RFC. At the request of the Remuneration Committee, Human Resources and Organisation also provides expert assistance in preparing the material necessary for the Committee to carry out its duties, including with the support of other functions that are specific process owners.

The Administration, Finance and Control function contributes to the process of setting and assessing achievement of the financial indicators on which incentive schemes are based and assesses their economic-financial sustainability.

The Corporate Affairs function ensures compliance with the Corporate Governance processes and contributes to the definition and assessment of ESG indicators. At the time of writing, the Head of “Affari Societari” within the Corporate Affairs function, is also the Secretary to the Remuneration Committee and is responsible for assisting the Chair and the Committee in carrying out their roles and for minuting Committee meetings.

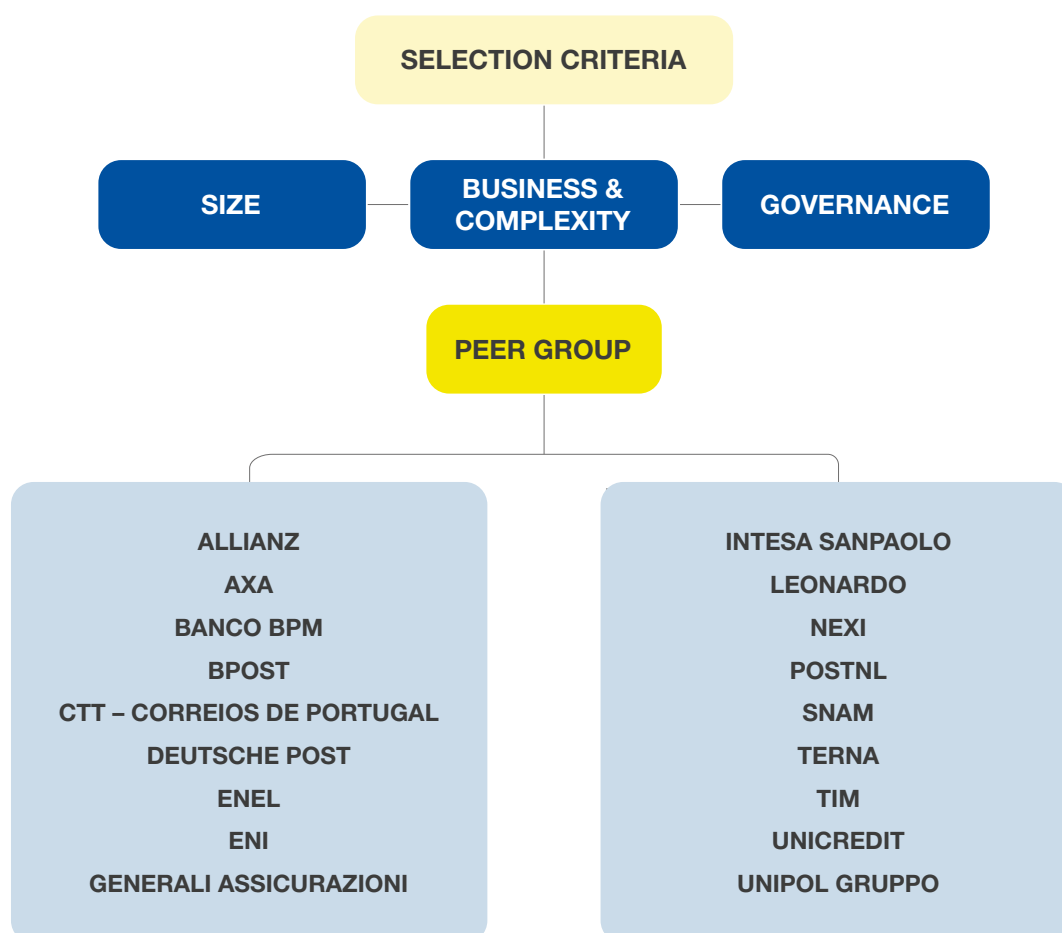
With regard to BancoPosta RFC, reference should be made to the Annex “Guidelines for BancoPosta RFC’s remuneration and incentive policy for 2022” for information on the duties and responsibilities of the Head of BancoPosta and the related control functions.

3. Market practices

The Company regularly monitors market trends through salary benchmarking conducted by major international industry players, with the aim of ensuring the competitiveness of its remuneration packages.

The 2022 peer group, defined to compare the remuneration of the Chief Executive Officer and General Manager, has been updated since 2021: while the overall number of companies assessed remained the same, the company Saipem was replaced by Nexi which, in light of the recent business transformation and in its capacity as a major payment service operator, is more “comparable” to Poste Italiane on the following criteria:

Figure 12. PEER GROUP



The peer group was selected from a larger sample of Italian and European companies comparable to Poste Italiane in nature.

In particular, with regard to “Size”, the process took into account market capitalisation, revenue and number of employees. In terms of “Business & Complexity”, the different sectors in which the Poste Italiane Group operates were considered (with a focus on the Italian banking sector, given that the CEO-GM is subject to banking regulations, as well as in the insurance, payment

services, logistics and parcel sector) in addition to the complexity of operations. Finally, with regard to “Governance”, the peer group includes a number of companies where the Ministry of the Economy and Finance and Cassa Depositi e Prestiti SpA own an equity investment or who are regulated by AGCOM (the Italian Communications Authority), provided that they are listed on the FTSE MIB.

Finally, the salary benchmarking process for Key Management Personnel is based on a panel of companies with characteristics consistent to those selected for the CEO-GM; where deemed significant, reference may be made to industry panels (for example, for roles in financial services).

Remuneration levels are generally moderate; the Company’s benchmarking is normally conducted with reference to market medians.

4. Remuneration and incentive policies for 2022

4.1 Remunerations items

The key remuneration items are the fixed component, variable remuneration (short and medium/long-term) and severance payments on termination of employment.

The pay mix between fixed and variable component, balanced between the monetary and non-monetary component, is linked to the role held and the responsibilities assigned. In this regard, Poste Italiane uses a job evaluation framework for the various roles, certified periodically by an independent consulting firm.

Fixed components

Fixed remuneration reflects technical, professional and managerial skills.

Competitiveness, attractiveness, meritocracy and the assignment of greater responsibilities may lead to the recognition of adjustments to fixed remuneration.

Proposed adjustments to gross annual fixed pay follow a structured process, based on objective, non-discretionary criteria.

Fixed remuneration is also determined taking into account internal equity values and market benchmarks (as noted, the Company's benchmarking is conducted with reference to market medians).

Certain non-monetary benefits are also provided in accordance with the applicable statutory requirements and in line with market practices. Benefits³ are subject to specific guidelines, which require the application of common criteria depending on the uniform category of employee concerned.

Variable components

Variable remuneration is the incentive component directly linked to company and individual performance, according to a meritocratic approach that recognises and rewards predetermined, transparent, measurable and verifiable results and objectives achieved.

Incentives linked to variable remuneration are paid at the end of an accurate verification process of the results actually achieved.

Variable remuneration is paid in the form of cash and financial instruments, over an annual and multi-year time horizon.

Variable pay is capped depending on the category of beneficiary.

The CEO-GM and KMP of Poste Italiane may not receive one-off payments or other variable components other than as described in this document.

All the incentive schemes are linked to the achievement of predetermined levels of performance and subject to malus and clawback provisions, as described in greater detail below.

3. Managers are not normally provided with insurance cover or pension schemes other than those envisaged in the market practice and in the National Collective Labour Agreement for the management personnel of companies producing goods and services (the "NCLA"). The Chairwoman, General Manager and KMP are provided with supplementary health cover in addition to that provided under the NCLA. Members of the Board of Directors and Board of Statutory Auditors, the General Manager, the Manager Responsible for Financial Reporting and executives and employees in management or supervisory roles are provided with personal health insurance and D&O cover.

Other items

In exceptional circumstances, newly hired personnel may receive specific awards, including a signing bonus (also in instalments).

In accordance with the Company's policies, there are and it is possible to stipulate provisions/agreements governing aspects of termination of employment in line with the Company's long-term strategies, values and interests.

4.2 Share Ownership Guidelines (SOGs)

The Poste Italiane Share Ownership Guidelines apply to people in the following roles:

- Chief Executive Officer and General Manager;
- Key Management Personnel included among the beneficiaries of the "Performance Share LTIP".

The nature of the guidelines differs according to the category of role:

Figure 13. SUMMARY OF SOGS FOR CEO-GM AND KMP

Beneficiaries	Target amount	Timing and manner of reaching target amount
CEO-GM	1 Gross Annual Fixed Pay	until expiry of term of office/termination of employment; 50% of the shares available under the "Performance Share LTIP" to be held, unless the target amount has already been reached
KMP	½ Gross Annual Fixed Pay	whilst belonging to the KMP category; 25% of the shares available under the "Performance Share LTIP" to be held, unless the target amount has already been reached

The above persons undertake to hold a percentage of the shares available under the "Performance Share LTIP", until the target amount has been reached.

4.3 Board of Directors

The remuneration policy for members of the Board of Directors is differentiated as follows:

- Chairwoman of the Board of Directors;
- Chief Executive Officer and General Manager (CEO-GM);
- other Directors.

On a general basis and for all the members of the Board of Directors, the Shareholders' Meeting held on May 15, 2020 determined - based on a proposal submitted by the Ministry of the Economy and Finance - the remuneration payable pursuant to art. 2389, paragraph 1 of the Italian Civil Code to members of the Board of Directors in office in the period 2020-2022, amount unchanged compared to the one defined for the previous term of office.

No attendance fees are currently payable for participation in Board of Directors' meetings or Board Committees' meetings.

It remains understood that for the Chairwoman of the Board of Directors and the other Directors, with the exception of the CEO-GM, remuneration is in no way linked to the results achieved by Poste Italiane.

As required by law, the Chairwoman, Chief Executive Officer and General Manager must abstain during votes regarding decisions on their remuneration and not take part in discussions on this matter.

In particular, Directors' remuneration consists of a fixed component, determined by the Shareholders' Meeting and applicable for the full term of office. As indicated above, the Shareholders' Meeting held on May 15, 2020, with regard to the term of office 2020-2022, determined the remuneration payable pursuant to art. 2389, paragraph 1 of the Italian Civil Code as €40,000 per






annum (except as specified in paragraph 4.3.1 below with reference to the Chairwoman of the Board of Directors), confirming the amounts defined for the previous mandate. There are no forms of variable remuneration.

Directors are reimbursed for any out-of-pocket expenses incurred in carrying out their duties, within the limits established by the Board of Directors.

In 2021, the benchmarking analysis of remuneration assigned for participation on internal board committees compared to that of the peer group described in the Report on the Remuneration Policy approved by the Shareholders' Meeting in 2021, highlighted a substantial alignment with the first quartile of the market. Poste Italiane is characterised by its presence in several different business sectors, each subject to specific regulations that require members of the internal committees to show a consistently high level of commitment and remain up to date.

The figure below shows the revision to the remuneration assigned for participation on the internal board committees from 2022, resolved upon by the Board of Directors on the proposal of the Remuneration Committee, having consulted with the Board of Statutory Auditors, subject to the approval of this Report by the Shareholders' Meeting. In line with the principle of fair and moderate remuneration which distinguishes Poste Italiane, the updated remuneration figures for the Chairperson of the Committee and Committee Members are between the first quartile and the median of the market.

Figure 14. REMUNERATIONS OF BOARD COMMITTEES

			Remuneration 1 January 2022
	Remuneration Committee	Chair	35,000 euro
		Member	22,500 euro
	Nominations and Corporate Governance Committee	Chair	35,000 euro
		Member	22,500 euro
	Control and Risk Committee	Chair	50,000 euro
		Member	35,000 euro
	Related and Connected Parties Committee	Chair	35,000 euro
		Member	22,500 euro
	Sustainability Committee	Chair	35,000 euro
		Member	22,500 euro

The increases were resolved in full compliance with the principle of Fairness and moderation of the Reward Strategy described earlier in the Report.

4.3.1 Chairwoman of the Board of Directors

The remuneration of the Chairwoman of the Board of Directors consists of a fixed component, by way of remuneration, approved by the Shareholders' Meeting of May 15, 2020, for the 2020-2022 term, in accordance with art. 2389, paragraph 1 of the Italian Civil Code and equal to €60,000 per annum, unchanged compared to the one defined for the previous term of office.

In addition to the above, on December 17, 2020, the Board of Directors, on the recommendation of the Remuneration Committee and in consultation with the Board of Statutory Auditors, awarded further remuneration to the Chairwoman of the Board of Directors for the 2020-2022 term (pursuant to art. 2389, paragraph 3 of the Italian Civil Code). This additional remuneration is equal to €420,000 per year, unchanged from as defined for the previous term of office. There are no forms of variable remuneration.

The Chairwoman is reimbursed for any out-of-pocket expenses incurred in carrying out her duties, within the limits established by the Board of Directors.

As required by law, the Chairwoman abstains during votes regarding decisions on her remuneration and does not take part in discussions on this matter.

The final component of the remuneration package consists of certain benefits provided in accordance with the applicable statutory requirements and in line with market practices.

4.3.2 Chief Executive Officer and General Manager (CEO-GM)

In the current organisational layout, the office of Chief Executive Officer and General Manager is covered by the same person and the applied economic and regulatory treatment regards, therefore, both the director's role as well as the employment relationship.

Remuneration of the Chief Executive Officer and General Manager includes a fixed component, a short-term variable component and a medium/long-term variable component.

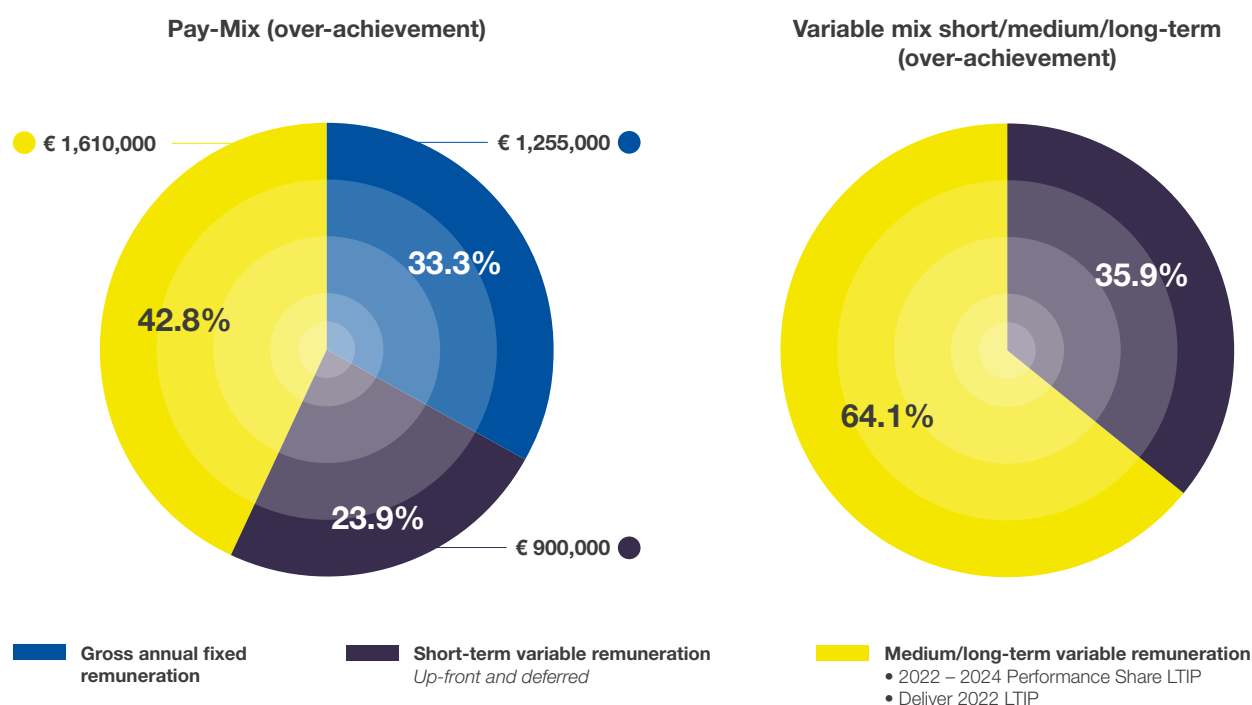
From 2021, as resolved by the Shareholders' Meeting of May 28, 2021, the maximum ratio of variable remuneration to fixed remuneration is 2:1.

The gross annual fixed remuneration, with reference to the 2020-2022 term, has not changed compared to the previous term of office and is therefore confirmed at €1,255,000, while the value of the overall incentive schemes (both short and medium-long term) cannot be more than twice the same fixed amount (unchanged compared to 2021).

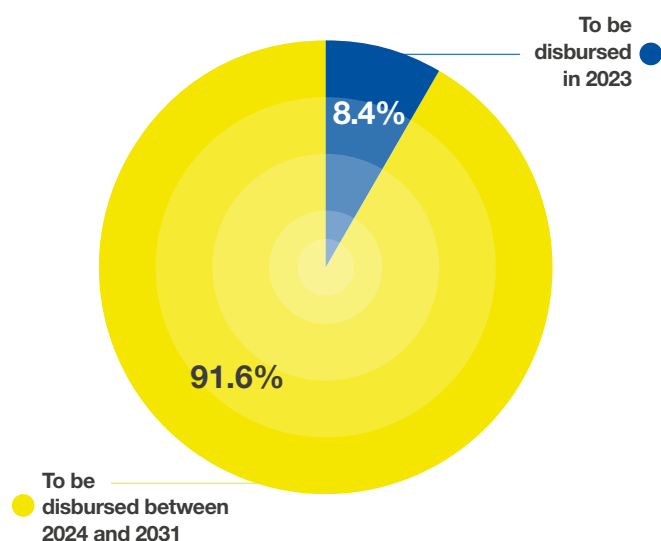
Certain benefits are provided in accordance with the applicable statutory requirements and in line with market practices.

In light of these elements, the following chart shows the CEO-GM Pay Mix for 2022, assuming over-achievement of results. It also illustrates the mix between the short-term and medium/long-term variable component, a specific focus on the timing of variable remuneration and a breakdown between the monetary and equity components:

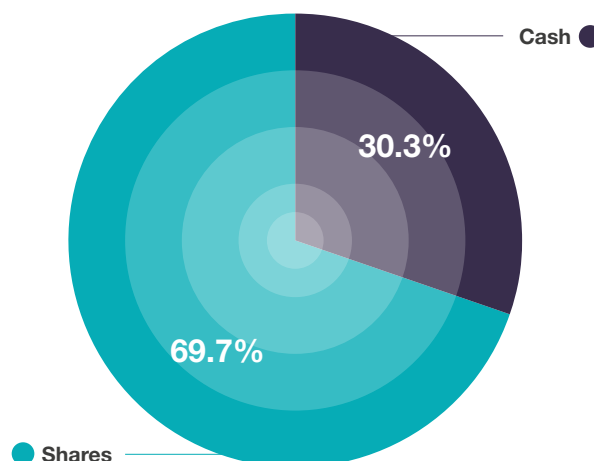
Figure 15. CEO-GM PAY-MIX IN CASE OF OVER-ACHIEVEMENT



Timing of recognition of newly-assigned variable remuneration for 2022 (over-achievement)



Cash/Shares Mix (over-achievement)



This Pay Mix has been calculated on the basis of awards under the short and medium/long-term incentive schemes thus, in the event of over-achievement, considering the entire value of the “2022-2024 Performance Share LTIP” and the annualised value of the “Deliver 2022 LTIP”. **The amounts of fixed and variable short and medium-long term remuneration are unchanged compared to 2021.**

The mix between the short-term and medium/long-term variable component, assuming over-achievement of results, foresees prevalence of the latter over the short-term.

With respect to the timing of recognition of the newly defined variable remuneration for 2022, less than 10% may be paid in 2023 in the case of over-achievement performance, while more than 90% may be paid between 2024 and 2031.

Also with reference to variable remuneration, as shown in the last chart and again in case of over-achievement, more than 2/3 may be paid in the form of shares.

As a member of the Board of Directors, the Chief Executive Officer is also reimbursed for any out-of-pocket expenses incurred in carrying out the duties strictly related to his role, within the limits established by the Board of Directors.

As required by law, the CEO-GM abstains during votes regarding decisions on his remuneration and does not take part in discussions on this matter.

Gross annual fixed compensation

The CEO-GM receives a gross annual fixed compensation of €1,255,000 (unchanged from the previous term of office) and this consists of a component relating to the position of Director and one relating to his position as a manager of the Company in his role as General Manager⁴.

4. The CEO-GM position as General Manager is governed by the provisions of the National Collective Labour Agreement for the management personnel of companies producing goods and services (the “NCLA”). The gross annual fixed compensation is broken down as follows: €490,000 as Chief Executive Officer (consisting of €40,000 in remuneration determined by the Shareholders’ Meeting in accordance with art. 2389, paragraph 1 of the Italian Civil Code and €450,000 in remuneration in accordance with art. 2389, paragraph 3 of the Italian Civil Code) and € 765,000 in gross annual remuneration for the employment relationship as “Dirigente” in his role as General Manager.

Variable remuneration

The variable remuneration of the CEO-GM consists of the short-term variable incentive scheme (“MBO” STI), the “2022-2024 Performance Share LTIP” and the “Deliver 2022 LTIP” (the latter approved in 2018). The “MBO” STI scheme rewards the achievement of targets on an annual basis, the “Performance Share LTIP” on a three-year basis and the “Deliver 2022 LTIP” over a five-year period.

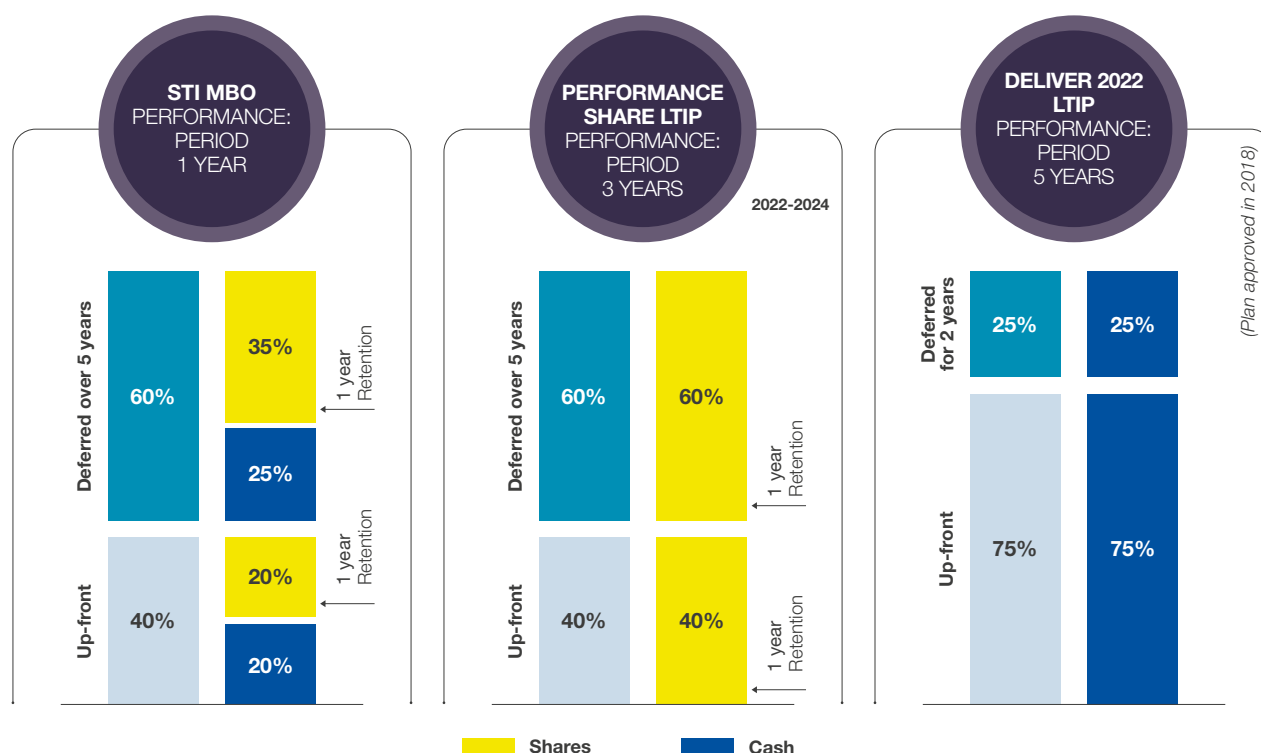
The “Performance Share LTIP” enables the Company to maintain an ongoing link between variable remuneration and performance over the medium/long-term, strengthening the alignment with investors’ interests, also given that the new Plan results in the awarding of Poste Italiane’s ordinary shares. The “2022-2024 Performance Share LTIP” also aims to support the effective implementation of the “2024 Sustain & Innovate Plus” Strategic Plan. In this regard, it is noted that long-term incentive plans are subject to deferral and retention mechanisms. Moreover, each of the variable remuneration portions (both up-front and deferred) is subject to ex-post risk adjustments (malus and clawback provisions) that, based on individual performance and/or conduct, may result in a significant reduction in the amount payable (potentially to zero) and, under certain conditions, in the application of a clawback provision.

All the management incentive schemes include performance hurdles related to Group EBIT, as summary indicator of the economic and financial sustainability common to all Poste Italiane’s businesses. Achievement of the hurdle makes it possible to award the bonus earned, in relation to the assigned targets and at least in line with the risk tolerance levels linked to BancoPosta RFC’s capital adequacy and liquidity.

As a Material Risk Taker, within the scope of application of the “Guidelines for BancoPosta RFC’s remuneration and incentive policy for 2022”, the structure of the CEO-GM remuneration envisages a cap on total variable remuneration based on a 2:1 ratio between the variable (both short and medium/long-term) and fixed component, in addition to deferral and retention periods.

Further details are provided below.

Figure 16. VARIABLE REMUNERATION OF THE CEO-GM



As mentioned above, the Board of Directors, on the recommendation of the Remuneration Committee, sets the performance targets linked to variable remuneration for the CEO-GM and assesses achievement of the performance targets, with the CEO-GM always abstaining in any votes on the matter.

Short-term variable incentive scheme (“MBO” STI)

Short-term variable remuneration (“MBO”) aims to strengthen the focus on the creation of value for stakeholders by linking the payment of annual bonuses with actual performance in the same period. The nature of the “MBO” STI scheme for the CEO-GM has been defined also based on the applicable statutory requirements. The amount that can be accrued, subject to the rules illustrated below, may be up to a maximum of €900,000 for 2022, and falls within the limit of the 2:1 ratio between the variable and fixed component.

The plan is based on a structured process for defining objectives and the associated incentives and is characterised by:

- a hurdle and certain qualifying conditions;
- various performance targets, each with a specific weighting assigned.

A maximum level of over performance has been set, above which the incentive remains constant, as well as a hurdle, below which the incentives do not apply and there is, therefore, no payment due.

Hurdle and qualifying conditions

The “MBO” scheme envisages a hurdle condition represented by the “Poste Italiane Group’s target EBIT”, set at the level of the budget, achievement of which enables the CEO-GM to access the bonus earned on the basis of assigned targets. Moreover, in order to ensure the long-term sustainability of the businesses of BancoPosta RFC and the Poste Vita Insurance Group, the enabling conditions for the “MBO” scheme also include the following provisions:

Figure 17. HURDLE AND QUALIFYING CONDITIONS FOR THE CEO-GM’S “MBO” SCHEME

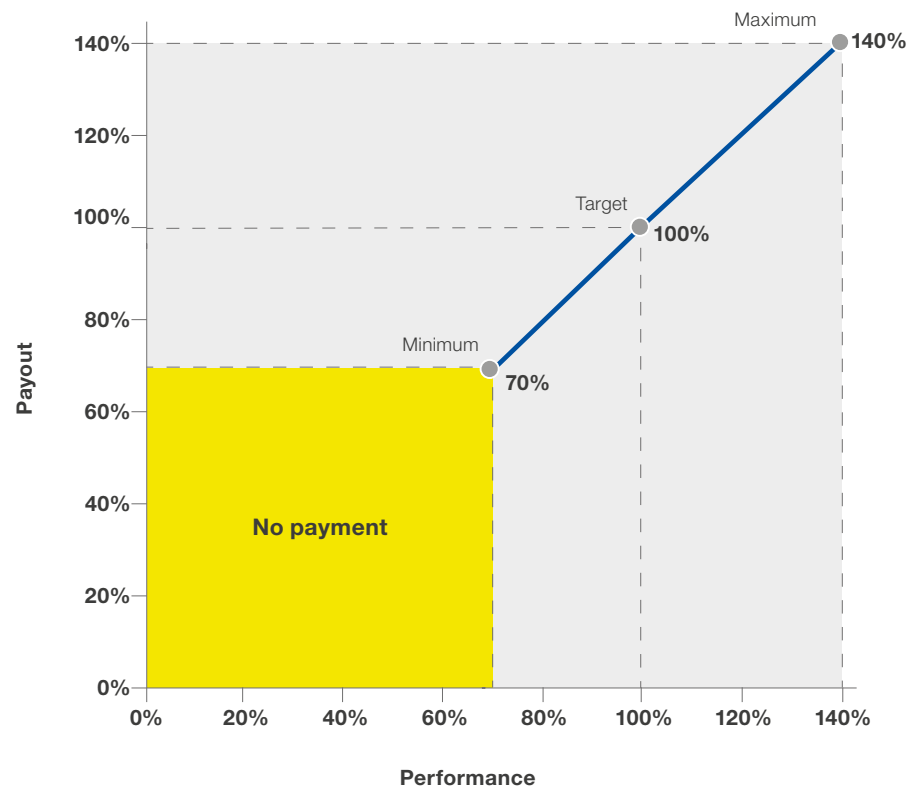
Hurdle condition	Qualifying conditions
GROUP EBIT – 2.0 bn €	BancoPosta’s capital adequacy: CET 1
<i>Value rounded to the first decimal place</i>	BancoPosta’s short-term liquidity: LCR
	Poste Vita Insurance Group’s capital adequacy: Solvency II Ratio

The qualifying conditions’ parameters are set at risk tolerance levels established in the Risk Appetite Framework (“RAF”) adopted by BancoPosta RFC and the Poste Vita Insurance Group.

Performance targets

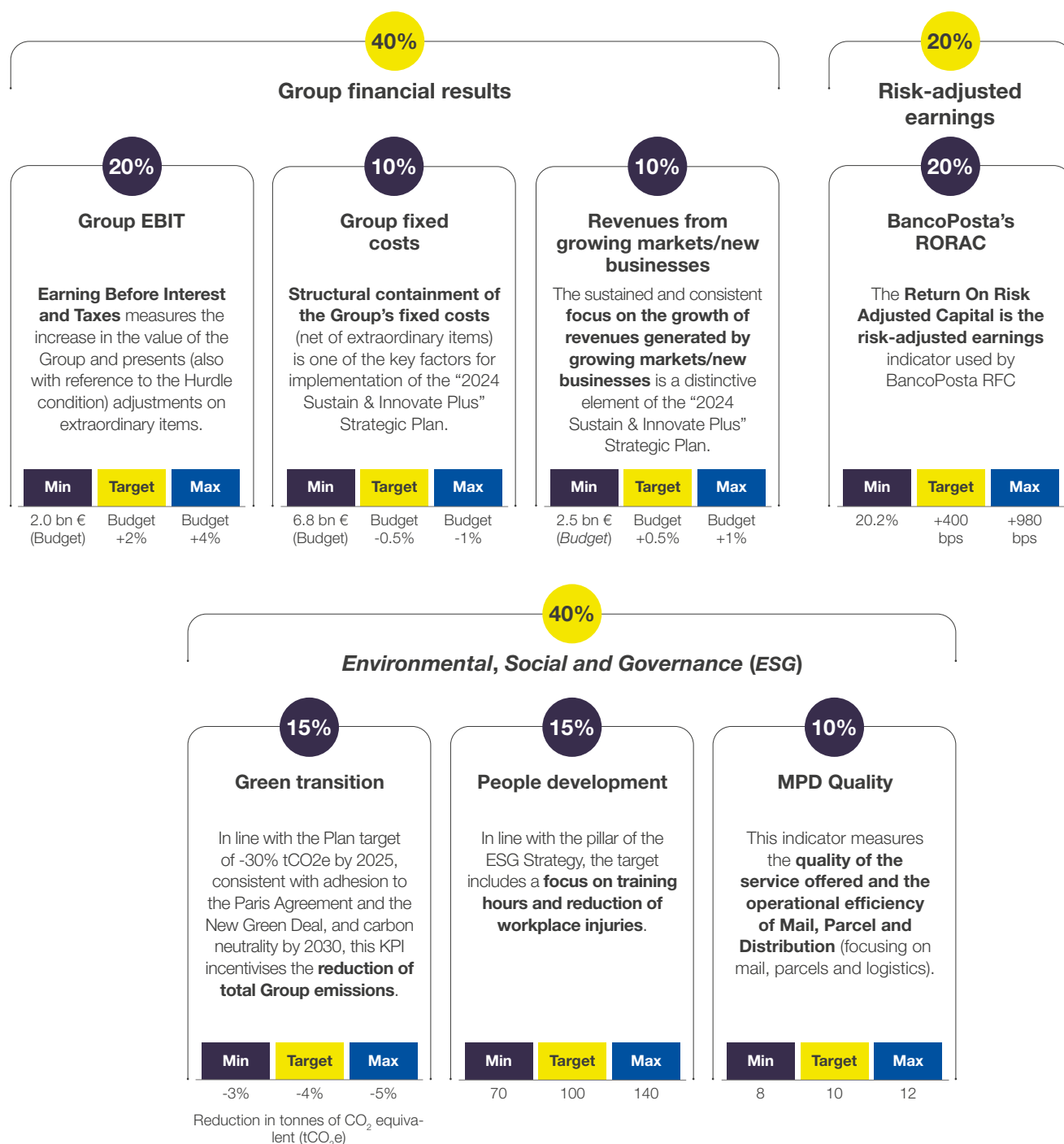
The performance targets for 2022 are linked to the objectives set in the “2024 Sustain & Innovate Plus” Strategic Plan. Provided below is the incentive curve for the “MBO” scheme, which links the overall weighted level of achievement of performance targets to the pay-out level (no bonus is envisaged for performance lower than the minimum threshold):

Figure 18. CEO-GM “MBO” INCENTIVE CURVE



The figure below outlines the performance targets for the 2022 “MBO” scheme of the CEO-GM. The targets are linked to the “2024 Sustain & Innovate Plus” Strategic Plan and relate to the following three areas:

Figure 19. “MBO” SCHEME PERFORMANCE TARGETS FOR THE CEO-GM IN 2022



* NOTE: The values of Group EBIT, Group Fixed Costs and Revenues from growth markets/new businesses are rounded to the first decimal place. With regard to EBIT, any changes in the scope of consolidation (positive and negative) generated by M&A and restructuring costs related to redundancies (budgeted at € 0.2 billion in 2022) will be neutralised.

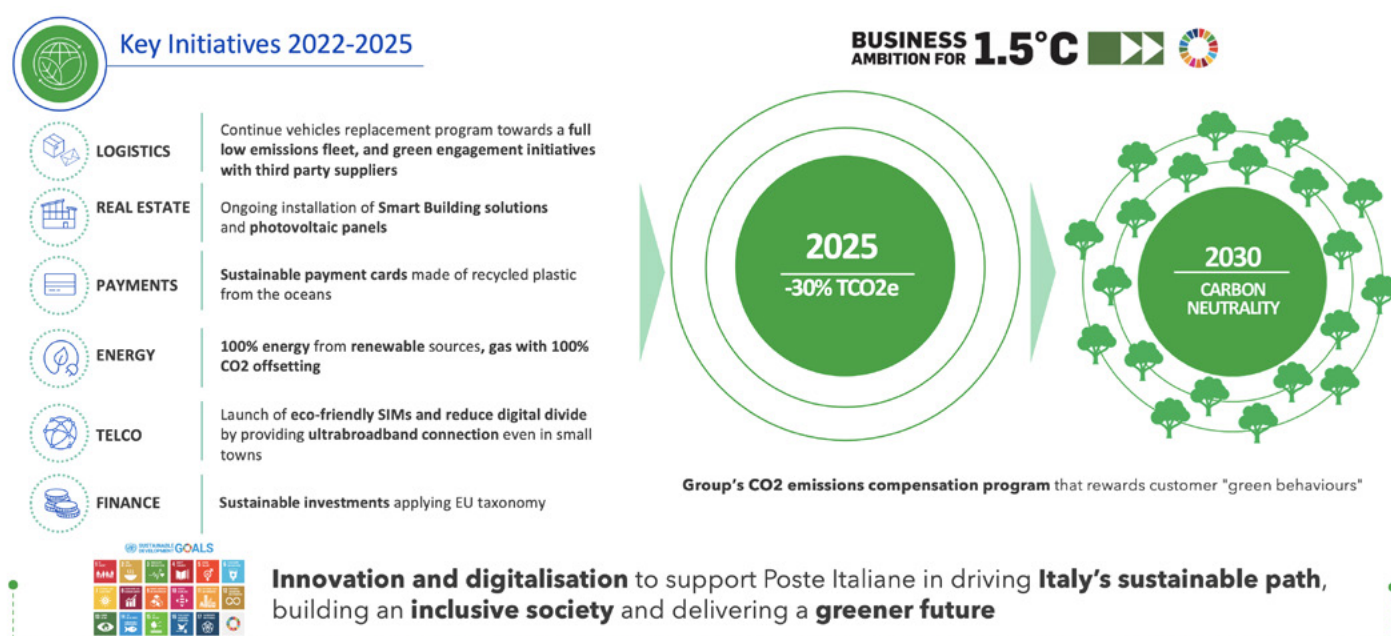
With reference to the Poste Vita Insurance Group, starting from a solid capital position, Solvency II Ratio will continue to be maintained in line with managerial ambitions. As shown in figure 17, Poste Vita's Solvency II Ratio is one of the qualifying conditions for the 2022 MBO Plan.

The focus on margins is one of the key elements of the Strategic Plan: EBIT, the key objective of the incentive schemes that guarantees their sustainability, represents the overall indicator of performance across all of the Group's business and is measured on an annual and multi-annual basis. This year, the "2024 Sustain & Innovate Plus" Plan aims to bundle the cost discipline approach with a close attention on the revenues generated by new businesses and growing markets (for example, energy, P&C, motor, fibre, parcels, digital payments).

The focus on ESG objectives is a priority in 2022 with environmental protection and people development being, more than ever, key elements of the Group's strategy. In addition, the quality of the service offered in the parcel sector is increasingly important for our customers in light of the growth of e-commerce in Italy.

ESG objectives are defined consistently with the "2024 Sustain & Innovate Plus" Strategic Plan with respect to each pillar of the strategy. In particular, Poste Italiane intends to achieve Carbon Neutrality by 2030, in line with the targets set by the Paris Agreement, as outlined below:

Figure 20. FOCUS ON CARBON NEUTRALITY OBJECTIVE

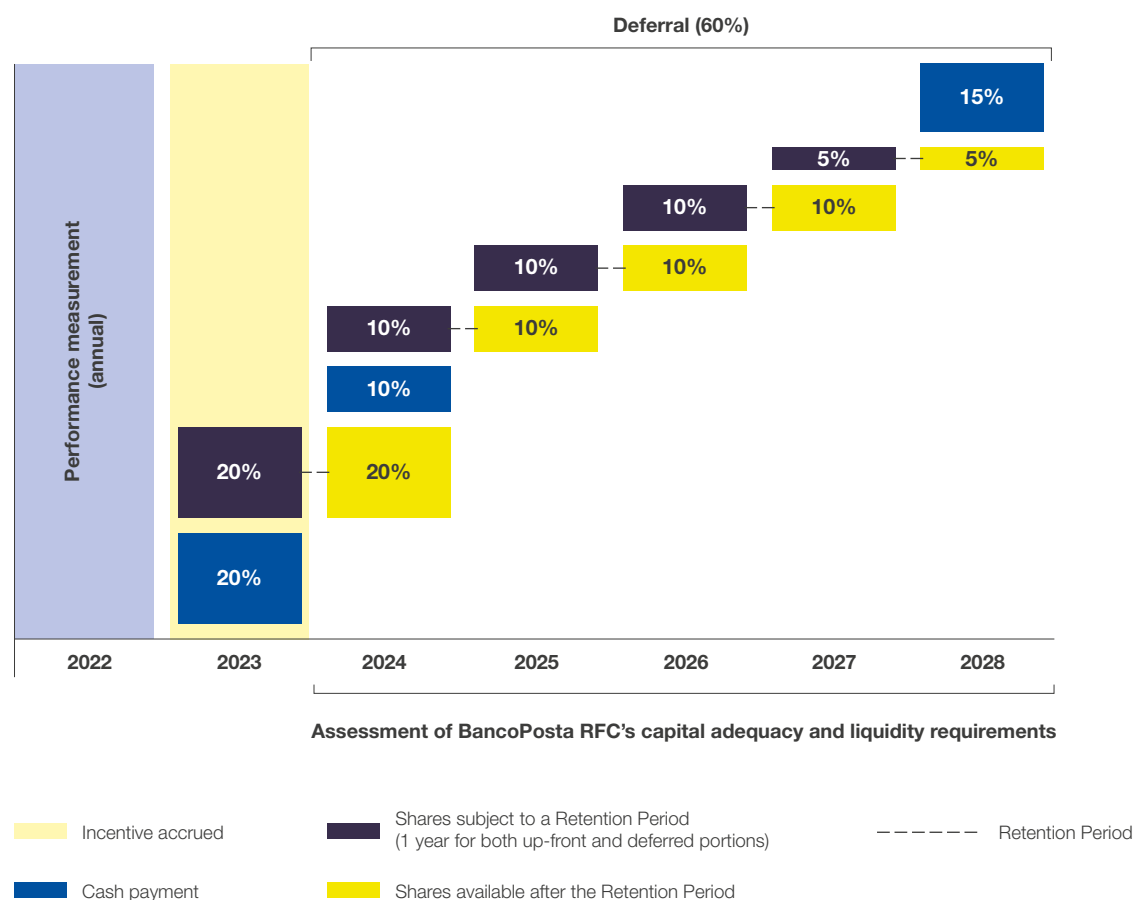


Finally, one of the targets is linked to People Development which, in line with the pillar of the ESG Strategy, includes a focus on total number of training hours (5 million hours) and reducing injuries (initiatives to strengthen occupational health and safety controls are being developed with the aim of reducing workplace injuries by 1% compared to the pre-pandemic period).

Payout

Actual disbursement under the "MBO" scheme envisages deferral of 60% of the incentive over 5 years (pro rata); the payment takes place in cash for 45% of the total bonus earned and in rights to receive Poste Italiane's ordinary shares for the remaining 55%, as shown below:

Figure 21. METHOD OF PAYMENT UNDER “MBO” SCHEME FOR THE CEO-GM



The number of rights to receive shares vested will be defined based on the arithmetic mean of share prices recorded during the thirty stock exchange trading days prior to the date of resolution by the Board of Directors, which will verify achievement of the Hurdle Condition and Qualifying Conditions, and the achievement of the Performance Targets.

The rights to receive shares are subject to a one-year retention period for both the up-front and deferred portions. One-year retention periods, in view of the overall timing of variable remuneration, which also includes the 5-year deferral period subject to malus provisions and at least a further 5 years subject to clawback provisions, are compatible with the prospective levels of risk to which the Poste Italiane Group's operations are exposed, in particular those of BancoPosta.

Payment of the deferred portion will take place each relevant year, provided that the BancoPosta RFC's capital adequacy and liquidity risk tolerance levels are met. The same risk tolerance levels must also be complied with at the end of the retention periods.

It should be noted that, in view of the use of Poste Italiane's ordinary shares, the Company will ask the Shareholders' Meeting to be held on May 27, 2022 to approve the "Information Circular" prepared in accordance with art. 114-bis of the TUF.

For the CEO-GM, deferral and/or retention periods are currently underway for MBO Plans referring to previous years - for which the hurdle condition, the qualifying conditions and the targets defined with respect to the performance year have already been verified. The deferral and/or retention components, in line with the remuneration policies approved from time to time, are subject to malus and clawback conditions, for which reference should be made to the relevant Remuneration Reports and Information Circulars already approved.

Medium/long-term variable incentive schemes (LTIPs)

Medium/long-term incentive schemes (LTIPs) aim to strengthen the focus on value creation for stakeholders, in line with the new Strategic Plan, by linking the incentives awarded with long-term objectives and effective performance over the same period. Key terms of the following LTIPs have been defined also in light of the applicable statutory requirements.

The CEO-GM is the recipient of the “2022-2024 Performance Share LTIP”, submitted for approval at the Shareholders’ Meeting of May 27, 2022, the specifics of which are explained in the following paragraph. The “2022-2024 Performance Share LTIP”, entirely in the form of Poste Italiane’s ordinary shares, is based on profitability, shareholders return and ESG targets over a period of 3 years, with the aim of maximising execution of the Strategic Plan guidelines, in compliance with the Risk Appetite Framework.

The “2022-2024 Performance Share LTIP” supplements the long-term incentives provided by the “Deliver 2022 LTIP” introduced in 2018. This LTIP is designed to focus continuous long-term attention on revenue growth and the containment of personnel expenses, in addition to the inclusion of Poste Italiane in internationally recognised sustainability indices. It is understood that, as part of the long-term variable component of the current Chief Executive Officer and General Manager, the second cycles of the “Performance Share LTIP” assigned in 2020 and the “Performance Share LTIP 2021-2023” assigned in 2021 are still underway. For more information, please refer to the previously approved Reports on Remuneration which should be considered as transcribed within this document. Please note that as described in paragraph 4.2 “Share Ownership Guidelines (SOGs)”, the CEO and General Manager is subject to the Poste Italiane Share Ownership Guidelines and, therefore, until the expiry of the mandate/employment relationship, is committed to maintaining 50% of the shares available under the “Performance Share LTIP” unless the target amount has already been reached.

2022-2024 Performance Share LTIP

Ensuring alignment with best market practices, the “2022-2024 Performance Share LTIP” is characterised by the following elements:

- the award of a bonus in the form of Poste Italiane’s ordinary shares;
- the use of economic-financial and ESG indicators;
- the use of the relative Total Shareholder Return (“rTSR”), which envisages different levels of performance based on the level of Poste Italiane’s TSR compared with the TSR achieved by the FTSE MIB index;
- deferral of a significant portion of the incentive for the CEO-GM (60%) over 5 years, providing for a one-year retention period for both the up-front and deferred portions, both subject to the malus and clawback provisions;
- a requirement to hold 50% of the shares available under the “Performance Share LTIP” for the entire term of office/employment, in line with the provisions of the “Share Ownership Guidelines”.

The award, subject to the rules outlined below, is equal to a maximum of €1,255,000 for the CEO-GM and is included within the limit of the 2:1 ratio between the variable and fixed component.

The number of rights to receive shares granted was defined on the basis of the arithmetic mean of the share prices recorded in the thirty trading days prior to February 22, 2022, the date of the Board of Directors meeting that resolved to grant the Plan and to submit its adoption to the Shareholders’ Meeting.

It should be noted that, in view of the use of Poste Italiane’s ordinary shares, the Company will ask the Shareholders’ Meeting to be held on May 27, 2022 to approve the “Information Circular” prepared in accordance with art. 114-*bis* of the TUF.

Hurdle and qualifying conditions

The “2022-2024 Performance Share LTIP” envisages a hurdle condition represented by the Poste Italiane Group’s cumulative EBIT over a three-year period, with awards under the LTIP dependent on achievement of the hurdle.

In line with the statutory requirements applicable to BancoPosta RFC’s business, in addition to the hurdle condition, the CEO-GM must meet all the following qualifying conditions at the same time:

Figure 22. HURDLE AND QUALIFYING CONDITIONS FOR THE “2022-2024 PERFORMANCE SHARE LTIP” FOR THE CEO-GM

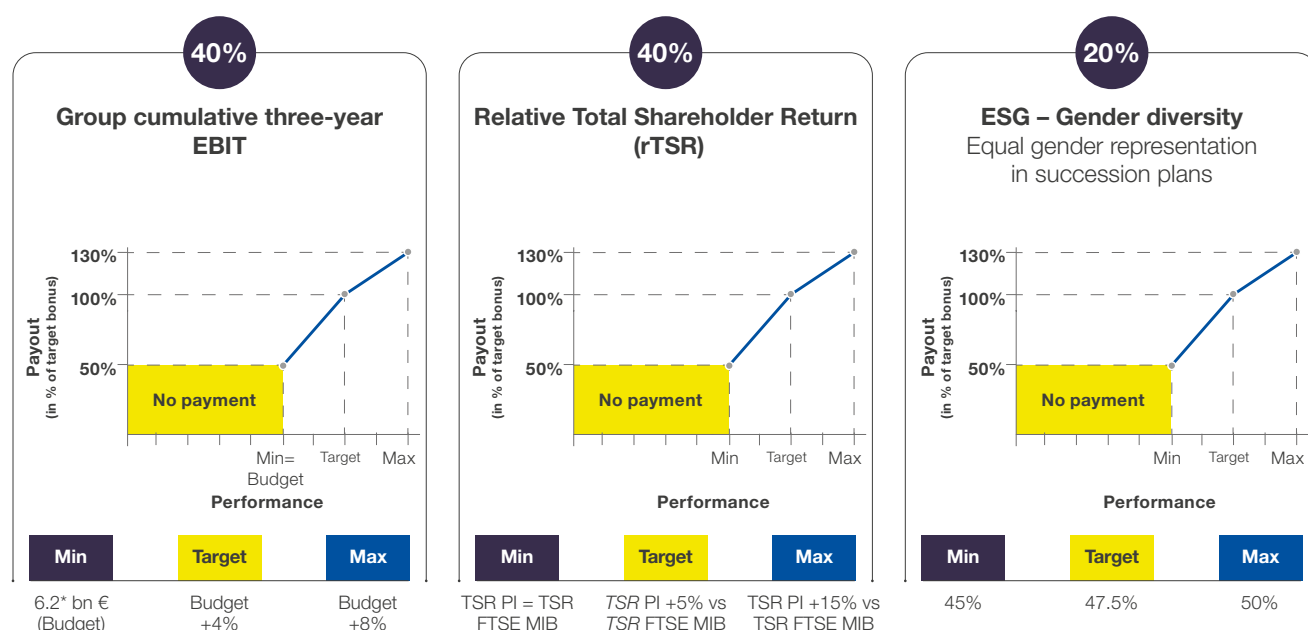
Hurdle condition	Qualifying conditions
Group cumulative three-year EBIT target: 6.2 bn €	BancoPosta's capital adequacy: CET 1
<i>Value rounded to the first decimal place</i>	BancoPosta's short-term liquidity: LCR
	BancoPosta risk-adjusted earnings: RORAC

CET1, LCR and RORAC are set at the risk tolerance thresholds established in the Risk Appetite Framework adopted by BancoPosta RFC in accordance with the related regulatory requirements.

Performance targets

The performance targets of the “2022-2024 Performance Share LTIP” are outlined below:

Figure 23. PERFORMANCE TARGETS AND WEIGHTINGS FOR THE “2022-2024 PERFORMANCE SHARE LTIP” FOR THE CEO-GM



* Value rounded to the first decimal place.

A maximum level of over performance has been set, above which the incentive remains constant, as well as a hurdle, below which the incentives do not apply and there is, therefore, no payment due.

The three-year EBIT target is defined on the basis of the sum of the EBIT that will be reported annually.

The objective linked to the “relative Total Shareholder Return” includes a “negative threshold” provision: if the Poste Italiane's TSR is negative, despite being higher than the TSR registered by the FTSE MIB index, the number of vested Rights (linked to rTSR) is reduced to the minimum threshold of 50%.

The ESG target is linked to strengthening the female presence in managerial succession plans, with the aim of increasing the presence of women in positions of greater responsibility within Poste Italiane Group. The aim of this new target is to promote

diversity which, by increasing skills and know-how, represents a strategic resource to create added value for stakeholders (shareholders, employees, suppliers, customers, the public administration and the country). The KPI is part of a broader female leadership development plan which also includes training and development plans and mentoring and coaching paths aimed specifically at women. The Group always adopts a long-term approach in order to ensure the internal growth of a management team that is more aligned with the market evolution and increasingly ready to take on greater responsibility.

In particular, the KPI is calculated as the ratio between the number of succession candidacies held by women and the total number of candidacies. Please note that the baseline is 30% of total succession candidacies held by women.

The methodology on which the succession plans for the 2022-2024 period is based is structured and involves the Group's management in compliance with the related regulations and the Corporate Governance processes. There are succession plans for around 150 key positions which include, among others, all levels of personnel reporting to the CEO-GM of Poste Italiane SpA and the Chief Executive Officers of the main Group Companies (hereinafter also "GC"). These positions have been identified based on the organisational complexity of the roles and the impact of the same on the strategic guidelines of the "2024 Sustain & Innovate Plus" Plan.

Please note that since 2019 the Performance Share LTIP has been assigned yearly and has been based on targets that are consistent with the strategic priorities of Poste Italiane. Therefore, while the Performance Share LTIP 2022-2024 includes a KPI on gender diversity, the focus on sustainable finance - which remains one of the key pillars of the Group's ESG strategy - is confirmed, as reflected in the Performance Share LTIP 2021-2023 Plan.

Figure 24. FOCUS ON ESG TARGETS

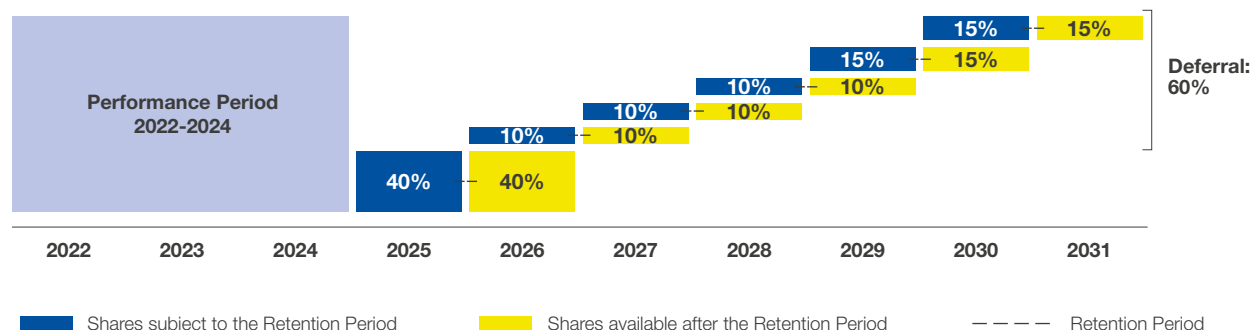


Payout

The number of shares to be granted is quantified at the end of the three-year performance period within the cap determined at the time of the assignment, once the level of achievement of the specific objectives has been confirmed. Rights to receive shares are granted as follows:

- 40% (the up-front portion) at the end of the performance period;
- 60% in five deferred annual instalments over a five-year period (the first three equal to 10% of the total rights accrued and the next two equal to 15% of the total rights accrued).

Figure 25. METHOD OF PAYMENT UNDER THE “2022-2024 PERFORMANCE SHARE LTIP” FOR THE CEO-GM



Both the up-front and deferred portions are subject to a one-year retention period. One-year retention periods, in view of the overall timing of variable remuneration, which also includes the 5-year deferral period subject to malus provisions and at least a further 5 years subject to clawback provisions (and in any event within the time limit set by the related statute of limitations), are compatible with the prospective levels of risk to which Poste Italiane Group's operations are exposed and, in particular, those of BancoPosta.

At the end of the retention period for the up-front portion, the shares vested will be available provided that the risk appetite levels for BancoPosta RFC's capital adequacy, liquidity and risk-adjusted earnings have been met.

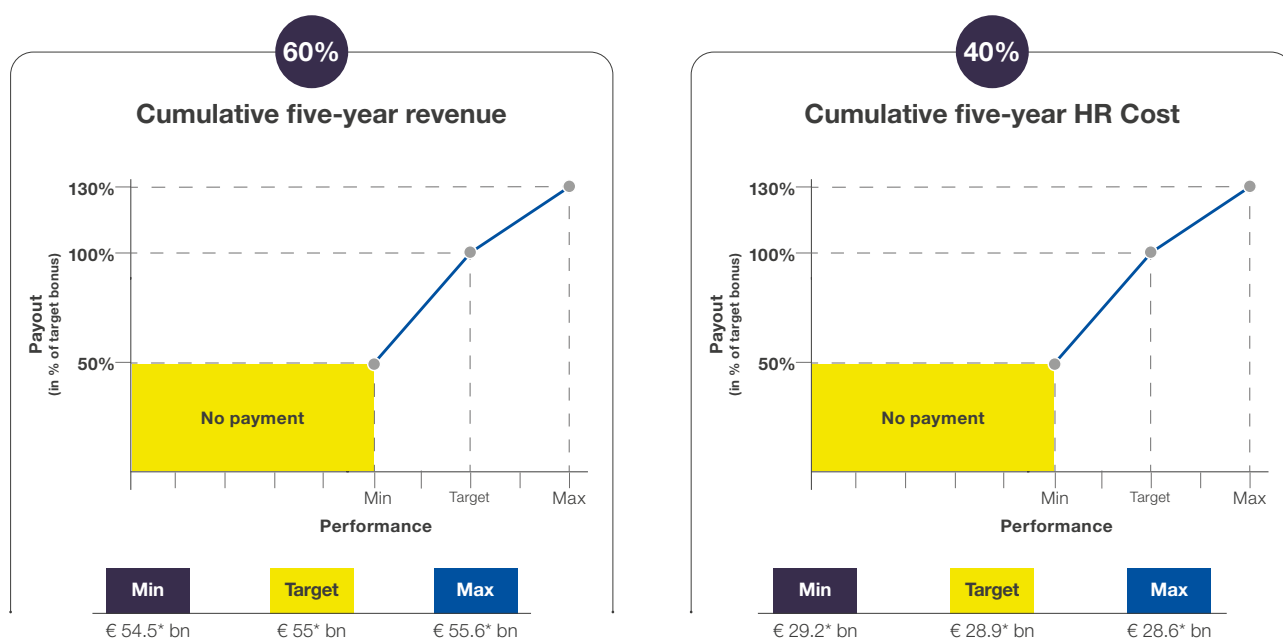
At the end of the deferral period and the retention periods for the deferred portions, compliance with the risk tolerance levels for BancoPosta RFC's capital adequacy, liquidity and risk-adjusted earnings will be verified.

“Deliver 2022 LTI” (Plan approved in 2018)

To support the Deliver 2022 strategic plan, a long-term incentive scheme of the same name was launched, with a single assignment in 2018 for the CEO-GM, linked to achievement of the performance targets verified over a five-year period (2018-2022).

Figure 26. HURDLE AND QUALIFYING CONDITIONS FOR THE “DELIVER 2022 LTIP” FOR THE CEO-GM

Hurdle Condition	Qualifying Conditions
Cumulative Group EBIT over a five-year period: € 8 bn	BancoPosta's capital adequacy: CET 1
<i>Value rounded to the first decimal place</i>	BancoPosta's short-term liquidity: LCR
	BancoPosta's risk-adjusted earnings: RORAC

Figure 27. PERFORMANCE INDICATORS AND WEIGHTINGS FOR THE “DELIVER 2022 LTIP” FOR THE CEO-GM

* Value rounded to the first decimal place.

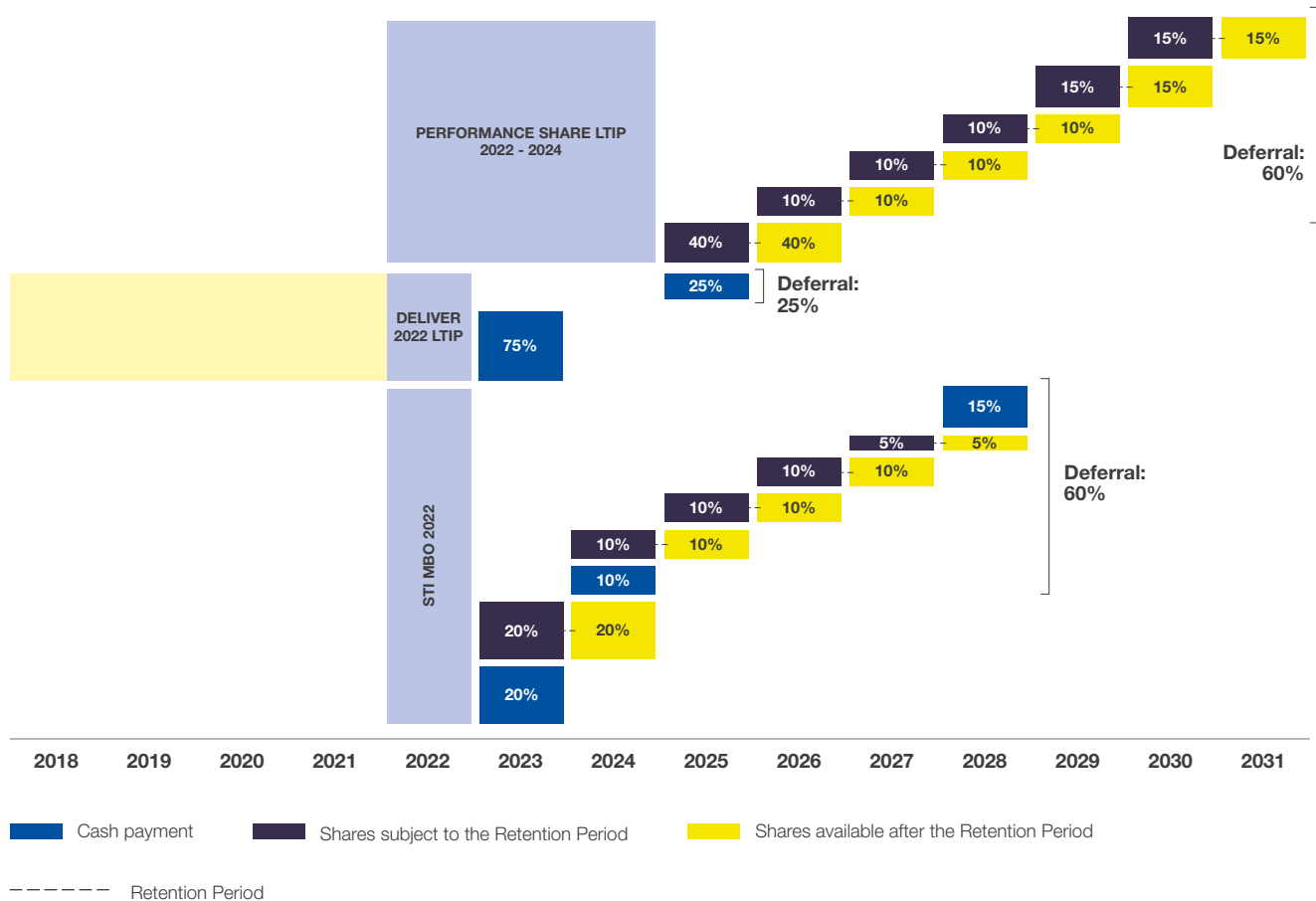
Please note that the plan envisages the recognition of a monetary bonus at the end of the five-year performance period, which will be disbursed for 75% up-front and the remaining 25% deferred over 2 years. Disbursement of the deferred portion is conditional on the inclusion of Poste Italiane in the sustainability indices recognised at the international level, as well as assessment of compliance with specific capital and liquidity requirements by BancoPosta RFC.

The yearly amount for the CEO-GM is equal to a maximum of €355,000 and is included within the calculation of the 2:1 ratio of variable to fixed component.

For further details, please refer to the description provided in the 2018 Remuneration Report.

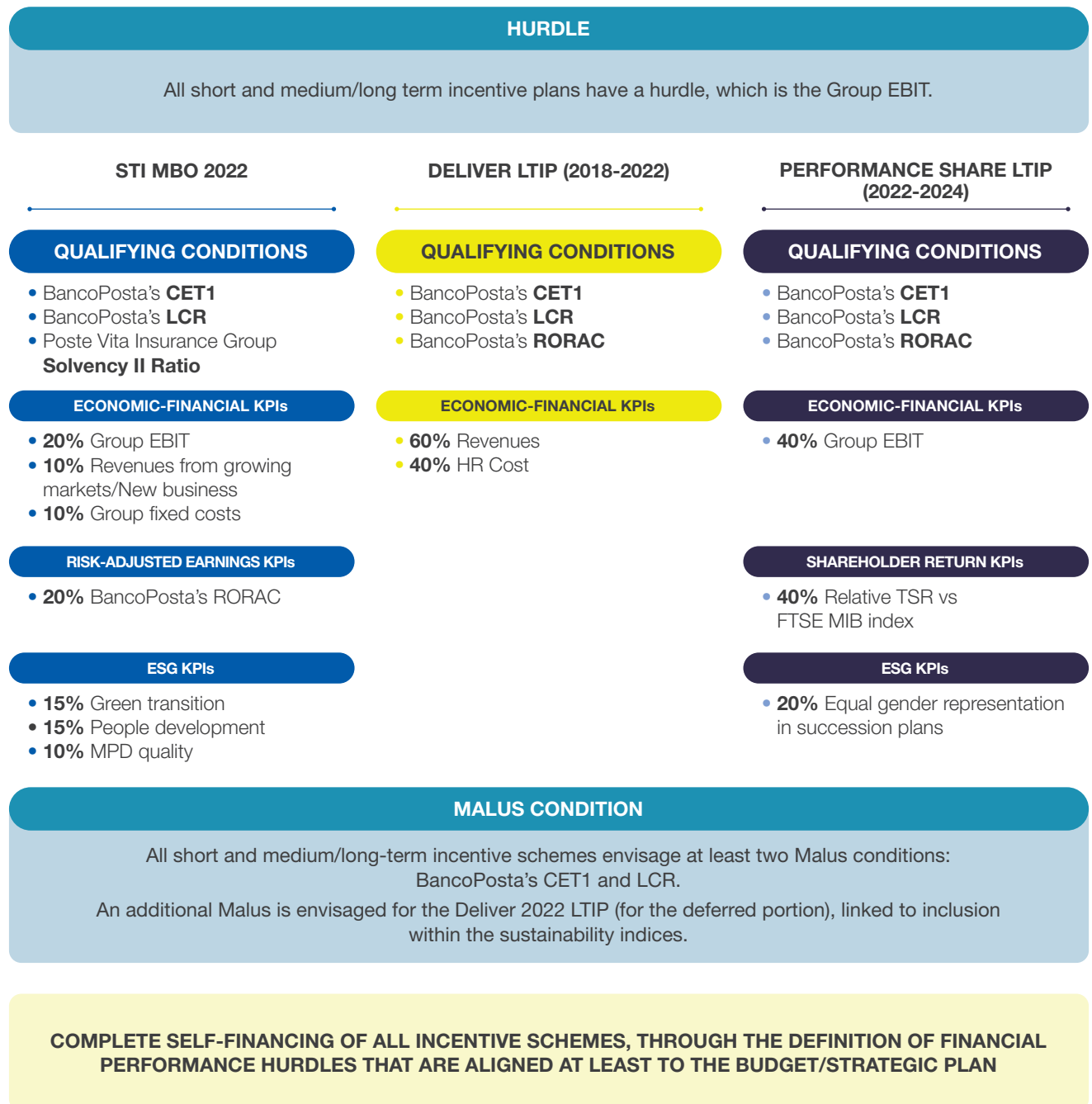
Summary of short-term and medium/long-term incentive schemes 2022

Figure 28. VARIABLE REMUNERATION PAYOUT FOR THE CEO-GM



The structure of the payout over time involves the award of variable remuneration over a total period through to 2031, including performance, deferral and retention periods. Given the performance achieved, less than 10% of newly-assigned variable remuneration for 2022 will be effectively paid out in 2023, following approval of the financial statements for 2022, whilst the remaining portion is spread out over time. Each payment is subject to, at least, verification of BancoPosta RFC's capital and liquidity requirements.

Please also note that in 2020 and 2021, three-year Performance Share LTIPs were assigned, the performance period of which is 2020-2022 and 2021-2023, respectively.

Figure 29. CONDITIONS AND PERFORMANCE TARGETS OF VARIABLE REMUNERATION FOR THE CEO-GM

Application of Malus and Clawback mechanisms is envisaged for the up-front and deferred portions.

Severance payments on termination of employment

In line with market practice, there are and it is possible to stipulate provisions/agreements that regulate ex-ante the economic aspects of early termination of office/employment, with the aim of avoiding the risk of current or future disputes, thus avoiding the risks inevitably connected to a court litigation that could potentially damage the Company's reputation and image, whilst also providing greater legal certainty.

The amount resulting from the implementation of these provisions/agreements is, in any event, capped at 24 months of gross global remuneration, calculated as indicated below, including an amount equivalent to the indemnity in lieu of notice, if any, as contractually established.

Without prejudice to the above cap of 24 months of gross global remuneration, in the case of the Chief Executive Officer and General Manager, the above amount is determined on the basis of the following formula:

- 10 months if termination occurs during the first year in service;
- 16 months if termination occurs during the second year in service;
- 24 months if termination occurs during the third or a subsequent year in service.

For the above purpose, conventionally defined overall gross remuneration is calculated taking into account the latest amount of gross annual fixed pay received as a Manager, the latest amount of gross annual fixed remuneration received as Chief Executive Officer (including portions received according to paragraphs 1 and 3 of art. 2389 of the Italian Civil Code) and total gross annual short-term variable remuneration payable at target and the annual value of the medium/long-term variable remuneration, still at target.

The above total gross amount determined shall replace any indemnity/indemnification provided under the National Collective Agreement in the event of dismissal, and shall be paid upon signature of a settlement containing a full waiver, by the CEO-GM, in connection with the employment and the positions held, as part of an all-inclusive and final settlement.

There is no non-competition agreement.

The final amount payable shall take into account the risk-adjusted performance and the individual conduct, as described in the section on clawback provisions. In addition, this remuneration may be paid only upon the condition that BancoPosta RFC's minimum capital adequacy and liquidity requirements are satisfied.

The above payments shall not prejudice the further mandatory entitlements due in any case of termination in accordance with the law or the national collective agreement, including by way of example the so-called TFR.

In compliance with the applicable regulations, any amount payable to the CEO-GM in the event of early termination of his appointment as General Manager or as a Director, will be paid as follows:

- 40% of any remuneration payable on termination of employment: 50% in cash and the remaining 50% in rights to receive Poste Italiane's shares, subject to a one-year retention period; this portion shall be subject to verification of BancoPosta RFC's minimum capital and liquidity requirements;
- 60% shall be deferred over a period of 5 years pro-rata; over half of the deferred payment shall be made in rights to receive Poste Italiane's shares, in line with the arrangements for "MBO" STI; the deferred portions shall be subject to verification of BancoPosta RFC's minimum capital and liquidity requirements and, as regards the component in rights to receive shares, to a one-year retention period;
- it is understood that a sum equivalent to the indemnity in lieu of notice, when due according to the National Collective Labour Agreement, will be deducted from the total amount and paid in accordance with the statutory requirements in force;
- the total amount payable is subject to malus and clawback provisions, applicable up to the entire amount paid within 5 years of payment of each portion and, in any event, within the time limit set by the related statute of limitations, under the circumstances defined in the "Guidelines for BancoPosta's remuneration and incentive policy";
- the number of rights to receive shares assigned will be defined based on the arithmetic mean of share prices recorded during the thirty stock exchange trading days prior to the date of termination.

It should be noted that for the "2022-2024 Performance Share LTIP", as highlighted in the Information Circular to be approved at the Shareholders' Meeting of May 27, 2022, the effects determined by the termination of employment are as follows:

- if, before the award date for the shares, the employment relationship is terminated and the beneficiary is classed as a "good leaver", the granting of the shares under the plan will take place at the natural end of the related performance period and the envisaged deferral/retention periods, provided that the plan terms and conditions set forth in the regulations have been complied with, and subject to confirmation of achievement of the performance targets; in this case, however, the rights will be granted and, the shares thus awarded, always under the conditions provided for in the regulations and on a pro-rata basis until the date of termination of the beneficiary's employment;
- if the employment relationship is terminated before the award date for the shares, the beneficiary classed as a "bad leaver" will automatically lose all the rights deriving from the plan, which will become ineffective, and the beneficiary will not have the right to receive any payment or compensation for whatever reason from the Company.

It should also be noted that for the “2022 Short-Term Incentive Plan” focused on equity-based instruments, described in the Information Circular to be approved at the Shareholders’ Meeting of May 27, 2022, the effects determined by the termination of employment are as follows:

- if, before payment of the bonus (and thus also the effective award of the shares), the employment relationship is terminated and the beneficiary is classed as a “good leaver”, the granting of the bonus (and thus also the related portion in shares) under the plan will take place at the natural end of the related Performance Period and the envisaged Deferral and Retention Periods, provided that the plan terms and conditions set forth in the Regulations have been complied with, and subject to confirmation of achievement of the relevant Performance Targets; in this case, however, the rights will be granted and, the shares thus awarded, always under the conditions provided for by the regulations, on a pro-rata basis until to the date of termination of the beneficiary’s employment;
- if the employment relationship is terminated before payment of the bonus (and thus the effective award of the shares) and the beneficiary is deemed as a “bad leaver”, the same beneficiary will automatically lose all the rights deriving from the plan, which will become ineffective, and will not have the right to receive any payment or compensation for whatever reason from the Company.

For further details, and with reference to the other share-based incentive plans in place, please refer to the relevant Information Circulars approved from 2016 to 2021 to be construed as re-transcribed herein.

4.4 Board of Statutory Auditors

The Statutory Auditors’ remuneration is in no way linked to Poste Italiane’s performance. The fees paid to Statutory Auditors consist solely of a fixed component, determined on the basis of the commitment required in order to carry out their duties.

The Shareholders’ Meeting held on May 28, 2019 appointed the Board of Statutory Auditors for the term of three years, with expiry as at the date of the meeting to be held to approve the financial statements for the year ended December 31, 2021. In the same meeting, the fees payable to the Chairperson and each standing Auditor of the Board were determined for each year in office, respectively equal to €80,000 and €70,000.

The Shareholders’ Meeting of May 27, 2022, set to renew the Board of Statutory Auditors due to the expiry of the current mandate, will determine - for each year of office - the remuneration to be paid to the Chairperson and the fee awarded to each statutory auditor on the Board.

No attendance fees are payable for participation in meetings.

Statutory Auditors have the right to be reimbursed for any duly documented travel expenses incurred in carrying out their duties.

4.5 Key Management Personnel (“KMP”)

The term Key Management Personnel, within the context of the Company, refers, in general, to the heads of the various functions reporting directly to the CEO-GM, as well as the Manager Responsible for Financial Reporting.

KMP with particular responsibilities are subject to remuneration policies in line with the related statutory requirements and the provisions of the Group’s Corporate Governance processes.

The following chart shows a summary of the incentive schemes applicable to KMP, highlighting the payment criteria defined in accordance with the sector regulations if identified as among BancoPosta’s Material Risk Takers (“MRTs”)⁵.

5. Ref. Annex “Guidelines for BancoPosta RFC’s remuneration and incentive policy for 2022”.

Figure 30. VARIABLE REMUNERATION PAYOUT FOR THE KMP



The pay-out arrangements for BancoPosta RFC's MRTs are described in detail in the Annex "Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022".

The Head of the Internal Auditing function is the beneficiary of incentive schemes with particular characteristics based on the role held.

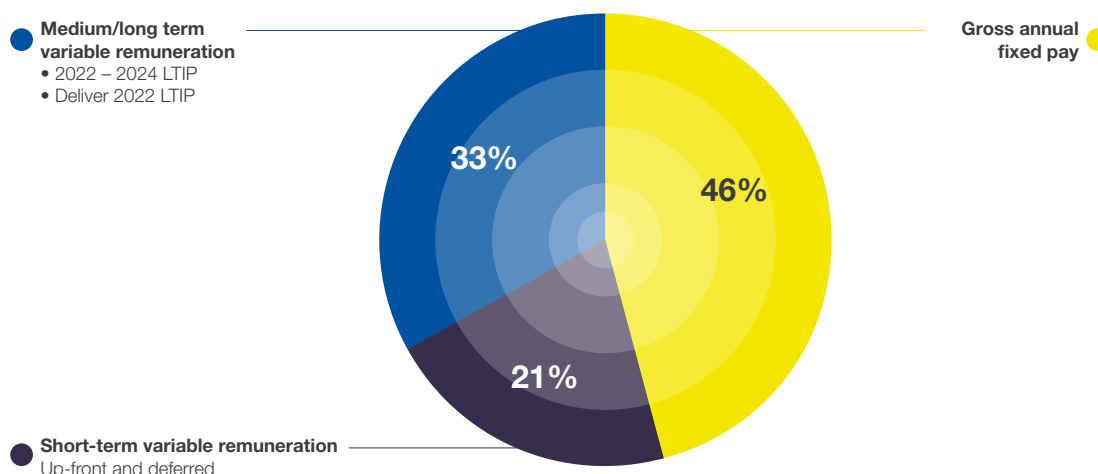
The incentive schemes for Key Management Personnel operating in regulated sectors are subject to specific regulatory requirements applicable to those sectors. For more details on the Group Companies subject to supervisory regulations on remuneration, please refer to the final paragraph of this Report on the 2022 remuneration policy “Specific arrangements for regulated sectors”. These specific arrangements apply to Key Management Personnel that fall into the scope of application of the remuneration and incentive policies of Group Companies subject to supervisory regulations on remuneration.

Pay Mix

The impact of variable incentive schemes in relation to total remuneration is defined in line with the overall objectives of long-term value creation, taking into account the specific characteristics of the individual businesses in which Poste Italiane operates.

The following Pay Mix for KMP is calculated on the basis of the median for both gross annual fixed pay and the variable components (short and medium/long-term), assuming achievement of the performance targets set (with reference to the “Deliver 2022 LTIP”, the annualised value of the assignment is taken into account):

Figure 31. ILLUSTRATION OF MEDIAN KMP PAY MIX AT TARGET



The variable remuneration component for KMP is awarded in accordance with their specific business segments and with the responsibilities of the roles compared to the reference market.

This is without prejudice to the limits defined by the supervisory regulation on remuneration for the KMP subject to said specific regulatory requirements.

Gross annual fixed pay

The gross annual fixed pay for KMP is coherent with the role held, the scope of the responsibilities assigned, the experience and skills required for each position, the degree of excellence demonstrated and the overall quality of the individual's contribution to the Company's performance, also taking into account specific market benchmarks.

Variable remuneration

The variable component for KMP usually involves participation in the short-term “MBO” plan, the “2022-2024 Performance Share LTIP” and the “Deliver 2022 LTIP”.

Short-term variable incentive scheme (“MBO” 2022)

The “MBO” 2022 scheme includes:

- a performance gate;
- performance targets, each with a specific weighting.

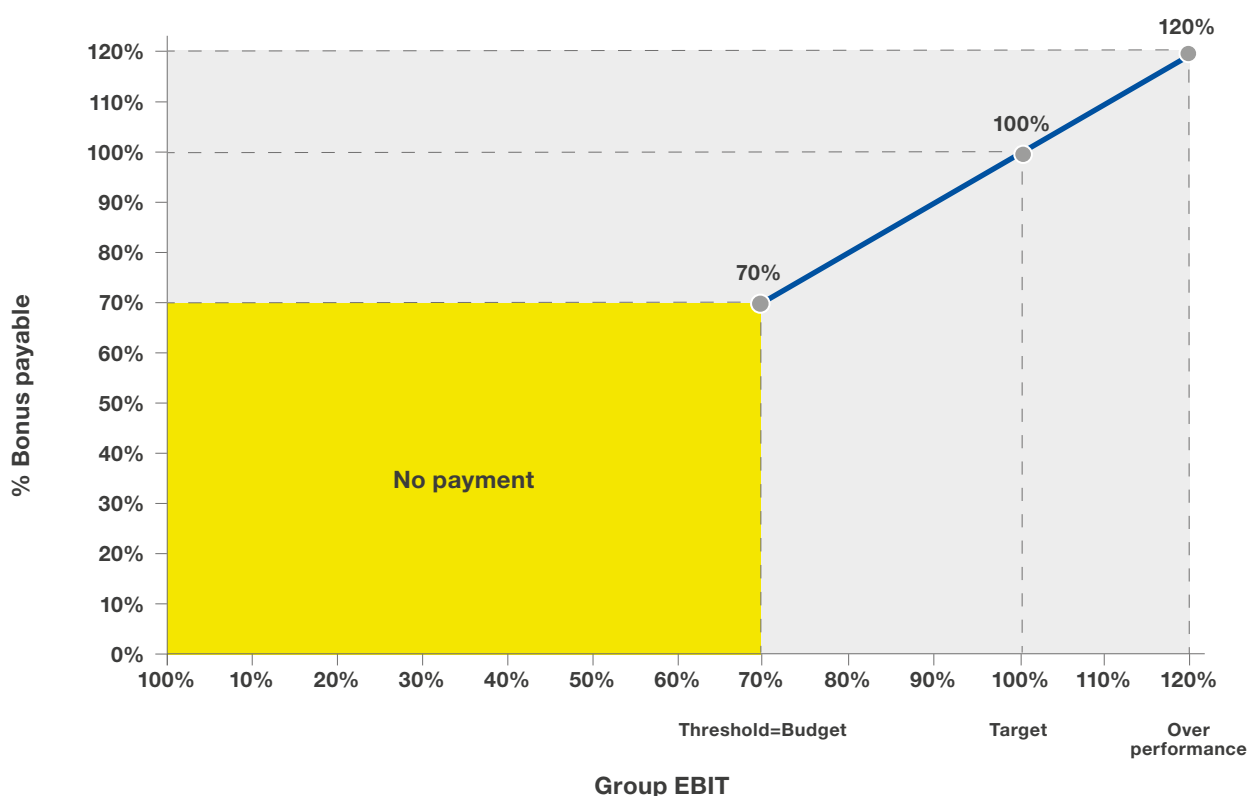
The plan is based on a structured process for defining objectives and the associated incentives. A maximum level of over performance has been set, above which the incentive remains constant, as well as a hurdle, below which the incentives do not apply and there is, therefore, no payment due.

Performance gate and performance targets

The “MBO” scheme for KMP provides for a performance gate, achievement of which enables access to the bonus in addition to achievement of the objectives assigned.

The performance gate is represented by the Poste Italiane “Group’s EBIT”. The bonus payable if the threshold of the performance gate is achieved corresponds to 70% of the bonus vested. Over performance may result in payment of up to 120%⁶ of the individual bonus payable, as shown below:

Figure 32. PERFORMANCE GATE



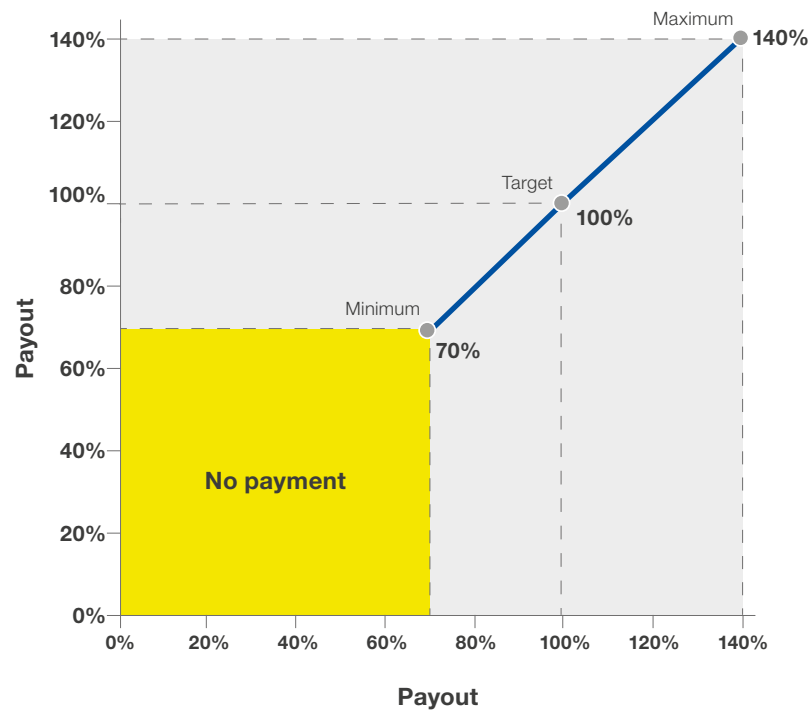
Application of the performance gate between the Target level and Over Performance is related to achievement of specific levels of assessment of the overall individual performance.

6. For specific KMP subject to supervisory regulations on remuneration, the maximum limit is 110%.

Incentive curve

Provided below is the incentive curve for the “MBO” scheme, which links the overall weighted level of achievement of performance targets to the pay-out level:

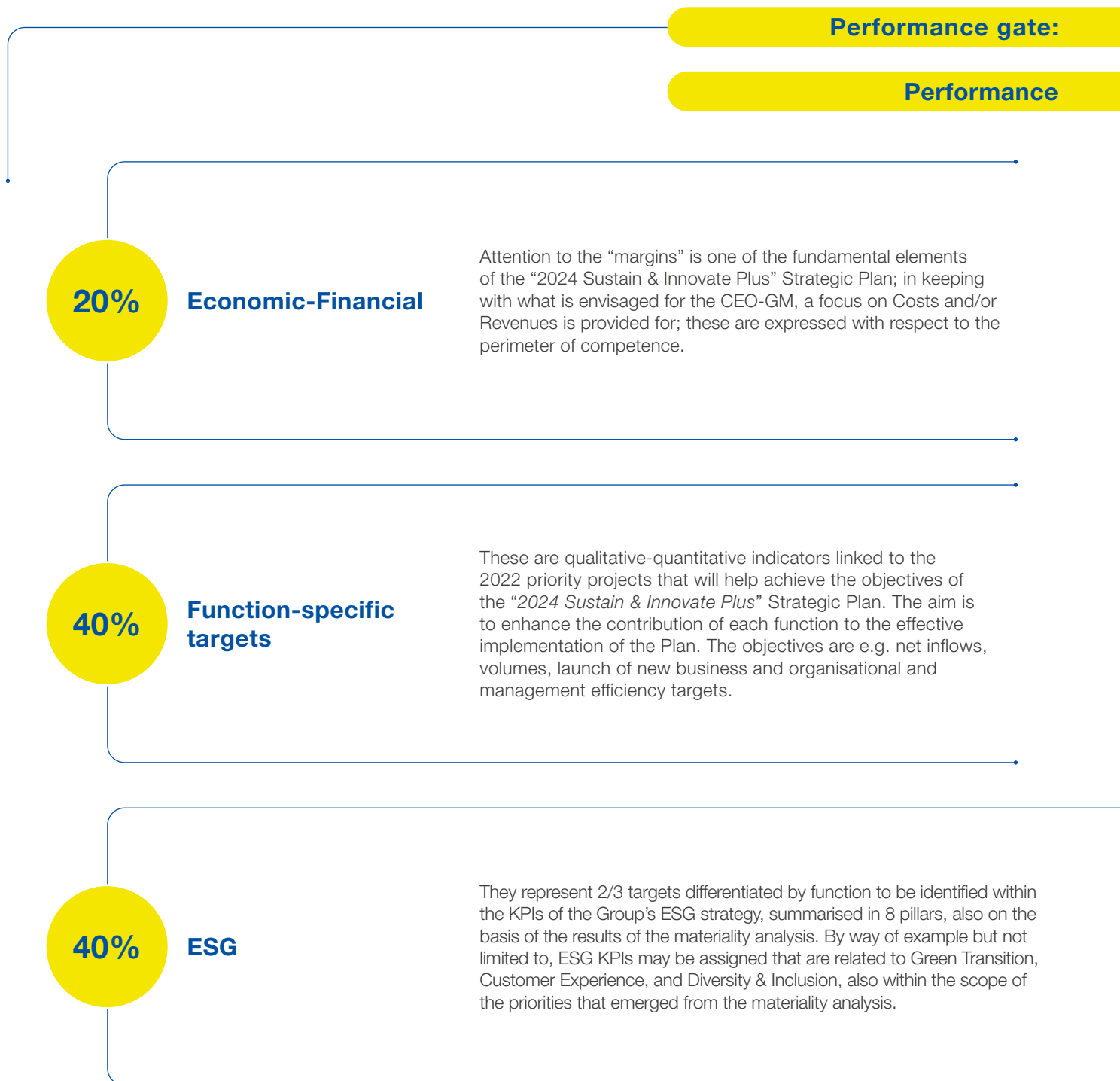
Figure 33. “MBO” INCENTIVE CURVE



The target assignment levels are between 30% and 50% of the gross annual fixed pay.

The performance targets for 2022 are linked to the objectives set in the new “2024 Sustain & Innovate Plus” Strategic Plan and are specifically defined and usually fall within the following macro-categories:

Figure 34. TYPES OF PERFORMANCE INDICATORS AND FOCUS ON THE KEY ESG TARGETS



It is understood that for some KMP there will be different schemes in compliance with the reference regulations.

The theoretical bonus accrued on achievement of the targets assigned may be zeroed if the overall individual performance, assessed using an appraisal process, is deemed to be inadequate.

The targets assigned to KMP within the framework of the “MBO” scheme generally relate to the above areas, subject to compliance with specific regulatory requirements and the Group’s corporate governance processes.

Poste Italiane Group EBIT

targets



Integrity and transparency

ISO 37001 certification

100% by 2022



Green transition

Emission reduction –
Carbon Neutrality by 2030

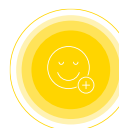
-5% by
2022



People development

Provide continuous training
to all Group employees

5 million hours of
training by 2022



Customer experience

Increase customer satisfaction

+4% by
2022



Diversity and inclusion

Increase women's involvement
in the mentoring programme

+35% by 2022



Innovation

Increase digital transactions
for the various products
of the Poste Italiane Group

+40% by
2022



Value for local communities

Certify the financial advisory
service and the skills of people
operating in accordance with the
ISO 22222 standard

100% by 2022



Sustainable Finance

% of PV investment products
with ESG component being placed

100% by
2024

Payout

The individual bonus payable under the “MBO” scheme is paid according to different procedures in line with the related statutory requirements. More specifically:

- in the case of KMP identified as among MRTs, payment of the bonus is deferred for 4-5 years, partly in cash and partly in Poste Italiane’s ordinary shares;
- for the remaining KMP, the bonus is paid entirely up-front in cash.

Variable remuneration is in any event subject to clawback provisions.

For certain KMP, deferral and/or retention periods are currently underway for MBO schemes referring to previous years - for which the hurdle condition, the qualifying conditions and the targets defined with respect to the performance year have already been verified. The deferral and/or retention components, in line with the remuneration policies approved from time to time, are subject to malus and clawback conditions, for which reference should be made to the relevant Remuneration Reports and Information Circulars already approved.

Medium/long-term variable incentive schemes

KMP are, as a rule, beneficiaries of:

- the “2022-2024 Performance Share LTIP”;
- the “Deliver 2022 LTIP”.

These incentive schemes, unless otherwise stated below, are aligned, in terms of purpose, objectives and main characteristics, with those described above in relation to the CEO-GM.

Please note that as part of the long-term variable component of certain KMP, the second cycles of the “Performance Share LTIP” assigned in 2020 and the “Performance Share LTIP 2021-2023” assigned in 2021 are still underway. For more information, please refer to the previously approved Reports on Remuneration which should be considered as transcribed within this document.

Please note that as described in paragraph 4.2 “Share Ownership Guidelines (SOGs)”, KMP who are beneficiaries of the “Performance Share LTIP” are subject to the Poste Italiane Share Ownership Guidelines and, therefore, for the period in which they are part of the plan, are committed to maintaining 25% of the shares available under the “Performance Share LTIP” unless the target amount has already been reached.

“2022-2024 Performance Share LTIP”

In line with the information provided in relation to the CEO-GM, the “2022-2024 Performance Share LTIP” for KMP involves the granting of rights to receive Poste Italiane’s ordinary shares at the end of a three-year performance period. The maximum number of shares reflects the complexity and responsibilities involved in the beneficiary’s role and their strategic importance.

For beneficiaries, the award at target varies between a minimum of 20% up to a maximum of 85% of the gross annual fixed pay, in line with the percentages described in the Information Circular submitted for approval by the General Meeting of May 27, 2022.

The actual effectiveness of the Plan is subject to its approval by the General Meeting scheduled for May 27, 2022.

It is understood that KMP with particular responsibilities are subject to remuneration policies in line with the related statutory requirements and with the provisions of the Group’s corporate governance processes.

Hurdle

The hurdle for KMP, as for the CEO-GM, is represented by the “Poste Italiane Group’s cumulative EBIT over a three-year period”, with awards under the “2022-2024 Performance Share LTIP” dependent on achievement of the hurdle.

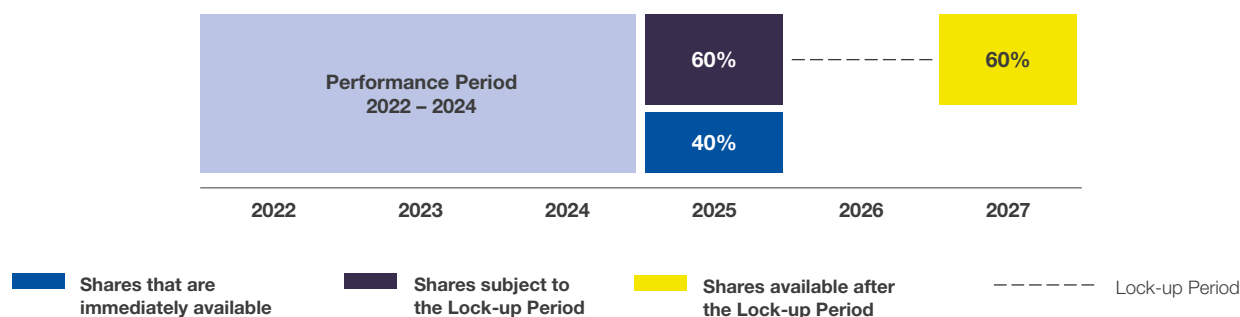
Performance targets

The performance targets for KMP are the same as those assigned to the CEO-GM.

Payout

Plan arrangements for payouts for KMP not identified as among BancoPosta’s Material Risk Takers are as follows:

Figure 35. METHOD OF PAYMENT UNDER THE “PERFORMANCE SHARE LTIP” FOR KMP NOT AMONG MRTs BP



The number of rights to receive shares is quantified at the end of the three-year performance period within the cap determined at the time of the assignment; 60% of the rights will be subject to a two-year lock-up period.

KMP identified as among the MRTs also have to meet certain qualifying conditions, in addition to the hurdle, and award mechanisms that are in line with statutory requirements, as described in the “Guidelines for BancoPosta RFC’s remuneration and incentive policy for 2022”.

Deliver 2022 LTIP

The “Deliver 2022 LTIP” approved in 2018 envisages mechanisms for KMP that are in line with those described above for the CEO-GM and the same performance targets. For further details, see the Remuneration Report approved in 2018 available on the Company’s web site⁷.

In particular, it should be noted that, at the time of drafting this document, there are 10 beneficiary KMP of the plan and the annualised value of the total assignments at target is about one million euros.

For beneficiaries, the target assignment annual levels were between 15% and 30% of the gross annual fixed pay. It is understood that remuneration policies in line with the related statutory requirements and with the provisions of the Group’s corporate governance processes have been applied to KMP with particular responsibilities.

⁷ It is understood that for some parties subject to supervisory regulations, the Deliver LTIP follows specific mechanisms.

Severance payments on termination of employment

In accordance with reference practices, there are and it is possible to stipulate provisions/agreements governing ex ante the aspects of termination of employment in line with the Company's long-term strategies, values and interests.

These agreements are defined taking into account the applicable regulations, collective or individual contracts and market practices within the framework of a general and final transaction for which the payments and disbursements due under the provisions of the law and the NCLA, such as the TFR, remain unaffected.

The amount resulting from application of the clauses that regulate ex-ante the economic aspects relating to the termination of the relationship may not exceed a maximum of monthly payments of effective global compensation, including gross annual fixed pay, the average of the amount received in short-term variable pay for the last three years (or for the period of employment, if shorter) and usually the value of any benefits awarded, as defined below⁸:

- 10 months' if termination occurs during the first year as KMP;
- 16 months' if termination occurs during the second year as KMP;
- 24 months' if termination occurs during the third year as KMP and following.

It should be noted that the amount, as defined above, includes an amount equivalent to the indemnity in lieu of notice, if any, as contractually established.

In the event of termination due to dismissal, the legislation from time to time in effect and the National Collective Labour Agreement apply.

The Company does not enter into non-competition agreements for Key Management Personnel.

The above principles apply on termination of employment even if there have been no specific ex ante agreements.

In the case of certain personnel operating in roles subject to specific regulatory requirements, specific forms of payment required by the applicable regulations are used, as described in the relevant remuneration and incentive policies. For example, as described in the "Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022", 40% or 60% of remuneration payable to certain categories of BancoPosta RFC's personnel on early termination of employment must be deferred for a period of 4 or 5 years, with a part to be settled in Poste Italiane's ordinary shares subject to retention provisions. Such payments linked to the early termination of employment are also covered by malus and clawback provisions.

It should be noted that for the "2022-2024 Performance Share LTIP", as highlighted in the Information Circular to be approved at the Shareholders' Meeting of May 27, 2022, the effects determined by the termination of employment are as follows:

- if, before the award date for the shares, the employment relationship is terminated and the beneficiary is classed as a "good leaver", the granting of the shares under the plan will take place at the natural end of the related performance period and the envisaged deferral/retention/lock-up periods, provided that the plan terms and conditions set forth in the regulations have been complied with, and subject to confirmation of achievement of the performance targets; in this case, however, the rights will be granted and, the shares thus awarded, always under the conditions provided for in the regulations and on a pro-rata basis until the date of termination of the beneficiary's employment;
- if the employment relationship is terminated before the award date for the shares and the beneficiary is deemed as a "bad leaver", the same beneficiary will automatically lose all the rights deriving from the plan, which will become ineffective, and will not have the right to receive any payment or compensation for whatever reason from the Company.

It should also be noted that for the "2022 Short-Term Incentive Plan" focused on equity-based instruments, for BancoPosta RFC's Material Risk Takers ("MBO"), described in the Information Circular to be approved at the Shareholders' Meeting of May 27, 2022, the effects determined by the termination of employment are as follows:

- if, before payment of the bonus (and thus also the effective award of the shares), the employment relationship is terminated and the beneficiary is classed as a "good leaver", the granting of the bonus (and thus also the related portion in shares) under the plan will take place at the natural end of the related Performance Period and the envisaged Deferral and Retention Periods, provided that the plan terms and conditions set forth in the regulations have been complied with, and subject to confirmation of achievement of the relevant Performance Targets; in this case, however, the rights will be granted and, the shares thus awarded, always under the conditions provided for by the regulations, on a pro-rata basis until to the date of termination of the beneficiary's employment;

8. Without prejudice to respect of mandatory provisions and any prior individual agreements still in effect.

- if the employment relationship is terminated before payment of the bonus (and thus the effective award of the shares) and the beneficiary is deemed as a “bad leaver”, the same beneficiary will automatically lose all the rights deriving from the plan, which will become ineffective, and will not have the right to receive any payment or compensation for whatever reason from the Company.

For KMP not subject to banking regulations on remuneration, the theoretical bonus matured for the MBO 2022 will not be disbursed if, at the end of the performance period, the employment relationship has already been terminated or is under notice; it is understood that in the event that the employment relationship is terminated during the performance period due to i) the death of the beneficiary or ii) the permanent disability of the beneficiary to a measure equal or greater than 66%, the bonus shall be disbursed to the heirs or to the beneficiary on an accrual basis according to the rules and timelines set out in the Regulation.

For further details, and with reference to the other share-based incentive plans in place, please refer to the relevant Information Circulars approved from 2016 to 2021 to be understood as re-transcribed herein.

5. Clawback Provisions

In line with best market practices and applicable statutory requirements, variable remuneration is subject to clawback provisions on the occurrence of certain events.

Variable remuneration is subject to the achievement of predetermined performance targets linked to the Company's risk profile and is not, therefore, guaranteed.

On occurrence of the following situations, variable remuneration is subject to ex-post risk adjustments that may entail a request for return of all or a part of the variable remuneration paid. Such provisions apply to the beneficiaries of both short and long-term variable incentive plans.

The process of applying clawback provisions is carried out in accordance with the related internal procedure adopted by the Company and approved by the Board of Directors on March 18, 2019. This procedure involves the interdisciplinary participation of multiple functions with different skills involved in the various stages of the process, which are: activation, assessment, finalisation of the information report, closure of the procedure and mandatory requirements. The bodies or functions responsible for the decision to proceed with the clawback of all or a part of the variable pay already disbursed vary according to the profile of the individual involved in the procedure. Any decision regarding the CEO-GM or Key Management Personnel is taken by the Board of Directors on the recommendation of the Remuneration Committee.

Clawback provisions are applied also taking into account the related legal, social security and tax considerations.

Within 5 years of disbursement of each awardable incentive and, in any event, within the time limit set by the related statute of limitations, the Company may request the clawback of any amounts disbursed, up to the entire amount paid, without prejudice to the right to claim for any further damages, in the event of:

- conduct not in compliance with the law, regulations, or the By-laws, the Code of Ethics, the Organisational Model pursuant to Legislative Decree 231/01 and/or the Poste Italiane Group's Integrated Policy applicable to the Company or one of the Group companies, and that has resulted in significant losses for the Company, a Group company or for customers;
- further conduct not in compliance with the law, regulations, the By-laws, the Code of Ethics, the Organisational Model pursuant to Legislative Decree 231/01 and/or the Poste Italiane Group Integrated Policy applicable to the Company or to one of the Group companies, and that gave the Beneficiary an advantage in terms of the incentives due;
- violations of the obligations set out in article 26 or, where applicable, article 53, paragraphs 4 et seq. of the Consolidated Law on Banking or of the obligations in respect of remuneration and incentives;
- fraud or gross misconduct on the part of the beneficiary to the detriment of the Company or another Group company;
- payment of the Bonus on the basis of information that was subsequently revealed to be inaccurate and/or misleading.

The occurrence of one or more of the above circumstances shall result in the application of malus provisions for any deferred portions of incentives yet to be paid. This applies to both cash payments and the award of shares/equity instruments.

6. Specific Arrangements for Regulated Sectors

The remuneration and incentive schemes described are designed to meet the specific requirements of the sectors in which the Poste Italiane Group operates.

In particular, the specific requirements applicable to personnel who work within BancoPosta RFC, and who are, therefore, subject to the banking sector regulations issued by the Bank of Italy, are set out in the “Guidelines for BancoPosta RFC’s remuneration and incentive policy for 2022”, annexed to this Report.

The specific requirements of the insurance sector (Poste Vita Insurance Group), which is thus subject to the regulations issued by IVASS (the insurance regulator), are, in terms of solvency requirements and risk management policies, reflected in the remuneration and incentive policies drawn up and approved in accordance with the Corporate Governance processes of the relevant subsidiaries.

In particular, for “Key Personnel” of the Poste Vita Insurance Group, the award of variable remuneration is conditional on the maintenance of an adequate level of capital within the Company and the Insurance Group, in line with the principle of sound and prudent risk management. The structure of the short-term variable incentive scheme MBO 2022 is in line with that described for Poste Italiane with certain specific elements: the bonus pay-out is deferred over three years and subject to a retention period of one year for 50% (linked to other performance indicators of the Poste Vita Insurance Group). Good leaver/bad leaver clauses are in place, in line with those described in the paragraph “Severance payments on termination of employment” relative to KMP.

With reference to the LTIP, the “Insurance LTIP 2022-2024” includes certain specific elements linked to the reference legislation. In particular, specific access requirements are defined (Solvency II Ratio and Before-Tax Profit/Loss of the Poste Vita Group) in addition to the hurdle condition (EBIT of the Poste Italiane Group) and KPIs associated with the Poste Vita Insurance Group (on top of the Poste Italiane Group EBIT and ESG KPIs, Poste Vita’s RORAC is included among the relevant KPIs); the methods of payment are in line with the Performance Share LTIP 2022-2024 of Poste Italiane but are subject to a retention period of one year for 100% (linked to other performance indicators of the Poste Vita Insurance Group). Good leaver/bad leaver clauses are in place, in line with those described in the paragraph “Severance payments on termination of employment” relative to KMP.

Lastly severance payments on early termination of the employment relationship are deferred, for the Key Personnel of the Poste Vita Insurance Group, for 40% over three years and subject to malus and clawback provisions.

The specific nature of the asset management sector (BancoPosta Fondi SGR SpA) is taken into account in the remuneration and incentive policy drawn up and approved in accordance with the Corporate Governance processes of BancoPosta Fondi SGR SpA, in line with the regulatory requirements established jointly by the Bank of Italy and Consob, designed to ensure that the remuneration and incentive schemes adopted are consistent with the operating results and financial position of the manager and the UCITS managed. At the time of writing, there are no KMP subject to sector regulations issued jointly by the Bank of Italy and Consob.

In all of the above segments, stricter remuneration and incentive policies apply to specific categories of personnel (e.g. BancoPosta RFC’s Material Risk Takers):

- 40 identified within BancoPosta RFC (including members of the Poste Italiane SpA’s Board of Directors and the Financial Reporting Officer);
- 18 identified by Poste Vita SpA (including the 4 heads of key functions);
- 11 identified by Poste Assicura SpA (including the 4 heads of key functions);
- 20 identified by BancoPosta Fondi SGR SpA (including the Directors of the SGR).

The above numbers are updated to the last identification process conducted by each Company.





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3.

REPORT ON AMOUNTS PAID IN 2021

03.

REPORT ON AMOUNTS PAID IN 2021



Contents

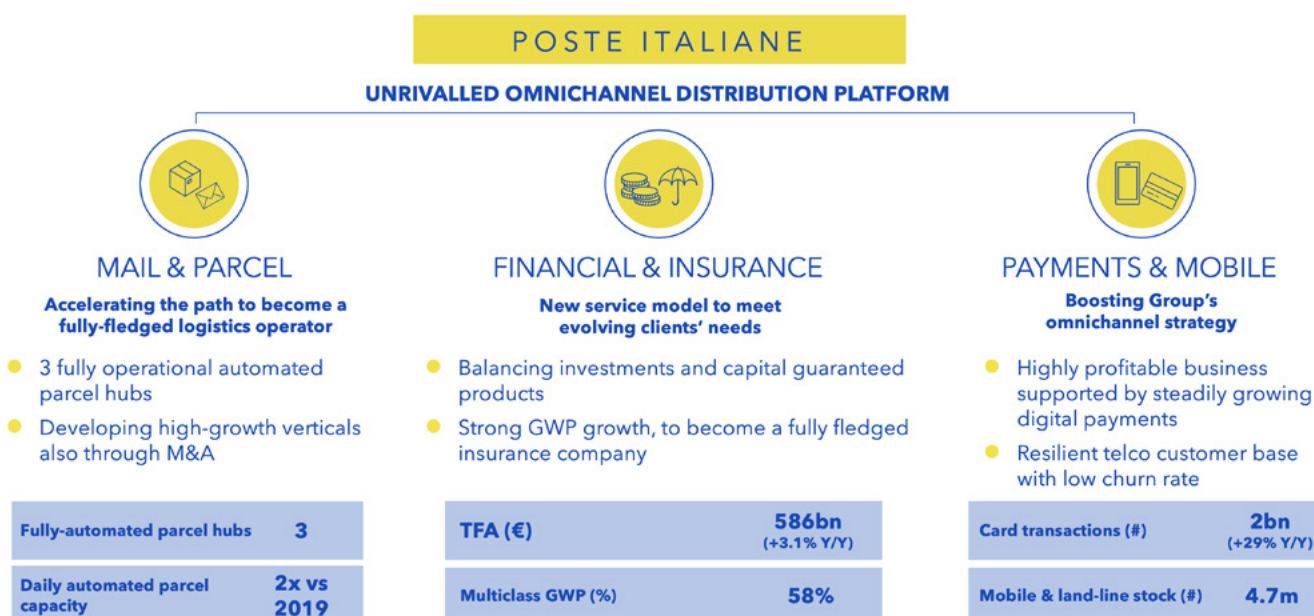
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Introduction

In 2021, Poste Italiane recorded positive results, exceeding targets and recording positive growth even compared to the pre-pandemic period, confirming the validity of the Omni-channel Distribution Platform and the company's position as a diverse, resilient and sustainable business for all stakeholders. All of the Group's results were driven, on the one hand, by paying close attention to costs and, on the other, by investments aimed at seizing opportunities for growth.

All business segments contributed to the achievement of positive performance in 2021, laying the foundations for future growth.

Figure 1. MAIN RESULTS ACHIEVED IN 2021



In the **"Mail and Parcels"** segment, Nexive integration was completed ahead of schedule¹. Furthermore, thanks to constant investments, the Group accelerated its expansion as a fully-fledged logistics operator.

As regards the **"Financial Services"** and **"Insurance Services"** segment:

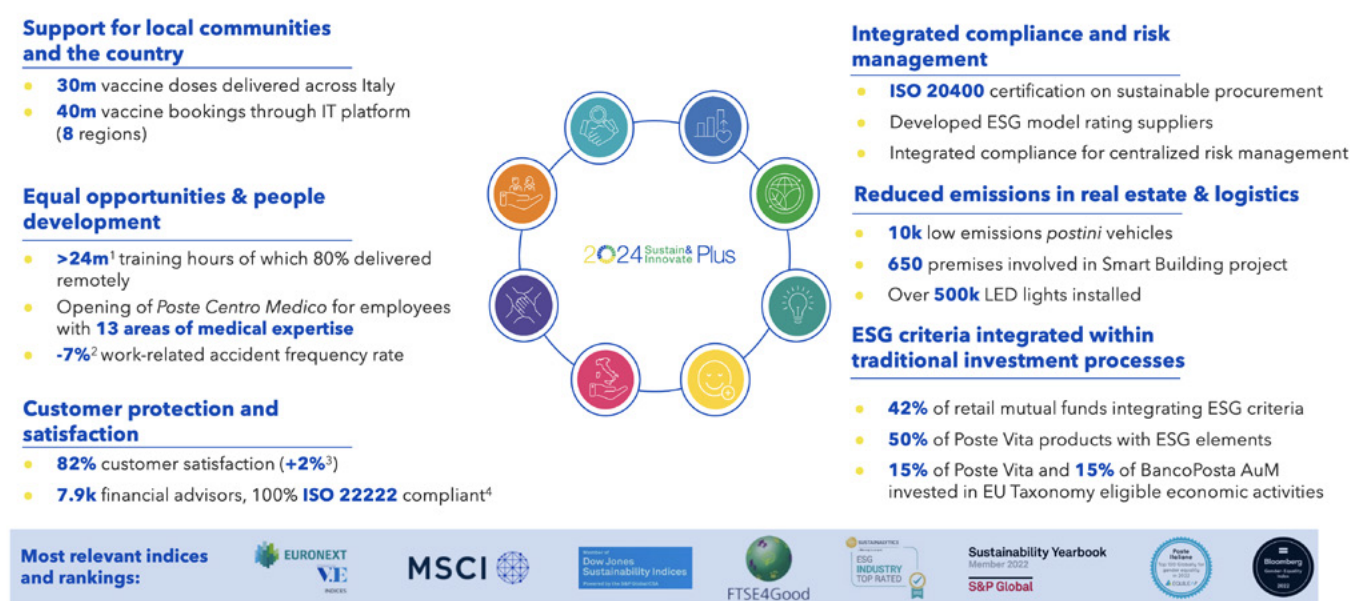
- the agreement with Cassa Depositi e Prestiti on the distribution of Postal Savings was renewed, which envisages recurring management fees increasing over time and ensures the sustainability of revenues throughout the period of the Plan; furthermore, the investment in tax credits supported the net interest income;
- the products in the life insurance segment reached the targets envisaged in the "24 SI" Strategic Plan ahead of schedule, with "multi-class" products representing 58% of gross premiums; growth was also recorded in the non-life insurance segment, in line with the Group's objective to offer a full range of insurance products.

1. The schedule refers to that described in the "2024 Sustain & Innovate" Strategic Plan ("24 SI").

In the “**Payments and Mobile**” segment, electronic payments reached € 2 billion (+29% compared to 2020) and card payments in the e-commerce sector increased by 31% to € 520 million, with increased activity on Poste's digital channels. In 2021, digital e-wallets reached € 9.1 million (+23.4% compared to 2020) thanks to the increased use of the Postepay App. Finally, telecommunications performed well thanks to a solid basis of long-standing loyal customers.

Parallel to the achievement of the above results, the Group's ESG Plan was developed, activating, consolidating and improving several initiatives focused on the 8 strategic pillars.

Figure 2. OVERVIEW OF KEY ACHIEVEMENT OF ESG INITIATIVES



1. Cumulated since 2017 (20m hours since 2018); 2. 2020 Baseline; 3. 2018 Baseline; 4. UN Standard on personal financial planning.

The “2024 Sustain & Innovate” Plan set out a clear and ambitious roadmap - confirmed during the Capital Markets Day on March 23, 2022 - aimed at reducing total CO2 emissions by 2025 and at achieving carbon neutrality by 2030, in line with the Paris Agreement and the European Green Deal, with results in 2021 exceeding the targets.

Also in 2021, Poste Italiane played a key role in supporting the country during the pandemic: approximately 30 million vaccine doses were delivered and the multi-channel booking system developed by Poste processed over 40 million appointments. In terms of people development, over 24 million hours of training have been delivered since 2017, of which 80% took place remotely.

Further progress has been made in the field of diversity and inclusion. Poste Italiane joined the Top 100 companies globally for gender equality performance, and is among the top 19 companies in the world to have adequately managed the gender pay gap. Furthermore, as noted previously, for the third consecutive year Poste Italiane was ranked on the Bloomberg-Equality Index with a score well above the average.

On the topic of sustainable finance, Poste Italiane is on target to achieve the targets set in terms of offering products that integrate sustainability criteria into investment decisions.

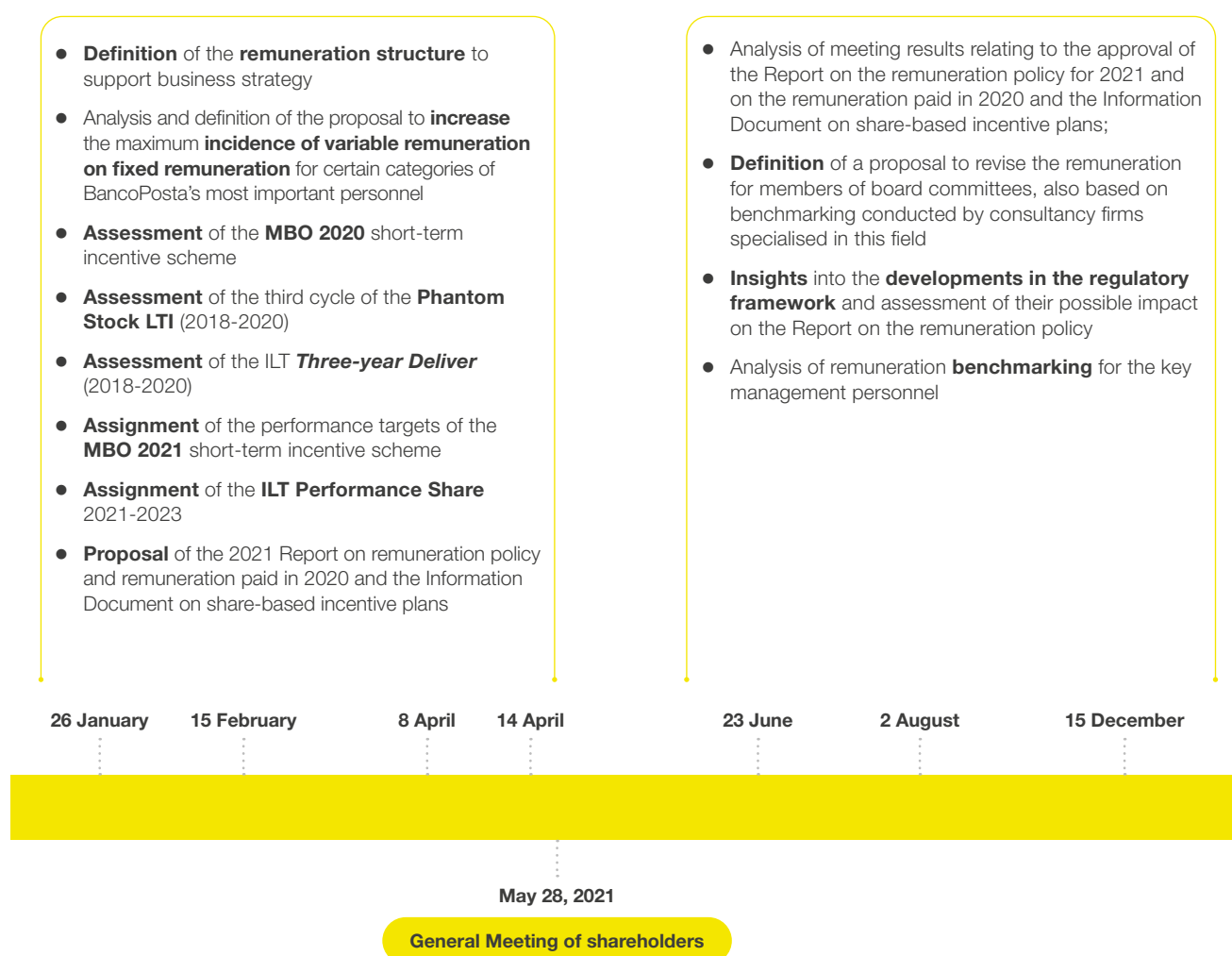
It is clear that the Group has laid solid foundations to continue to create value, with the aim of continuing to deliver sustainable long-term returns for stakeholders while recognising the needs of the vast ecosystem of Poste Italiane's stakeholders.

1. Remuneration awarded in 2021

1.1 Remuneration Committee and shareholder voting

The Remuneration Committee met on 7 occasions in 2021 and dealt with the following matters:

Figure 3. TOPICS DISCUSSED BY THE REMUNERATION COMMITTEE IN 2021



The 2021 Remuneration Policy reported a broad consensus among shareholders, an appreciation confirmed by the favourable Shareholders' meeting vote, also with reference to the votes expressed by minorities only.

The outcome of the vote held during the Shareholders' Meeting on May 28, 2021 was assessed within the context of the overall governance of the Group's remuneration and incentive policies. Poste Italiane confirmed its commitment to maintaining a constructive and ongoing dialogue with its investors and proxy advisors on topics related to remuneration, aimed at improving and

ensuring increasingly effective public disclosure, in line with the best Italian and international standards. This approach, combined with the Fair and moderate remuneration principle and the direct link between remuneration policies and corporate strategies to benefit all stakeholders, led to an even greater consensus than the one registered in 2020, notwithstanding the fact that the Report on the Remuneration Policy was already considered as aligned with the best market practices.

In 2021, the Report on Amounts Paid, which was put to the vote at the Shareholders' Meeting for a second time, recorded an improvement on the previous year's voting results, and the consensus was broadly above the average for companies on the FTSE MIB.

Finally, in 2021, the main proxy advisors issued recommendations for a vote in favour of all points of the agenda regarding remuneration, with no particular concerns raised.

The Report on amounts paid was therefore developed with a view to increasing disclosure to the market in order to preserve the interests of all stakeholders.

In 2021, no exceptions pursuant to the provisions of art. 123-ter, paragraph 3-bis of the TUF updated in 2019 were applied. Furthermore, no circumstances leading to the application of malus or clawback provisions arose in 2021.

1.2 Evolution of remuneration and performance of Poste Italiane in 2019-2021

The figure below compares the following elements:

- the Company's results;
- total remuneration for each of the individuals for whom the information in this Report on amounts paid is provided by name;
- average gross annual remuneration for employees.

Figure 4. COMPARISON TABLE: DEVELOPMENT OF CEO-GM'S TOTAL REMUNERATION, AVERAGE EMPLOYEE REMUNERATION AND COMPANY PERFORMANCE²

		2021	2020	2019	% change 2021 vs 2020
Company results	Net profit (€ bn)	1.6	1.2	1.3	31.7%
	Dividends per share (€)	0.59	0.486	0.46	21.4%
Chief Executive Officer and General manager	Matteo Del Fante (€ k)*	2,415	1,822	2,060	32.6%
Employees	Wages and salaries (€ k)**	32	31	32	4.0%

Amounts rounded to the nearest unit except for net profit and dividends per share.

* Includes fixed remuneration, monetary portion of up-front and deferred variable short-term incentive (MBO) scheme and fair value of equity remuneration.

** The item wages and salaries, shown in the Financial Report, refers to personnel not indicated by name in Table 1. Average per capita amount for the Poste Italiane Group (in 2021, around 124,000 Full Time Equivalents).

2. Pursuant to the Issuers' Regulation, Form no. 7-bis of Annex 3A.

For the CEO-GM, total remuneration (fixed and variable) increased by 32.6% compared to 2020; as described in more detail below, this change was due exclusively to the trend of the variable remuneration component.

In fact, in 2021 the fixed remuneration of the CEO-GM remained unchanged, despite its positioning below the market median.

Therefore, the increase between 2020 and 2021 relates to the variable component only, and is mainly linked to:

- the 50% voluntary reduction in the 2020 MBO due to the impact of the pandemic on the business, decided in April 2020;
- the increase in the ratio between the variable and fixed components to 2:1 from 2021;

This increased ratio was put to the vote at the 2021 Shareholders' Meeting and approved with 99.7% of votes in favour (a consensus above the extraordinary voting result already achieved on the Report on the 2021 Remuneration Policy). The resolution to increase the ratio was approved, as noted in the 2021 meeting documentation, in order to increase the competitiveness of the overall remuneration of the CEO-GM, which was significantly below the market median, without impacting the fixed component.

The average remuneration for employees, despite being characterised by a strong incidence of the fixed component, increased by 4% in 2021 compared to 2020.

The remuneration of the Chairwoman of the Board of Directors, the other Directors and the Statutory Auditors is in no way linked to the results achieved by Poste Italiane.

For more information on the composition of the remuneration, please refer to the details contained in Table 1.

Figure 5. COMPARISON TABLE: DEVELOPMENT OF THE TOTAL REMUNERATION OF THE CHAIRPERSON OF THE BOARD OF DIRECTORS, THE OTHER DIRECTORS, THE CHAIR OF THE BOARD OF STATUTORY AUDITORS AND STATUTORY AUDITORS³

Amounts in € k		2021	2020	2019	% change 2021 vs 2020	Office (where not indicated, office held throughout the period)
Chairwoman of the Board of Directors	Maria Bianca Farina	480	480	480	0.0%	
Board Directors	Giovanni Azzone	83	83	83	0.0%	
	Bernardo De Stasio	118	73	-	60.0%	
	Daniela Favrin	83	52	-	60.0%	
	Davide Iacovoni*	83	52	-	60.0%	Office held since 15 May 2020
	Elisabetta Lunati	83	52	-	60.0%	
	Mimi Kung	75	75	75	0.0%	
	Roberto Rossi	83	83	83	0.0%	
Chairman of the Board of Statutory Auditors	Mauro Lonardo	80	80	80	0.0%	
Statutory Auditors	Anna Rosa Adiutori	70	70	42	0.0%	
	Luigi Borrelli	70	70	42	0.0%	Office held since 29 May 2019

Values rounded to the unit.

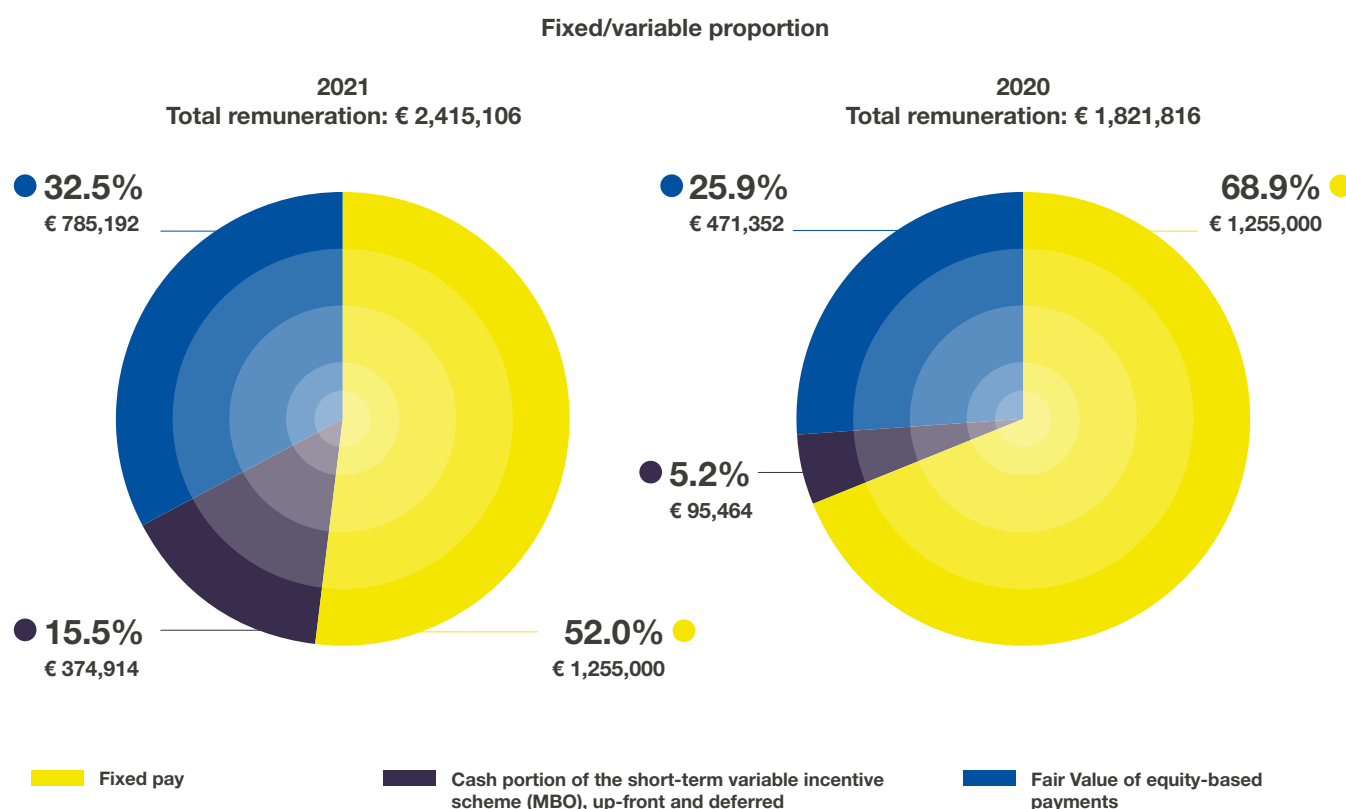
* Paid to employer.

3. Pursuant to the Issuers' Regulation, Form no. 7-bis of Annex 3A.

Here below, a detailed split of the CEO-GM remuneration between fixed and variable components is provided, based on the best available estimates for 2021 (at the time of drafting of this Report).

This Report offers an *ex-post* outlook whereas an *ex-ante* outlook is provided in the Report on the Remuneration Policy in respect of the allocations for the year assuming over-achievement.

Figure 6. PROPORTION BETWEEN FIXED AND VARIABLE REMUNERATION FOR THE CEO-GM WITHIN TOTAL REMUNERATION (2020 - 2021)



Data source - Information tables Form 7-bis Annex 3A Regulations for Issuers, Report on amounts paid in 2021 and 2020.

Fixed remuneration in 2021 was unchanged compared to 2020 (and also to 2022). Furthermore, the variable component appeared to increase due to the voluntary reduction by 50% of the MBO 2020 and the change in ratio between variable and fixed remuneration, approved by 99.7% majority vote at the 2021 Shareholders' Meeting.

1.3 Chairwoman of the Board of Directors

The Chairwoman of the Board of Directors was paid €480,000 gross, representing the remuneration approved by the Shareholders' Meeting of May 15, 2020 for the 2020-2022 term of office, in accordance with art. 2389, paragraph 1 of the Italian Civil Code, and the remuneration approved by the Board of Directors of December 15, 2020 in accordance with art. 2389, paragraph 3 of the Italian Civil Code, determined on the recommendation of the Remuneration Committee and in consultation with the Board of Statutory Auditors.

There are no forms of variable remuneration.






1.4 Other Directors

With reference to the other Directors, the remuneration was paid as approved by the Shareholders' Meeting on May 15, 2020 pursuant to article 2389, paragraph 1, of the Italian Civil Code, amounting to €40,000 gross per annum.

Moreover, the additional remuneration due for participation in the Board Committees was paid as resolved on June 10, 2020 by the Board of Directors, after consulting with the Board of Statutory Auditors and the Remuneration Committee. There are no forms of variable remuneration.

The remuneration for membership in the Board Committees in 2021 is as follows.

Figure 7. REMUNERATION OF BOARD COMMITTEES IN 2021

		Remuneration
 Remuneration Committee	Chair	25,000 euro
	Member	17,500 euro
 Nominations and Corporate Governance Committee	Chair	25,000 euro
	Member	17,500 euro
 Control and Risk Committee	Chair	35,000 euro
	Member	25,000 euro
 Related and Connected Parties Committee	Chair	25,000 euro
	Member	17,500 euro
 Sustainability Committee	Chair	25,000 euro
	Member	17,500 euro

1.5 Board of Statutory Auditors

The Board of Statutory Auditors in office was elected by the Shareholders' Meeting of May 28, 2019, which also determined the related remuneration for the full term of office, that is until approval of the financial statements for 2021. In line with the prior term, the Chairwoman received a remuneration of €80,000 gross per annum, with each of the standing Auditors receiving €70,000 gross per annum.

1.6 Chief Executive Officer and General Manager

Gross annual fixed compensation

The CEO-GM was paid gross annual fixed compensation of €1,255,000⁴:

Benefits

The CEO-GM received additional benefits in line with market practices for similar roles and in compliance with the applicable statutory requirements.

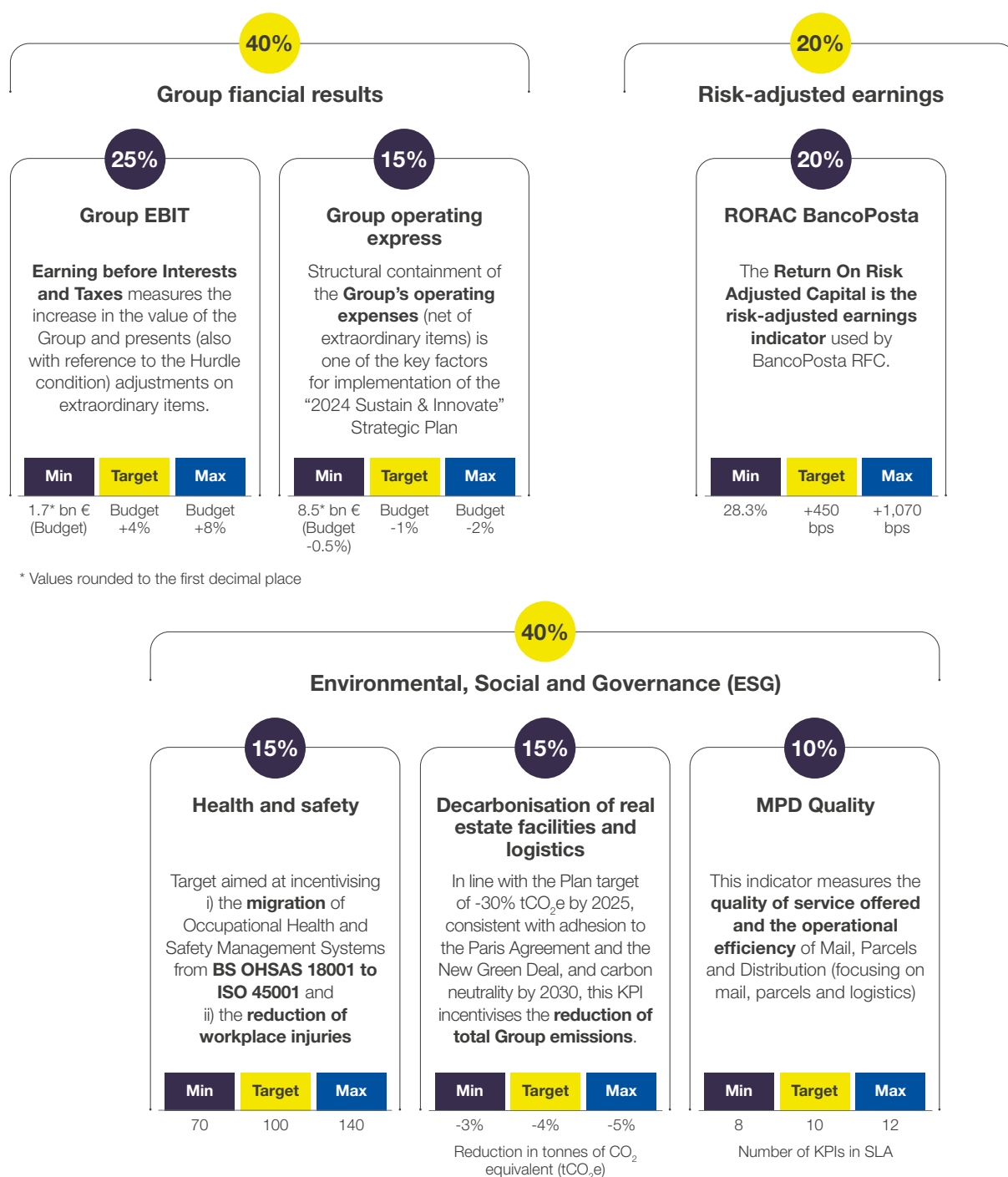
Variable remuneration

The pages below outline the assessment of the targets of the incentive plans with performance periods ending in 2021. In addition, reference should be made to the systems for which the portions subject to deferral/retention accrued during 2021, in compliance with the terms set.

With reference to the variable short-term incentive scheme “MBO”, the targets for the 2021 performance period were as follows.

4. €490,000 as Chief Executive Officer (consisting of €40,000 in remuneration determined by the Shareholders' Meeting in accordance with art. 2389, paragraph 1 of the Italian Civil Code and €450,000 in remuneration in accordance with art. 2389, paragraph 3 of the Italian Civil Code) and € 765,000 in gross annual remuneration for the employment relationship as “Dirigente” in his role as General Manager.

Figure 8. “MBO” SCHEME PERFORMANCE TARGETS FOR THE CEO-GM IN 2021



The assessment of the hurdle and qualifying conditions and the level of achievement of the performance targets resolved by the Board of Directors are shown below.

Figure 9. HURDLE CONDITION AND QUALIFYING CONDITIONS FOR THE CEO-GM “MBO” SCHEME IN 2021

Conditions (ON/OFF)	Hurdle value	Final value
Group EBIT (€ bn)	1.7 (Budget)	Achieved
BP RFC's capital adequacy CET 1	15%	Achieved
BP RFC's short-term liquidity LCR	330%	Achieved
Poste Vita Insurance Group's Solvency Ratio Solvency Ratio	130%	Achieved

Values rounded to the first decimal place.

In particular, the hurdle condition and qualifying conditions set in 2021 were all met, thereby granting full access to the scheme.

The following table, on the other hand, shows the level of achievement of each performance target assigned with regard to the MBO short-term incentive scheme for 2021.

Figure 10. ASSESSMENT OF “MBO” OBJECTIVES FOR THE CEO-GM IN 2021

Objectives	Weight	Minimum	Target	Maximum	Final value
Group EBIT (€ bn)	25%	1.7 (Budget)	Budget +4%	Budget +8%	1.9 (maximum)
Group operating expenses (€ bn)	15%	8.5 (Budget -0.5%)	Budget -1%	Budget -2%	8.3 (maximum)
BancoPosta's RORAC	20%	28.3%	+450 bps	+1,070 bps	35.2% (between target and maximum)
Health and Safety	15%	70	100	140	Reduction of Injuries >2% and Certifications (maximum)
Reduction in total Group emissions (tCO₂e)	15%	-3%	-4%	-5%	-5% (maximum)
MPD Quality	10%	8	10	12	9 (between minimum and target)

Values rounded to the first decimal place.

Overall, the assessment of targets reached (economic/financial, sustainability, risk, risk-adjusted earnings) is extremely positive at 129.6% (against a maximum of 140%).

Therefore, based on the assessment of the results of the hurdle condition and qualifying conditions and on the Performance Targets illustrated above, in implementation of the contents of the Report on the 2021 Remuneration Policy, the Chief Executive Officer and General Manager qualified for an incentive under the MBO scheme for 2021, of €833,143. This sum will be paid as follows:

- 40% up-front in 2022, including 20% payable in cash and 20% in rights to receive ordinary shares of the Company, subject to a 1-year retention period;
- the remaining 60% deferred for 5 years (pro rata), of which 25% payable in cash and 35% in rights to receive ordinary shares of the Company, subject to a 1-year retention period (the last deferred portion, equal to 15% of the total incentive, will be paid in cash in 2027).

A sum of €166,629 (up-front in cash) will therefore be paid in 2022.

As in 2020, in 2021 performance was clearly impacted by the health emergency associated with the Covid-19 pandemic. Poste Italiane continued to guarantee services to citizens, an essential element for the socio-economic sustainability of the country, and to guarantee the safety of customers and workers across the entire country. The EBIT target for 2021 was met and significantly overachieved, also thanks to a strict cost discipline. Also, with reference to the ESG indicators set for MBO 2021, Poste Italiane achieved excellent performance, as detailed below.

The Health and Safety indicator reached the maximum level (a reduction in workplace injuries of “>2% vs 2020”; and obtain the new Occupational Health and Safety Management System certification, updated from BS OHSAS to ISO 45001). In 2021, protecting people’s health, safety and psychological integrity was a key objective of the Poste Italiane Group and was achieved by improving the quality of the work environment, the constant development of a robust internal culture and by continuing to guarantee compliance with the highest national and international HSE standards.

As regards the Mail & Parcels Quality target, which measures the quality of service offered and the operational efficiency of Mail, Communication and Logistics business, performance was slightly below the target. It should be noted that in this regard, significant effort was dedicated to the integration of Nexive.

Poste Italiane’s Strategic Plan sets out a clear and ambitious roadmap with the aim of reducing total tCO2e emissions by 30% by 2025. In 2021 several initiatives were implemented to accelerate the green transition, such as the renewal of the company fleet available to postal workers and the energy efficiency improvements at offices and logistic sites, beating the target set and reducing emissions by 5%.

Finally, it should be noted that the conditions of BancoPosta RFC’s capital adequacy and liquidity have been verified, and therefore, following approval of the Annual Report for 2021, the cash components and equity-based instruments that have reached the end of the deferral and/or retention periods relating to the 2017, 2018, 2019 and 2020 short-term incentive schemes (“MBO”) will be recognised.

With reference to the medium/long-term incentive plans, the performance period of which ended in 2021, it should be noted that the first cycle (2019-2021) of the “Performance Share LTIP”, assigned to the CEO-GM during 2019, has come to an end. The assessment conducted for this cycle is shown in Table 3A-Form 7-bis Consob, with further details on achievement of the hurdle condition and qualifying conditions and on the level of achievement of the performance targets shown below. Hurdle condition and qualifying conditions have been achieved, allowing the plan to be activated. For additional details, see the following figure:

Figure 11. HURDLE AND QUALIFYING CONDITIONS FOR THE “2019-2021 PERFORMANCE SHARE LTIP” FOR THE CEO-GM (APPROVED IN 2019)

Hurdle	Hurdle value	Final value
Group cumulative three-year EBIT * (€ bn)	4,9	Achieved

Qualifying conditions	Hurdle value	Final value
BancoPosta’s capital adequacy: CET 1	15%	Achieved
BancoPosta’s short-term liquidity: LCR	330%	Achieved
BancoPosta risk-adjusted earnings: RORAC	19%	Achieved

* Values rounded to the first decimal place.

The following chart shows the level of achievement of the performance targets assigned in 2019, namely the three-year cumulative Group EBIT (with weighting 60%) and the relative Total Shareholder Return (with weighting 40%):

Figure 12. ASSESSMENT OF THE PERFORMANCE TARGETS OF THE 2019-2021 “PERFORMANCE SHARE LTIP” FOR THE CEO-GM (ASSIGNED IN 2019)

First Objective	Weight	Minimum	Target	Maximum	Final value
Group cumulative three-year EBIT (€ bn)	60%	4.9 (<i>Budget</i>)	<i>Budget</i> +2%	<i>Budget</i> +4%	5.7 (maximum)

Values rounded to the first decimal place.

Second Objective	Weight	Minimum	Target	Maximum	Final value
Relative Total Shareholder Return (rTSR) (TSR Poste Italiane vs FTSE MIB)	40%	TSR PI = TSR FTSE MIB	TSR PI +5% vs TSR FTSE MIB	TSR PI +15% vs TSR FTSE MIB	+46.7% (maximum)

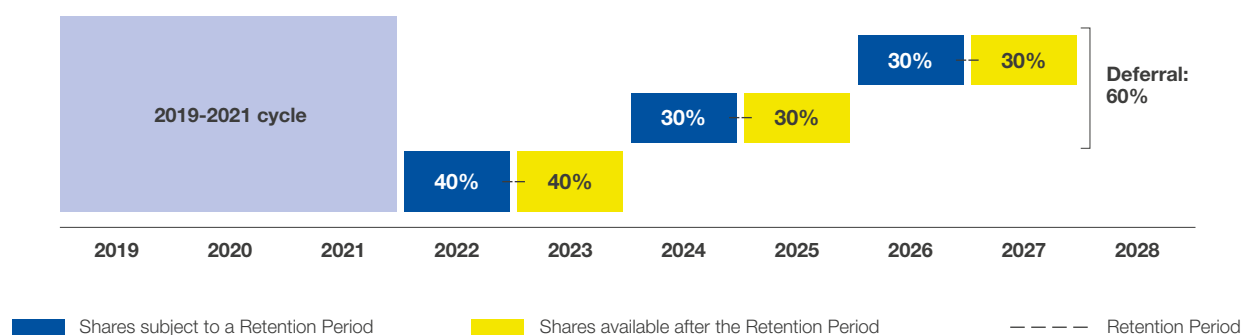
TSR Poste Italiane (01/01/2019 – 31/12/2021) +93.9%; TSR FTSE MIB index (01/01/2019 – 31/12/2021) +64.0%.

The two performance targets recorded excellent results in the three-year period 2019-2021.

Specifically, Poste Italiane's TSR is higher than the TSR of the FTSE MIB index (+46.7%) and the EBIT is well above the maximum level established. The value taken into consideration is the sum of the EBIT values recorded in the MBOs in 2019-2021 and, therefore, considers the values approved by the Shareholders' Meeting 2021 in the Report on amounts paid in 2020. It is understood that, also considering accounting values only, cumulative EBIT is above the maximum level set for the three-year period 2019-2020 (the final amount is approximately € 20 million higher than the maximum level defined in 2019).

This is a testament to the robust performance achieved by Poste Italiane and the resilience of its business strategies.

For the CEO-GM, the number of rights to receive ordinary shares in Poste Italiane through “Performance Share LTIP” is 49,053, recognised as follows:

Figure 13. PAYMENT METHODS FIRST CYCLE 2019-2021 “PERFORMANCE SHARE LTIP”

Both the up-front and deferred portions are subject to a one-year retention period. At the end of the retention period for the up-front portion, the shares vested will be available provided that the risk appetite levels for BancoPosta RFC's capital adequacy, liquidity and risk-adjusted earnings have been met. At the end of the deferral period and the retention periods for the deferred portions, compliance with the risk tolerance levels for BancoPosta RFC's capital adequacy, liquidity and risk-adjusted earnings will be verified.

Finally, it should be noted that the conditions of BancoPosta RFC's capital adequacy and liquidity have been verified, and therefore, following approval of the Annual Report for 2021, the Phantom Stocks will be recognised, relating to the third cycle (2018-2020) of the “Phantom Stock LTIP” that have reached the end of their retention period. Specifically, as noted in the Report on amounts paid approved at the May 28, 2021 Shareholders' Meeting, 60,645 Phantom Stocks will be converted into cash⁵.

5. Based on the value of Poste Italiane's shares during the thirty trading days prior to the Board of Directors' meeting of April 13, 2022, which resolved that BancoPosta RFC's capital and liquidity requirements have been met, equal to € 10.0305).

1.7 Key Management Personnel

Gross annual fixed pay

The gross annual fixed pay payable to existing Key Management Personnel (KMP) was subject to selective adjustments in 2021, above all with regard to certain KMP whose pay was below market medians, taking into account the strategic relevance and complexity of their roles.

Benefits

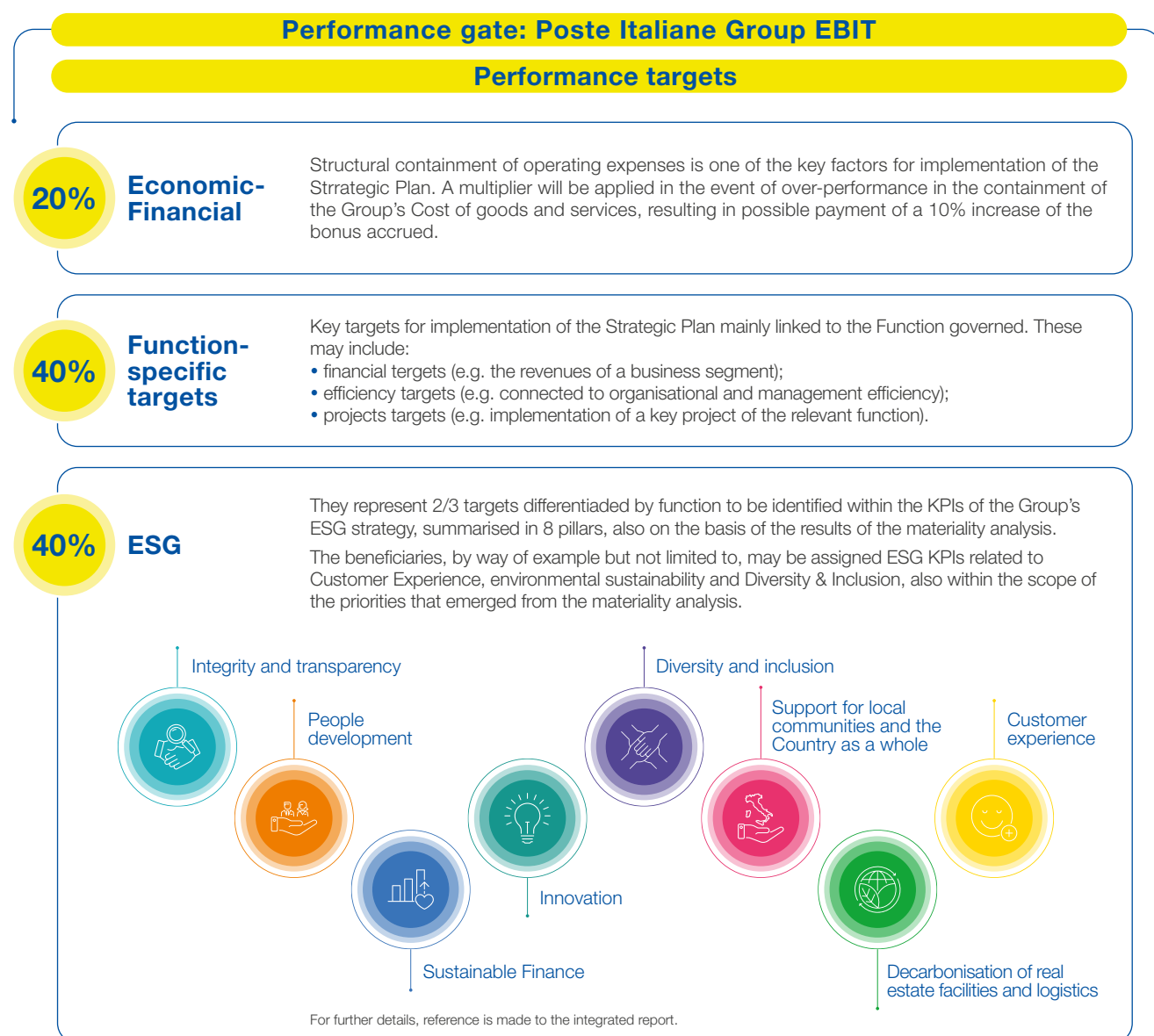
Key Management Personnel received additional benefits in line with market practices for similar roles.

Variable remuneration

For Key management personnel, the values relating to short-term incentives in the 2021 performance period are shown in the table in the following pages (Form 7-*bis* Table 1, Table 3A and Table 3B).

Key management personnel have been assigned performance targets relating to the macro areas operating expenses, sustainability and function-specific targets (economic/financial, efficiency, projects). The target achievement level is differentiated at the individual level but is generally higher than the target.

Figure 14. “MBO 2021” FOR KMP



The average level of achievement of targets by KMP was above the target set at 126.5%. With regard to the assessment of performance indicators relative to operating expenses, reducing workplace injuries, reducing tCO₂e and MPD Quality, please refer to the information provided in this regard for the CEO-GM.

As regards the other KPIs, below are some examples of function-specific targets (economic/financial, efficiency and projects):

- Nexive integration: since 2021, the Nexive merger has generated synergies and laid the foundations for positive impacts in the medium/long term in terms of service quality and reduced operating costs;
- Total revenues - Business and Public Administration: € 3,185 million in particular from “mail” and “parcels”, with the latter recording record growth;
- ISO 22222 certification: 7,900 financial consultants certified.

Please note that the first cycle (2019-2021) of the “Performance Share LTIP” assigned in 2019 also matured in 2021. The summary of this cycle is shown in Table 3A, with reference made to Figures 11 and 12, already discussed in the paragraph dedicated to the CEO-GM. Full compliance with the reference regulations for “Key Personnel” of the Poste Vita Insurance Group, as defined in the “Performance Share LTIP 2019-2021” Regulation, is understood.

Tables – CONSOB Form 7-bis*

Table 1: REMUNERATION PAID TO MEMBERS OF THE BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS, GENERAL MANAGERS AND OTHER KEY MANAGEMENT PERSONNEL

BOARD OF DIRECTORS

Name and surname or category	(A)	(B)	(C)	(D)	(1)	(2)	Variable non-equity payments		(4)	(5)	Total	Fair Value of equity-based payments	Severance indemnity payable at end of term of office or on termination of employment
							Fixed pay	Fee for Board membership					
1 Maria Bianca Farina		Chairwoman	01/01/2021 - 31/12/2021	appr. 2022 financial statements			€ 480,000						
(i) Remuneration from company preparing financial statements							€ 480,000		€ 7,595		€ 487,595		
(ii) Remuneration from subsidiaries and associates													
(iii) Total							€ 480,000		€ 7,595		€ 487,595		
2 Matteo Del Fante		Chief Executive Officer and General Manager	01/01/2021 - 31/12/2021	appr. 2022 financial statements									
(i) Remuneration from company preparing financial statements							€ 1,255,000 ¹		€ 8,388		€ 1,638,302	€ 785,192	
(ii) Remuneration from subsidiaries and associates													
(iii) Total							€ 1,255,000		€ 8,388		€ 1,638,302	€ 785,192	
Notes:													
¹ Of which €490,000 as Chief Executive Officer (consisting of €40,000 in remuneration determined by the General Meeting of shareholders in accordance with art. 2389, paragraph 1 of the Italian Civil Code and €450,000 in remuneration in accordance with art. 2389, paragraph 3 of the Italian Civil Code) and €765,000 as General Manager.													
3 Giovanni Azzone		Director	01/01/2021 - 31/12/2021	appr. 2022 financial statements									
(i) Remuneration from company preparing financial statements							€ 40,000	€ 42,500 ¹	€ 548		€ 83,048		
(ii) Remuneration from subsidiaries and associates													
(iii) Total							€ 40,000	€ 42,500	€ 548		€ 83,048		
Notes:													
¹ Of which €25,000 for the office of Chairman of the Remuneration Committee, € 17,500 for membership in the Nominations and Corporate Governance Committee.													

4	Bernardo De Stasio	Director	01/01/2021 - 31/12/2021	appr. 2022 financial statements			
	(i) Remuneration from company preparing financial statements				€ 40,000	€ 77,500 ¹	€ 117,500
	(ii) Remuneration from subsidiaries and associates						
	(iii) Total				€ 40,000	€ 77,500	€ 117,500
	Notes: ¹ Of which € 35,000 for the office of Chairman of the Control and Risk Committee, € 25,000 for the office of Chairman of the Nominations and Corporate Governance Committee and € 17,500 for membership in the Related and Connected Parties Committee.						
5	Daniela Favrin	Director	01/01/2021 - 31/12/2021	appr. 2022 financial statements			
	(i) Remuneration from company preparing financial statements				€ 40,000	€ 42,500 ¹	€ 83,048
	(ii) Remuneration from subsidiaries and associates						
	(iii) Total				€ 40,000	€ 42,500	€ 83,048
	Notes: ¹ Of which € 25,000 for the office of Chairman of the Sustainability Committee and € 17,500 for membership in the Remuneration Committee.						
6	Davide Iacovoni	Director	01/01/2021 - 31/12/2021	appr. 2022 financial statements			
	(i) Remuneration from company preparing financial statements				€ 40,000	€ 42,500 ¹	€ 82,500 ²
	(ii) Remuneration from subsidiaries and associates						
	(iii) Total				€ 40,000	€ 42,500	€ 82,500
	Notes: ¹ Of which € 25,000 for membership in the Control and Risk Committee and € 17,500 for membership in the Sustainability Committee. ² Paid to employer.						
7	Mimi Kung	Director	01/01/2021 - 31/12/2021	appr. 2022 financial statements			
	(i) Remuneration from company preparing financial statements				€ 40,000	€ 35,000 ¹	€ 75,548
	(ii) Remuneration from subsidiaries and associates						
	(iii) Total				€ 40,000	€ 35,000	€ 75,548
	Notes: ¹ Of which € 17,500 for the membership in the Nominations and Corporate Governance Committee and € 17,500 for membership in the Related and Connected Parties Committee.						

* The amounts included in the tables are computed on an accruals basis in respect of fixed remuneration and the short-term incentive scheme ("MBO"). The variable pay shown in the tables is based on an estimate of the amount payable at the time of preparing this document, whilst awaiting approval of the Company's financial statements by the Shareholders' Meeting.

Name and surname or category	(A)	(B)	(C)	(D)	(1)	(2)	Variable non-equity payments		(4)	(5)	Total	Fair Value of equity-based payments	Severance indemnity payable at end of term of office or on termination of employment	(8)
							Fixed pay	Fee for Board membership						
8 Elisabetta Lunati		Director	01/01/2021 - 31/12/2021	appr. 2022 financial statements										
(i) Remuneration from company preparing financial statements					€ 40,000	€ 42,500 ¹					€ 82,500			
(ii) Remuneration from subsidiaries and associates														
(iii) Total					€ 40,000	€ 42,500					€ 82,500			
Notes:														
¹ Of which € 25,000 for the office of Chairwoman of the Related and Connected Parties Committee and € 17,500 for membership in the Remuneration Committee.														
9 Roberto Rossi		Director	01/01/2021 - 31/12/2021	appr. 2022 financial statements										
(i) Remuneration from company preparing financial statements					€ 40,000	€ 42,500 ¹					€ 82,500			
(ii) Remuneration from subsidiaries and associates														
(iii) Total					€ 40,000	€ 42,500					€ 82,500			
Notes:														
¹ Of which € 25,000 for membership in the Control and Risk Committee and € 17,500 for membership in the Sustainability Committee.														

BOARD OF STATUTORY AUDITORS

Name and surname or category	(A)	Position	(B)	Period in office	(C)	(D)	Fixed pay	(1)	(2)	Variable non-equity payments		Benefits in kind	(4)	(5)	Total	Fair Value of equity-based payments	(7)	Severance indemnity payable at end of term of office or on termination of employment	(8)
										Fee for Board Committee membership	Bonus and other incentives	Profit sharing							
1 Mauro Lonardo		Chairman of the Board of Statutory Auditors		01/01/2021 - 31/12/2021		appr. 2021 financial statements													
(i) Remuneration from company preparing financial statements							€ 80,000								€ 80,000				
(ii) Remuneration from subsidiaries and associates																			
(III) Total							€ 80,000								€ 80,000				
2 Anna Rosa Adlutori		Standing Auditor		01/01/2021 - 31/12/2021		appr. 2021 financial statements													
(i) Remuneration from company preparing financial statements							€ 70,000								€ 70,000				
(ii) Remuneration from subsidiaries and associates																			
(III) Total							€ 70,000								€ 70,000				
3 Luigi Borrè		Standing Auditor		01/01/2021 - 31/12/2021		appr. 2021 financial statements													
(i) Remuneration from company preparing financial statements							€ 70,000								€ 70,000				
(ii) Remuneration from subsidiaries and associates																			
(III) Total							€ 70,000								€ 70,000				

KEY MANAGEMENT PERSONNEL

Key management personnel (12 Resources ¹)					
(I) Remuneration from company preparing financial statements					€ 8,692,877 € 2,084,390
(II) Remuneration from subsidiaries and associates					
(III) Total					€ 8,692,877 € 2,084,390

Notes:

- ¹ There is no requirement, under existing regulations, for disclosure on an individual basis, given that in 2021, none of the Key Management Personnel received higher total compensation than the CEO-GM.
² Remuneration payable for the role of Director and for specific positions held in Group companies, approved in accordance with art. 2389 of the Italian Civil Code, amounting to a total of €937,617, is paid entirely to Poste Italiane SpA.
³ Remuneration for membership in the Board committees of the Group companies, amounting to a total of €9,000, is paid entirely to Poste Italiane SpA.
⁴ Remuneration for specific positions held in Group companies, approved in accordance with art. 2389 of the Italian Civil Code, amounting to a total of €335,184, is paid entirely to Poste Italiane SpA.

Table 3A: SHARE-BASED INCENTIVE PLANS, OTHER THAN STOCK OPTIONS FOR MEMBERS OF THE BOARD OF DIRECTORS, GENERAL MANAGERS AND OTHER KEY MANAGEMENT PERSONNEL

Name and surname (A)	Position (B)	Plan (1)	Financial instruments awarded in prior years and not vested during the year				Financial instruments awarded during the year				Financial instruments vested during the year and not awarded		Financial instruments vested during the year and awardable		Financial instruments attributable to the year	
			Number and type of financial instruments (2)	Vesting period (3)	Number and type of financial instruments (4)	Fair value at grant date (5)	Vesting period (6)	Grant date (7)	Market price on Grant Date (8)	Number and type of financial instruments (9)	Value at grant date (10)	Value at grant date (11)	Fair Value (12)			
Matteo Del Fante	General Manager (employment contract)															
(I) Remuneration from company preparing financial statements		Short-term incentive scheme for 2021 ("MBO") for BancoPosta RFC's Material Risk Takers Resolution by General Meeting of shareholders 28/05/2021	45,684 Ordinary shares of Poste Italiane SpA	5 years	13/04/22	€ 458,233 ¹	5 years	€ 10.0305 ²	16,612 ³	€ 166,629	€ 166,629					
(I) Remuneration from company preparing financial statements		Short-term incentive scheme for 2020 ("MBO") for BancoPosta RFC's Material Risk Takers Resolution by General Meeting of shareholders 15/05/2020	5,072 Ordinary shares of Poste Italiane SpA	5 years								2,028 ³	€ 20,342	€ 20,342 ⁴		
(I) Remuneration from company preparing financial statements		Short-term incentive scheme for 2019 ("MBO") for BancoPosta RFC's Material Risk Takers Resolution by General Meeting of shareholders 28/05/2019	5,789 Ordinary shares of Poste Italiane SpA	5 years								3,862 ³	€ 38,738	€ 38,738 ⁴		
(I) Remuneration from company preparing financial statements		Short-term incentive scheme for 2018 ("MBO") for BancoPosta RFC's Material Risk Takers Resolution by General Meeting of shareholders 29/05/2018	5,533 Phantom Stock	5 years								5,534 ³	€ 55,509	€ 55,509 ⁴		
(I) Remuneration from company preparing financial statements		Short-term incentive scheme for 2017 ("MBO") for BancoPosta RFC's Material Risk Takers Resolution by General Meeting of shareholders 27/04/2017										3,709 ³ Phantom Stock	€ 37,203	€ 37,203 ⁴		
(I) Remuneration from company preparing financial statements		Performance Share LTIP - 2021-2023 Resolution by General Meeting of shareholders 28/05/2021	111,293 Ordinary shares of Poste Italiane SpA				3 years	16/02/21	€ 8,6743 ²					€ 323,268		
(I) Remuneration from company preparing financial statements		Performance Share LTIP - second cycle 2020-2022 Resolution by General Meeting of shareholders 28/05/2019	32,536 Ordinary shares of Poste Italiane SpA	3 years											€ 67,209	
(I) Remuneration from company preparing financial statements		Performance Share LTIP - first cycle 2019-2021 Resolution by General Meeting of shareholders 28/05/2019	29,432 Ordinary shares of Poste Italiane SpA	3 years								19,621 ³	€ 196,808	€ 76,295	€ 76,295	
(II) Remuneration from subsidiaries and associates																
(III) Total																
€ 1,374,175																
€ 515,229																
€ 785,192																

Notes:

¹ Amount obtained by multiplying the number of Ordinary shares of Poste Italiane SpA by the market price at the grant date.² Amount estimated by conversion as the arithmetic mean of the prices of Poste Italiane's shares in the thirty stock exchange trading days prior to the grant date.³ Financial instruments subject to a 1-year retention period.⁴ Best estimate based on the value at vesting date.

Name and surname	Position	Plan	Financial instruments awarded in prior years and not vested during the year			Financial instruments awarded during the year					Financial instruments vested during the year and not awarded	Financial instruments vested during the year and awardable	Financial instruments attributable to the year	
			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)				(9)
Key management personnel														
() Remuneration from company preparing financial statements		Short-term incentive scheme for 2021 ("MBO") for BancoPosta RFC's Material Risk Takers				18,426 Ordinary shares of Poste Italiane SpA	€ 184,822 ¹	4 / 5 years	13/04/22	€ 10.0305 ²		7,625 ³	€ 76,483	€ 76,483 ⁴
		Resolution by General Meeting of shareholders 28/05/2021												
() Remuneration from company preparing financial statements		Short-term incentive scheme for 2020 ("MBO") for BancoPosta RFC's Material Risk Takers		1,952 Ordinary shares of Poste Italiane SpA	3 / 5 years							965 ³	€ 9,679	€ 9,679 ⁴
		Resolution by General Meeting of shareholders 15/05/2020												
() Remuneration from company preparing financial statements		Short-term incentive scheme for 2019 ("MBO") for BancoPosta RFC's Material Risk Takers		1,008 Ordinary shares of Poste Italiane SpA	5 years							673 ³	€ 6,751	€ 6,751 ⁴
		Resolution by General Meeting of shareholders 28/05/2019												
() Remuneration from company preparing financial statements		Short-term incentive scheme for 2018 ("MBO") for BancoPosta RFC's Material Risk Takers		3,653 Phantom Stock	5 years							3,653 ³	€ 36,641	€ 36,641 ⁴
		Resolution by General Meeting of shareholders 29/05/2018												
() Remuneration from company preparing financial statements		Short-term incentive scheme for 2017 ("MBO") for BancoPosta RFC's Material Risk Takers										4,021 ³ Phantom Stock	€ 40,333	€ 40,333 ⁴
		Resolution by General Meeting of shareholders 27/04/2017												
() Remuneration from company preparing financial statements		Performance Share LTIP - 2021-2023				250,440 Ordinary shares of Poste Italiane SpA	€ 2,280,295	3 years	16/02/21	€ 8.6743 ²				€ 816,027
		Resolution by General Meeting of shareholders 28/05/2021												
() Remuneration from company preparing financial statements		Performance Share LTIP - second cycle 2020-2022		283,711 Ordinary shares of Poste Italiane SpA	3 years									€ 523,714
		Resolution by General Meeting of shareholders 28/05/2019												

(I) Remuneration from company preparing financial statements	Three-year Deliver Long-Term Incentive Plan	510 Phantom Stock	3 years		
	Resolution by General Meeting of shareholders 29/05/2018				
(II) Remuneration from company preparing financial statements	Performance Share LTIP - first cycle 2019-2021	12,266 Ordinary shares of Poste Italiane SpA	3 years	215,937 ⁵	€ 2,165,951
	Resolution by General Meeting of shareholders 28/05/2019				€ 574,762
(II) Remuneration from subsidiaries and associates					
(III) Total				€ 2,465,117	€ 2,335,838
					€ 2,084,390

Notes:

¹ Amount obtained by multiplying the number of Ordinary shares of Poste Italiane SpA by the market price at the grant date.

² Amount estimated by convention as the arithmetic mean of the prices of Poste Italiane's shares in the thirty stock exchange trading days prior to the grant date.

³ Financial instruments subject to a 1-year retention period.

⁴ Best estimate based on the value at vesting date.

⁵ Of which 8,177 are subject to a one-year retention period in line with the provisions for BancoPosta's RFC and of which 124,654 are subject to a two-year lock-up period.

Table 3B: CASH INCENTIVE PLANS FOR MEMBERS OF THE BOARD OF DIRECTORS, GENERAL MANAGERS AND OTHER KEY MANAGEMENT PERSONNEL

A	B	(1)	(2)		(3)			(4)
			Bonus for the year		Bonus for previous year			
			(A)	(B)	(C)	(A)	(B)	
Name and surname or category	Position	Plan	Payable/Paid	Deferred	Deferral period	No longer payable	Payable/Paid	Still deferred
Matteo Del Fante	General Manager (employment contract)							
	(I) Remuneration from company preparing financial statements	MBO 2021	€ 166,629	€ 208,286	5 years			
	(I) Remuneration from company preparing financial statements	MBO 2020					€ 21,214	€ 31,821
	(I) Remuneration from company preparing financial statements	MBO 2019						€ 20,539
	(I) Remuneration from company preparing financial statements	MBO 2018						€ 43,139
	(I) Remuneration from company preparing financial statements	MBO 2017						€ 27,518
	(I) Remuneration from company preparing financial statements	Deliver 2022 LTIP						€ 1,365,385 ¹
(II) Remuneration from subsidiaries and associates								
(III) Total			€ 166,629	€ 208,286			€ 21,214	€ 1,488,402
Notes:								
¹ Amount of assignment at target - performance period 2018-2022.								
Key management personnel								
(I) Remuneration from company preparing financial statements		MBO 2021	€ 2,889,226	€ 205,012	4 / 5 years		€ 6,883	€ 16,736
(I) Remuneration from company preparing financial statements		MBO 2020						€ 3,578
(I) Remuneration from company preparing financial statements		MBO 2019						€ 28,477
(I) Remuneration from company preparing financial statements		MBO 2018						€ 29,835
(I) Remuneration from company preparing financial statements		MBO 2017						€ 4,814,964 ¹
(I) Remuneration from company preparing financial statements		Deliver 2022 LTIP						
(I) Remuneration from company preparing financial statements		LTIP Plans GC Poste Italiane		€ 288,000			€ 62,643	€ 305,762
(I) Remuneration from company preparing financial statements		Other bonuses ²						€ 158,333
(II) Remuneration from subsidiaries and associates								
(III) Total			€ 2,889,226	€ 493,012			€ 69,526	€ 5,199,353
€ 158,333								

Tables – CONSOB FORM 7-TER

Table 1: INTERESTS HELD BY MEMBERS OF THE BOARD OF DIRECTORS AND BOARD OF STATUTORY AUDITORS AND GENERAL MANAGERS

Name and surname	Position	Company invested in	No. of share held at end of 2020	No. of shares purchased in 2021	No. of shares sold in 2021	No. of shares held at end of 2021	Title
Maria Bianca Farina	Chairwoman	POSTE ITALIANE SpA	5,255	0	0	5,255	Ownership
Matteo Del Fante	Chief Executive Officer and General Manager	POSTE ITALIANE SpA	32,547	7,723	0	40,270	Ownership
Roberto Rossi	Director	POSTE ITALIANE SpA	17,350	0	17,350	0	Ownership

Table 2: INTERESTS OF KEY MANAGEMENT PERSONNEL

No. of Key management personnel	Company invested in	No. of share held at end of 2020	No. of shares purchased in 2021	No. of shares sold in 2021	No. of shares held at end of 2021	Title
12	POSTE ITALIANE SpA	17,615	1,786	0	19,401	Ownership

SHORT-TERM INCENTIVE SCHEME FOR 2021 ("MBO"):

CHART 1

Financial instruments other than stock options									
Section 1									
Name and surname or category	Position	Instruments relating to outstanding plans approved on the basis of previous shareholder resolutions					Financial instruments other than stock options		
		Date of shareholder resolution	Type of financial instrument	Number of financial instruments	Grant date	Eventual purchase price of instruments	Market price on Grant Date	Vesting period	
Matteo Del Fante	General Manager (employment contract)	28/05/2021	Ordinary shares of Poste Italiane SpA	45,684	13/04/2022		€ 10.0305 ¹	5 years	
Key Management Personnel (2)		28/05/2021	Ordinary shares of Poste Italiane SpA	18,426	13/04/2022		€ 10.0305 ¹	4 / 5 years	
Other Risk Taker Beneficiaries (11)		28/05/2021	Ordinary shares of Poste Italiane SpA	30,657	13/04/2022		€ 10.0305 ¹	4 / 5 years	

Notes:

¹ Amount estimated by convention as the arithmetic mean of the prices of Poste Italiane's shares in the thirty stock exchange trading days prior to the grant date.

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Best Mortgage	Best Savings	2.5%	2.5%	▲
Best Mortgage	Best Savings	2.0%	2.0%	▲
Best Mortgage	Best Savings	1.5%	1.5%	▲
Best Mortgage	Best Savings	1.0%	1.0%	▲
Best Mortgage	Best Savings	0.5%	0.5%	▲
Best Mortgage	Best Savings	0.0%	0.0%	▲

Financial Data

Category	Value
Category 1	100,000
Category 2	200,000
Category 3	300,000
Category 4	400,000
Category 5	500,000
Category 6	600,000
Category 7	700,000
Category 8	800,000
Category 9	900,000
Category 10	1,000,000

Financial Data

Category	Value
Category 1	100,000
Category 2	200,000
Category 3	300,000
Category 4	400,000
Category 5	500,000
Category 6	600,000
Category 7	700,000
Category 8	800,000
Category 9	900,000
Category 10	1,000,000





04.

ANNEX:

GUIDELINES FOR BANCOPOSTA
RFC'S REMUNERATION AND INCENTIVE
POLICY FOR 2022

04.

GUIDELINES FOR BANCOPOSTA RFC'S REMUNERATION AND INCENTIVE POLICY FOR 2022

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Introduction

This Annex (*"Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022"* or *"Guidelines"*) - in accordance with the *"Report on the 2022 remuneration policy and on the amounts paid in 2021"* of Poste Italiane SpA. (hereinafter also *"Poste Italiane"* or the *"Company"*) - defines the remuneration and incentives for Poste Italiane personnel who work for BancoPosta RFC (*"BancoPosta Ring-fenced Capital"* or *"BancoPosta RFC"*) and who therefore fall within the scope of application described in greater detail below. The above remuneration and incentives are aligned with: (i) BancoPosta RFC organisational and management model; (ii) the existing organisational structure; and (iii) the Company's By-laws and the BancoPosta RFC Regulation. These Guidelines are consistent with the supervisory regulatory provisions.

Part IV, Chapter 1 *"BancoPosta"* of Bank of Italy Circular 285/2013 requires application of the regulations for banks in respect of *"remuneration and incentive policies and practices"*, as contained in the same Circular and in the European Banking Authority (EBA) guidelines and EBA Regulatory Technical Standard (*"RTS"*) from time to time in effect. In line with the regulatory requirements, BancoPosta is submitting its remuneration and incentive policies for approval by the General Meeting of shareholders called to approve the financial statements for 2021.

In line with the applicable regulatory requirements, this document has been prepared with the aim of providing the General Meeting of shareholders with *"a clear and full description of the remuneration and incentive policies and practices to be adopted, with the aim of explaining: the rationale, purposes and procedures for implementing the remuneration policies, their gender neutrality, the relevant controls, the nature of the pay structure, the policies' consistency with the established guidelines and objectives, their compliance with the applicable statutory requirements, the main information on the identification process of Material Risk Takers and the related outcomes (including those relating to any exclusions), any changes with respect to previously approved policies, and developments with regard to pay, including in relation to industry trends"*.

It should be noted that this document has also been prepared in compliance with Legislative Decree no. 58/1998 (*"Consolidated Law on Finance - CLF"*) – art. 114-*bis* and 123-*ter* – and the Regulations for Issuers – art. 84-*quater*, insofar as applicable, in view of the fact that Poste Italiane SpA, of which BancoPosta RFC is a part, is listed on the Borsa Italiana MTA market.

The document is divided into two sections:

- *"Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022"*;
- qualitative and quantitative disclosures regarding application of the *"Guidelines for BancoPosta RFC's remuneration and incentive policies for 2021"*.

1. Statutory and regulatory framework and scope of application

1.1 Preamble – Aim of the document

The “*Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022*”, in compliance with statutory requirements and the relevant regulatory framework in effect and with Section I of Poste Italiane “*Report on the 2022 remuneration policy and on the amounts paid in 2021*”, define the remuneration and incentive schemes for BancoPosta RFC personnel, in accordance with the Company's long-term strategies, strategic objectives and performance and Risk Appetite Framework. In this regard, these Guidelines ensure, above all, that the variable component of remuneration is sustainable in respect of the financial position of BancoPosta RFC and do not limit its ability to maintain and achieve adequate levels of capital and liquidity.

1.2 Statutory and regulatory framework

Poste Italiane SpA conducts BancoPosta operations - as governed by Presidential Decree no. 144 of March 14, 2001 and subsequent amendments and additions - through an entity with ring-fenced capital, called Patrimonio BancoPosta or BancoPosta RFC, created by the General Meeting of shareholders held on April 14, 2011, in implementation of art. 2, paragraphs 17-*octies* et seq. of Decree Law no. 225 of December 29, 2010, converted with amendments from Law 10 of February 26, 2011. The same General Meeting also approved the BancoPosta RFC Regulation. BancoPosta RFC, which has been separated from Poste Italiane capital outside the ring-fence, constitutes a collection of assets and contractual rights to be used exclusively to meet obligations arising as a result of the operations of BancoPosta RFC and representing the scope of application for the Bank of Italy's relevant prudential supervisory standards.

On May 27, 2014, the Bank of Italy issued specific Supervisory Standards for BancoPosta (Part IV, Chapter I, “BancoPosta” of Circular 285/2013 “Prudential supervisory standards for banks”) which, in taking into account BancoPosta RFC specific organisational and operational aspects and those of Poste Italiane SpA, extended application of the prudential standards for banks to include BancoPosta. This includes the standards relating to the corporate governance of banks (Part I, Title IV, Chapter I “Corporate governance” of the above Circular) and matters relating to remuneration and incentive policies (Part I, Title IV, Chapter 2 “Remuneration and incentive policies and practices” of the above Circular).

Applying the principles, criteria and provisions contained in the above Circular, BancoPosta RFC qualifies as an intermediary of medium to high complexity, in view of its organisational peculiarities and the business in which it operates. These Guidelines have been drafted in accordance with the 37th revision of the aforementioned Circular 285 issued on November 24, 2021¹ aimed at transposing into the Italian regulatory framework the new rules introduced with the 5th iteration of the CRD.

In particular, the new provisions introduced by the 37th revision of Circular 285 concerning the materiality threshold, minimum deferral and the principle of gender neutrality of remuneration policies had already been adopted by the Guidelines for 2021.

The remuneration and incentive policy has, therefore, been drawn up in line with the final report on guidelines for sound remuneration policies prepared by the European Banking Authority (hereinafter “EBA”) on July 2, 2021 and supervisory standards governing “remuneration and incentive policies and practices”, based on the regulations applicable to intermediaries comparable with BancoPosta (medium to high complexity), governed by the same Circular, revised by the Bank of Italy on November 18,

1. Circular No. 285/2013 with its 37th revision issued on November 24, 2021, has implemented the changes introduced by Directive (EU) 2019/878 (so-called CRD V), amending Directive 2013/36/EU with respect to exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures. This revision stems from the need to adapt to Commission Delegated Regulation (EU) 2021/923 of March 25, 2021, which supplements Directive 2013/36/EU, with new “Regulatory Technical Standards” (RTS).

2014 in order to apply the provisions of EU Directive 2013/36/EU ("CRD IV") and XXV revision of October 23, 2018, in order to apply the international guidelines issued from time to time by the EBA and FSB.

The following European and international regulations are applied:

- Directive (EU) no. 878/2019 of the European Parliament and of the Council of May 20, 2019, which amended the previous Directive 2013/36/EU, on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD V); at the date of preparation of these Guidelines, CRD V has not yet been transposed at national level;
- Commission Delegated Regulation EU 2021/923 of March 25, 2021 containing the "*Regulatory Technical Standards*" (RTS), which set out the criteria for defining managerial responsibilities, control functions, the relevant business unit/business and the significant impact on the risk profile of the operating/business unit, and the qualitative and quantitative criteria for identifying staff members or categories of staff whose professional activities have an impact on the institution's risk profile;
- Regulation (EU) No 575/2013 of the European Parliament and of the Council of Europe on prudential requirements and including specific rules on disclosure about the implementation of remuneration policies and the EBA's Guidelines on sound remuneration policies pursuant to Articles 74(3) and 75(2) of Directive 2013/36/EU of July 2, 2021);
- Bank of Italy provision on "Transparency of transactions and banking and financial services and the fairness of relations between intermediaries and customers" of March 19, 2019, Section XI, art. 2-*quater* relative to the remuneration policies and practices for personnel and third parties operating in the sales network;
- Regulation (EU) no. 2088/2019 of the European Parliament and of the Council of November 27, 2019 on sustainability related disclosures in the financial services sector, effective as of March 10, 2021 (disclosure about the integration of sustainability risks into remuneration policies).

The above regulations should be viewed as an integral part of the rules governing organisational arrangements and corporate governance, forming part of a much broader regulatory framework that also includes specific regulations for listed companies and investment services and activities.

1.3 Scope of application

In view of the particular nature of BancoPosta RFC and its relations with Poste Italiane functions, the remuneration and incentive policies described in this document apply to the following entities, insofar as their activities relate to BancoPosta RFC:

- Poste Italiane's Board of Directors (the Chairwoman, the Chief Executive Officer and General Manager, other Directors);
- Poste Italiane's Board of Statutory Auditors;
- Poste Italiane's Manager Responsible for Financial Reporting;
- Head of the BancoPosta function;
- BancoPosta RFC's internal control function personnel;
- other Material Risk Takers;
- other BancoPosta personnel not identified as Material Risk Takers.

2. Implementation and oversight of remuneration and incentive policies

The process of drawing up BancoPosta RFC remuneration and incentive policies involves a number of different entities, as follows:

- the General Meeting of Poste Italiane's shareholders;
- Poste Italiane's Board of Directors;
- Poste Italiane's Remuneration Committee;
- Head of the BancoPosta function, the Heads of BancoPosta RFC's Risk Management and Outsourcing Governance, Compliance and Internal Auditing functions;
- Head of HR Business Partner function, within the Human Resources and Organisation function of Poste Italiane (hereinafter HR Business Partner).

2.1 Role of the General Meeting of shareholders

The General Meeting of Shareholders, with regard to BancoPosta RFC, in line with what has been determined with reference to Poste Italiane, approves:

- the remuneration and incentive policies for members of the management and oversight bodies and all other personnel;
- equity-based plans;
- as part of the remuneration and incentive policies referred to above, the criteria for determining the severance payments in the event of early termination of employment or office, including the limits on such payments in terms of the number of years of remuneration payable and the maximum amount resulting from their application.

In line with the provisions of the BancoPosta RFC Regulation, the General Meeting of shareholders may vote on the management body's proposal to increase the ratio of individual variable to fixed component above 1:1 and, in any event, within the maximum limits set by the applicable regulations. In this regard, it should be noted that the General Meeting of Shareholders held on May 28, 2021 approved the proposal to increase the maximum incidence of variable remuneration on fixed remuneration from 1:1 to 2:1 for certain categories of BancoPosta RFC's Material Risk Takers.

2.2 Role of the Board of Directors

Poste Italiane's Board of Directors, on the recommendation of the Remuneration Committee and in consultation with the Control and Risk Committee, to the extent applicable:

- draws up the "*Guidelines for BancoPosta RFC's remuneration and incentive policy*" to submit, at least annually, to the General Meeting for approval;
- determines the remuneration and incentives for the Material Risk Takers identified by the Company, based on the Supervisory Standards;
- approves the Guidelines for the identification of the Material Risk Takers and the relevant perimeter;
- monitors, with the support of the Remuneration Committee, the gender neutrality of remuneration policies and reviews the gender pay gap and its evolution over time.

The Board of Directors, on the recommendation of the Remuneration Committee and in accordance with the Committee's terms of reference, determines the remuneration payable to the CEO-GM and the Head of the BancoPosta function, and the compensation for the Manager Responsible for Financial Reporting.

2.3 Role of the Remuneration Committee

The membership, duties, powers and related procedures of the Committee in question are governed by specific terms of reference, in compliance with the requirements contained in the Supervisory Standards.

Poste Italiane's Remuneration Committee, also established pursuant to art. 95 and 109 of the CRD, currently consists of three non-executive Directors, the majority of which (including the Chair) meet the independence requirements² set in article 2, recommendation 7 of the Corporate Governance Code of listed companies and article 148, paragraph 3 of the CLF. In addition, the Committee has the required number of members with appropriate knowledge, expertise and experience in financial matters or remuneration policies and risk, capital and treasury management. This is assessed by the Board of Directors at the time of appointment to the Committee.

Committee meetings are attended by the Board of Statutory Auditors and, as a rule, also by the Head of BancoPosta's Risk Management and Outsourcing Governance function when the Committee is to discuss matters relating to BancoPosta activities.

By invitation of the Chair, meetings may also be attended by other members of the Board of Directors, the Head of BancoPosta and external parties, where their presence is designed to enable the Committee to carry out its role in the best possible manner.

In keeping with these requirements, Poste Italiane's Board of Directors has established the Remuneration Committee with responsibility for providing advice and making recommendations regarding remuneration and incentive schemes.

With regard to its responsibilities relating to BancoPosta RFC, the Remuneration Committee:

- has the task of making proposals to the Board of Directors regarding the remuneration and incentive schemes for top management, as identified by the Company, in accordance with the provisions of the Supervisory Regulations, as well as the compensation of the Head of BancoPosta;
- performs advisory tasks for the Board of Directors regarding the determination of the criteria for the remuneration of all the "key " personnel, identified on the basis of the provisions of the Supervisory Regulations;
- oversees the correct application of the rules relating to the remuneration of the heads of BancoPosta control functions, in close cooperation with the Board of Statutory Auditors;
- prepares the documentation to submit to the Board of Directors for the related decisions;
- collaborates with the Control and Risk Committee and the Nominations and Corporate Governance Committee set up within the Board of Directors;
- ensures the involvement of the relevant corporate functions in the process of drawing up and controlling remuneration policies and practices;
- pronounces, also making use of the information received from the competent corporate functions, on the achievement of the performance targets to which the incentive plans are linked, as well as on the verification of the other conditions for payment of the compensation;
- provides appropriate reports on the activity it carries out to the corporate bodies, including Shareholders' Meetings;
- performs any additional tasks assigned it by the Board of Directors.

The Committee ensures, apart from all the rest, that remuneration and incentive systems are gender-neutral and support equal treatment of personnel.

The Committee, through its Chair, reports to the Board of Directors on the activities carried out at the first available meeting, and whenever deemed necessary.

2. In this regard, reference should also be made to the Guidelines on sound remuneration policies under Directive 2013/36/EU issued by the EBA on July 2, 2021.

The Committee has the right to access (within the limits of its assigned responsibilities) the information and corporate functions necessary in order to fulfil its role and may avail itself of external consultants or independent experts at the Company's expense, within the limits of the overall budget approved by the Board of Directors for all Board Committees.

2.4 Duties and responsibilities of the other functions involved

In accordance with their respective responsibilities, the following functions contribute to the process of determining the remuneration and incentive policies and to the process of identifying Material Risk Takers. They are tasked with ensuring ongoing compliance with the related regulatory requirements and the correct functioning of the policies and practices adopted.

The **Head of the BancoPosta function**, with the agreement of the Chief Executive Officer and General Manager, establishes, with the support of internal functions and the HR Business Partner function, the guidelines to be applied in determining the remuneration and incentive policies for BancoPosta personnel, which are then presented to the Remuneration Committee. This does not affect the roles of the General Meeting of shareholders and the Board of Directors.

The **Head of the BancoPosta function** also ensures oversight and implementation of the "*Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022*", with the following support.

The **HR Business Partner** function, activated by the Head of BancoPosta, supports the process for recommending the "*Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022*" - making use of the contribution of specific functions in the Human Resources and Organisation area in accordance with the provisions of the Executive Regulations in place (Important Outsourced Function) - ensuring alignment with the Company's remuneration and incentive policies.

The **Compliance function** checks the consistency and suitability of the "*Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022*" and of the objectives assigned in respect of the relevant regulatory requirements and the BancoPosta RFC Regulation.

The **Risk Management and Outsourcing Governance function**, with the support of BancoPosta's Administration, Planning and Control, contributes to determining the risk-adjusted financial indicators to which incentive schemes are linked, in line with BancoPosta RFC capital and liquidity position, the risks assumed as part of its operations and the resulting levels of performance achieved. The Risk Management function also, therefore, provides the Remuneration Committee with the information that the Committee deems necessary in order to ensure consistency with the BancoPosta RFC's Risk Appetite Framework ("RAF"), in accordance with the indications in the Supervisory Provisions issued by the Bank of Italy. The Head of the Risk Management and Outsourcing Governance function is thus invited to Remuneration Committee meetings when matters having an impact on BancoPosta RFC's risk management and capital and liquidity position are dealt with.

The **Internal Auditing function** assesses, at least once a year, the conformity of remuneration practices with the Company's approved Guidelines and the relevant regulatory requirements. It is responsible for reporting any critical issues to the corporate bodies and the competent functions, so as to enable the necessary corrective action to be taken. The results of the assessment conducted must be reported on, at least once a year, to the General Meeting of shareholders.

2.5 Process for determination and oversight of the Guidelines for BancoPosta RFC's remuneration and incentive policy: summary

The decision-making process involved in determining the “*Guidelines for BancoPosta RFC's remuneration and incentive policies*” takes the following form:

- The **Head of the BancoPosta function**, with the support of the HR Business Partner function, establishes the guidance to be applied in determining the “*Guidelines for BancoPosta RFC's remuneration and incentive policies*”. This guidance, which is validated by Compliance and Risk Management and Outsourcing Governance in order to ensure its compliance with the relevant regulatory requirements and risk governance and management policies, is then, with the agreement of the Chief Executive Officer and General Manager, submitted to the Remuneration Committee.
- The **Remuneration Committee** performs the specific support functions for the Board of Directors that it is assigned by the Supervisory Provisions of the Bank of Italy. The composition, tasks and functioning of the Remuneration Committee are governed in detail by the relevant organisational regulations.
- The **Control and Risk Committee** checks that the incentives underlying BancoPosta RFC's remuneration and incentives are consistent with the BancoPosta RFC's Risk Appetite Framework, both *ex-ante* and *ex-post*, also on the basis of information received from the Head of the Risk Management and Outsourcing Governance function. The **Related and Connected Parties Committee**, in line with the provisions of the “*Guideline for the management of transactions with Related and Connected Parties*” adopted by Poste Italiane, provides an opinion on matters relating to remuneration when there is a lack of consistency with the Guidelines for BancoPosta RFC's remuneration and incentives from time to time in effect for Key Management Personnel.
- The **Board of Directors** submits the “*Guidelines for BancoPosta RFC's remuneration and incentive policies*” to the General Meeting of Shareholders and reviews them at least once a year (with particular reference to the provisions relating to Material Risk Takers) and is responsible for their correct implementation. It may take into account the opinions of the above functions, the Remuneration Committee and the Control and Risk Committee, provided that compliance with the Company's policies and the BancoPosta RFC's overall approach, in terms of risk appetite, strategies, long-term objectives, corporate governance model and internal controls, is guaranteed. The Chairwoman, Chief Executive Officer and General Manager must abstain during votes regarding decisions on their remuneration and not take part in discussions on this matter.
- At the end of the above process, the **General Meeting of Shareholders** approves the “*Guidelines for BancoPosta RFC's remuneration and incentive policies*”.
- At least once a year, the **Internal Auditing function** assesses the conformity of remuneration practices with the Guidelines approved, as defined in section “2.4 Duties and responsibilities of the other functions involved” and the relevant regulatory requirements. The results of the assessment are brought to the attention of the corporate bodies and the competent functions, so as to enable the necessary corrective action to be taken.

2.6 Identification of Material Risk Takers

Within BancoPosta RFC, certain positions of responsibility and their holders are identified as (Material Risk Takers or MRTs) because the activity performed has or may have a material impact on the risk profile of BancoPosta RFC.

The process of identifying MRTs is based on an accurate analysis of positions of responsibility within the organisation in order to assess their relevance in terms of risk taking.

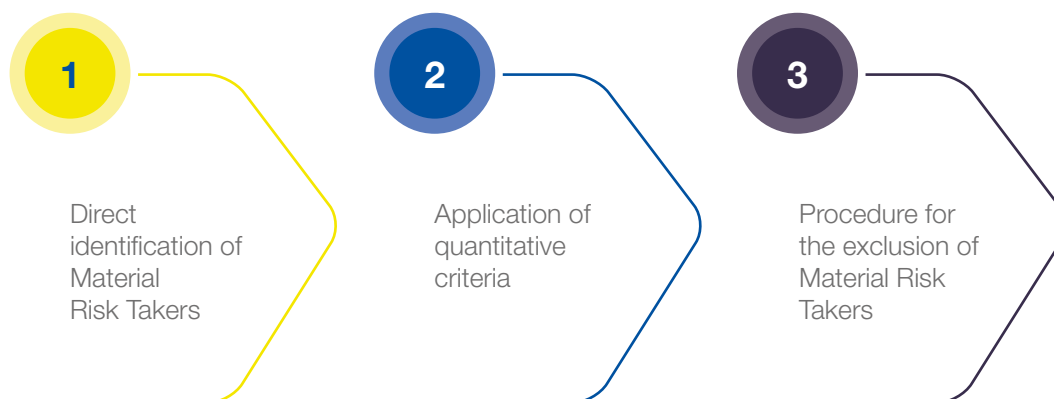
The analysis is conducted on the basis of the provisions of the “*Guidelines for the identification of BancoPosta's Material Risk Takers*” and pursuant to Directive (EU) 2019/878 transposed into Italian law by art. 10 of Law 53 of April 22, 2021 and Delegated Regulation (EU) 2021/923 of the Commission of March 25, 2021, which replace Delegated Regulation (EU) 604/2014 previously in force.

The analysis is carried out at least twice a year, once when the “*Guidelines for BancoPosta RFC's remuneration and incentive policy*” are defined, and then again typically in October.

However, the perimeter of MRTs may also be updated during the year, in accordance with EBA guidelines, to ensure that anyone who has held a role with a material impact on the risks of BancoPosta RFC is identified in the perimeter.

The main steps of the Material Risk Taker identification process adopted by BancoPosta are described below:

Figure 1. STEPS IN THE PROCESS OF IDENTIFYING MATERIAL RISK TAKERS



With regard to **Phase 1 – Direct Identification of Material Risk Takers**, the process of identifying BancoPosta's Material Risk Takers is based on the qualitative requirements of Directive 2013/36/EU (CRD IV) as amended by Directive 2019/878/EU, and on Commission Delegated Regulation (EU) 2021/923 of March 25, 2021.

In particular, the analysis allows for identification of:

- all members of the management body and senior management³;
- all staff members with managerial responsibilities⁴ on the control functions or important operating/business units within the organization⁵;
- a member of staff who has managerial responsibility for certain areas⁶ (legal affairs; soundness of accounting policies and procedures; finance, including taxation and budgeting; conducting economic analysis; prevention of money laundering and terrorist financing; human resources; development or implementation of remuneration policy; information technology; information security; management of outsourcing arrangements for essential or important functions as referred to in Article 30(1) of Commission Delegated Regulation (EU) 2017/565⁷);
- a member of staff who has managerial responsibility for one of the risk categories referred to in Articles 79 to 87 of Directive 2013/36/EU or is a voting member of a committee responsible for the management of one of the risk categories referred to in those Articles⁸;
- a staff member who, in relation to credit risk exposures with a nominal amount per transaction corresponding to 0,5% of the institution's primary tier 1 capital and amounting to at least EUR 5 million, has the power to take, approve or veto decisions concerning such credit risk exposures or is a voting member of a committee which has the power to take the decisions referred to in this point⁹;

3. See Article 92(3)(a) of Directive 2013/36/EU (CRD IV) as amended by Directive 2019/878/EU. For further details, please refer to the text of the Directive.

4. According to Article 1 of EU Reg. 923/2021, subjects with Managerial Responsibilities are defined as those who: a) are the head of a business unit or a control function and are directly accountable to the management body as a whole or to one of its members, or to senior management.

5. See Article 92(3)(b) of Directive 2013/36/EU (CRD IV) as amended by Directive 2019/878/EU. For further details, please refer to the text of the Directive.

6. See Article 5(a) of Commission Regulation (EU) 2021/923 of March 25, 2021. For further details, please refer to the text of the Regulation.

7. 15 essential or important functions ("EIFs") specifications administered by (see documentation on specifications):

- 1 "AFC Specification" managed by the organisational level II manager of the BancoPosta function in charge of administration, finance and control activities;
- 1 "CA_FEI Specification" in the Legal Affairs area, managed by the organisational level II manager of the BancoPosta function in charge of regulatory compliance;
- 1 "Sales Networks Specification", managed by the second-level organisational managers of the BancoPosta function who are in charge of sales networks issues;
- 12 specifications managed by the function within BancoPosta designated for the different areas (for issues relating to Business Continuity of BancoPosta RFC; CERT; Fraud Management; Movement of Funds; Privacy; Physical Security; IT Security; Workplace Safety; Customer Service; Back office; Human Resources and Organisation; Digital & Technology). The reference person for all of them is the organisational level II manager of the BancoPosta function who reports directly to the Head of BancoPosta.

8. See Article 5(b) of Commission Regulation (EU) 2021/923 of March 25, 2021. For further details, please refer to the text of the Regulation.

9. See Article 5(c) of Commission Regulation (EU) 2021/923 of March 25, 2021. For further details, please refer to the text of the Regulation.

- a staff member who has the power to approve or reject the introduction of new products or is a member of a committee which has the power to do so¹⁰.

With regard to **Stage 2 – Application of quantitative criteria**, the relevant national and Community legislation, as identified above, in addition to the so-called qualitative criteria referred to in the previous points, considers as relevant all staff members who meet one or more of the quantitative criteria separately provided for by the applicable legislation.

In particular, the analysis allows for identification of:

- staff members who were entitled to significant remuneration in the previous year, provided the following conditions are met¹¹:
 - i) the remuneration of the staff member is EUR 500,000 or more and equal to or greater than the average remuneration paid to the members of the management body and senior management of the institution referred to in point a)¹²;
 - (ii) the staff member carries out their professional activity within an important operating/business unit and the activity is such that it has a significant impact on the risk profile of the relevant operating/business unit.
- Staff members who were awarded a total remuneration of EUR 750,000 or more in the previous financial year or for the current year¹³.

Applying the analysis based on the qualitative and quantitative criteria described above, the category of BancoPosta RFC's Material Risk Takers is defined.

If BancoPosta, in relation only to MRTs identified on the basis of the quantitative criteria, believes it can legitimately exclude one or more identified persons, any exclusion shall follow the process described below, in accordance with the provisions of Circular 285/2013 (**Stage 3 – Procedure for the exclusion of Material Risk Takers**).

In particular, the Head of Risk Management and Outsourcing Governance, having consulted the Head of BancoPosta, determines that the professional activities of the Staff member subject to exclusion do not have a material impact on the entity's risk profile, because the member or the category of Staff to which they belong:

- a) carries out professional activities and has powers only in an operating/business unit that is not important or
- b) has no substantial impact on the risk profile of an important operating/business unit through the professional activities carried out¹⁴.

In this regard, it should be noted that BancoPosta has developed a methodology aimed at verifying the actual ability of personnel to affect the risks of BancoPosta RFC and thus at assessing the proper implementation of the subject exclusion process.

In particular, the methodology consists of two application dimensions: an organisational dimension, which takes into account the organisational capacity of the role and powers delegated to the holder, attributing a specific score in relation to each rational considered, and a risk dimension, which takes into account the specific weights attributed to each type of risk considered¹⁵.

In the event that the exclusion concerns personnel identified as relevant for the quantitative criteria referable to Regulation (EU) 2021/923, as described above, it is necessary to proceed promptly - and in any case within six months from the end of the previous financial year - to the submission of a request for prior authorisation¹⁶ to the exclusion as referred to in Article 6 (3) of Delegated Regulation (EU) No 923/2021.

The process of identifying MRTs described above involves several organisational charges:

- The Board of Directors approves the identification process and makes sure that the process is continuously carried out to identify MRTs, in accordance with EBA guidelines, to ensure that anyone who has held a role with a material impact on the risks of BancoPosta RFC is identified in the perimeter. It also approves the outcomes of any exclusion process and periodically reviews the related criteria;
- the Remuneration Committee, with the assistance of the Risk Management and Outsourcing Governance function, expresses an opinion on the identification process, including any exclusions of individuals identified on the basis of quantitative criteria.

10. See Article 5(f) of Commission Regulation (EU) 2021/923 of March 25, 2021. For further details, please refer to the text of the Regulation.

11. See Article 92(3)(c) of Directive 2013/36/EU (CRD IV) as amended by Directive 2019/878/EU. For further details, please refer to the text of the Directive.

12. See Article 92(3)(a) of Directive 2013/36/EU (CRD IV) as amended by Directive 2019/878/EU. For further details, please refer to the text of the Directive.

13. For the full text, see Article 6 of Commission Regulation (EU) 2021/923 of March 25, 2021.

14. This condition shall be assessed on the basis of objective criteria, taking into account all relevant risk and performance indicators used by the institution for the identification, management and monitoring of risks in accordance with Article 74 of Directive 2013/36/EU, and on the basis of the duties and powers of the Staff member or Staff category and their impact on the risk profile of the institution compared to the impact of the professional activities of the Staff members identified on the basis of the qualitative criteria.

15. For more details on the exclusion process, see "Guidelines for the identification of BancoPosta's Material Risk Takers"

16. In accordance with the new RTSs established by Regulation (EU) 923/2021, the authorisation application shall not be submitted in respect of personnel whose total remuneration is between €500,000 and €750,000.

- The Head of BancoPosta, through the Risk Management and Outsourcing Governance function, initiates the process of identifying Material Risk Takers, activating the contributions of the functions involved: HR Business Partner and Compliance.

The application of the process described, as approved by the Board of Directors on April 13, 2022, led to the identification of 40 positions as MRTs and the inclusion of the 40 related managers within the scope.

- BancoPosta RFC's MRTs are:
- the members of the Poste Italiane's Board of Directors, including the Chief Executive Officer and General Manager;
- the Manager Responsible for Poste Italiane's Financial Reporting;
- the Head of the BancoPosta function;
- the Heads of the functions established to report directly to the Head of BancoPosta, who at the time of writing are: *Retail Marketing; Corporate and Public Administration Marketing; Operating Processes; Channel Product Support; Administration, Planning and Control; Compliance; Risk Management and Outsourcing Governance; Internal Audit; Technical Secretariat;*
- the Heads of BancoPosta RFC's control functions (Risk Management and Outsourcing Governance, Compliance and Internal Auditing) and the managers reporting directly to them;
- the Heads of Business functions (identified as the important operating units, Retail Marketing and Corporate and Public Administration Marketing) and the managers reporting directly to them;
- heads of Level II and III BancoPosta functions who are responsible for certain areas of activity (see qualitative criteria listed above).

The application of the quantitative criteria¹⁷ did not lead to the identification of additional personnel not already identified as MRTs through the application of the qualitative criteria; therefore, the total number of Material Risk Takers is 40 positions and their managers.

Given the evidence that emerged from the analysis of the quantitative criteria, BancoPosta did not activate the exclusion process: the total number of Material Risk Takers is therefore 40 positions and their managers.

Compared to the scope of MRTs described in the Guidelines approved by the 2021 General Meeting of Shareholders, the total number of Risk Takers decreased by 7 units. The change in the scope is essentially due to:

- changes in the applicable regulatory framework;
- changes in the organisational structure of specific functions within the BancoPosta scope.

17. For the application of the quantitative criteria, the following were used: Fixed remuneration for the previous year; estimated short- and medium-term variable remuneration for which the performance period ended at the end of the previous year; any one-off bonuses relating to the previous year.

3. Elements of the remuneration and incentive policy

3.1 Components of Material Risk Takers' remuneration

General principles

Total remuneration is determined in order to reflect the effective degree of responsibility and performance, in the certainty that correct remuneration and incentive policies have a positive impact on the conduct of personnel and align individual goals with strategic and risk management objectives.

BancoPosta personnel identified as Material Risk Takers, in accordance with the Supervisory Standards issued by the Bank of Italy, are required not to take out personal insurance, income protection or any other form of cover that may modify or affect the impact of risk alignment in variable pay plans. The above is confirmed via specific agreements with BancoPosta personnel.

Fixed remuneration

Fixed remuneration, which is stable in nature and defined on the basis of pre-established criteria that do not create incentives to take on risk and do not depend on BancoPosta RFC's performance, consists of a monetary component ("fixed pay") and a component "in kind" ("benefits"). For the Head of Risk Management and Outsourcing Governance, Head of Compliance and Head of Internal Auditing, Role Based Allowances are recognised.

Fixed pay is aligned with the role held and the scope of the responsibilities assigned, reflecting the experience and skills required for each position, the degree of excellence demonstrated and the overall quality of the individual's contribution to the BancoPosta RFC's performance. The adequacy of fixed pay is also assessed with reference to relevant market benchmarks. BancoPosta periodically monitors pay trends, including in relation to the industry in which it operates.

Given that the "*Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022*" are approved by the General Meeting of Poste Italiane's shareholders, fixed remuneration is determined with regard to the specific nature of BancoPosta RFC's operations:

- for the Head of the BancoPosta function, by the Poste Italiane's Board of Directors on the recommendation of the Remuneration Committee;
- for other personnel by the Head of the BancoPosta function with the support of the HR Business Partner.

Benefits are provided according to a general policy at Poste Italiane Group level, structured on the basis of homogeneous categories. Benefits are part of fixed remuneration as they are subject to specific guidelines, which require the application of common criteria based on both the complexity of the role held and the specific category of employee. These components are of a stable nature, in line with management to which the person belongs, determined and paid on the basis of predetermined and non-discretionary criteria.

Variable remuneration

Variable remuneration is directly linked to BancoPosta and individual performance, taking into account the risks assumed in conducting operations (it may, therefore, be significantly reduced, potentially to zero); variable remuneration can be assigned or disbursed provided that the Company has not failed to meet its capital adequacy and liquidity requirements after the cost of the variable remuneration itself.

In compliance with existing statutory requirements and the Company's policies, the variable component for Material Risk Takers has the following characteristics:

- i. it is determined using performance indicators measured taking into account the level of risk assumed and is in keeping with the Risk Appetite Framework and with the risk governance and management policies adopted;
- ii. it is subject to *ex-post* risk adjustments (malus and clawback provisions), that, based on individual performance or conduct, may result in a significant reduction in the amount payable as variable remuneration, potentially to zero, or the return of any amount already paid.

Variable remuneration consists of the following components:

- a short-term incentive scheme ("MBO"), which aims to link the variable component of remuneration with the Company's short-term results and those of the various functions and individuals (the plan is also closely linked to performance, including with regard to required standards of conduct);
- medium/long-term incentive schemes, which aim to focus management's attention on the creation of value over the medium to long term in keeping with Poste Italiane's strategic objectives, in accordance with the determined risk profile and ensuring a constant alignment with shareholder interests. The existing medium to long-term incentive plans are:
 - "2022-2024 Performance Share LTIP", entirely in rights to receive Shares, focused on earnings targets, shareholder returns and gender diversity, over a time horizon of 3 years, aimed at maximizing the execution of the guidelines of the "2024 Sustain & Innovate Plus" Strategic Plan;
 - "Deliver 2022 LTIP", a 5-year monetary plan approved in 2018.

In line with statutory requirements, BancoPosta RFC has identified the level of variable remuneration representing the threshold above which variable remuneration is considered "particularly high". At this level, stricter provisions apply with regard to deferral. For this purpose, the amount taken into consideration is 25% of the average total remuneration of Italian high earners (according to the EBA's report, equal to € 1,740,044, of which 25% is equal to € 435,011). This amount (€ 435,011) is lower than the figure corresponding to 10 times the average total remuneration of BancoPosta personnel. This assessment will be performed again at least within 3 years in order to adjust, if necessary, the criteria for the *ex-post* alignment with risk, bearing in mind BancoPosta's risk profile and the applicable regulatory provisions.

All the components of short and medium/long-term variable remuneration are, in any event, subject to clawback provisions, as described below.

Signing bonuses are payable, in exceptional circumstances, to newly hired personnel in line with best market practices; the bonus is not payable more than once to the same person either by BancoPosta or by another Poste Italiane Group company and are not subject to regulations on the structure of variable remuneration. Signing bonuses are included in computation of the ratio of variable to fixed remuneration in the first year of employment, unless they are paid in a single tranche at the time of being hired. With the exception of the above circumstances, guaranteed bonuses are prohibited.

One-off bonuses are permitted in exceptional cases and limited solely to specific situations, such as the management of major projects, the achievement of extraordinary results or the need to retain key people. No such payments are made to Directors or Key Management Personnel. The assignment of this remuneration complies with the statutory requirements in effect (for example, but not limited to, the ratio of variable to fixed remuneration and eligibility criteria) and the "Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022".

Ratio of variable remuneration to fixed remuneration

It should be noted that the General Meeting of Shareholders held on May 28, 2021 approved the proposal to increase the maximum incidence of variable remuneration on fixed remuneration from 1:1 up to 2:1 for certain categories of BancoPosta RFC's Material Risk Takers.

Below are the roles affected by the decision, specifying the functions to which they belong and the maximum number of resources involved:

- Chief Executive Officer and General Manager, Head of BancoPosta and Senior Management (Material Risk Takers **identified from among the heads of the main business functions within BP RFC**), for a maximum of 10 individuals the limit of 2:1 is envisaged;
- functions responsible for specific risks, other Material Risk Takers, not belonging to Senior Management, **who have responsibility for a relevant operational/business unit**, for a maximum of 10 individuals the limit of 1.5:1 is envisaged.

The adoption of a maximum 2:1 ratio is linked to a remuneration and incentive policy that reflects and promotes sound and prudent risk management, takes account of risk-adjusted performance indicators and does not encourage risk-taking above the tolerance thresholds defined in the RAF, as well as being in line with the strategy, objectives, values and long-term interests of BancoPosta and the Poste Italiane Group.

The reasons for this increase request are to be found in the intention to motivate personnel to achieve the BancoPosta RFC's objectives, enabling the implementation of a remuneration strategy that is strongly based on alignment with long-term, sustainable results and, at the same time, flexible, in order to attract and retain key skills and provide incentives to achieve objectives that are consistent with the risk strategy set out in the Strategic Plan. This is in line with the most common practice of peer companies and without impacting fixed costs.

The close correlation between incentive schemes and the protection of prudential requirements in terms of capital and liquidity is ensured by the fact that incentive schemes may only be activated after verification of compliance with the tolerance thresholds for capital and liquidity requirements provided for in the BancoPosta RFC's RAF for each reference year, defined by including provisions for the higher costs deriving from variable remuneration, in addition to other specific conditions for individual incentive schemes.

It should also be noted that the adoption of a maximum 2:1 ratio between variable and fixed remuneration maintains also for 2022, the same conditions for increase, the staff to which it refers and the extent of the limit to the aforementioned ratio and, therefore, does not have an impact on the solidity of capital, nor on the BancoPosta RFC's ability to continue to comply with all the prudential rules appropriately defined, given, in particular, the limited number of resources for which such an adjustment is required.

With reference to 2022, the parties involved are as follows:

- Chief Executive Officer and General Manager, with 2:1 limit confirmed;
- Head of BancoPosta, with 2:1 limit confirmed;
- 5 individuals in the Senior Management category and other Material Risk Takers not belonging to control functions, with a limit set conservatively for 2022 to 1.5:1.

4. BancoPosta RFC's remuneration and incentive schemes

The following remuneration and incentive schemes for the Chairwoman of the Board of Directors, the Chief Executive Officer and General Manager, other Directors and the Board of Statutory Auditors coincide with those described in the Poste Italiane's *"Report on the 2022 remuneration policy"*. The above bodies are responsible for the management, strategic oversight and control of BancoPosta RFC, without receiving any further remuneration in addition to that received as Directors or Statutory Auditors of Poste Italiane SpA.

Also note that the General Meeting of Shareholders of Poste Italiane SpA continues to have the power to determine the remuneration, as defined by art. 2389, paragraph 1 of the Italian Civil Code, payable to members of the Board of Directors on their election¹⁸. The Company's By-laws also grant the Board of Directors responsibility for determining a remuneration package for Directors with delegated powers, as defined by art. 2389, paragraph 3 of the Italian Civil Code, on the recommendation of the Remuneration Committee and in consultation with the Board of Statutory Auditors.

For the 2020-2022 term, the General Meeting and the Board of Directors, each within the scope of their responsibilities, set the remuneration parameters for the Chairwoman of the Board of Directors, the Chief Executive Officer and General Manager (CEO-GM) and other members of the Board of Directors.

As required by law, the Chair, Chief Executive Officer and General Manager must abstain during votes regarding decisions on their remuneration and not take part in discussions on this matter.

It is the sole responsibility of Poste Italiane's Ordinary General Meeting of shareholders to approve the *"Guidelines for BancoPosta RFC's remuneration and incentive policies"* or any changes thereto.

The remuneration policy for the following categories of personnel is described below:

- Chairwoman of the Board of Directors;
- Chief Executive Officer and General Manager;
- other Directors;
- Board of Statutory Auditors;
- Material Risk Takers;
- Company's control functions;
- other BancoPosta personnel.

4.1 The Board of Directors

The remuneration policy for members of the Board of Directors is differentiated as follows:

- Chairwoman of the Board of Directors;
- Chief Executive Officer and General Manager (CEO-GM);
- other Directors.

On a general basis and for all the members of the Board of Directors, the General Meeting of Shareholders held on May 15, 2020 determined - based on a proposal submitted by the Ministry of the Economy and Finance - the remuneration payable pursuant

¹⁸. Per Members of the Board of Directors and Board of Statutory Auditors, the General Manager, the Manager Responsible for Financial Reporting and executives and employees in management or supervisory roles are provided with personal health insurance and D&O cover.

to art. 2389, paragraph 1 of the Italian Civil Code to members of the Board of Directors in office in the period 2020-2022, amount unchanged compared to the one defined for the previous term of office.

No attendance fees are currently payable for participation in Board of Directors' meetings or Board Committees' meetings.

It remains understood that for the Chairwoman of the Board of Directors and the other Directors, with the exception of the CEO-GM, remuneration is in no way linked to the results achieved by Poste Italiane.

As required by law, the Chairwoman, Chief Executive Officer and General Manager must abstain during votes regarding decisions on their remuneration and not take part in discussions on this matter.






In particular, Director's remuneration consists of a fixed component, determined by the General Meeting of shareholders and applicable for the full term of office. As indicated above, the General Meeting of shareholders held on May 15, 2020, with regard to the term of office 2020-2022, determined the remuneration payable pursuant to art. 2389, paragraph 1 of the Italian Civil Code as €40,000 per annum (except as specified in paragraph 4.1.1 below with reference to the Chairwoman of the Board of Directors), confirming the amounts defined for the previous mandate. There are no forms of variable remuneration.

Directors are reimbursed for any out-of-pocket expenses incurred in carrying out their duties, within the limits established by the Board of Directors.

In 2021, the benchmarking analysis of remuneration assigned for participation on internal board committees compared to that of the peer group described in the Report on the Remuneration Policy approved by the General Meeting of Shareholders in 2021, highlighted a substantial alignment with the first quartile of the market. Poste Italiane is characterised by its presence in several different business sectors, each subject to specific regulations that require members of the internal committees to show a consistently high level of commitment and remain up to date.

The figure below shows the revision to the remuneration assigned for participation on the internal board committees from 2022, resolved upon by the Board of Directors on the proposal of the Remuneration Committee, having consulted with the Board of Statutory Auditors, subject to the approval of the Report on the 2022 remuneration policy for Poste Italiane by the General Meeting of Shareholders. In line with the principle of fair and moderate remuneration which distinguishes Poste Italiane, the updated remuneration figures for the Chairperson and Committee Members are between the first quartile and the median of the market.

Figure 2. REMUNERATION OF BOARD COMMITTEES

		Remuneration 1 January 2022
 Remuneration Committee	Chair	35,000 euro
	Member	22,500 euro
 Nominations and Corporate Governance Committee	Chair	35,000 euro
	Member	22,500 euro
 Control and Risk Committee	Chair	50,000 euro
	Member	35,000 euro
 Related and Connected Parties Committee	Chair	35,000 euro
	Member	22,500 euro
 Sustainability Committee	Chair	35,000 euro
	Member	22,500 euro

The increases were resolved in full compliance with the principle of Fairness and moderation of the Reward Strategy already described in the Report on the 2022 remuneration policy of Poste Italiane.

4.1.1 Chairwoman of the Board of Directors

The remuneration of the Chairwoman of the Board of Directors consists of a fixed component, by way of remuneration, approved by the General Meeting of shareholders of May 15, 2020, for the 2020-2022 term, in accordance with art. 2389, paragraph 1 of the Italian Civil Code and equal to €60,000 per annum, unchanged compared to the one defined for the previous term of office.

In addition to the above, on December 17, 2020, the Board of Directors, on the recommendation of the Remuneration Committee and in consultation with the Board of Statutory Auditors, awarded further remuneration to the Chairwoman of the Board of Directors for the 2020-2022 term (pursuant to art. 2389, paragraph 3 of the Italian Civil Code). This additional remuneration is equal to €420,000 per year, unchanged from as defined for the previous term of office. There are no forms of variable remuneration.

The Chairwoman is reimbursed for any out-of-pocket expenses incurred in carrying out her duties, within the limits established by the Board of Directors.

As required by law, the Chairwoman abstains during votes regarding decisions on her remuneration and does not take part in discussions on this matter.

The final component of the remuneration package consists of certain benefits provided in accordance with the applicable statutory requirements and in line with market practices.

4.1.2 Chief Executive Officer and General Manager (CEO-GM)

In the current organisational layout, the office of Chief Executive Officer and General Manager is covered by the same person and the applied economic and regulatory treatment regards, therefore, both the director's role as well as the employment relationship.

Remuneration of the Chief Executive Officer and General Manager includes a fixed component, a short-term variable component and a medium/long-term variable component.

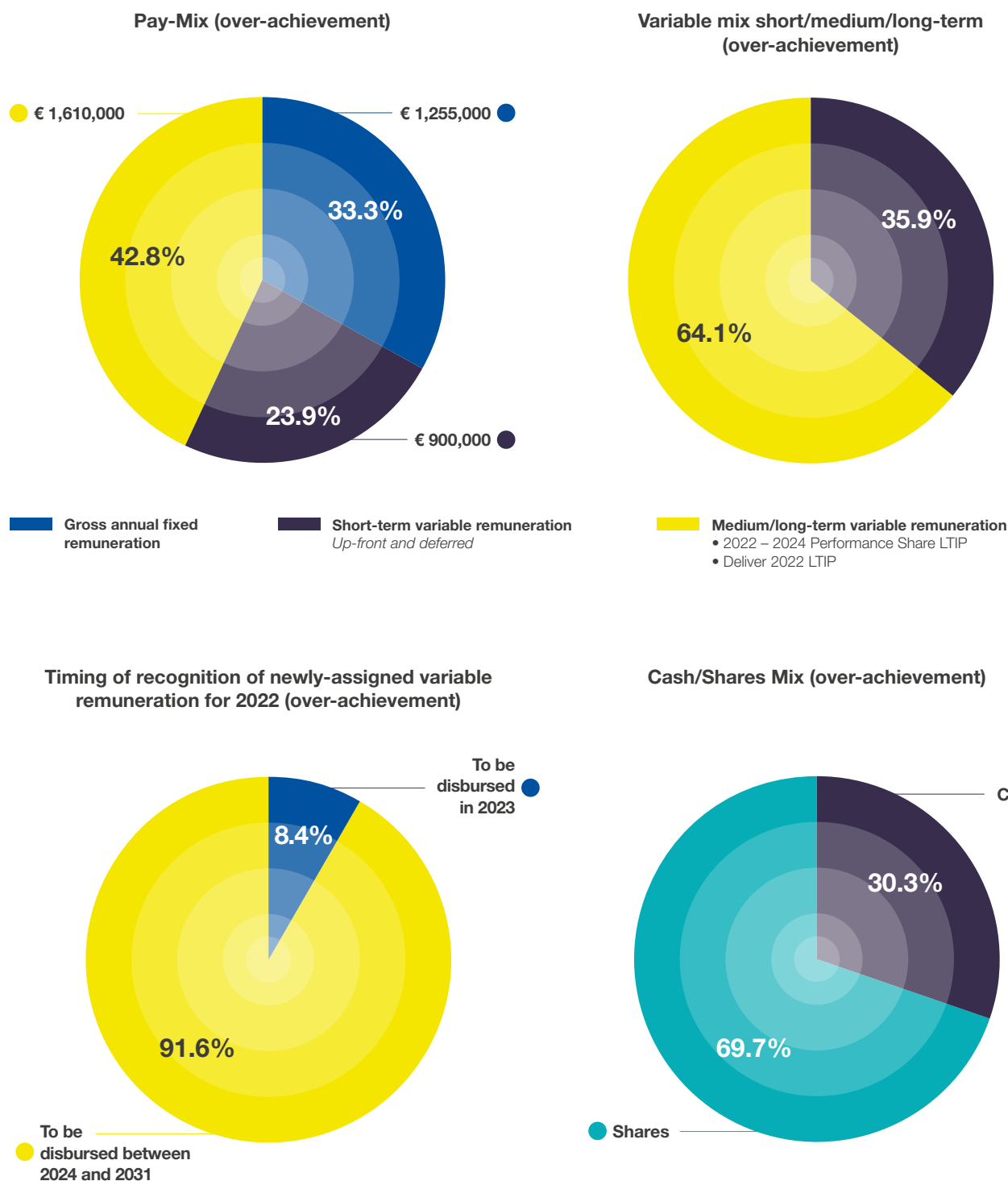
From 2021, as resolved by the Shareholders' Meeting of May 28, 2021, the maximum ratio of variable remuneration to fixed remuneration is 2:1.

The gross annual fixed remuneration, with reference to the 2020-2022 term, has not changed compared to the previous term of office and is therefore confirmed at €1,255,000, while the value of the overall incentive schemes (both short and medium-long term) cannot be more than twice the same fixed amount (unchanged compared to 2021).

Certain benefits are provided in accordance with the applicable statutory requirements and in line with market practices.

In light of these elements, the following chart shows the CEO-GM Pay Mix for 2022, assuming over-achievement of results. It also illustrates the mix between the short-term and medium/long-term variable component, a specific focus on the timing of variable remuneration and a breakdown between the monetary and equity components:

Figure 3. CEO-GM PAY MIX IN CASE OF OVER-ACHIEVEMENT



This Pay Mix has been calculated on the basis of awards under the short and medium/long-term incentive schemes thus, in the event of over-achievement, considering the entire value of the “2022-2024 Performance Share LTIP” and the annualised value of the “Deliver 2022 LTIP”. **The amounts of fixed and variable short and medium-long term remuneration are unchanged compared to 2021.**

The mix between the short-term and medium/long-term variable component, assuming over-achievement of results, foresees prevalence of the latter over the short-term.

With respect to the timing of recognition of the newly defined variable remuneration for 2022, less than 10% may be paid in 2023 in the case of over-achievement performance, while more than 90% may be paid between 2024 and 2031.

Also with reference to variable remuneration, as shown in the last chart and again in case of over-achievement, more than 2/3 may be paid in the form of shares.

As a member of the Board of Directors, the Chief Executive Officer is also reimbursed for any out-of-pocket expenses incurred in carrying out the duties strictly related to his role, within the limits established by the Board of Directors.

As required by law, the CEO-GM abstains during votes regarding decisions on his remuneration and does not take part in discussions on this matter.

Gross annual fixed compensation

The CEO-GM receives a gross annual fixed compensation of €1,255,000 (unchanged from the previous term of office) and this consists of a component relating to the position of Director and one relating to his position as a manager of the Company in his role as General Manager¹⁹.

Variable remuneration

The variable remuneration of the CEO-GM consists of the short-term variable incentive scheme ("MBO" STI), the "2022-2024 Performance Share LTIP" and the "Deliver 2022 LTIP" (the latter approved in 2018). The "MBO" STI scheme rewards the achievement of targets on an annual basis, the "Performance Share LTIP" on a three-year basis and the "Deliver 2022 LTIP" over a five-year period.

The "Performance Share LTIP" enables the Company to maintain an ongoing link between variable remuneration and performance over the medium/long-term, strengthening the alignment with investors' interests, also given that the new Plan results in the awarding of Poste Italiane's ordinary shares. The "2022-2024 Performance Share LTIP" also aims to support the effective implementation of the "2024 Sustain & Innovate Plus" Strategic Plan. In this regard, it is noted that long-term incentive plans are subject to deferral and retention mechanisms. Moreover, each of the variable remuneration portions (both up-front and deferred) is subject to ex-post risk adjustments (malus and clawback provisions) that, based on individual performance and/or conduct, may result in a significant reduction in the amount payable (potentially to zero) and, under certain conditions, in the application of a clawback provision.

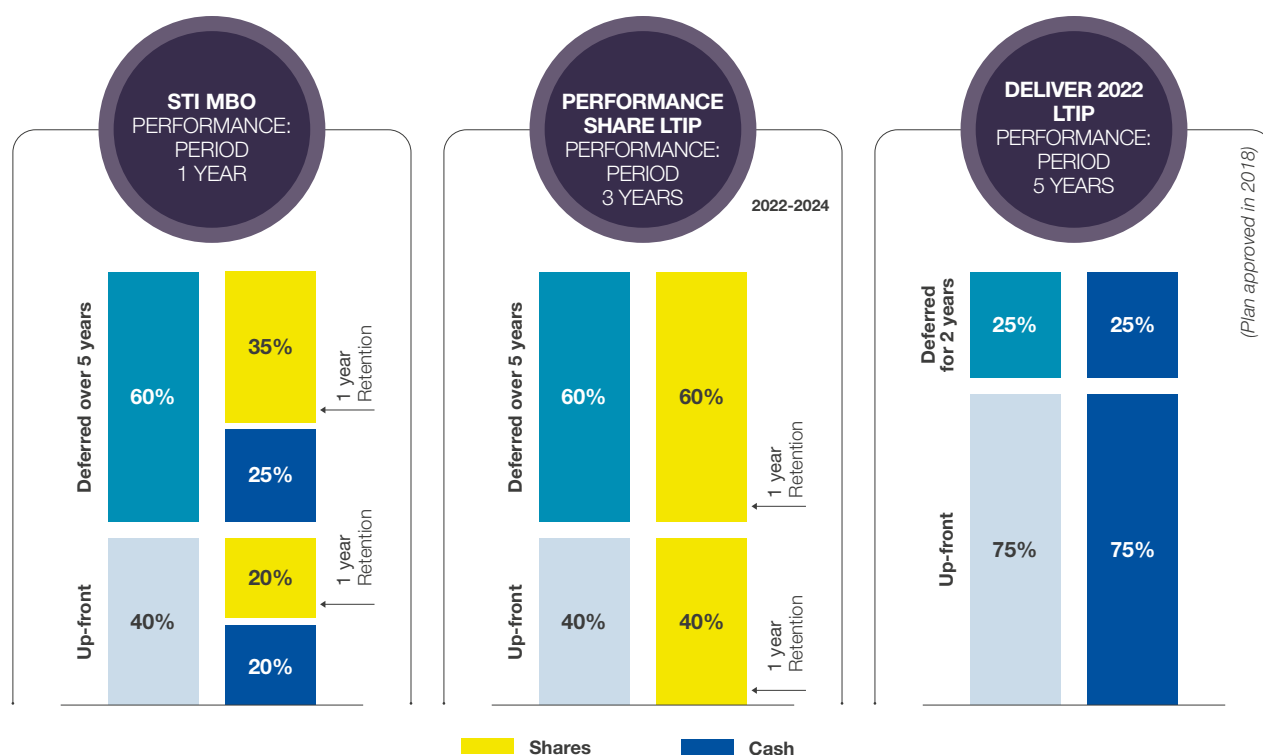
All the management incentive schemes include performance hurdles related to Group EBIT, as summary indicator of the economic and financial sustainability common to all Poste Italiane's businesses. Achievement of the hurdle makes it possible to award the bonus earned, in relation to the assigned targets and at least in line with the risk tolerance levels linked to BancoPosta RFC's capital adequacy and liquidity.

As a Material Risk Taker, within the scope of application of the "Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022", the structure of the CEO-GM remuneration envisages a cap on total variable remuneration based on a 2:1 ratio between the variable (both short and medium/long-term) and fixed component, in addition to deferral and retention periods.

Further details are provided below.

19. The CEO-GM position as General Manager is governed by the provisions of the National Collective Labour Agreement for the management personnel of companies producing goods and services (the "NCLA"). The gross annual fixed compensation is broken down as follows: €490,000 as Chief Executive Officer (consisting of €40,000 in remuneration determined by the Shareholders' Meeting in accordance with art. 2389, paragraph 1 of the Italian Civil Code and €450,000 in remuneration in accordance with art. 2389, paragraph 3 of the Italian Civil Code) and € 765,000 in gross annual remuneration for the employment relationship as "Dirigente" in his role as General Manager.

Figure 4. VARIABLE REMUNERATION OF THE CEO-GM



As mentioned above, the Board of Directors, on the recommendation of the Remuneration Committee, sets the performance targets linked to variable remuneration for the CEO-GM and assesses achievement of the performance targets, with the CEO-GM always abstaining in any votes on the matter.

Short-term variable incentive scheme (“MBO” STI)

Short-term variable remuneration (“MBO”) aims to strengthen the focus on the creation of value for stakeholders by linking the payment of annual bonuses with actual performance in the same period. The nature of the “MBO” STI scheme for the CEO-GM has been defined also based on the applicable statutory requirements. The amount that can be accrued, subject to the rules illustrated below, may be up to a maximum of €900,000 for 2022, and falls within the limit of the 2:1 ratio between the variable and fixed component.

The plan is based on a structured process for defining objectives and the associated incentives and is characterised by:

- a hurdle and certain qualifying conditions;
- various performance targets, each with a specific weighting assigned.

A maximum level of over performance has been set, above which the incentive remains constant, as well as a hurdle, below which the incentives do not apply and there is, therefore, no payment due.

Hurdle and qualifying conditions

The “MBO” scheme envisages a hurdle condition represented by the “Poste Italiane Group’s target EBIT”, set at the level of the budget, achievement of which enables the CEO-GM to access the bonus earned on the basis of assigned targets. Moreover, in order to ensure the long-term sustainability of the businesses of BancoPosta RFC and the Poste Vita Insurance Group, the enabling conditions for the “MBO” scheme also include the following provisions:

Figure 5. HURDLE AND QUALIFYING CONDITIONS FOR THE CEO-GM'S "MBO" SCHEME

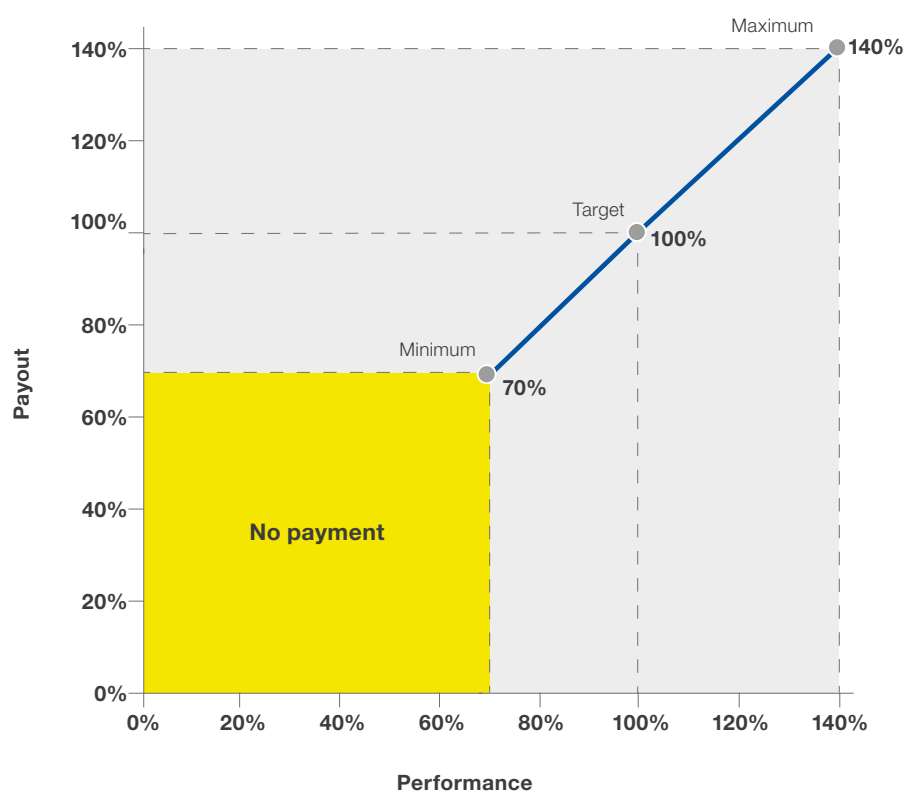
Hurdle condition	Qualifying conditions
GROUP EBIT – 2.0 bn €	BancoPosta's capital adequacy: CET 1
<i>Value rounded to the first decimal place</i>	BancoPosta's short-term liquidity: LCR
	Poste Vita Insurance Group's capital adequacy: Solvency II Ratio

The qualifying conditions' parameters are set at risk tolerance levels established in the Risk Appetite Framework ("RAF") adopted by BancoPosta RFC and the Poste Vita Insurance Group.

Performance targets

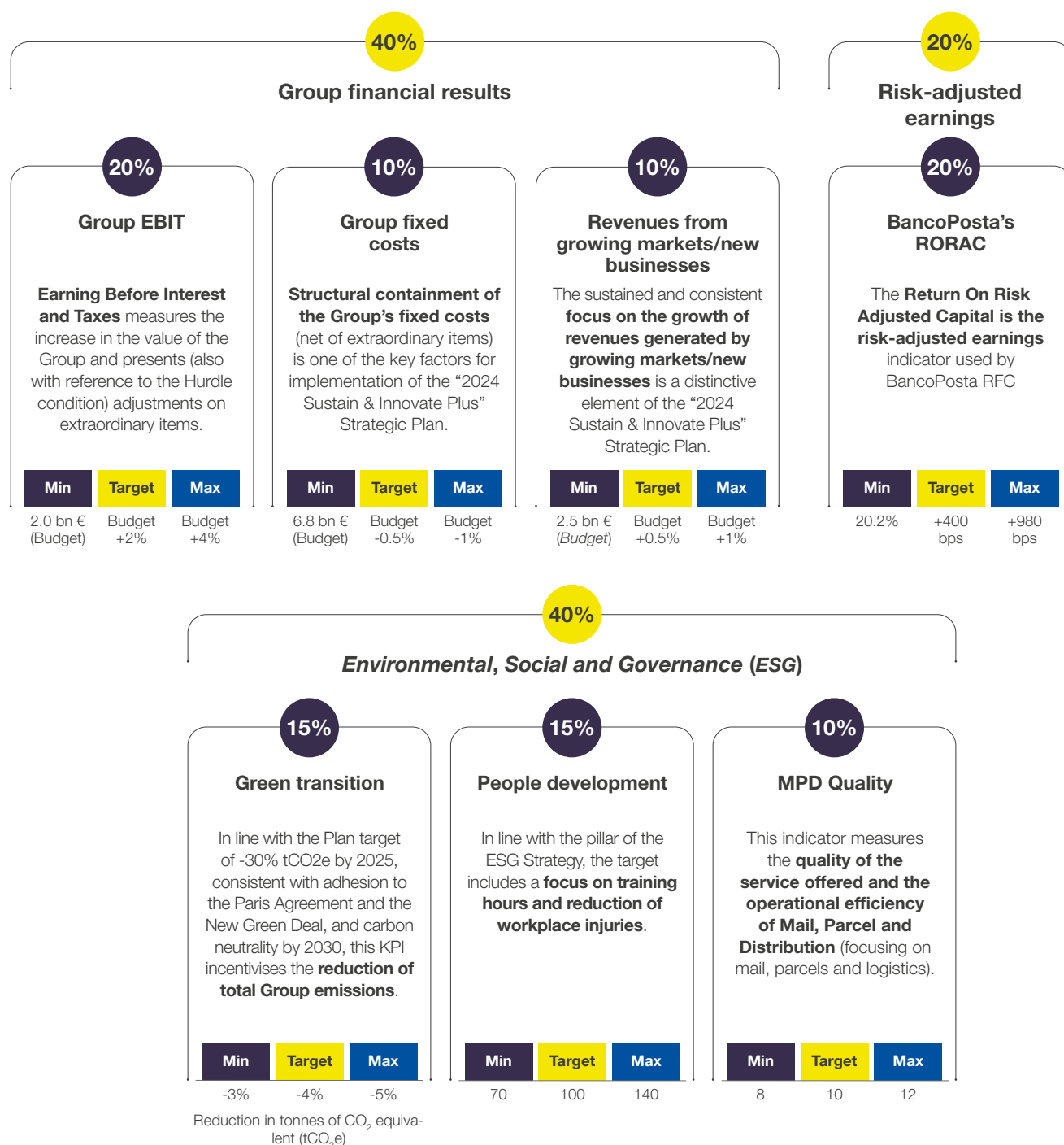
The performance targets for 2022 are linked to the objectives set in the "2024 Sustain & Innovate Plus" Strategic Plan. Provided below is the incentive curve for the "MBO" scheme, which links the overall weighted level of achievement of performance targets to the pay-out level (no bonus is envisaged for performance lower than the minimum threshold):

Figure 6. CEO-GM "MBO" INCENTIVE CURVE



The figure below outlines the performance targets for the 2022 “MBO” scheme of the CEO-GM. The targets are linked to the “2024 Sustain & Innovate Plus” Strategic Plan and relate to the following three areas:

Figure 7. “MBO” SCHEME PERFORMANCE TARGETS FOR THE CEO-GM IN 2022



* NOTE: The values of Group EBIT, Group Fixed Costs and Revenues from growth markets/new businesses are rounded to the first decimal place. With regard to EBIT, any changes in the scope of consolidation (positive and negative) generated by M&A and restructuring costs related to redundancies (budgeted at € 0.2 billion in 2022) will be neutralised.

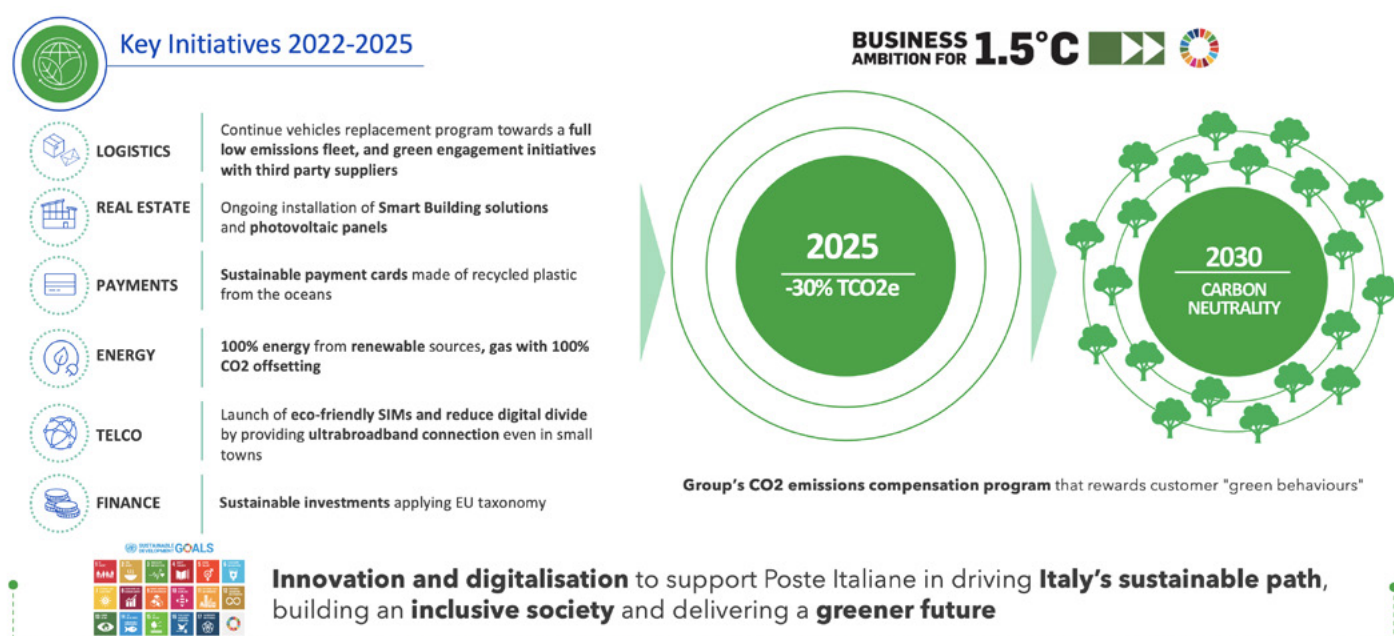
With reference to the Poste Vita Insurance Group, starting from a solid capital position, Solvency II Ratio will continue to be maintained in line with managerial ambitions. As shown in figure 5, Poste Vita's Solvency II Ratio is one of the qualifying conditions for the 2022 MBO Plan.

The focus on margins is one of the key elements of the Strategic Plan: EBIT, the key objective of the incentive schemes that guarantees their sustainability, represents the overall indicator of performance across all of the Group's business and is measured on an annual and multi-annual basis. This year, the "2024 Sustain & Innovate Plus" Plan aims to bundle the cost discipline approach with a close attention on the revenues generated by new businesses and growing markets (for example, energy, P&C, motor, fibre, parcels, digital payments).

The focus on ESG objectives is a priority in 2022 with environmental protection and people development being, more than ever, key elements of the Group's strategy. In addition, the quality of the service offered in the parcel sector is increasingly important for our customers in light of the growth of e-commerce in Italy.

ESG objectives are defined consistently with the "2024 Sustain & Innovate Plus" Strategic Plan with respect to each pillar of the strategy. In particular, Poste Italiane intends to achieve Carbon Neutrality by 2030, in line with the targets set by the Paris Agreement, as outlined below:

Figure 8. FOCUS ON CARBON NEUTRALITY OBJECTIVE

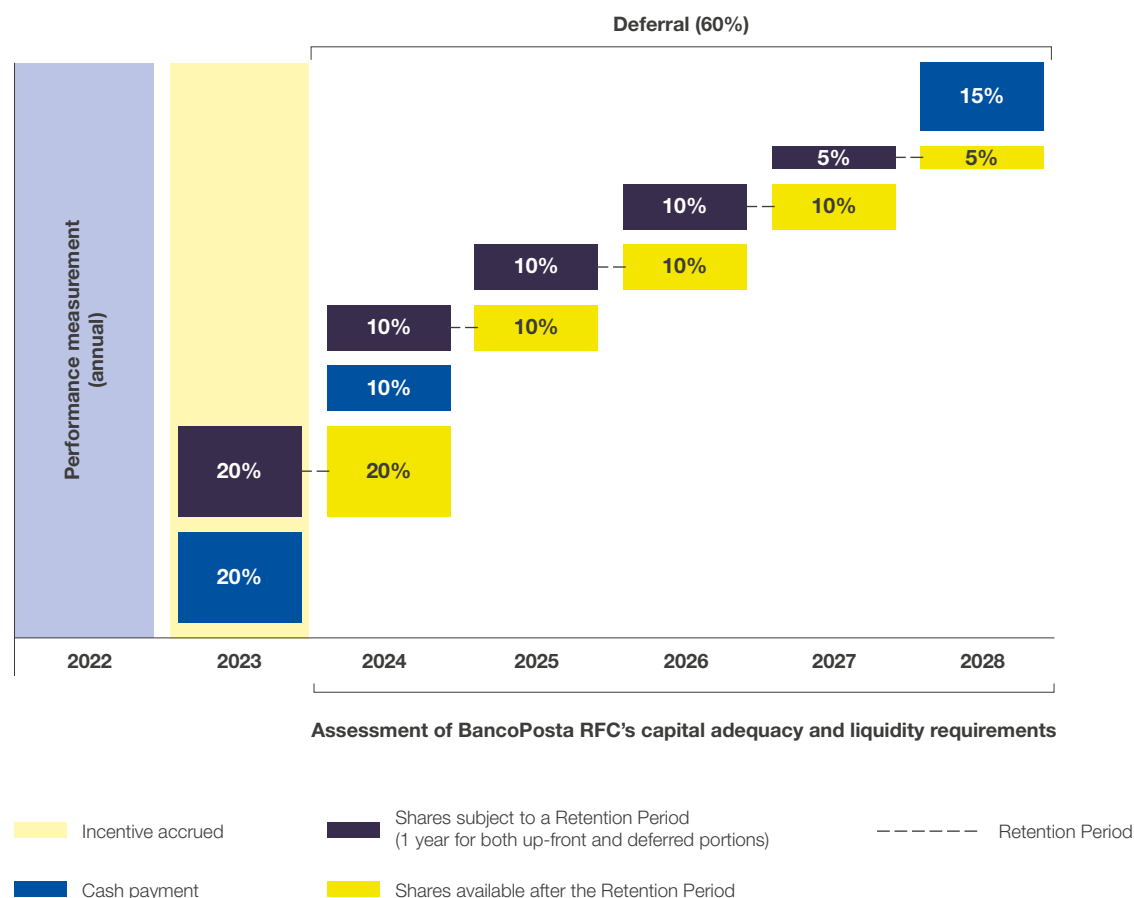


Finally, one of the targets is linked to People Development which, in line with the pillar of the ESG Strategy, includes a focus on total number of training hours (5 million hours) and reducing injuries (initiatives to strengthen occupational health and safety controls are being developed with the aim of reducing workplace injuries by 1% compared to the pre-pandemic period).

Payout

Actual disbursement under the "MBO" scheme envisages deferral of 60% of the incentive over 5 years (pro rata); the payment takes place in cash for 45% of the total bonus earned and in rights to receive Poste Italiane's ordinary shares for the remaining 55%, as shown below:

Figure 9. METHOD OF PAYMENT UNDER “MBO” SCHEME FOR THE CEO-GM



The number of rights to receive shares vested will be defined based on the arithmetic mean of share prices recorded during the thirty stock exchange trading days prior to the date of resolution by the Board of Directors, which will verify achievement of the Hurdle Condition and Qualifying Conditions, and the achievement of the Performance Targets.

The rights to receive shares are subject to a one-year retention period for both the up-front and deferred portions. One-year retention periods, in view of the overall timing of variable remuneration, which also includes the 5-year deferral period subject to malus provisions and at least a further 5 years subject to clawback provisions, are compatible with the prospective levels of risk to which the Poste Italiane Group's operations are exposed, in particular those of BancoPosta.

Payment of the deferred portion will take place each relevant year, provided that the BancoPosta RFC's capital adequacy and liquidity risk tolerance levels are met. The same risk tolerance levels must also be complied with at the end of the retention periods.

It should be noted that, in view of the use of Poste Italiane's ordinary shares, the Company will ask the Shareholders' Meeting to be held on May 27, 2022 to approve the "Information Circular" prepared in accordance with art. 114-bis of the CLF.

For the CEO-GM, deferral and/or retention periods are currently underway for MBO Plans referring to previous years - for which the hurdle condition, the qualifying conditions and the targets defined with respect to the performance year have already been verified. The deferral and/or retention components, in line with the remuneration policies approved from time to time, are subject to malus and clawback conditions, for which reference should be made to the relevant Remuneration Reports and Information Circulars already approved.

Medium/long-term variable incentive schemes (LTIPs)

Medium/long-term incentive schemes (LTIPs) aim to strengthen the focus on value creation for stakeholders, in line with the new Strategic Plan, by linking the incentives awarded with long-term objectives and effective performance over the same period. Key terms of the following LTIPs have been defined also in light of the applicable statutory requirements.

The CEO-GM is the recipient of the "2022-2024 Performance Share LTIP", submitted for approval at the Shareholders' Meeting of May 27, 2022, the specifics of which are explained in the following paragraph. The "2022-2024 Performance Share LTIP", entirely in the form of Poste Italiane's ordinary shares, is based on profitability, shareholders return and ESG targets over a period of 3 years, with the aim of maximising execution of the Strategic Plan guidelines, in compliance with the Risk Appetite Framework.

The "2022-2024 Performance Share LTIP" supplements the long-term incentives provided by the "Deliver 2022 LTIP" introduced in 2018. This LTIP is designed to focus continuous long-term attention on revenue growth and the containment of personnel expenses, in addition to the inclusion of Poste Italiane in internationally recognised sustainability indices. It is understood that, as part of the long-term variable component of the current Chief Executive Officer and General Manager, the second cycles of the "Performance Share LTIP" assigned in 2020 and the "Performance Share LTIP 2021-2023" assigned in 2021 are still underway. For more information, please refer to the previously approved Reports on Remuneration which should be considered as transcribed within this document. Please note that as described in paragraph 4.2 "Share Ownership Guidelines (SOGs)" in Poste Italiane's Report on the 2022 remuneration policy, the CEO and General Manager is subject to the Share Ownership Guidelines and, therefore, until the expiry of the mandate/employment relationship, is committed to maintaining 50% of the shares available under the "Performance Share LTIP" unless the target amount has already been reached.

2022-2024 Performance Share LTIP

Ensuring alignment with best market practices, the "2022-2024 Performance Share LTIP" is characterised by the following elements:

- the award of a bonus in the form of Poste Italiane's ordinary shares;
- the use of economic-financial and ESG indicators;
- the use of the relative Total Shareholder Return ("rTSR"), which envisages different levels of performance based on the level of Poste Italiane's TSR compared with the TSR achieved by the FTSE MIB index;
- deferral of a significant portion of the incentive for the CEO-GM (60%) over 5 years, providing for a one-year retention period for both the up-front and deferred portions, both subject to the malus and clawback provisions;
- a requirement to hold 50% of the shares available under the "Performance Share LTIP" for the entire term of office/employment, in line with the provisions of the "Share Ownership Guidelines".

The award, subject to the rules outlined below, is equal to a maximum of €1,255,000 for the CEO-GM and is included within the limit of the 2:1 ratio between the variable and fixed component.

The number of rights to receive shares granted was defined on the basis of the arithmetic mean of the share prices recorded in the thirty trading days prior to February 22, 2022, the date of the Board of Directors meeting that resolved to grant the Plan and to submit its adoption to the Shareholders' Meeting.

It should be noted that, in view of the use of Poste Italiane's ordinary shares, the Company will ask the Shareholders' Meeting to be held on May 27, 2022 to approve the "Information Circular" prepared in accordance with art. 114-*bis* of the CLF.

Hurdle and qualifying conditions

The "2022-2024 Performance Share LTIP" envisages a hurdle condition represented by the Poste Italiane Group's cumulative EBIT over a three-year period, with awards under the LTIP dependent on achievement of the hurdle.

In line with the statutory requirements applicable to BancoPosta RFC's business, in addition to the hurdle condition, the CEO-GM must meet all the following qualifying conditions at the same time:

Figure 10. HURDLE AND QUALIFYING CONDITIONS FOR THE “2022-2024 PERFORMANCE SHARE LTIP” FOR THE CEO-GM

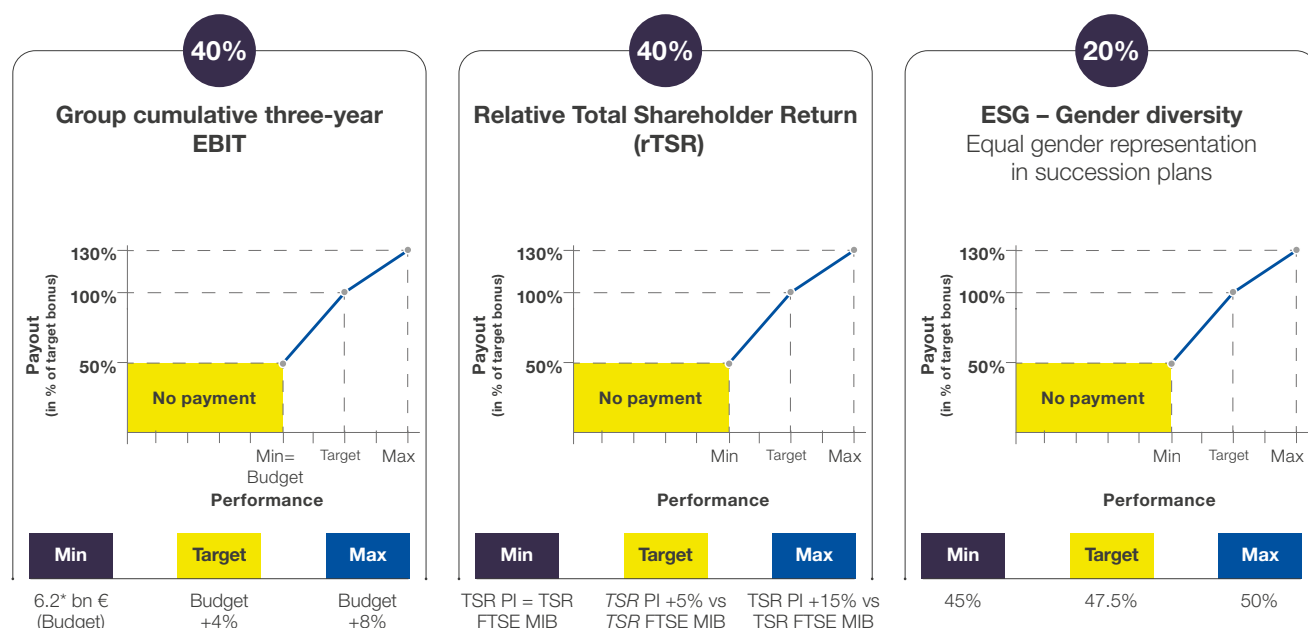
Hurdle condition	Qualifying conditions
Group cumulative three-year EBIT target: 6.2 bn €	BancoPosta's capital adequacy: CET 1
<i>Value rounded to the first decimal place</i>	BancoPosta's short-term liquidity: LCR
	BancoPosta risk-adjusted earnings: RORAC

CET1, LCR and RORAC are set at the risk tolerance thresholds established in the Risk Appetite Framework adopted by BancoPosta RFC in accordance with the related regulatory requirements.

Performance targets

The performance targets of the “2022-2024 Performance Share LTIP” are outlined below:

Figure 11. PERFORMANCE TARGETS AND WEIGHTINGS FOR THE “2022-2024 PERFORMANCE SHARE LTIP” FOR THE CEO-GM



* Value rounded to the first decimal place

A maximum level of over performance has been set, above which the incentive remains constant, as well as a hurdle, below which the incentives do not apply and there is, therefore, no payment due.

The three-year EBIT target is defined on the basis of the sum of the EBIT that will be reported annually.

The objective linked to the “relative Total Shareholder Return” includes a “negative threshold” provision: if the Poste Italiane’s TSR is negative, despite being higher than the TSR registered by the FTSE MIB index, the number of vested Rights (linked to rTSR) is reduced to the minimum threshold of 50%.

The ESG target is linked to strengthening the female presence in managerial succession plans, with the aim of increasing the presence of women in positions of greater responsibility within Poste Italiane Group. The aim of this new target is to promote diversity which, by increasing skills and know-how, represents a strategic resource to create added value for stakeholders

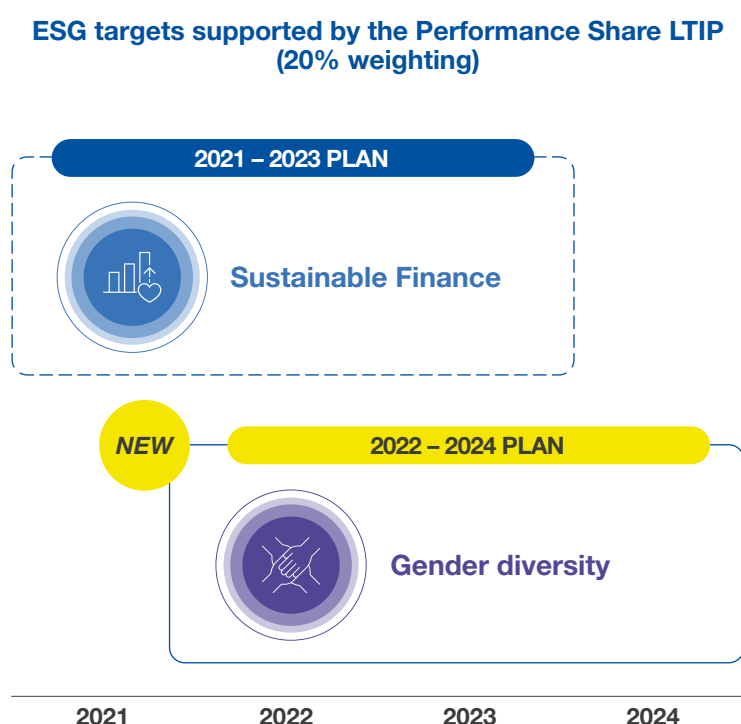
(shareholders, employees, suppliers, customers, the public administration and the country). The KPI is part of a broader female leadership development plan which also includes training and development plans and mentoring and coaching paths aimed specifically at women. The Group always adopts a long-term approach in order to ensure the internal growth of a management team that is more aligned with the market evolution and increasingly ready to take on greater responsibility.

In particular, the KPI is calculated as the ratio between the number of succession candidacies held by women and the total number of candidacies. Please note that the baseline is 30% of total succession candidacies held by women.

The methodology on which the succession plans for the 2022-2024 period is based is structured and involves the Group's management in compliance with the related regulations and the Corporate Governance processes. There are succession plans for around 150 key positions which include, among others, all levels of personnel reporting to the CEO-GM of Poste Italiane SpA and the Chief Executive Officers of the main Group Companies (hereinafter also "GC"). These positions have been identified based on the organisational complexity of the roles and the impact of the same on the strategic guidelines of the "2024 Sustain & Innovate Plus" Plan.

Please note that since 2019 the Performance Share LTIP has been assigned yearly and has been based on targets that are consistent with the strategic priorities of Poste Italiane. Therefore, while the Performance Share LTIP 2022-2024 includes a KPI on gender diversity, the focus on sustainable finance - which remains one of the key pillars of the Group's ESG strategy - is confirmed, as reflected in the Performance Share LTIP 2021-2023 Plan.

Figure 12. FOCUS ON ESG TARGETS

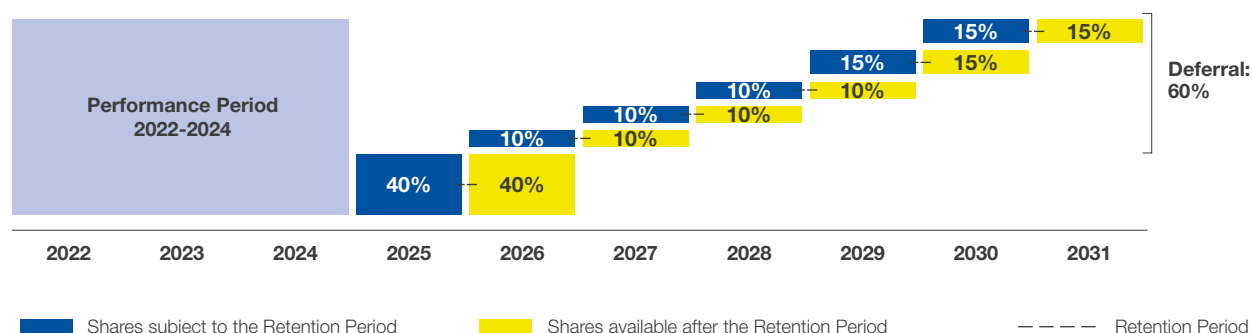


Payout

The number of shares to be granted is quantified at the end of the three-year performance period within the cap determined at the time of the assignment, once the level of achievement of the specific objectives has been confirmed. Rights to receive shares are granted as follows:

- 40% (the up-front portion) at the end of the performance period;
- 60% in five deferred annual instalments over a five-year period (the first three equal to 10% of the total rights accrued and the next two equal to 15% of the total rights accrued).

Figure 13. METHOD OF PAYMENT UNDER THE “2022-2024 PERFORMANCE SHARE LTIP” FOR THE CEO-GM



Both the up-front and deferred portions are subject to a one-year retention period. One-year retention periods, in view of the overall timing of variable remuneration, which also includes the 5-year deferral period subject to malus provisions and at least a further 5 years subject to clawback provisions (and in any event within the time limit set by the related statute of limitations), are compatible with the prospective levels of risk to which Poste Italiane Group's operations are exposed and, in particular, those of BancoPosta.

At the end of the retention period for the up-front portion, the shares vested will be available provided that the risk appetite levels for BancoPosta RFC's capital adequacy, liquidity and risk-adjusted earnings have been met.

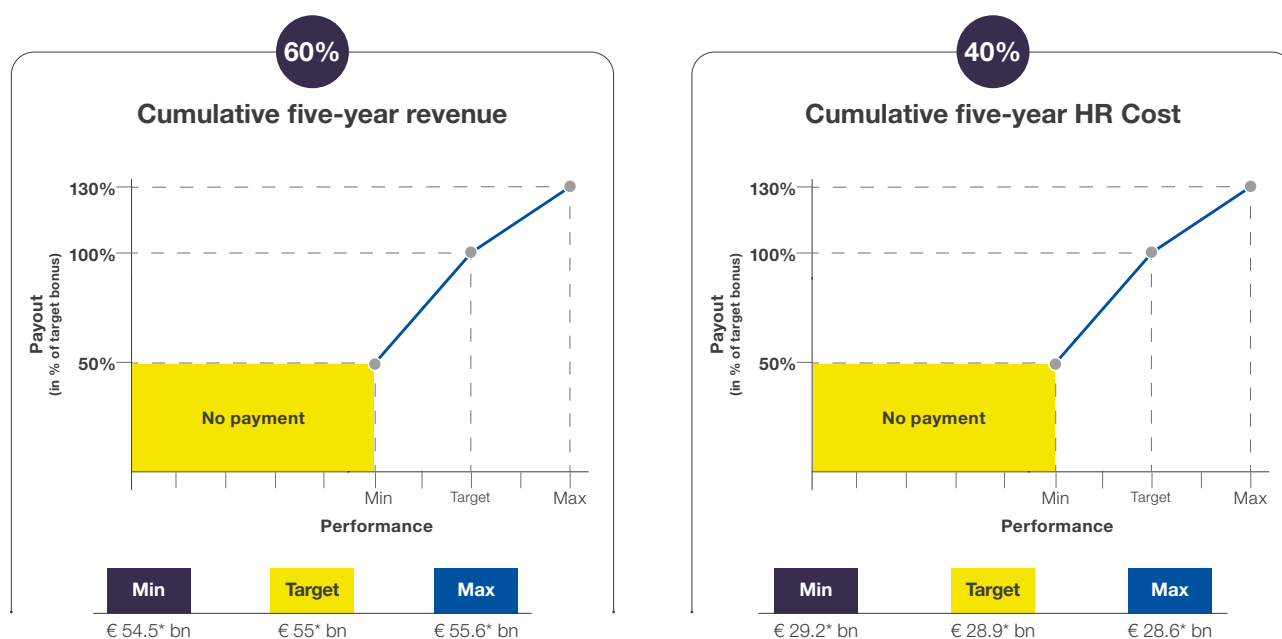
At the end of the deferral period and the retention periods for the deferred portions, compliance with the risk tolerance levels for BancoPosta RFC's capital adequacy, liquidity and risk-adjusted earnings will be verified.

“Deliver 2022 LTI” (Plan approved in 2018)

To support the Deliver 2022 strategic plan, a long-term incentive scheme of the same name was launched, with a single assignment in 2018 for the CEO-GM, linked to achievement of the performance targets verified over a five-year period (2018-2022).

Figure 14. HURDLE AND QUALIFYING CONDITIONS FOR THE “DELIVER 2022 LTIP” FOR THE CEO-GM

Hurdle Condition	Qualifying Conditions
Cumulative Group EBIT over a five-year period: € 8 bn	BancoPosta's capital adequacy: CET 1
<i>Value rounded to the first decimal place</i>	BancoPosta's short-term liquidity: LCR
	BancoPosta's risk-adjusted earnings: RORAC

Figure 15. PERFORMANCE INDICATORS AND WEIGHTINGS FOR THE “DELIVER 2022 LTIP” FOR THE CEO-GM

* Value rounded to the first decimal place.

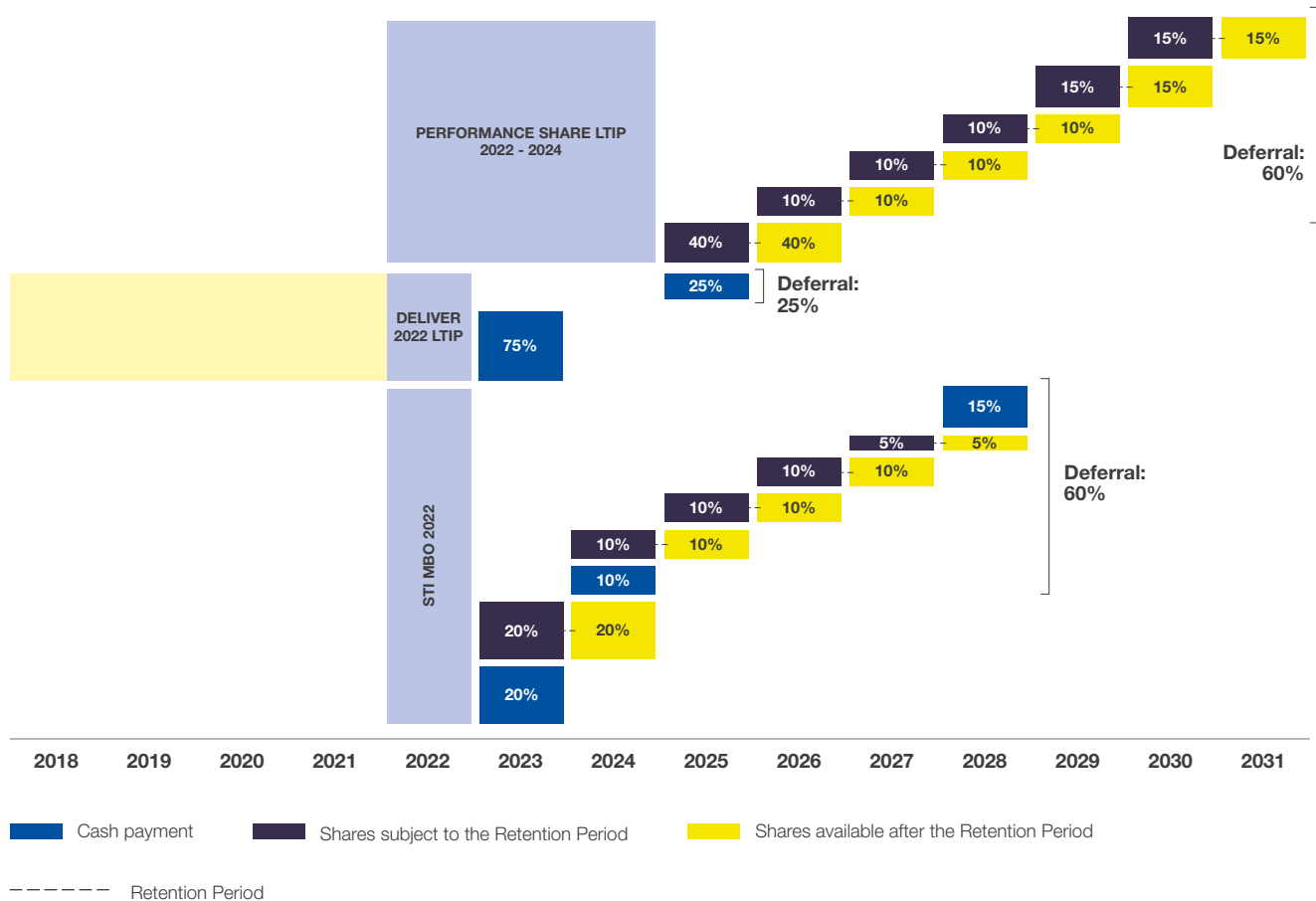
Please note that the plan envisages the recognition of a monetary bonus at the end of the five-year performance period, which will be disbursed for 75% up-front and the remaining 25% deferred over 2 years. Disbursement of the deferred portion is conditional on the inclusion of Poste Italiane in the sustainability indices recognised at the international level, as well as assessment of compliance with specific capital and liquidity requirements by BancoPosta RFC.

The yearly amount for the CEO-GM is equal to a maximum of €355,000 and is included within the calculation of the 2:1 ratio of variable to fixed component.

For further details, please refer to the description provided in the 2018 Remuneration Report.

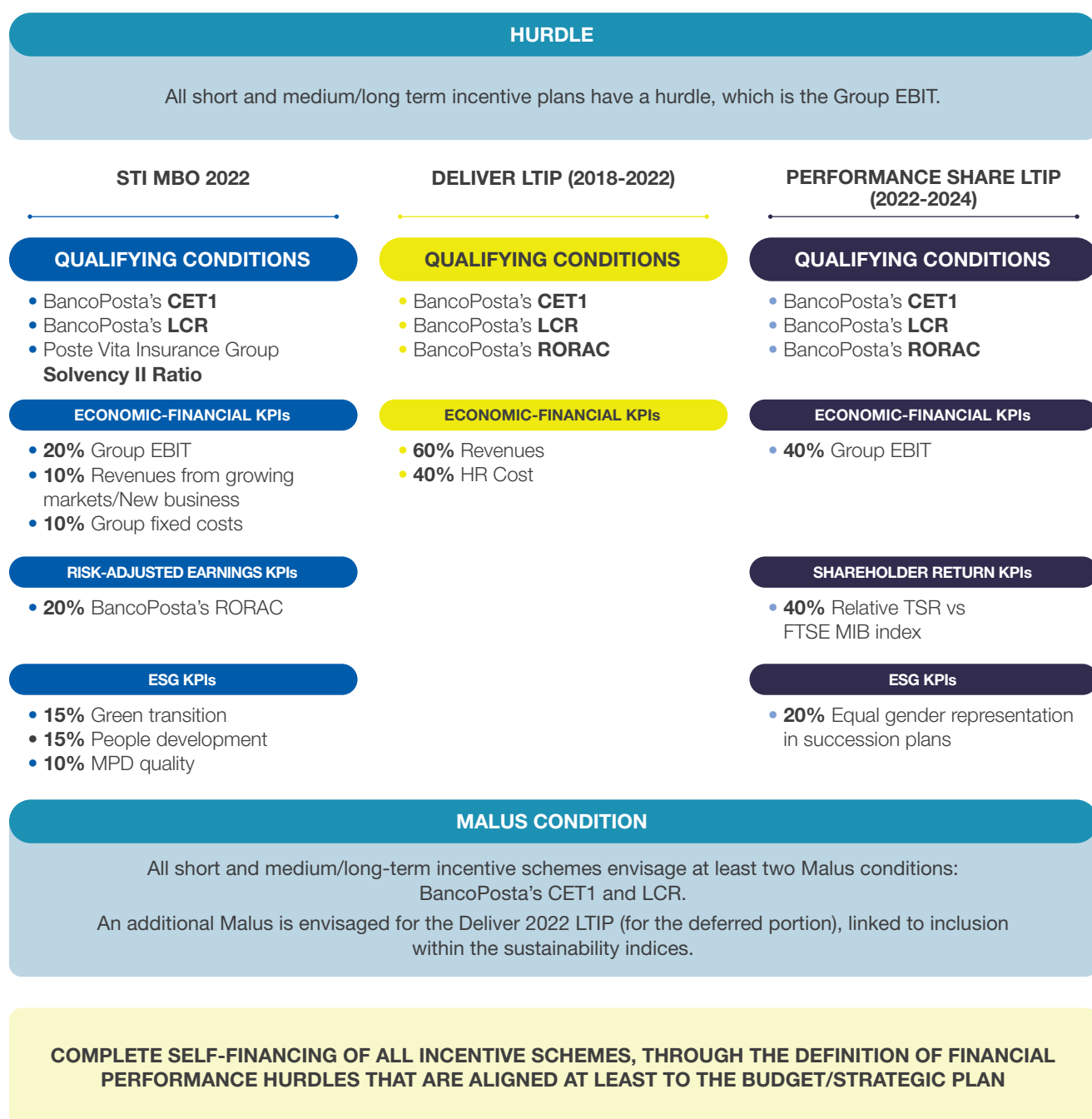
Summary of short-term and medium/long-term incentive schemes 2022

Figure 16. VARIABLE REMUNERATION PAYOUT FOR THE CEO-GM



The structure of the payout over time involves the award of variable remuneration over a total period through to 2031, including performance, deferral and retention periods. Given the performance achieved, less than 10% of newly-assigned variable remuneration for 2022 will be effectively paid out in 2023, following approval of the financial statements for 2022, whilst the remaining portion is spread out over time. Each payment is subject to, at least, verification of BancoPosta RFC's capital and liquidity requirements.

Please also note that in 2020 and 2021, three-year Performance Share LTIPs were assigned, the performance period of which is 2020-2022 and 2021-2023, respectively.

Figure 17. CONDITIONS AND PERFORMANCE TARGETS OF VARIABLE REMUNERATION FOR THE CEO-GM

Application of Malus and Clawback mechanisms is envisaged for the up-front and deferred portions.

Severance payments on termination of employment

In line with market practice, there are and it is possible to stipulate provisions/agreements that regulate ex-ante the economic aspects of early termination of office/employment, with the aim of avoiding the risk of current or future disputes, thus avoiding the risks inevitably connected to a court litigation that could potentially damage the Company's reputation and image, whilst also providing greater legal certainty.

The amount resulting from the implementation of these provisions/agreements is, in any event, capped at 24 months of gross global remuneration, calculated as indicated below, including an amount equivalent to the indemnity in lieu of notice, if any, as contractually established.

Without prejudice to the above cap of 24 months of gross global remuneration, in the case of the Chief Executive Officer and General Manager, the above amount is determined on the basis of the following formula:

- 10 months if termination occurs during the first year in service;
- 16 months if termination occurs during the second year in service;
- 24 months if termination occurs during the third or a subsequent year in service.

For the above purpose, conventionally defined overall gross remuneration is calculated taking into account the latest amount of gross annual fixed pay received as a Manager, the latest amount of gross annual fixed remuneration received as Chief Executive Officer (including portions received according to paragraphs 1 and 3 of art. 2389 of the Italian Civil Code) and total gross annual short-term variable remuneration payable at target and the annual value of the medium/long-term variable remuneration, still at target.

The above total gross amount determined shall replace any indemnity/indemnification provided under the National Collective Agreement in the event of dismissal, and shall be paid upon signature of a settlement containing a full waiver, by the CEO-GM, in connection with the employment and the positions held, as part of an all-inclusive and final settlement.

There is no non-competition agreement.

The final amount payable shall take into account the risk-adjusted performance and the individual conduct, as described in the section on clawback provisions. In addition, this remuneration may be paid only upon the condition that BancoPosta RFC's minimum capital adequacy and liquidity requirements are satisfied.

The above payments shall not prejudice the further mandatory entitlements due in any case of termination in accordance with the law or the national collective agreement, including by way of example the so-called TFR.

In compliance with the applicable regulations, any amount payable to the CEO-GM in the event of early termination of his appointment as General Manager or as a Director, will be paid as follows:

- 40% of any remuneration payable on termination of employment: 50% in cash and the remaining 50% in rights to receive Poste Italiane's shares, subject to a one-year retention period; this portion shall be subject to verification of BancoPosta RFC's minimum capital and liquidity requirements;
- 60% shall be deferred over a period of 5 years pro-rata; over half of the deferred payment shall be made in rights to receive Poste Italiane's shares, in line with the arrangements for "MBO" STI; the deferred portions shall be subject to verification of BancoPosta RFC's minimum capital and liquidity requirements and, as regards the component in rights to receive shares, to a one-year retention period;
- it is understood that a sum equivalent to the indemnity in lieu of notice, when due according to the National Collective Labour Agreement, will be deducted from the total amount and paid in accordance with the statutory requirements in force;
- the total amount payable is subject to malus and clawback provisions, applicable up to the entire amount paid within 5 years of payment of each portion and, in any event, within the time limit set by the related statute of limitations, under the circumstances defined in the "Guidelines for BancoPosta's remuneration and incentive policy";
- the number of rights to receive shares assigned will be defined based on the arithmetic mean of share prices recorded during the thirty stock exchange trading days prior to the date of termination.

It should be noted that for the "2022-2024 Performance Share LTIP", as highlighted in the Information Circular to be approved at the Shareholders' Meeting of May 27, 2022, the effects determined by the termination of employment are as follows:

- if, before the award date for the shares, the employment relationship is terminated and the beneficiary is classed as a "good leaver", the granting of the shares under the plan will take place at the natural end of the related performance period and the envisaged deferral/retention periods, provided that the plan terms and conditions set forth in the regulations have been complied with, and subject to confirmation of achievement of the performance targets; in this case, however, the rights will be granted and, the shares thus awarded, always under the conditions provided for in the regulations and on a pro-rata basis until the date of termination of the beneficiary's employment;
- if the employment relationship is terminated before the award date for the shares, the beneficiary classed as a "bad leaver" will automatically lose all the rights deriving from the plan, which will become ineffective, and the beneficiary will not have the right to receive any payment or compensation for whatever reason from the Company.

It should also be noted that for the "2022 Short-Term Incentive Plan" focused on equity-based instruments, described in the Information Circular to be approved at the Shareholders' Meeting of May 27, 2022, the effects determined by the termination of employment are as follows:

- if, before payment of the bonus (and thus also the effective award of the shares), the employment relationship is terminated and the beneficiary is classed as a "good leaver", the granting of the bonus (and thus also the related portion in shares) under the plan will take place at the natural end of the related Performance Period and the envisaged Deferral and Retention Periods, provided that the plan terms and conditions set forth in the Regulations have been complied with, and subject to confirmation of achievement of the relevant Performance Targets; in this case, however, the rights will be granted and, the shares thus awarded, always under the conditions provided for by the regulations, on a pro-rata basis until to the date of termination of the beneficiary's employment;
- if the employment relationship is terminated before payment of the bonus (and thus the effective award of the shares) and the beneficiary is deemed as a "bad leaver", the same beneficiary will automatically lose all the rights deriving from the plan, which will become ineffective, and will not have the right to receive any payment or compensation for whatever reason from the Company.

For further details, and with reference to the other share-based incentive plans in place, please refer to the relevant Information Circulars approved from 2016 to 2021 to be construed as re-transcribed herein.

4.2 Board of Statutory Auditors

The Statutory Auditors' remuneration is in no way linked to Poste Italiane's performance. The fees paid to Statutory Auditors consist solely of a fixed component, determined on the basis of the commitment required in order to carry out their duties.

The General Meeting of Shareholders held on May 28, 2019 appointed the Board of Statutory Auditors for the term of three years, with expiry as at the date of the meeting to be held to approve the financial statements for the year ended December 31, 2021. In the same meeting, the fees payable to the Chairperson and each standing Auditor of the Board were determined for each year in office, respectively equal to €80,000 and €70,000.

The General Meeting of Shareholders of May 27, 2022, set to renew the Board of Statutory Auditors due to the expiry of the current mandate, will determine - for each year of office - the remuneration to be paid to the Chairperson and the fee awarded to each statutory auditor on the Board.

No attendance fees are payable for participation in meetings.

Statutory Auditors have the right to be reimbursed for any duly documented travel expenses incurred in carrying out their duties.

4.3 Material Risk Takers

In addition to fixed pay and benefits, BancoPosta RFC's remaining Material Risk Takers also participate in the short-term incentive scheme ("MBO" STI) and in medium to long-term incentive schemes.

Short-term variable incentive scheme (“MBO” STI)

The link to performance

Short-term variable remuneration for the remaining Material Risk Takers is based on objective, transparent and verifiable criteria. The objectives pursued when deciding on remuneration policies, with particular regard to the determination of short-term variable pay, are as follows:

- i. to determine simple and readily assessed performance targets;
- ii. to ensure, in determining the above targets, convergence between personal and business objectives;
- iii. to put merit first.

These criteria also aim to promote the interest of clients.

Performance gate

Participation in management short-term incentive scheme (“MBO” STI) is tied to the achievement of specific economic-financial targets determined annually at Group level and represented by the Poste Italiane Group’s EBIT. The maximum value of the performance gate for Material Risk Takers is 110%²⁰.

The threshold level for the performance gate also acts as hurdle condition.

Compliance with the risk appetite framework

The conditions set by existing regulatory requirements are linked to the financial sustainability of the variable component of remuneration and take the form, therefore, of an assessment of the “quality” of the risk-adjusted measures of profitability achieved and of compliance with the levels of risk tolerance for capital adequacy and liquidity requirements established within the context of the BancoPosta RFC Risk Appetite Framework (“RAF”).

Details are shown below:

Figure 18. “COMPLIANCE WITH THE RISK APPETITE FRAMEWORK”

Capital adequacy Common Equity Tier 1	Risk tolerance level approved by Poste Italiane’s Board of Directors for inclusion in BancoPosta RFC’s RAF
Operational liquidity Liquidity Coverage Ratio	Risk tolerance level approved by Poste Italiane’s Board of Directors for inclusion in BancoPosta RFC’s RAF

It is understood that the activation of the incentive scheme is subject to compliance with both of the above conditions (also qualifying conditions).

Bonus Pool

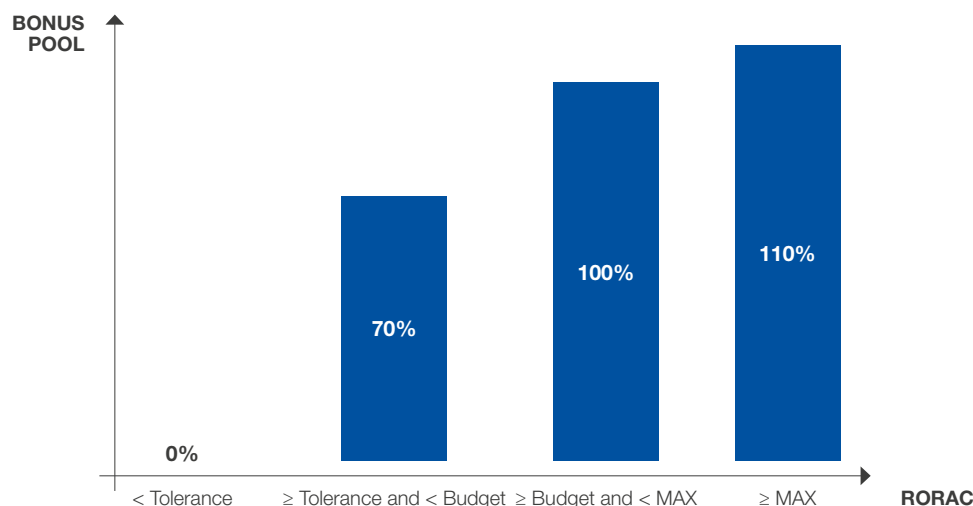
Bonus Pool means the consolidated economic resources, set annually in the operating budget, allocated to incentive payments. The Bonus Pool at BancoPosta is developed on a bottom-up basis: the total value of the incentives derives from the sum of MBO 2022 allocations for Material Risk Takers.

20. With the exception of Poste Italiane’s Manager Responsible for Financial Reporting, for whom the maximum value is 120%, in line with other KMPs of Poste Italiane.

The mechanism envisaged provides for a direct link with BancoPosta's RAF, approved annually.

The mechanism is structured on the basis of a prudentially defined adjustment with reference to the RORAC according to the following scheme:

Figure 19. Bonus Pool



The intervals are referred to as “stepped” intervals, and the operation is explained below:

- for RORAC values lower than the Tolerance level defined in the RAF, the incentive accrued is zero;
- for RORAC values between the Tolerance and the Budget, the incentive accrued is reduced by 30% (de-multiplier applied at 70%);
- for RORAC values equal or above the Budget and below the maximum level, the incentive accrued is confirmed;
- for RORAC values significantly higher than the Budget, the incentive accrued is increased by 10% (multiplier applied at 110%).

For the Manager responsible for financial reporting and the Heads of the company's control functions, the *ex-ante* adjustment mechanisms resulting from the adjustment of the Bonus Pool do not apply.

Individual performance conditions

Payment of the individual bonus is linked to the degree to which the assigned performance targets are achieved. On assessment, the incentive is paid if the overall percentage achievement of the objectives assigned is at least equal to the threshold.

The targets assigned to the remaining Material Risk Takers are specifically formalised and primarily consist of risk-adjusted KPIs.

In the event of performance over-achievement, the individual bonus may also increase up to the maximum predetermined amount.

The theoretical bonus accrued on achievement of the targets assigned may be zeroed if the overall individual performance, assessed using an appraisal process, is deemed to be inadequate.

Examples of performance indicators for Material Risk Takers are:

- BancoPosta's RORAC;
- BancoPosta's Customer Experience;
- Business projects.

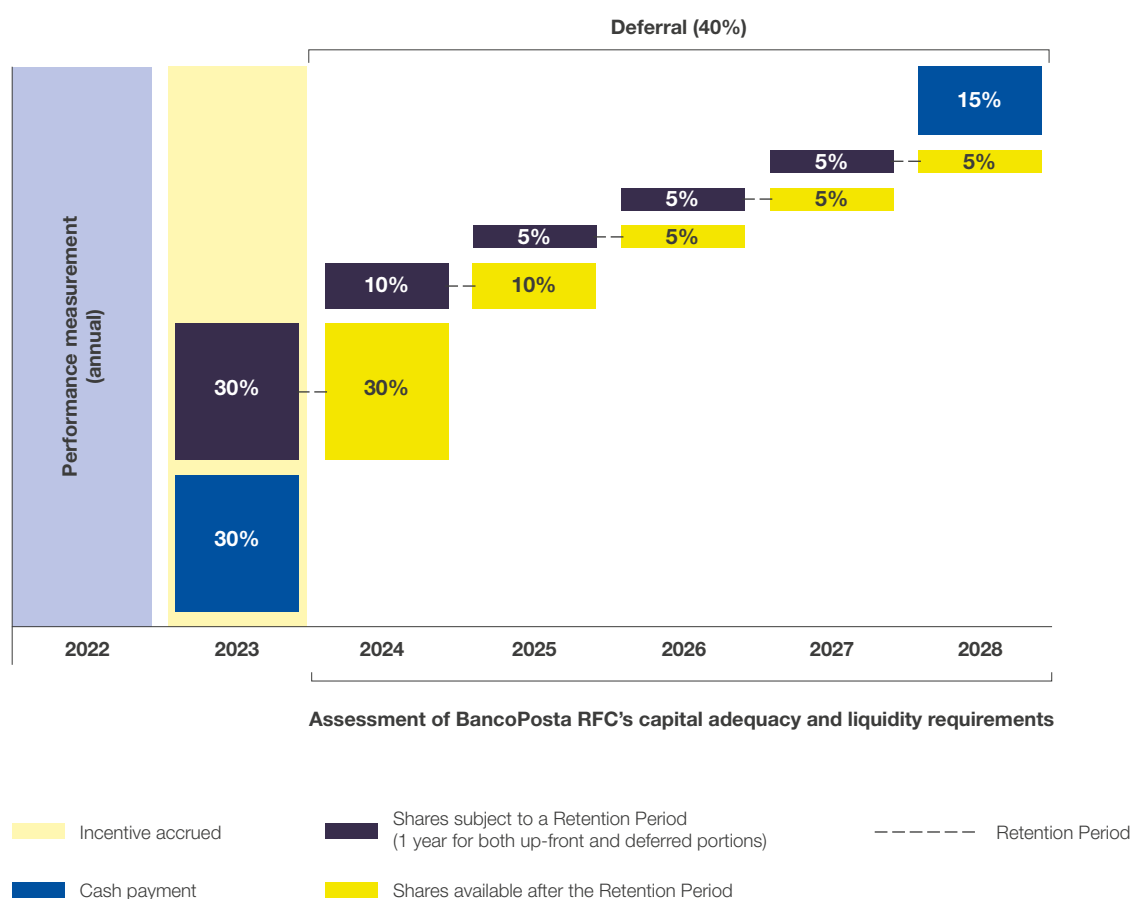
Payout

In line with existing statutory requirements and based on the category of personnel involved, the vested bonus will be paid partly up-front and partly at the end of the deferral period, with payment partly in cash and in rights to receive Poste Italiane's ordinary Shares.

The payout method of the short-term variable component for the Head of the BancoPosta function is the same as the method used for the CEO-GM.

In the case of personnel identified as Material Risk Takers and belonging to the Senior Management category, 60% of the vested bonus is paid up-front and the remaining 40% is deferred over 5 years. In addition, 45% of the vested bonus will be paid in cash and the remaining 55% in rights to receive Poste Italiane's ordinary Shares, according to the following structure:

Figure 20. METHOD OF PAYMENT UNDER “MBO” SCHEME FOR MRTS BELONGING TO THE SENIOR MANAGEMENT CATEGORY (VARIABLE REMUNERATION BELOW THE AMOUNT CLASSIFIED AS STRUCTURALLY HIGH)

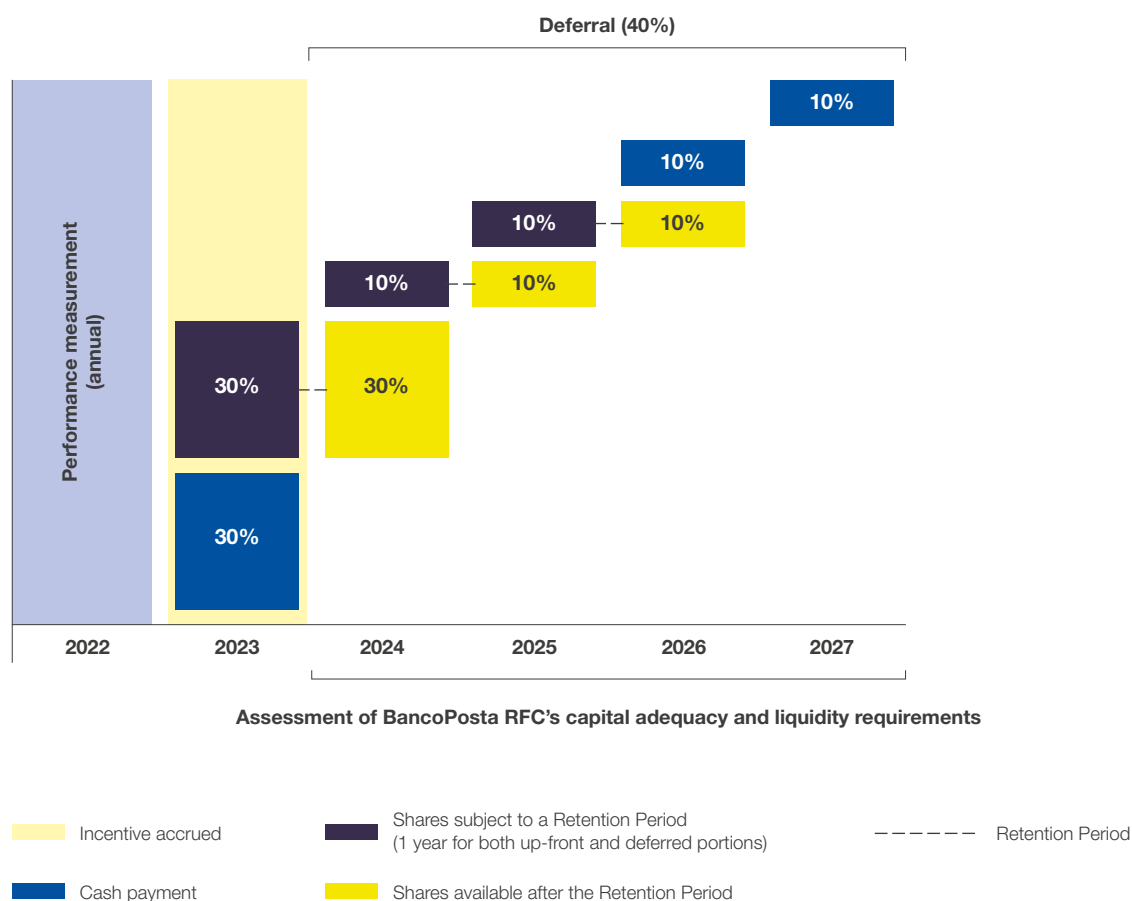


In the event of particularly high variable remuneration - as defined in this document²¹, namely over € 435,011 (including any medium/long-term incentives computed on a pro-rata basis) - the payout method is changed, with a deferred component of 60% and payments being structured in line with the approach applied to the CEO-GM and the Head of BancoPosta.

21. Ref. Paragraph 3.1.

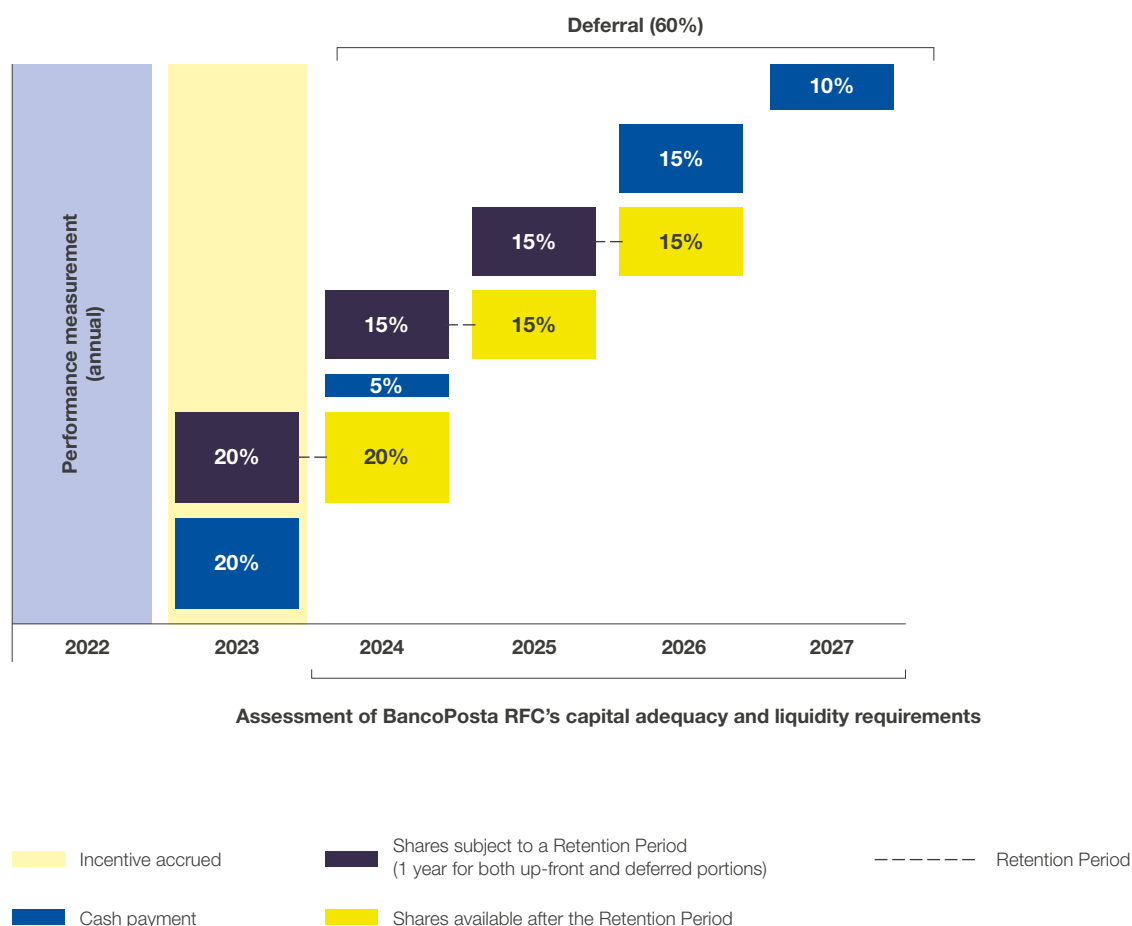
In the case of personnel identified as Material Risk Takers and not belonging to the Senior Management category, 60% of the vested bonus is paid up-front and 40% is deferred over 4 years; both the up-front payment and the deferred portion 50% of the vested bonus will be paid in cash and the remaining 50% in rights to receive Poste Italiane's ordinary shares, as follows and according to the following payout method:

Figure 21. METHOD OF PAYMENT UNDER “MBO” SCHEME FOR MRTS NOT BELONGING TO THE SENIOR MANAGEMENT CATEGORY (VARIABLE REMUNERATION BELOW THE AMOUNT CLASSIFIED AS STRUCTURALLY HIGH)



In the event of particularly high variable remuneration – as defined in this document, namely over €435,011 (including any medium/long-term incentives computed on a pro-rata basis) - 40% of the vested bonus is paid up-front and 60% is deferred over 4 years; both the up-front payment and the deferred portion 50% of the vested bonus will be paid in cash and the remaining 50% in rights to receive Poste Italiane's ordinary Shares, as follows and according to the following payout method:

Figure 22. METHOD OF PAYMENT UNDER “MBO” SCHEME FOR MRTS NOT BELONGING TO THE SENIOR MANAGEMENT CATEGORY (VARIABLE REMUNERATION ABOVE THE AMOUNT CLASSIFIED AS STRUCTURALLY HIGH)



The rights to receive Shares are subject to a one-year retention period for both the up-front and deferred portions (regardless of the payout method).

Payment of the deferred portion will take place each year, provided that payment of the deferred portion is sustainable in respect of BancoPosta RFC's financial position, without limiting its ability to maintain or achieve the risk tolerance level of capital and liquidity requirements in relation to the risks assumed.

The same conditions are necessary for the payment of portions subject to retention.

The deferral provisions and equity-based payments will not be applied for variable remuneration below €50,000 and that does not represent more than one-third of the total annual remuneration (also referred to as the “materiality threshold”). Below this threshold, the payout is entirely up-front in cash, based on the “immateriality” of efforts to align the payout with long-term risk that characterises deferred and/or equity-based payouts.

It should be noted that, in view of the use of Poste Italiane's ordinary shares, the Company will ask the General Meeting of Shareholders to be held on May 27, 2022 to approve the “Information Circular” prepared in accordance with art. 114-*bis* of the CLF.

Medium/long-term incentive schemes (LTIPs)²²

The medium/long-term incentive plans, set up in line with market practices, aim to link a portion of the variable component of remuneration to the achievement of earnings targets, structural cost savings, risk-adjusted earnings and the creation of sustainable value for shareholders.

The remaining Material Risk Takers are, as a rule, beneficiaries of the following medium/long-term variable incentive schemes:

- "Performance Share LTIP 2022-2024";
- "Deliver 2022 LTIP" approved in 2018.

These incentive schemes, unless otherwise stated below, are aligned, in terms of purpose, objectives and principal characteristics, with those described above in relation to the CEO-GM.

In line with the arrangement for the CEO-GM, the "Performance Share LTIP 2022-2024" results in the granting of rights to receive Shares to beneficiaries identified as Material Risk Takers at the end of the performance period. The maximum number of rights to receive Shares reflects the complexity and responsibilities involved in the beneficiary's role and their strategic importance.

For all beneficiaries identified as Material Risk Takers (including the Head of the BancoPosta function), the "Performance Share LTIP 2022-2024" has the same characteristics as apply to the CEO-GM (hurdle, qualifying conditions, performance targets and payout method). Please note that the deferral period is pro-rated over 5 years.

The long-term incentive scheme "Deliver 2022 LTIP" was approved in 2018. For further details, please refer to the Poste Italiane's 2018 Remuneration Report (including the BancoPosta Guidelines) available on the Company's website.

As is the case for the CEO-GM, the long-term variable component of the remuneration of the remaining Material Risk Takers continues to include the second cycle of the "Performance Share LTIP" awarded in 2020 and the "Performance Share LTIP 2021-2023" awarded in 2021.

4.4 Material Risk Takers belonging to company's control functions

The BancoPosta's control functions are Risk Management and Outsourcing Governance, Compliance and Internal Auditing.

The Material Risk Takers of company's control functions receive a fixed remuneration at a level appropriate to their significant responsibilities and the commitment associated with their role.

From 2021, following approval by the General Meeting of Shareholders of the "*Guidelines for BancoPosta RFC's remuneration and incentive policy for 2021*", Role Based Allowances of **€ 30,000 gross per annum** are granted exclusively to the Head of Risk Management and Outsourcing Governance, Head of Compliance and Head of Internal Auditing.

The **Role Based Allowances** have the objective of **ensuring**:

- **internal equity**, following the increase in the maximum weighting of variable remuneration on fixed remuneration for BancoPosta RFC's Material Risk Takers from 1:1 to 2:1, effective since 2021;
- **external competitiveness**, given the fact that they are widely spread among Poste Italiane's peer banks.

The Role Based Allowances are considered a fixed component of remuneration, exclusively linked to permanence in the specific role, in line with the reference regulatory provisions, since:

- they are based on pre-established criteria;
- they are not discretionary and reflect the level of professional experience and seniority of personnel;
- they are transparent as regards the individual amount granted to each member of personnel;

22. Personnel belonging to the Company's control functions (at the moment of assignment) are not included among the beneficiaries of the medium/long-term incentive plans.

- they are maintained for a period of time related to the specific organisational role and responsibilities;
- they may not be reduced, suspended or cancelled;
- they do not offer incentives for risk-taking;
- they do not depend on results.

Company's control functions are also beneficiaries of short-term incentive schemes that reflect the duties assigned, assigning them qualitative objectives that are not linked to the Company's and BancoPosta RFC's performances (except for application of hurdle and qualifying conditions); constant support in developing a strong, sustainable compliance and risk management culture and in delivering on projects in their areas of responsibility are the key objectives assigned to personnel belonging to the control functions within the scope of the short-term incentive plan ("MBO"). Below are some examples of targets assigned:

- methodological development activities for the measurement, assessment and control of risks;
- execution of intervention/verification programmes defined in relation to the results of inspections by supervisory authorities or internal audits;
- support for BancoPosta's project initiatives and the development of new sustainable business models (including from an ESG perspective);
- strengthening of control activities, development of related support tools and structuring/automation of reporting;
- upgrade of the internal regulatory and procedural framework both for BancoPosta and for the company's control functions.

Variable remuneration accounts for a lower proportion of total remuneration than the proportion generally applied in the case of Material Risk Takers; the variable component of the remuneration paid to personnel belonging to the Company's control functions may not, therefore, exceed one third of the fixed component.

For the Heads of BancoPosta RFC's control functions (Risk Management and Outsourcing Governance, Compliance, Internal Auditing and the managers directly reporting to them) the adjustment mechanisms deriving from redetermining the Bonus Pool do not apply.

Personnel belonging to the company's control functions do not, as a rule, participate in the "Performance Share LTIP". The need to ensure that the variable component of remuneration does not exceed one third of the fixed component represents a very tight restriction, given that these personnel are included among the beneficiaries of the short-term incentive plan ("MBO" STI).

4.5 Severance payments on termination of employment for the Material Risk Takers

In line with market practice, there are and it is possible to stipulate provisions/agreements that regulate *ex-ante* the economic aspects of early termination of office/employment, with the aim of avoiding the risk of current or future disputes, thus avoiding the risks inevitably connected to a court litigation that could potentially damage the Company's reputation and image, whilst also providing greater legal certainty.

The amount resulting from the implementation of these provisions/agreements is, in any event, capped at 24 months of gross global remuneration, calculated as indicated below, including an amount equivalent to the indemnity in lieu of notice, if any, as contractually established.

Without prejudice to the above cap of 24 months, in the case of Material Risk Takers, the above amount is determined on the basis of the following formula²³:

- 10 months if termination occurs during the first year as Material Risk Takers;
- 16 months if termination occurs during the second year as Material Risk Takers;
- 24 months if termination occurs during the third or a subsequent year as Material Risk Takers.

23. Subject to compliance with mandatory rules.

For the above purpose, conventionally defined gross global remuneration is calculated taking into account the latest amount of gross annual fixed pay, total gross annual short-term variable remuneration payable at target and the annual value of the medium/long-term variable remuneration, still at target. The above total gross amount determined shall replace any indemnity/indemnification provided under the National Collective Agreement in the event of dismissal, and shall be paid only upon signature of a settlement containing a full waiver in connection with the employment and the positions held, as part of an all-inclusive and final settlement.

The final amount payable shall take into account the risk-adjusted performance and the individual conduct, as described in the section on clawback provisions. In addition, this remuneration may be paid only upon the condition that BancoPosta RFC's minimum capital adequacy and liquidity requirements are satisfied.

The above payments shall not prejudice the further mandatory entitlements due in any case of termination in accordance with the law or the national collective agreement, including by way of example the so-called TFR.

In the event of termination due to dismissal, the legislation from time to time in effect and the National Collective Labour Agreement apply.

The Company does not, as a rule, enter into non-competition agreements. In the case of managers in key roles, whose termination may expose the Company to certain risks, the Company reserves the right to enter into, on a case-by-case basis, non-competition agreements that provide for payment of a sum in respect of the duration and scope of the restrictions resulting from the agreement.

Payments for non-competition agreements are capped at the gross annual salary fixed pay for each year covered by the agreement. Agreements generally have a duration of one year. Payment takes place in the form and within the limits established by related regulations.

Remuneration related to the early termination of employment, with the exclusion of any non-competition agreement remuneration (for the portion that, for each year of the duration of the agreement, does not exceed the last year of gross annual fixed remuneration) and/or contractually obligatory remuneration, are paid according to the procedures described below.

In the case of the Head of BancoPosta:

- 40% of any remuneration payable on termination of employment: 50% in cash and the remaining 50% in rights to receive Poste Italiane's ordinary shares, subject to a one-year retention period; this portion shall be subject to verification of BancoPosta RFC's minimum capital and liquidity requirements;
- 60% of any remuneration payable on termination of employment is to be deferred over a period of 5 years pro-rata; more than half of the deferred payment is made in rights to receive Poste Italiane's shares, in line with the scheme provided for the payment of the short-term incentive plan (MBO);
- payment of the deferred portions provided is subject to verification of BancoPosta RFC's capital and liquidity threshold requirements and, as regards the component in rights to receive shares, subject to a one-year retention period; the same parameters must be respected at the end of the retention period as well.

In the case of Material Risk Takers belonging to the Senior Management category:

- 60% of any remuneration payable on termination of employment: 50% in cash and the remaining 50% in rights to receive Poste Italiane's ordinary shares, subject to a one-year retention period; this portion shall be subject to verification of BancoPosta RFC's minimum capital and liquidity requirements;
- 40% of any remuneration payable on termination of employment is to be deferred over a period of 5 years pro-rata; more than half of the deferred payment is made in rights to receive Poste Italiane's shares, in line with the scheme provided for annual variable remuneration;
- payment of the deferred portions provided will take place, provided that BancoPosta RFC's capital and liquidity threshold requirements are complied with and, as regards the component in rights to receive shares, subject to a one-year retention period; the same parameters must be respected at the end of the retention period as well;
- if the total variable remuneration last received is above the level defined in this document as being "particularly high", the payout method is changed, using a structure in line with the one described above for the Head of BancoPosta.

In the case of Material Risk Takers not belonging to the Senior Management category:

- 60% of any remuneration payable on termination of employment: 50% in cash and the remaining 50% in rights to receive Poste Italiane's ordinary shares, subject to a one-year retention period; this portion shall be subject to verification of BancoPosta RFC's minimum capital and liquidity requirements;

- 40% of any remuneration payable on termination of employment is to be deferred over a period of 4 years pro-rata, with 50% paid in cash and the remaining 50% in rights to receive Poste Italiane's ordinary shares, in line with the scheme envisaged for the annual variable remuneration;
- payment of the deferred portions provided will take place, provided that the BancoPosta RFC's capital adequacy and liquidity threshold parameters have been complied with; the same parameters must be respected at the end of the retention period as well;
- if the total variable remuneration last received is above the level defined in this document as being "particularly high", the payout method is changed, with a deferred component of 60%, in line with the payment scheme provided for the short-term incentive plan (MBO).

It should be noted that, for all the above categories, a sum equivalent to any payment due in lieu of notice, as required by the National Collective Labour Agreement, will be deducted from the total amount and paid in accordance with the statutory requirements in force. In addition, the total amount payable is subject to *malus* and clawback provisions, applicable up to the entire amount paid within 5 years of payment of each incentive portion and, in any event, within the time limit set by the related statute of limitations, under the circumstances defined in the Guidelines for remuneration and incentive policies from time to time in effect.

In application of the Supervisory Standards relating to remuneration, regarding determination of severance payments linked to the early termination of employment of Material Risk Takers, any remuneration payable to an individual on termination of employment, as described above, is capped at €6.5 million, based on the highest level of the pay scale²⁴. This payment is calculated on the basis of the maximum pay for personnel falling within the scope of application of these Guidelines, applying the maximum amount due for all the possible components of remuneration payable in the event of early termination.

The process of determining the amounts payable on termination of employment is structured in such a way as to ensure the economic sustainability of a contemporaneous early termination of a number of individuals "in key roles".

The amount resulting from application of the above principles may lead to payments linked to the overall gross remuneration to the person concerned in proportion to the role held and the scope of the responsibilities assigned, reflecting the experience and skills required for each position, the individual's performance and the overall quality of their contribution to the Company's short and long-term performance.

Severance payments payable on early termination of the CEO-GM, the Head of the BancoPosta function and the Manager Responsible for Financial Reporting is reviewed by the Board of Directors, on the recommendation of the Remuneration Committee.

Severance payments to other Material Risk Takers on early termination of employment are reviewed by the CEO-GM and the Head of the BancoPosta function in accordance with the policies agreed with the Remuneration Committee.

Both the Board of Directors, on the one hand, and the CEO-GM, on the other, in agreement with the Head of the BancoPosta function, within the cap determined by the General Meeting of shareholders, evaluate the above in view of the individual's performance in the various roles held over time and having particular regard to the BancoPosta RFC's capital and liquidity position.

No amount is payable under one or more of the circumstances provided for in the clawback.

The above principles apply on termination of employment even if there have been no specific ex ante agreements.

24. The following example is described only to comply with the regulatory requirement by the "XXV revision of Bank of Italy Circular". The Circular requires a cap for severance payments, in terms of both the number of years of fixed remuneration payable and absolute amount. The number of years of fixed remuneration on which conventionally defined gross global remuneration is based may, in theory, in the event of recognition of the highest levels of variable remuneration possible, be about 5.2 years. For 2022, the value of the severance payment, thus determined, may not in any case exceed €6.5 million, as specified above.

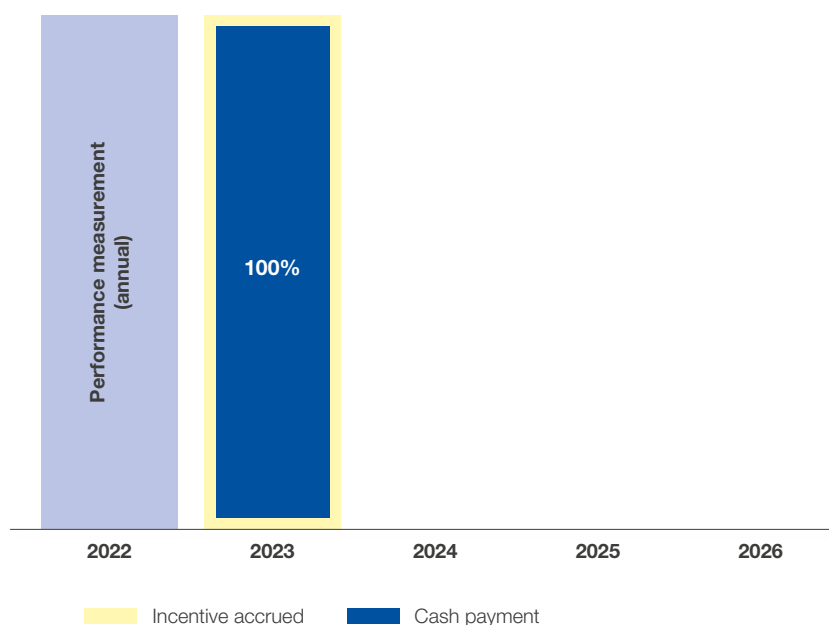
4.6 Remuneration of other BancoPosta personnel (non Material Risk Takers)

Other BancoPosta personnel (not identified as Material Risk Takers) receive fixed remuneration consisting of a cash component ("fixed pay") and an "in kind" component ("benefit").

In line with the Group's policies, variable remuneration for BancoPosta personnel not identified as Material Risk Takers is directly linked to Company and individual performance, taking into account the risks assumed in conducting operations (it may, therefore, be significantly reduced, potentially to zero). The following forms of variable pay can be used:

- short-term incentive plan ("MBO"): this is in line with certain characteristics of the plan for the Material Risk Takers described above, involving the same conditions of access (e.g. compliance with the RAF and individual conditions). There is no provision for the use of Shares and deferral arrangements for the payment of any accrued bonuses (as shown in the figure below);
- with reference to the performance-related bonus, the national collective labour agreement leaves matters relating to performance-related bonuses to be dealt with in supplementary agreements. The bonus is paid on the basis of the overall performance;
- other bonuses are determined within the scope of the Company's policies, in keeping with the budget and market practices, in order to ensure internal equity, the sustainability of costs and alignment with market benchmarks for remuneration. Such payments are intended to reward contributions based on individual performance and the conduct observed. They are included in the computation of overall variable pay;
- signing bonuses are allowed in exceptional circumstances, such a bonus may be payable to newly hired personnel in line with the provisions for Material Risk Takers;
- incentive schemes are defined for specific professional roles with intra-annual, annual and multi-annual objectives linked to individual or group performance; these are, in any event, subject to meeting capital adequacy and liquidity requirements.
- a medium-term variable incentive system is defined for "*professionals*"; these are non-managerial figures who, with their specialist skills, support the effective implementation of the Strategic Plan. The system provides for two-year targets linked to both economic and financial performance and ESG performance, subject in all cases to the fulfilment of capitalisation and liquidity requirements.

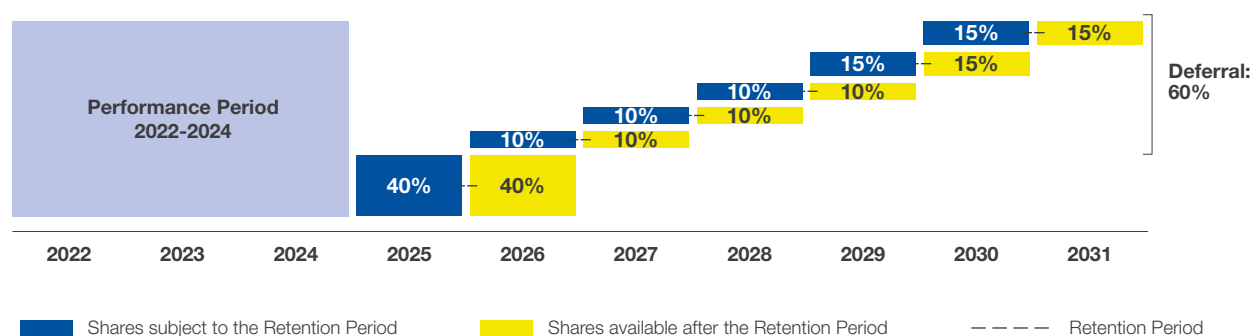
Figure 23. METHOD OF PAYMENT UNDER “MBO” SCHEME FOR OTHER BANCOPOSTA PERSONNEL (NON-MATERIAL RISK TAKERS)



A number of personnel not identified as Material Risk Takers may participate in the “Performance Share LTIP 2022-2024”.

For this category of beneficiary, the “Performance Share LTIP 2022-2024” includes the hurdle condition, qualifying conditions and performance targets in line with the earlier description provided in relation to the CEO-GM and beneficiaries identified as Material Risk Takers. In terms of the payout method for the shares, the “Performance Share LTIP” also follows the same structure, as shown below:

Figure 24. METHOD OF PAYMENT UNDER “PERFORMANCE SHARE LTIP 2022-2024” FOR BENEFICIARIES NOT IDENTIFIED AS MATERIAL RISK TAKERS



None of the Directors or Key Management Personnel are included in BancoPosta’s non-Material Risk Takers.

4.7 *Ex ante* and *ex post* adjustments (malus and clawback provisions)

Alignment with *ex ante* risk

In line with best market practices and applicable statutory requirements, variable remuneration is not guaranteed, but is subject to the achievement of predetermined performance targets linked to the BancoPosta RFC's risk profile, taking the form of hurdles, qualifying conditions, Bonus Pool and the objectives linked to the various incentive schemes.

Variable components may be guaranteed, in exceptional circumstances and provided that levels of capital adequacy and liquidity are in line with prudential requirements, when recruiting new personnel and only for the first year of employment. They are not payable more than once to the same person neither by BancoPosta nor by other companies of the Poste Italiane Group and are not subject to regulations on the structure of variable remuneration (deferral and/or equity-based). They are included in computation of the ratio of variable to fixed remuneration in the first year of employment, unless they are paid in a single tranche at the time of being hired. With the exception of the above circumstances, guaranteed bonuses are prohibited.

Remuneration designed to compensate new personnel from any reductions in or loss of pay (as a result of malus or clawback provisions) deriving from previous employment, unless it is guaranteed variable remuneration, is subject to the applicable regulations depending on whether or not the person is identified as a Material Risk Taker and as defined in these Guidelines (e.g. caps on pay, deferral and retention obligations, equity-based payments, malus and clawback provisions, etc.).

Alignment with *ex post* risk

There are a number of specific circumstances, described below, in which *ex post* risk adjustments to variable pay are applicable. Such provisions apply to the beneficiaries of both the short- and long-term incentive plans ("MBO" and "LTIP") and also, where applicable, to personnel not included among Material Risk Takers.

Claw back

In line with best market practices and applicable statutory requirements, variable remuneration is subject to clawback provisions on the occurrence of certain events.

The process of applying clawback provisions is carried out in accordance with the related internal procedure adopted by the Company and approved by the Board of Directors on March 18, 2019. This procedure involves the interdisciplinary participation of multiple functions with different skills involved in the various stages of the process, which are: activation, assessment, finalisation of the information report, closure of the procedure and mandatory requirements. The bodies or functions responsible for the decision to proceed with the clawback of all or a part of the variable pay already disbursed vary according to the profile of the individual involved in the procedure. Any decision regarding the CEO-GM or MRTs is taken by the Board of Directors on the recommendation of the Remuneration Committee.

Clawback provisions are applied also taking into account the related legal, social security and tax considerations. Such provisions apply to the beneficiaries of both short and long-term variable incentive plans.

Within 5 years of disbursement of each awardable incentive and, in any event, within the time limit set by the related statute of limitations, the Company may request the clawback of any amounts disbursed, up to the entire amount paid, without prejudice to the right to claim for any further damages, in the event of:

- conduct not in compliance with the law, regulations, or the By-laws, the Code of Ethics, the Organisational Model pursuant to Legislative Decree 231/01 and/or the Poste Italiane Group's Integrated Policy applicable to the Company, including BancoPosta RFC, or one of the Group companies, and that has resulted in significant losses for the Company, a Group company or for customers;
- further conduct not in compliance with the law, regulations, the By-laws, the Code of Ethics, the Organisational Model pursuant to Legislative Decree 231/01 and/or the Poste Italiane Group Integrated Policy applicable to the Company, including BancoPosta RFC, or to one of the Group companies, and that gave the Beneficiary an advantage in terms of the incentives due;

- violations of the obligations set out in article 26 or, where applicable, article 53, paragraphs 4 et seq. of the Consolidated Law on Banking or of the obligations in respect of remuneration and incentives;
- fraud or gross misconduct on the part of the beneficiary to the detriment of the Company, including BancoPosta RFC, or another Group company;
- payment of the Bonus on the basis of information that was subsequently revealed to be inaccurate and/or misleading.

Malus

Occurrence of one or more of the above circumstances also results in the application of malus provisions to any portions deferred yet to be paid and/or subject to retention periods of incentives. This applies to both cash payments and awards in shares.

Additional malus provisions resulting in the reduction of any deferred portion of incentives, potentially to zero, including the event of failure to comply with the risk tolerance levels for BancoPosta RFC's capital adequacy and liquidity determined in compliance with the BancoPosta RFC's Risk Appetite Framework ("RAF") from time to time in effect.

Other adjustment provisions

Occurrence of one or more of the above circumstances triggering the application of clawback provisions (by way of example, but not limited to, fraud or gross misconduct on the part of the beneficiary to the detriment of, the Company, including BancoPosta RFC, or another Group company, etc.), results in non-payment of the portions subject to retention periods.

As noted above, BancoPosta personnel identified as Material Risk Takers, in accordance with the Supervisory Standards issued by the Bank of Italy, are required not to take out personal insurance, income protection or any other form of cover that may modify or affect the impact of risk alignment in variable pay plans.

This is confirmed in specific agreements with BancoPosta personnel, under which they are required to give notice of the opening of custody accounts with other intermediaries, in addition to any financial investments in special rights, other than instruments traded on regulated markets, where the instruments directly or indirectly underlying the rights are Poste Italiane's shares.

In compliance with the applicable regulations, Poste Italiane also carries out sample checks on custody accounts held by BancoPosta's Material Risk Takers.

5. Remuneration policies and practices for personnel, not belonging to BancoPosta RFC, of the sales network for banking, financial and payment products²⁵ and tasked with customer service and complaint processing activities

BancoPosta, in performing the activity of placement of the banking, financial²⁶, insurance and payment products²⁷, as governed by the provisions of the Consolidated Law on Banking²⁸, the Provisions on Transparency²⁹, the Consolidated Law on Finance³⁰, and IVASS Regulations and Regulation 2088/2019, pays constant attention to transparency of the contractual conditions and fairness in the conduct of the sales network, not belonging to BancoPosta RFC, in order to oversee the legal and reputational risks connected to relations with customers, not only through organisational or procedural measures, but also by defining specific remuneration policies for the personnel charged with such tasks.

In particular, BancoPosta intends to satisfy customers' needs through governance and control of the entire product life cycle in the various phases of origination, distribution, monitoring and review.

With particular reference to the activities of sale and marketing of banking, financial, insurance and payment products, BancoPosta avails itself of Poste Italiane's functions of the commercial networks (called Post Office Network and Business and Public Administration) through the specific Operating Guideline³¹. To this end, BancoPosta verifies that the remuneration and incentive schemes for sales personnel (hereinafter "commercial remuneration and incentive schemes") are compliant with the following principles:

- defined in accordance with the company's objectives and values and with its long-term strategies;
- are inspired by criteria of diligence, transparency, fairness and quality in customer relations, the containment of legal and reputational risks, the protection and retention of customers, and compliance with any applicable self-disciplinary provisions;
- are not based solely on commercial objectives but also on qualitative criteria, and do not constitute an incentive to place products that are not appropriate to customers' needs, financial requirements and in ESG terms.

In particular, the persons to whom this guideline is addressed (hereinafter "significant persons") are identified as the personnel who offer products to customers by interacting with them, as well as those to whom they are hierarchically accountable.

The evaluation of remuneration and incentive schemes for sales staff falls within the remit of the "Interfunctional Financial and Insurance Services Committee" (within Poste Italiane), which is chaired by the Head of BancoPosta and involves, among others, participation by the Heads of the commercial networks. Within this Committee, after verification by BancoPosta's Compliance Function, the logics for defining commercial incentive schemes are assessed, monitoring objectives, the progress of activities carried out and the status of implementation of corrective measures identified as a result of any inefficiencies or non-conformities found.

In defining the commercial remuneration and incentive schemes, BancoPosta, in conjunction with the Post Office Network, Business and Public Administration, Human Resources and Organisation, Administration, Finance and Control function in Poste Italiane, ensures that:

25. Policy drawn up also pursuant to the Bank of Italy provision on "Transparency of transactions and banking and financial services and the fairness of relations between intermediaries and customers" of March 19, 2019.

26. The financial products include "financial instruments and any other form of investment of a financial nature" as defined in art. 1 paragraph 1 letter u) and the insurance investment products pursuant to art. 1 paragraph 1, letter w bis 3.

27. BancoPosta also operates as placement agent of PostePay SpA, electronic money institute of the Poste Italiane Group.

28. Legislative Decree no. 385 of September 1, 1993, "Consolidated Law on Banking", Title VI.

29. Measure of July 29, 2009 and subsequent amendments on Transparency of banking and financial transactions and services.

30. Legislative Decree no. 58 of February 24, 1998, Consolidated Law on Finance, Title II.

31. Operating Guideline "Sales Networks valid from January 1, 2021 to December 31, 2022.

- the remuneration does not entail incentives that induce personnel of the sales network to pursue their own interests or those of the intermediary to the detriment of customers;
- any risk that could damage customers is taken into account, adopting the appropriate governance measures;
- the variable remuneration component:
 - is anchored to quantitative and qualitative criteria³²;
 - does not constitute an incentive to offer a specific product, or a specific category or combination of products, when this could result in damage to the customer;
 - is adequately balanced with respect to the fixed remuneration component;
 - is subject to adjustment mechanisms such as to allow a significant reduction (potentially to zero).

BancoPosta also ensures that an appropriate procedure is adopted with regard to the commercial incentive scheme, aimed at regulating, among other things, the manner in which the policies are implemented, with particular regard to application of the criteria for determining the variable component, where envisaged, as well as the mechanisms for clear and preventive communication to the relevant parties who are receivers of the remuneration policies. In this regard, BancoPosta ensures that the persons to whom such incentive mechanisms are intended are duly informed prior to the commencement of commercial actions by them; in any event, remuneration and incentive policies are always easily accessible and consultable.

The perimeter of parties to which the aforementioned remuneration policies and practices apply consists, at 31/03/2022, of 50,918 resources belonging to the following structures and commercial positions of the Post Office Network function and the Business and Public Administration function in Poste Italiane:

32. In particular, variable remuneration is not only based on the achievement of quantitative targets linked to product sales, but also takes into account other criteria (e.g. customer loyalty and satisfaction).

Figure 25. STRUCTURES AND SALES POSITIONS OF THE POST OFFICE NETWORK FUNCTION AND THE BUSINESS AND PUBLIC ADMINISTRATION FUNCTION IN POSTE ITALIANE

Structure		Sales professionals
Post office network	Post Office	Post Office Director
		Specialist Financial Consultant
		Counter Operator
		Hospitality Operator
		Post Office Specialist
		Post Office Collaborator, Double Shift
		Corner Operator
		PO Management Specialist
	Branch	Branch Sales Manager
		Area Sales Representative
		Specialist Mobile Consultant
		Premium Consultant Specialist
	Macro Area	Front End Product Specialist
		Territorial Sales Coordinator
		Protection Products Specialist
		Lending Products Specialist
		Premium Specialist
		Front End Product Specialist
		Head of Business Sales Representatives
		Small Business Specialists
Business and Public Administration	Financial and Insurance Sales Representative	Head of Sales Specialists
		Sales Specialist
		Account Specialist
		Junior Sales Representative
	Partner and Remote Sales Channels Representative	Financial Remote Sales Operators
		Tutor

Lastly, with regard to the activities to support customers and process complaints with the contribution of the Digital, Technology and Operations function in Poste Italiane through the specific Operating Guideline³³, BancoPosta ensures that the remuneration and incentive schemes for personnel in charge of processing complaints, where existent, envisages indicators that also take into account the results achieved in claims management and the quality of customer relations³⁴.

33. Operating Guideline "Digital, Technology and Operations-Operations (Back Office and Customer Care)" valid from January 1, 2021 to December 31, 2022.

34. Procedure for Poste Italiane Group's "MBO" short-term variable incentive scheme.

6. Implementation of the remuneration and incentive policy for 2021

Provided below is the description of methods with which the provisions of the “*Guidelines for BancoPosta RFC’s remuneration and incentive policy for 2021*” were implemented during the course of the same year. In particular, the decision-making process involving the various corporate functions and bodies is described, to define the remuneration paid in 2021 to the Chairwoman and to the members of the supervisory board, the Chief Executive Officer and General Manager, the company’s control functions and the remaining Material Risk Takers (the variable pay shown in the tables is based on an estimate of the amount payable at the time of preparing this document, pending approval of the Company’s financial statements by the General Meeting of shareholders). In addition, qualitative and quantitative disclosures of the remuneration paid to Material Risk Takers falling within the scope of application of BancoPosta RFC’s remuneration and incentive policies are provided.

6.1 Governance of the remuneration process

The “*Guidelines for BancoPosta RFC’s remuneration and incentive policy for 2021*” were defined at the Board of Directors’ meeting of April 15, 2021, in consultation with the Remuneration Committee and with the Control and Risk Committee, and approved by the General Meeting of shareholders on May 28, 2021.

The Guidelines are available on the Company’s website at www.posteitaliane.it (in the section, Governance – Remuneration). Assessments of the implementing methods of remuneration and incentive policies and practices for BancoPosta RFC personnel in 2021 have revealed a general level of adequacy.

The Compliance and Risk Management and Outsourcing Governance functions conducted a prior assessment of the “*Guidelines for BancoPosta RFC’s remuneration and incentive policy for 2021*”, respectively confirming their compliance with internal and external regulations and risk policies.

In particular, the Compliance function conducted the appropriate checks to ensure the consistency and suitability of the “*Guidelines for BancoPosta RFC’s remuneration and incentive policy for 2021*” and of the objectives assigned in respect of the relevant regulations and the BancoPosta RFC’s Regulation.

With the support of BancoPosta’s Administration, Planning and Control, the Risk Management and Outsourcing Governance function contributed to determining the risk-adjusted financial indicators to which the incentive schemes were linked, in line with BancoPosta RFC’s capital and liquidity position, the risks assumed as part of its operations and the resulting levels of performance achieved. Therefore, in order to provide the Remuneration Committee with the information necessary for consistency with the BancoPosta RFC’s Risk Appetite Framework (RAF), the Head of the Risk Management and Outsourcing Governance function was invited to Remuneration Committee meetings when matters having an impact on BancoPosta RFC’s risk management and capital and liquidity position were discussed.

The Compliance and Risk Management and Outsourcing Governance functions also contributed, insofar as they are responsible, to the process of identifying Material Risk Takers, coordinated by the HR Business Partner in support of the Head of the BancoPosta function. In December 2021, the list of Material Risk Takers was defined and included 40 resources. The total number of MRTs, compared to December 2020, decreased by 7. The change in the scope is essentially due to:

- the change in the applicable regulatory framework: the method previously applied provided for identification also on the basis of indirect criteria, through the use of an internal methodology. The current regulatory framework makes the direct identification of MRTs possible, mainly through the definition of managerial responsibility, which focuses the identification of Risk Takers in the top management of the organisation;
- changes in the organisational structure of specific functions within the BancoPosta scope.

The Internal Auditing function also assessed the conformity of remuneration practices with BancoPosta’s policies and the relevant regulatory requirements.

6.2 *Ex post* disclosures

In accordance with the disclosure requirements regarding the application methods for the “Guidelines for BancoPosta RFC's remuneration and incentive policy for 2021” and the remuneration figures pursuant to the “XXV revision of Bank of Italy Circular” and art. 450 of Regulation 575 of June 26, 2013 (CRR, as integrated by Implementing Regulation (EU) no. 637 adopted on March 15, 2021), key data regarding the incentive schemes implemented in 2021 and the relevant tables on qualitative and quantitative disclosures are provided below.

In particular, in accordance with the guidelines, the variable remuneration schemes implemented were as follows:

- short-term incentive plan (“MBO”): the plan for 2021 was implemented in line with the stricter requirements for Material Risk Takers, involving conditions of access for all participants (performance gates, compliance with the RAF, risk-adjusted earnings and individual qualifying conditions), in keeping with the terms and conditions set out in the Information Circular approved by the General Meeting of shareholders held on May 28, 2021.
- “Performance Share LTIP 2021-2023”, based on the terms and conditions set out in the Information Circular approved by the General Meeting of Shareholders held on May 28, 2021;
- Five-year “Deliver 2022 LTIP”, approved in 2018 in line with what is outlined in the 2018 Guidelines.

In addition, the following were paid in 2021:

- performance-related bonus: the National Collective Labour Agreement leaves matters relating to performance-related bonuses to be dealt with in supplementary agreements. The company bonus is linked to objectives for increases in company productivity, quality and profitability;
- one-off bonuses: these are determined, within the scope of the Company's remuneration policies, in keeping with the budget and market practices, in order to ensure internal equity, sustainability of costs and alignment with market benchmarks for remuneration. Such payments are intended to reward contributions based on individual performance and the conduct observed. They are included in the computation of overall variable pay and are made following confirmation of compliance with the RAF in terms of the total amount paid. Specifically, the total one-off bonus recognised in 2021 was €141,400 and involved 47 resources (average per capita amount of approximately €3,000 gross);
- signing bonus: in exceptional circumstances, such a bonus may be payable to newly hired personnel (for 2021, personnel classified as Risk Takers did not receive a signing bonus);
- a medium-term variable incentive system, dedicated to “*professionals*”; these are non-managerial figures (belonging to the other BancoPosta personnel - non Material Risk Takers) who, with their specialist skills, support the effective implementation of the Strategic Plan. The system provides for two-year targets linked to both economic and financial performance and ESG performance, subject in all cases to the fulfilment of capitalisation and liquidity requirements.

It is recalled that the CEO-GM and Key Management Personnel of BancoPosta RFC are not included among the beneficiaries of the performance-related bonus and one-off bonuses.

Focus on the assessment process for variable incentive schemes

The following pages describe the assessment for the incentive schemes for which the performance period ended in 2021 (MBO short-term incentive scheme for 2021 and first cycle 2019-2021 of the Performance Share LTIP). In addition, reference should be made to the systems for which the portions subject to deferral/retention accrued during 2021 in compliance with the terms set.

“MBO” short-term incentive scheme for 2021

In terms of the “MBO” short-term variable incentive scheme for the 2021 performance period, the level of achievement of the hurdle condition and qualifying conditions of access to the scheme is shown below, in relation to BancoPosta RFC. Note that these were exceeded and the related incentives were thus implemented.

Figure 26. HURDLE CONDITION AND QUALIFYING CONDITIONS FOR THE “MBO” SCHEME IN 2021

Conditions (ON/OFF)	Hurdle value	Final value
Group EBIT (€ bn)	1.7 (Budget)	Achieved
BP RFC's capital adequacy CET 1	15%	Achieved
BP RFC's short-term liquidity LCR	330%	Achieved
Poste Vita Insurance Group's Solvency Ratio Solvency Ratio	130%	Achieved

Values rounded to the first decimal place.

The following table shows, for the CEO-GM, the level of achievement of each performance target assigned with regard to the MBO short-term incentive scheme for 2021.

Figure 27. ASSESSMENT OF “MBO” OBJECTIVES FOR THE CEO-GM IN 2021

Objectives	Weight	Minimum	Target	Maximum	Final value
Group EBIT (€ bn)	25%	1.7 (Budget)	Budget +4%	Budget +8%	1.9 (maximum)
Group operating expenses (€ bn)	15%	8.5 (Budget -0.5%)	Budget -1%	Budget -2%	8.3 (maximum)
BancoPosta's RORAC	20%	28.3%	+450 bps	+1,070 bps	35.2% (between target and maximum)
Health and Safety	15%	70	100	140	Reduction of Injuries >2% and Certifications (maximum)
Reduction in total Group emissions (tCO₂e)	15%	-3%	-4%	-5%	-5% (maximum)
MPD Quality	10%	8	10	12	9 (between minimum and target)

Values rounded to the first decimal place.

More details with reference to the 2021 MBO scheme for the CEO-GM are provided in Poste Italiane's Report on amounts paid in 2021.

With regard to the remaining *MRTs*, the *bonus pool* (structured on the basis of a prudential adjustment with reference to the RORAC) stood at 100% (the assessed value of the RORAC is the same as that of the CEO-GM), making it possible to confirm the value of the incentive accrued. It should be noted that individual objectives linked to the role held are also envisaged in addition to the indicator normally common to all of the BancoPosta RORAC (with a weighting of between 35% and 50%).

Lastly, note that the performance targets for beneficiaries of the company's control functions are consistent with the assigned duties and provide for the assignment of qualitative indicators that are independent from the results achieved by the Company and by BancoPosta RFC.

“Performance Share LTIP”

The hurdle condition and qualifying conditions for BancoPosta RFC's beneficiaries under the first cycle (2019-2021) of the “Performance Share LTIP” were also all met, as the following table shows:

Figure 28. HURDLE CONDITIONS AND QUALIFYING CONDITIONS FOR THE FIRST CYCLE (2019-2021) OF THE “PERFORMANCE SHARE LTIP”

Hurdle	Hurdle value	Final value
Group cumulative three-year EBIT * (€ bn)	4.9	Achieved

Qualifying conditions	Hurdle value	Final value
BancoPosta's capital adequacy: CET 1	15%	Achieved
BancoPosta's short-term liquidity: LCR	330%	Achieved
BancoPosta risk-adjusted earnings: RORAC	19%	Achieved

* Values rounded to the first decimal place.

Satisfaction of the related conditions activated the plan. The performance targets were also met, as shown below:

Figure 29. ASSESSMENT OF THE PERFORMANCE TARGETS FOR THE FIRST CYCLE (2019-2021) OF THE “PERFORMANCE SHARE LTIP” AWARDED IN 2019

First Objective	Weight	Minimum	Target	Maximum	Final value
Group cumulative three-year EBIT (€ bn)	60%	4.9 (<i>Budget</i>)	<i>Budget</i> +2%	<i>Budget</i> +4%	5.7 (maximum)

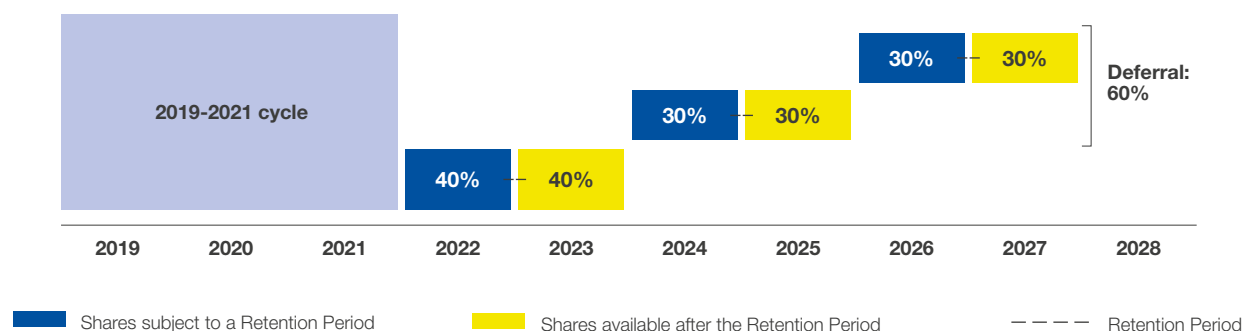
Second Objective	Weight	Minimum	Target	Maximum	Final value
Relative Total Shareholder Return (rTSR) (TSR Poste Italiane vs FTSE MIB)	40%	TSR PI = TSR FTSE MIB	TSR PI +5% vs TSR FTSE MIB	TSR PI +15% vs TSR FTSE MIB	+46.7% (maximum)

TSR Poste Italiane (01/01/2019 – 31/12/2021) +93.9%; TSR FTSE MIB index (01/01/2019 – 31/12/2021) +64.0%.

It should be noted that the hurdle condition, the qualifying conditions and the performance targets for beneficiaries of BancoPosta RFC are the same as those for the CEO-GM; more details on the assessment of the latter are provided in Poste Italiane's Report on amounts paid in 2021.

The rights to receive Poste Italiane ordinary Shares deriving from the assessment of the Plan shall be recognised in accordance with the procedures set out below:

Figure 30. PAYMENT METHODS FIRST CYCLE (2019-2021) “PERFORMANCE SHARE LTIP”



Both the up-front and deferred portions are subject to a one-year retention period. At the end of the retention period for the up-front portion, the shares vested will be available provided that the risk appetite levels for BancoPosta RFC's capital adequacy, liquidity and risk-adjusted earnings have been met. At the end of the deferral period and the retention periods for the deferred portions, compliance with the risk tolerance levels for BancoPosta RFC's capital adequacy, liquidity and risk-adjusted earnings will be verified.

“Phantom Stock LTIP” and “Three-year Deliver LTIP”

Note that the phantom stocks connected to the third cycle (2018-2020) of the “Phantom Stock LTIP” and of the “Three-year Deliver LTIP” (up-front portion), assessed in 2021, have reached the end of the retention period; the cash value was defined based on the arithmetic mean of Share prices recorded during the thirty stock exchange trading days prior to April 13, 2022, date of the Board of Directors meeting that verified satisfaction of BancoPosta RFC's capital and liquidity requirements.

For the CEO-GM, the number of Phantom Stocks related with “Phantom Stock LTIP” third cycle 2018-2020 is 60,645. CEO-GM is not a beneficiary of the “Three-year Deliver LTIP”.

Public Disclosure - Tables prepared pursuant to Article 450 of Regulation No. 575 of June 26, 2013 (CRR)³⁵ and EU Implementing Regulation No. 637 of March 15, 2021

Table EU REMA: REMUNERATION POLICY

Institutions shall describe the main elements of their remuneration policies and how they implement these policies. In particular, the following elements, where relevant, shall be described.

Qualitative disclosure

a)	<p>Information relating to the bodies that oversee remuneration. Disclosures shall include:</p> <ul style="list-style-type: none"> name, composition and mandate of the main body (management body or remuneration committee as applicable) overseeing the remuneration policy and the number of meetings held by that main body during the financial year. <p>The Board of Directors is made up of 7 non-executive directors, who are also members of the five Board Committees, plus the Chairwoman (non-executive and independent) and the Chief Executive Officer, for a total of 9 members (5 of the 7 non-executive directors meet the independence requirements set out in article 2, recommendation 7 of the Corporate Governance Code, as well as the independence requirements set out in article 148, paragraph 3, of the CLF).</p> <p>The Remuneration Committee is made up of 3 non-executive members, the majority of whom (including the Chair) meet independence requirements. During 2021, the Remuneration Committee met 7 times, with an average meeting duration of about 1 hour.</p> <p>Please note that this mandate will expire with the approval of the 2022 financial statements.</p> <p>For further details, see the section "Governance of remuneration and incentive policies" contained in the "Report on the 2022 remuneration policy of Poste Italiane SpA"</p> external consultants whose advice has been sought, the body by which they were commissioned, and in which areas of the remuneration framework. <p>In preparing the Report on the remuneration policy of Poste Italiane SpA and the Guidelines for BancoPosta RFC's remuneration and incentive policy, Poste Italiane was supported by the consulting firm WTW.</p>
	<ul style="list-style-type: none"> a description of the scope of the institution's remuneration policy (eg by regions, business lines), including the extent to which it is applicable to subsidiaries and branches located in third countries. <p>In view of the particular nature of BancoPosta RFC and its relations with Poste Italiane functions, the remuneration and incentive policies described in this document apply to the following entities, insofar as their activities relate to BancoPosta RFC:</p> <ul style="list-style-type: none"> Poste Italiane's Board of Directors (the Chairwoman, the Chief Executive Officer and General Manager, other Directors); Poste Italiane's Board of Statutory Auditors; Poste Italiane's Manager Responsible for Financial Reporting; Head of the BancoPosta function; BancoPosta RFC's internal control function personnel; other Material Risk Takers; other BancoPosta personnel not identified as Material Risk Takers.
	<ul style="list-style-type: none"> a description of the staff or categories of staff whose professional activities have a material impact on institutions' risk profile; <p>The process of identifying Material Risk Takers is based on an exact assessment of the position held by each individual within the organisation, used to assess the importance of each person in terms of the assumption of risk.</p> <p>The identification is conducted according to the regulatory standards set out in the European Commission Delegated Regulation (EU) 2021/923 of March 25, 2021, published in the EU Official Journal on June 9, 2021.</p> <p>For more details see the section "Identification of Material Risk Takers" in this document.</p>

35. The variable pay shown in the tables is based on an estimate of the amount payable at the time of preparing this document, whilst awaiting approval of the Company's financial statements by the General Meeting of shareholders.

Information relating to the design and structure of the remuneration system for identified staff. Disclosures shall include:

• **an overview of the key features and objectives of remuneration policy, and information about the decision-making process used for determining the remuneration policy and the role of the relevant stakeholders.**

The Guidelines for BancoPosta RFC's remuneration and incentive policy are aimed at the generation of sustainable value over the long term. In particular, total remuneration is determined in order to reflect the effective degree of responsibility and performance, in the certainty that correct remuneration and incentive policies have a positive impact on the conduct of personnel and align individual goals with strategic and risk management objectives.

On an annual basis, the Guidelines for BancoPosta RFC's remuneration and incentive policy are submitted by the Board of Directors, on the proposal of the Remuneration Committee and in consultation with the Control and Risk Committee, to the General Meeting of Shareholders for approval. The annual revision process involves the participation of the various internal company functions according to their respective areas of competence.

For more details, see the sections "*Elements of the remuneration and incentive policy*" and "*Implementation and oversight of remuneration and incentive policies*" in this document.

• **information on the criteria used for performance measurement and ex ante and ex post risk adjustment.**

Variable remuneration may be awarded or paid provided that capital and liquidity levels are at least equal to regulatory limits, taking also into account the total cost of variable remuneration. The variable component in favour of the Material Risk Takers complies with the following characteristics:

- it is determined using performance indicators measured taking into account the level of risk assumed and is in keeping with the Risk Appetite Framework and with the risk governance and management policies adopted;
- it is subject to ex-post risk adjustments (malus and clawback provisions), that, based on individual performance or conduct, may result in a significant reduction in the amount payable as variable remuneration, potentially to zero, or the return of any amount already paid.

For more details, see the sections "*Elements of the remuneration and incentive policy*" and "*Ex-ante and ex-post adjustment mechanisms (malus and claw back clauses)*" in this document.

• **whether the management body or the remuneration committee where established reviewed the institution's remuneration policy during the past year, and if so, an overview of any changes that were made, the reasons for those changes and their impact on remuneration.**

On an annual basis, the Guidelines for BancoPosta RFC's remuneration and incentive policy are submitted by the Board of Directors, on the proposal of the Remuneration Committee and in consultation with the Control and Risk Committee, to the General Meeting of Shareholders for approval.

The 2022 Guidelines provide for a remuneration and incentive policy in continuity with 2021. The main changes introduced for 2022 concern i) the introduction of the Performance Share LTIP 2022-2024 which provides, compared to the 2021-2023 LTIP, for a KPI linked to increasing the presence of women in managerial succession plans, aimed at increasing the presence of women in positions of greater responsibility in the Group, also in support of the gender neutrality of remuneration policies; ii) updating the criteria for identifying Material Risk Takers in line with the evolution of the reference legislation; iii) updating the limit value for considering the amount of variable remuneration as "particularly high" (the new value amounts to € 435,011); iv) the implementation of the new disclosure schedules pursuant to article 450 of Regulation no. 575 of June 26, 2013 - the so-called or CRR (integrated by Implementing Regulation (EU) no. 637 adopted on March 15, 2021).

• **information of how the institution ensures that staff in internal control functions are remunerated independently of the businesses they oversee.**

The Material Risk Takers of company's control functions receive a fixed remuneration at a level appropriate to their significant responsibilities and the commitment associated with their role. From 2021, Role Based Allowances are granted exclusively to the Head of Risk Management and Outsourcing Governance, Head of Compliance and Head of Internal Auditing. Short-term incentive mechanisms are envisaged that are consistent with the tasks assigned, assigning qualitative objectives that are independent of the results achieved by the Company and BancoPosta RFC. The variable component of the remuneration paid may not exceed one third of the fixed component.

For further details, see the section "*Material Risk Takers belonging to Company's control functions*" in this document.

b)

	<p>• policies and criteria applied for the award of guaranteed variable remuneration and severance payments.</p> <p>Signing bonuses are payable, in exceptional circumstances, to newly hired personnel in line with best market practices; the bonus is not payable more than once to the same person either by BancoPosta or by another Poste Italiane Group company and are not subject to regulations on the structure of variable remuneration. Signing bonuses are included in computation of the ratio of variable to fixed remuneration in the first year of employment, unless they are paid in a single tranche at the time of being hired. With the exception of the above circumstances, guaranteed bonuses are prohibited.</p> <p>One-off bonuses are permitted in exceptional cases and limited solely to specific situations, such as the management of major projects, the achievement of extraordinary results or the need to retain key people. No such payments are made to Directors or Key Management Personnel. The assignment of this remuneration complies with the statutory requirements in effect (for example, but not limited to, the ratio of variable to fixed remuneration and eligibility criteria) and the "Guidelines for BancoPosta RFC's remuneration and incentive policy for 2022".</p> <p>As provided for by the supervisory regulations, the General Meeting of Shareholders approves the criteria for determining the remuneration to be granted in the event of early termination of employment or termination of office, including the limits set for said remuneration in terms of the number of years of fixed remuneration as well as in absolute value resulting from the application of said criteria.</p> <p>For more details, see the sections "<i>Elements of the remuneration and incentive policy</i>" and "<i>Severance payments on termination of employment for the Material Risk Takers</i>" in this document.</p>
c)	<p>Description of the ways in which current and future risks are taken into account in the remuneration processes. Disclosures shall include an overview of the key risks, their measurement and how these measures affect remuneration.</p> <p>The determination of variable remuneration and the correlation between risk and performance is achieved through a process that aims to remunerate resources on the basis of risk-adjusted performance, in accordance with the risk profile of BancoPosta RFC with a view to business continuity and sustainability of results in the long term.</p> <p>Activation of the short-term variable incentive scheme ("MBO" STI) is subject, among other things, to achievement of the risk tolerance levels of capital (CET1) and liquidity (LCR) requirements envisaged within the framework for determining the risk appetite of BancoPosta RFC ("RAF"). A structured bonus pool mechanism is also envisaged on the basis of an adjustment defined from a prudential perspective with reference to BancoPosta's RORAC, establishing a direct link with the RAF.</p> <p>The activation of medium/long-term incentive schemes is also linked, among other things, to the achievement of specific levels of capital (CET1), liquidity (LCR) and risk-adjusted earnings (RORAC) requirements for BancoPosta RFC.</p> <p>For more details see the section "<i>Material Risk Takers</i>" in this document.</p>
d)	<p>The ratios between fixed and variable remuneration set in accordance with point (g) of Article 94(1) CRD.</p> <p>The General Meeting of Shareholders held on May 28, 2021 approved the proposal to increase the maximum incidence of variable remuneration on fixed remuneration from 1:1 up to 2:1 for BancoPosta RFC's Material Risk Takers. The variable component of the remuneration paid to personnel belonging to the Company's control functions may not exceed one third of the fixed component.</p> <p>For more details, see the section "<i>Elements of the remuneration and incentive policy</i>" in this document.</p>

Description of the ways in which the institution seeks to link performance during a performance measurement period with levels of remuneration. Disclosures shall include:

• **an overview of main performance criteria and metrics for institution, business lines and individuals.**

The activation of the short-term variable incentive scheme ("MBO" STI) is subject to specific conditions (see point "c"); examples of performance indicators for the Material Risk Takers are:

- BancoPosta's RORAC;
- BancoPosta's Customer Experience;
- Business projects.

As regards medium- to long-term incentive schemes, in addition to the conditions of access mentioned above, the performance targets are the same for all beneficiaries.

For more details, see the sections on "*Chief Executive Officer and General Manager*" and "*Material Risk Takers*" in this document.

e)

• **an overview of how amounts of individual variable remuneration are linked to institution-wide and individual performance.**

Individual variable remuneration is mainly linked to the performance of BancoPosta RFC and Poste Italiane Group. With particular reference to the MBO scheme, the individual bonus accrued may increase up to a maximum level defined for excellent performance and may also be reduced to zero in relation to the degree of adequacy of individual performance as a whole, as measured in the annual performance evaluation system.

As far as medium- to long-term incentive schemes are concerned, performance targets are the same for all beneficiaries and are linked to Group performance.

For more details see the section "*Material Risk Takers*" in this document

• **information on the criteria used to determine the balance between different types of instruments awarded including shares, equivalent ownership interest, options and other instruments.**

A significant part of the variable remuneration, measured on an annual and multi-year basis, is deferred and recognized in rights to receive ordinary Shares of Poste Italiane.

For more details see the section "*Material Risk Takers*" in this document.

• **information of the measures the institution will implement to adjust variable remuneration in the event that performance metrics are weak, including the institution's criteria for determining "weak" performance metrics.**

If the parameters for the activation of the system are not reached (see letter "C"), the variable components will not be recognised.

	<p>Description of the ways in which the institution seeks to adjust remuneration to take account of longterm performance. Disclosures shall include:</p> <ul style="list-style-type: none"> • an overview of the institution's policy on deferral, payout in instrument, retention periods and vesting of variable remuneration including where it is different among staff or categories of staff. <p>For Material Risk Takers, a significant portion of the MBO scheme is deferred and recognised in rights to receive Poste Italiane ordinary Shares. Payment is made by means of annual pro-rata payments, depending jointly on the role held and the amount of variable remuneration awarded.</p> <p>For the CEO-GM, the Head of BancoPosta and Risk Takers belonging to Senior Management with particularly high variable remuneration, 60% of the incentive is deferred over a 5-year period (pro-rata); 45% is paid in cash and 55% in the form of rights to receive Poste Italiane ordinary Shares.</p> <p>The Performance Share LTIP 2022-2024 is entirely based on rights to receive Poste Italiane ordinary Shares at the end of the three-year performance period. Rights to receive shares are granted as follows:</p> <ul style="list-style-type: none"> • 40% (the up-front portion), at the end of the performance period; • 60%, in five deferred annual instalments over a five-year period (the first three equal to 10% of the total rights accrued and the next two equal to 15% of the total rights accrued). <p>For more details see the section "<i>Material Risk Takers</i>" in this document.</p>
f)	<ul style="list-style-type: none"> • information of the institution' criteria for ex post adjustments (malus during deferral and clawback after vesting, if permitted by national law). <p>For the MBO scheme, payment of the deferred portion will take place each year, provided that the risk tolerance levels for BancoPosta RFC's capital adequacy and liquidity have been complied with. The same risk tolerance levels must also be complied with at the end of the Retention Period.</p> <p>For the Performance Share LTIP 2022-2024, the attribution of deferred Shares will take place after verifying the existence of risk tolerance levels of capitalisation, liquidity and risk-adjusted earnings appropriate to the risks assumed. It should also be noted that:</p> <ul style="list-style-type: none"> • at the end of the Retention Period for the up-front portion, compliance with the risk appetite level for BancoPosta RFC's capital adequacy, liquidity and risk-adjusted earnings must be confirmed; • at the end of the Retention Period for the deferred Shares, compliance with the risk tolerance level for BancoPosta RFC's capital adequacy, liquidity and risk-adjusted earnings must be confirmed. <p>Within 5 years of disbursement of each awardable incentive and, in any event, within the time limit set by the related statute of limitations, the Company may request the clawback of any amounts disbursed, up to the entire amount paid, without prejudice to the right to claim for any further damages.</p> <p>For more details, see the sections "<i>Material Risk Takers</i>" and "<i>Ex ante and ex post adjustments (malus and clawback provisions)</i>" in this document.</p>
	<ul style="list-style-type: none"> • where applicable, shareholding requirements that may be imposed on identified staff. <p>The CEO-GM and Key Management Personnel are beneficiaries of the Poste Italiane's Share Ownership Guidelines.</p> <p>For further details, see the paragraph "<i>Share Ownership Guidelines (SOGs)</i>" contained in the "<i>Report on the 2022 remuneration policy of Poste Italiane SpA</i>".</p>
	<p>The description of the main parameters and rationale for any variable components scheme and any other non-cash benefit in accordance with point (f) of Article 450(1) CRR. Disclosures shall include:</p>
g)	<ul style="list-style-type: none"> • information on the specific performance indicators used to determine the variable components of remuneration and the criteria used to determine the balance between different types of instruments awarded, including shares, equivalent ownership interests, share-linked instruments, equivalent non cash-instruments, options and other instruments. <p>The criteria for activating the variable incentive schemes, the performance targets and the methods for paying the bonuses are described in the paragraphs "<i>Chief Executive Officer and General Manager</i>", "<i>Material Risk Takers</i>" and "<i>Material Risk Takers belonging to Company's control functions</i>" in this document.</p>
h)	<p>Upon demand from the relevant Member State or competent authority, the total remuneration for each member of the management body or senior management.</p> <p>See Poste Italiane SpA's "<i>Report on amounts paid in 2021</i>" and the section "<i>Ex post disclosures - Aggregate quantitative disclosure</i>" in this document.</p>

<p>i)</p>	<p>Information on whether the institution benefits from a derogation laid down in Article 94(3) CRD in accordance with point (k) of Article 450(1) CRR.</p> <hr/> <ul style="list-style-type: none"> • For the purposes of this point, institutions that benefit from such a derogation shall indicate whether this is on the basis of point (a) and/or point (b) of Article 94(3) CRD. They shall also indicate for which of the remuneration principles they apply the derogation(s), the number of staff members that benefit from the derogation(s) and their total remuneration, split into fixed and variable remuneration. <p>Derogation based on point b): number of Risk Taker staff benefiting from the derogation equal to 17 resources; total remuneration € 1,706k, of which fixed € 1,378k, of which variable € 328k (for an average of less than € 20k for each resource).</p>
<p>j)</p>	<ul style="list-style-type: none"> • Large institutions shall disclose the quantitative information on the remuneration of their collective management body, differentiating between executive and non-executive members in accordance with Article 450(2) CRR. <p>See Poste Italiane SpA's "Report on amounts paid in 2021" and the section "Ex post disclosures - Aggregate quantitative disclosure" in this document.</p>

Aggregate quantitative disclosures

The aggregated amounts shown in the following tables reflect BancoPosta RFC's organisational structure at 31/12/2021.

Table EU REM1: REMUNERATION AWARDED FOR THE FINANCIAL YEAR

			a	b	c	d
			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	8	1	10	21
2		Total fixed remuneration	€ 1,085,000 ¹	€ 1,255,000 ²	€ 2,259,703	€ 2,152,609
3		Of which: cash-based	€ 1,085,000	€ 1,255,000	€ 2,259,703	€ 2,152,609
4		(Not applicable in the EU)				
EU-4a		Of which: shares or equivalent ownership interests				
5		Of which: share-linked instruments or equivalent non-cash instruments				
EU-5x		Of which: other instruments				
6		(Not applicable in the EU)				
7		Of which: other forms				
8		(Not applicable in the EU)				

¹ This amount does not include the value of benefits, equal to € 9,239.

² This amount does not include the value of benefits, equal to € 8,388.

			a	b	c	d
			MB Supervisory function	MB Management function	Other senior management	Other identified staff
9	Fixed remuneration	Number of identified staff	8	1	10	21
10		Total variable remuneration	€ -	€ 1,325,169	€ 924,354	€ 621,856
11		Of which: cash-based		€ 374,914	€ 330,923	€ 404,677
12		Of which: deferred		€ 208,286	€ 131,765	€ 56,696
EU-13a		Of which: shares or equivalent ownership interests		€ 950,255	€ 593,431	€ 217,179
EU-14a		Of which: deferred		€ 586,808	€ 327,939	€ 101,953
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments				
EU-14b		Of which: deferred				
EU-14x		Of which: other instruments				
EU-14y		Of which: deferred				
15		Of which: other forms				
16		Of which: deferred				
17	Total remuneration (2 + 10)		€ 1,085,000	€ 2,580,169	€ 3,184,057	€ 2,774,464

Notes to EU REM1 scheme:

Total fixed remuneration is defined as:

- for Directors, pay as defined by paragraphs 1 and 3 of art. 2389 of the Italian Civil Code and for membership in Committees;
- for employees, the gross annual salary for the year ended 31/12/2021, plus the Role Based Allowances and the value of benefits (based on a taxability criterion);

Total variable remuneration is defined as:

- “MBO” estimate 2021 - up-front and deferred;
- “Performance Share LTIP” first cycle 2019-2021 estimate – up-front and deferred;
- one-off bonuses.

Other members of senior management are defined as the senior management and the Head of BancoPosta.

The difference between rows EU-13a and EU-14a represents the value of variable remuneration portions subject to one-year retention. It is understood that also the deferred portions will be subsequently subject to one-year retention.

Information is given for the Material Risk Takers as at 31/12/2021.

Lastly, note that the beneficiaries of the five-year “Deliver 2022 LTIP” include the CEO-GM and 1 Material Risk Takers. The award linked to this plan has yet to vest. To provide full disclosure, the annualised value of the award at target for the CEO-GM is €273,077 and for the remaining beneficiary is €159,000.

Table EU REM2: SPECIAL PAYMENTS TO STAFF WHOSE PROFESSIONAL ACTIVITIES HAVE A MATERIAL IMPACT ON INSTITUTIONS' RISK PROFILE (IDENTIFIED STAFF)

	a	b	c	d
	MB Supervisory function	MB Management function	Other senior management	Other identified staff
Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff			
2	Guaranteed variable remuneration awards - Total amount			
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap			
Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff		1	
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount		€ 348,873	
Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff			
7	Severance payments awarded during the financial year - Total amount			
8	Of which paid during the financial year			
9	Of which deferred			
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap			
11	Of which highest payment that has been awarded to a single person			

Table EU REM3: DEFERRED REMUNERATION

	a	b	c	d	e	f	EU-g	EU-h
Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1 MB Supervisory function								
2 Cash-based								
3 Shares or equivalent ownership interests								
4 Share-linked instruments or equivalent non-cash instruments								
5 Other instruments								
6 Other forms								
7 MB Management function	€ 434,971	€ 154,178	€ 280,793	€ -	€ -	€ 25,492	€ 120,942	€ 132,964
8 Cash-based	€ 144,232	€ 21,214	€ 123,017	€ -	€ -	€ -	€ 82,157	€ -
9 Shares or equivalent ownership interests	€ 176,944	€ 62,301	€ 114,643	€ -	€ -	-€ 8,923	€ -	€ 62,301
10 Share-linked instruments or equivalent non-cash instruments	€ 113,796	€ 70,663	€ 43,133	€ -	€ -	€ 34,415	€ 38,785	€ 70,663
11 Other instruments								
12 Other forms								
13 Other senior management	€ 110,857	€ 37,939	€ 72,918	€ -	€ -	€ 2,811	€ 49,902	€ 28,859
14 Cash-based	€ 51,700	€ 9,080	€ 42,620	€ -	€ -	€ -	€ 27,842	€ -
15 Shares or equivalent ownership interests	€ 39,717	€ 20,245	€ 19,472	€ -	€ -	-€ 2,042	€ -	€ 20,245
16 Share-linked instruments or equivalent non-cash instruments	€ 19,440	€ 8,614	€ 10,826	€ -	€ -	€ 4,853	€ 22,060	€ 8,614
17 Other instruments								
18 Other forms								
19 Other identified staff	€ 187,121	€ 34,264	€ 152,857	€ -	€ -	-€ 4,050	€ 33,889	€ 26,127
20 Cash-based	€ 95,174	€ 8,137	€ 87,038	€ -	€ -	€ -	€ 19,507	€ -
21 Shares or equivalent ownership interests	€ 48,382	€ 26,127	€ 22,255	€ -	€ -	-€ 2,262	€ -	€ 26,127
22 Share-linked instruments or equivalent non-cash instruments	€ 43,565	€ -	€ 43,565	€ -	€ -	-€ 1,788	€ 14,382	€ -
23 Other instruments								
24 Other forms								
25 Total amount	€ 732,949	€ 226,381	€ 506,568	€ -	€ -	€ 24,254	€ 204,732	€ 187,950

Notes to EU REM3 scheme:

Columns A, B and C: for Shares and instruments linked to Shares (Poste Italiane's Phantom Stock), the countervalue in euros is defined on the basis of the value of the Share in the thirty stock market working days prior to the date of the Board of Directors' resolution of the assessment of the plan.

Column F: correction calculated as the delta between the value at the assignment date of the Shares / equity-based instruments (Poste Italiane's Phantom Stock) and the countervalue value in euros defined on the basis of the value of the Share in the thirty trading days prior to April 13, 2022, that is the date of the Board of Directors' resolution to submit this document to the General Meeting of Shareholders.

Column EU-G: for equity-based instruments (Poste Italiane's Phantom Stock), the countervalue value in euros is defined on the basis of the value of the share in the thirty trading days prior to April 15, 2021, that is the date of the Board of Directors' meeting that verified the existence of the conditions for recognition of the deferred remuneration.

Information is given for the Material Risk Takers as at 31/12/2021.

Table EU REM4: REMUNERATION OF 1 MILLION EUR OR MORE PER YEAR

		a
EUR		Identified staff that are high earners as set out in Article 450(i) CRR
1	1 000 000 to below 1 500 000	1
2	1 500 000 to below 2 000 000	0
3	2 000 000 to below 2 500 000	0
4	2 500 000 to below 3 000 000	1
5	3 000 000 to below 3 500 000	0
6	3 500 000 to below 4 000 000	0
7	4 000 000 to below 4 500 000	0
8	4 500 000 to below 5 000 000	0
9	5 000 000 to below 6 000 000	0
10	6 000 000 to below 7 000 000	0
11	7 000 000 to below 8 000 000	0

Notes to EU REM4 scheme:

Information is given for the Material Risk Takers as at 31/12/2021.

Table EU REM5: INFORMATION ON REMUNERATION OF STAFF WHOSE PROFESSIONAL ACTIVITIES HAVE A MATERIAL IMPACT ON INSTITUTIONS' RISK PROFILE (IDENTIFIED STAFF)

	a	b	c	d	e	f	g	h	i	j
	Management body remuneration			Business areas						
	MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
1 Total number of identified staff										40
2 Of which: members of the MB	8	1	9							
3 Of which: other senior management							4	3	3	
4 Of which: other identified staff							3	11	7	
5 Total remuneration of identified staff	€ 1,085,000	€ 2,580,169	€ 3,665,169				€ 1,044,055	€ 1,967,504	€ 2,946,962	
6 Of which: variable remuneration	€ -	€ 1,325,169	€ 1,325,169				€ 260,808	€ 402,016	€ 883,386	
7 Of which: fixed remuneration	€ 1,085,000 ¹	€ 1,255,000 ²	€ 2,340,000				€ 783,247	€ 1,565,488	€ 2,063,576	

Notes:

1 This amount does not include the value of benefits, equal to € 9,239.

2 This amount does not include the value of benefits, equal to € 8,388.

Notes to EU REM5 scheme:**Total remuneration** is described in the notes to EU REM1 Scheme.

Information is given for the Material Risk Takers as at 31/12/2021.

Focus on Gender Neutrality within BancoPosta RFC

The Poste Italiane Group encourages the development of a 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 one of the greatest resources of the whole Company for the creation of long-term sustainable value. The conscious management of diversity in an inclusive manner, in addition to creating shared social value, determines a competitive advantage for the entire Group, protecting resources and their capabilities, and is an enabling element for the involvement and commitment of people to the company's objectives.

This path aims to develop and evolve the way in which diversity issues are dealt with, moving from an approach aimed at protecting and integrating diversity to a proactive strategy to overcome any barriers and resolve the factors that may prevent people from being included in the labour market.

BancoPosta, in line with Group's policies, safeguards the value of its people and promotes the protection of their psychophysical, moral and cultural integrity through working conditions that respect individual dignity and rules of conduct.

In this context, in 2020 Poste Italiane's Board of Directors has approved the Company Policy on Diversity and Inclusion³⁶. The document aims to set out a clear approach in terms of mission, strategies and active practices in order to foster a collaborative, inclusive working environment receptive to contributions from all employees in order to increase the confidence of staff, customers and civil society in general.

Also in the context of BancoPosta in 2022, the subject of Diversity and Inclusion is expressed in two ways:

- the definition of a specific KPI of the Performance Share 2022-2024 LTI Plan (with 20% weighting), aimed at encouraging – with a structured growth process – greater presence of the “female” gender in managerial positions in line with the principle of fairness;
- the representation, already introduced in 2021 on a voluntary basis, of the Gender Pay Gap, in order to monitor constantly any remuneration differences, implementing policies in line with current best practices.

BancoPosta also guarantees that decisions regarding remuneration, including incentive systems, are not based on gender, nor on any other form of diversity (age, sexual orientation and identity, disability, state of health, ethnic origin, nationality, language, political opinions, social and economic conditions, religious beliefs), are based on merit and professional skills aligned with the principles that inspire the Reward Strategy.

In particular, the incentive systems are based on objective parameters, thus rewarding the results achieved and the merit of the resources involved.

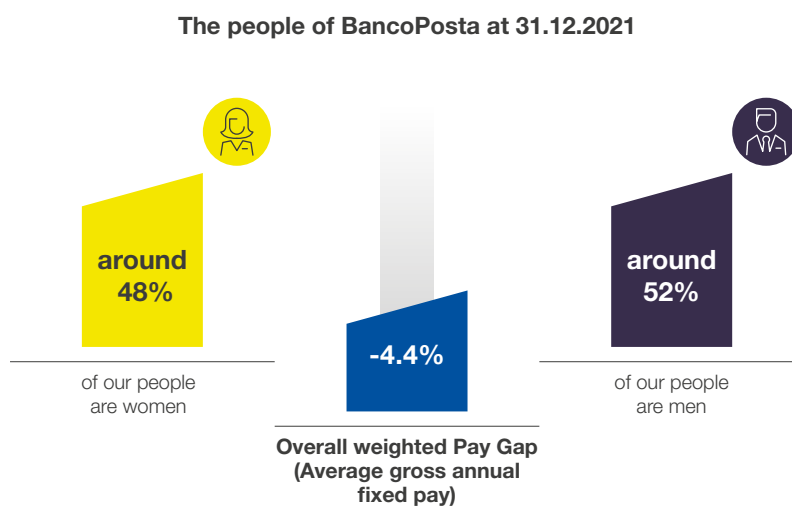
Equal remuneration, for the same role played, represents for Poste Italiane Group one of the significant elements of the remuneration policy, offering to all of its resources equal access to Company opportunities.

With regard to the gender neutrality of its remuneration policies, Poste Italiane Group is committed to:

- analyse the evolution of the gender pay gap;
- define an action plan to effectively monitor, pursue and maintain over time the gender neutrality of the remuneration policy;
- explain any significant differences in remuneration and implement the necessary corrective actions;
- ensure equal opportunities for development and professional growth according to meritocratic principles.

Assessing the pay gap, which is calculated weighing the spread measured for uniform population bands (that is with the same degree of complexity and level of responsibility associated with the role) for the relative weight of the female gender, as represented in the figure below, a limited gap of 4.4% can be noted.

36. For more information on the Policy: <https://www.posteitaliane.it/it/politica-diversity-and-inclusion.html>

Figure 31. GENDER PAY GAP OF BANCOPOSTA PERSONNEL

Poste Italiane Group has already implemented development measures aimed at increasing female leadership through development and training plans, as well as mentoring and coaching programmes. Like the initiatives to promote a healthy work-life balance, these actions represent yet another driver in the development of women's careers in the Company.





Poste Italiane SpA

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