

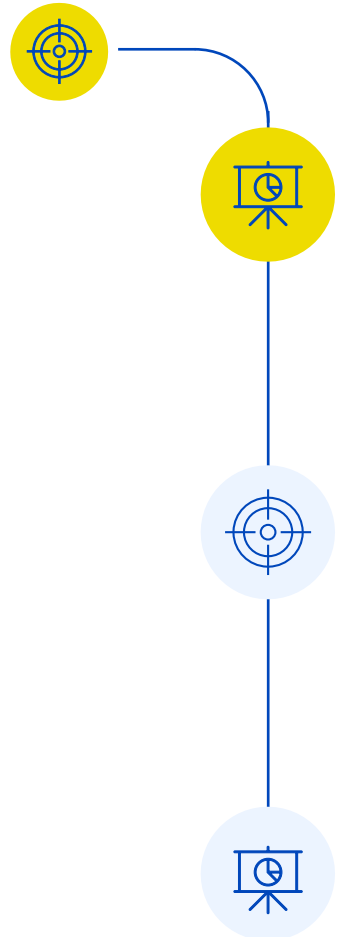
# POSTE ITALIANE

## Q3 & 9M-23 FINANCIAL RESULTS

7 NOVEMBER 2023

### A PLATFORM COMPANY AT WORK

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EXECUTIVE SUMMARY
BUSINESS REVIEW
APPENDIX



# EXECUTIVE SUMMARY



- 9M-23 REVENUES UP 7% Y/Y TO €8.9BN – SUPPORTED BY PARCELS, PAYMENTS AND NII
- EBIT PROGRESSION AT €2.1BN SUPPORTED BY COST DISCIPLINE IN INFLATIONARY ENVIRONMENT
- CONTINUED POSITIVE INFLOWS IN NET SAVINGS & INVESTMENT PRODUCTS – RESILIENT INSURANCE INFLOWS
- SOLID BALANCE SHEET WITH IMPROVING NET FINANCIAL POSITION
- INTERIM DIVIDEND PAYMENT OF €0.237 P/S (€307M) ON 22 NOVEMBER 2023, UP 13% FROM 2022

**UPGRADED FY-23 EBIT GUIDANCE TO €2.6BN DRIVEN BY FINANCIAL OUTPERFORMANCE**

# Q3 & 9M-23 RESULTS OVERVIEW

## STRONG RESULTS LEADING TO UPGRADED FY-23 EBIT GUIDANCE

€ m unless  
otherwise stated

	Q3-22	Q3-23	VAR.	VAR. (%)	9M-22	9M-23	VAR.	VAR. (%)
REVENUES	2,728	2,827	+99	+3.6%	8,315	8,878	+562	+6.8%
TOTAL COSTS	2,071	2,289	+217	+10.5%	6,242	6,773	+531	+8.5%
EBIT	657	539	(118)	(18.0%)	2,073	2,105	+32	+1.5%
NET PROFIT	454	382	(72)	(15.9%)	1,439	1,522	+83	+5.8%

*incl -90 due to one-off  
bonus*

*incl -90 due to one-off bonus  
and +109 related to sender*

Note: Figures reported under IFRS17 starting from 2023. 2022 figures restated accordingly

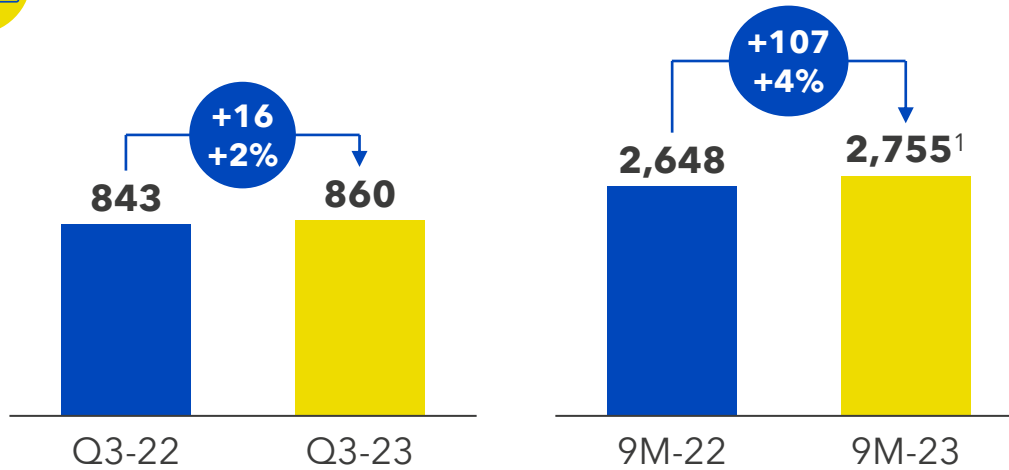
# SEGMENT REVENUES

TOP-LINE GROWTH DRIVEN BY PARCELS, PAYMENTS & NII - POSTAL SAVINGS HEADWINDS

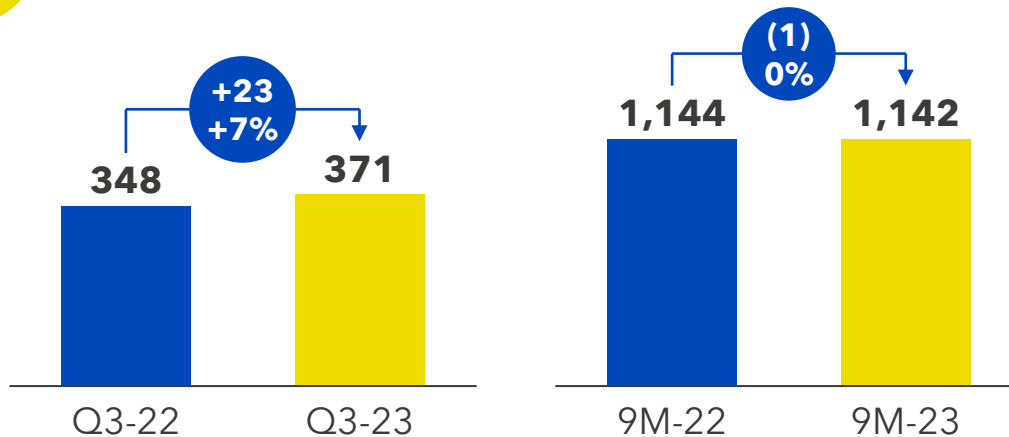
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otherwise  
stated



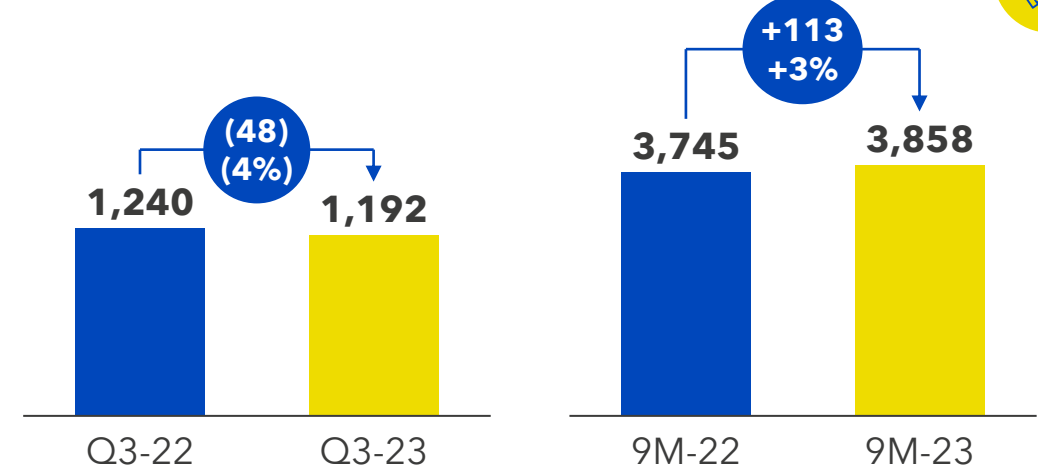
## MAIL, PARCEL & DISTRIBUTION



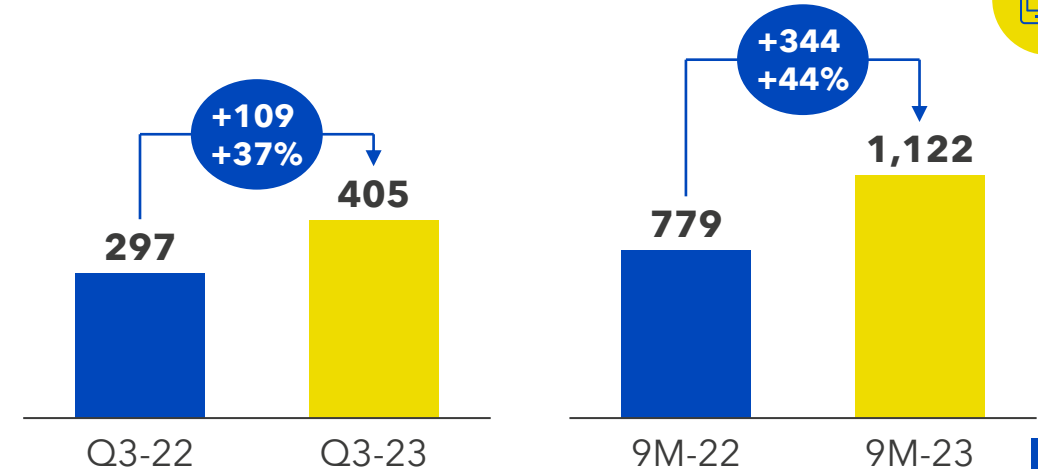
## INSURANCE SERVICES



## FINANCIAL SERVICES



## PAYMENTS & MOBILE



Note: Figures reported under IFRS17 starting from 2023. 2022 figures restated accordingly; <sup>1</sup>. Includes 109 of capital gain from the additional stake received in sennder Tech accounted at the latest fair value (new stake in sennder Tech c. 10.2%)

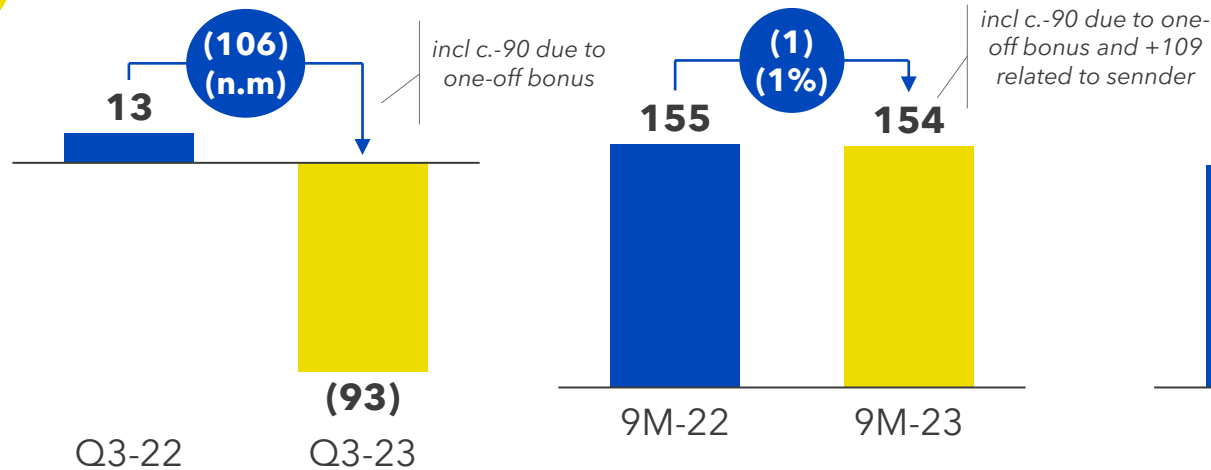
# OPERATING PROFIT BY SEGMENT

UNDERLYING OPERATING RESULTS BENEFITTING FROM A DIVERSIFIED BUSINESS MODEL

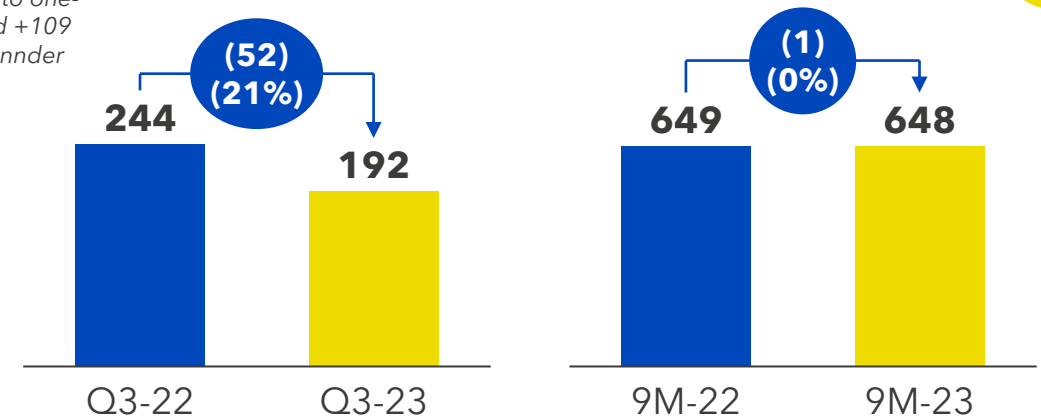
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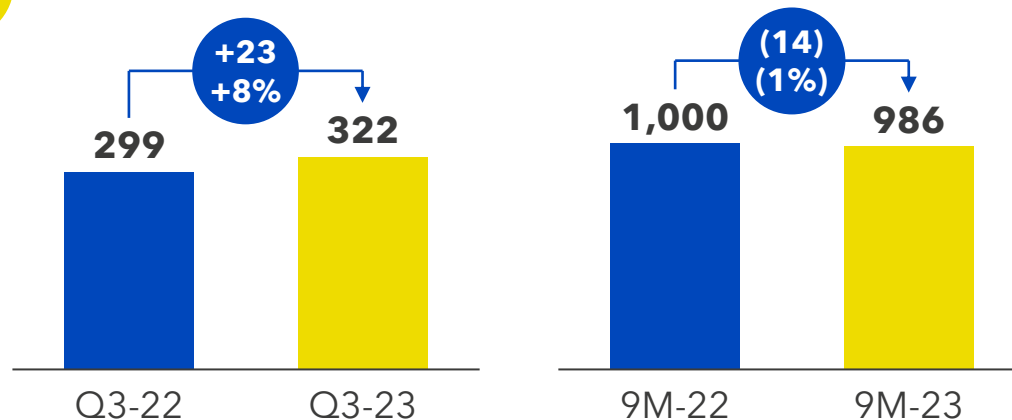
## MAIL, PARCEL & DISTRIBUTION



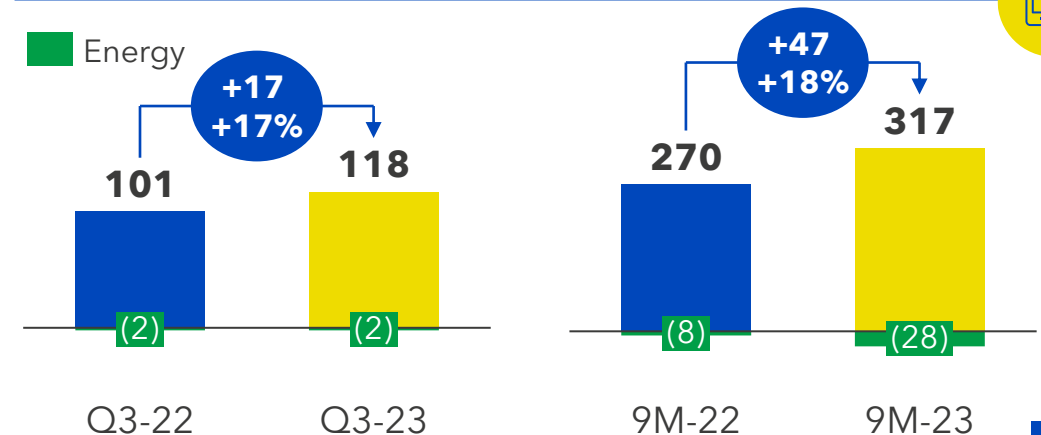
## FINANCIAL SERVICES



## INSURANCE SERVICES



## PAYMENTS & MOBILE

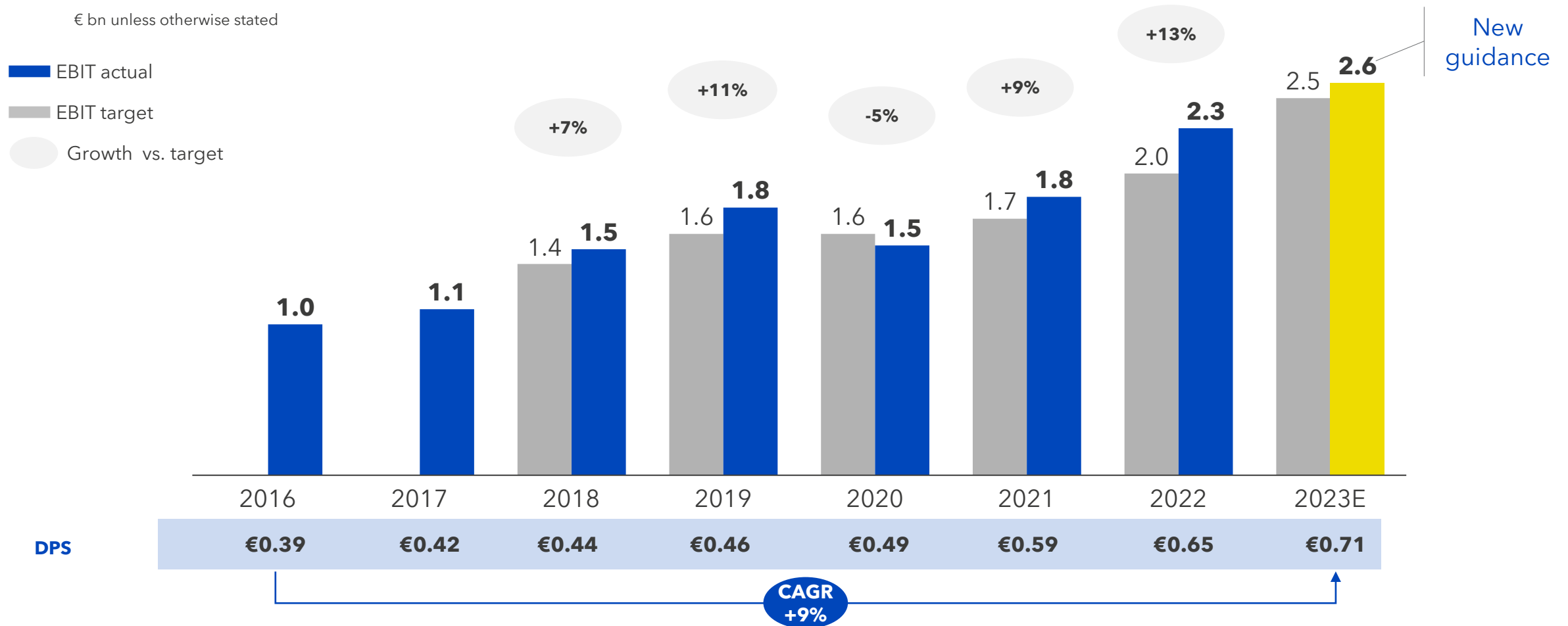


Note: Figures reported under IFRS17 starting from 2023. 2022 figures restated accordingly

# 2023 EBIT GUIDANCE REVISED UPWARDS

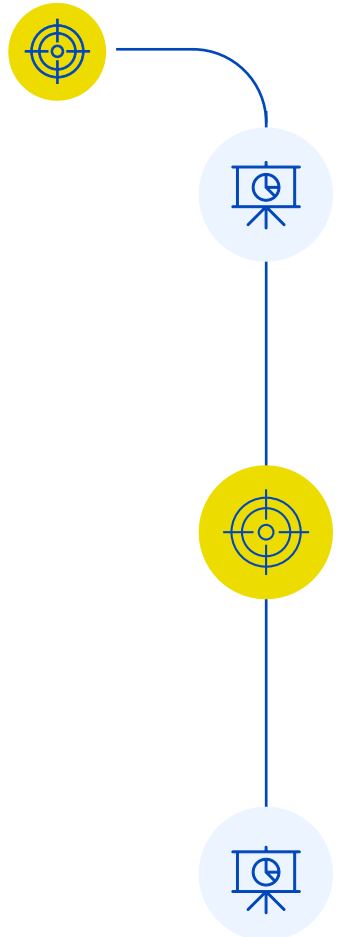
DIVERSIFIED BUSINESS MODEL CONSTANTLY DELIVERING – c.€5BN<sup>1</sup> DIVIDENDS DISTRIBUTED SINCE 2016

## STEADY DELIVERY OF A DIVERSIFIED BUSINESS MODEL – EBIT EVOLUTION 2016 – 2023<sup>2</sup>



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

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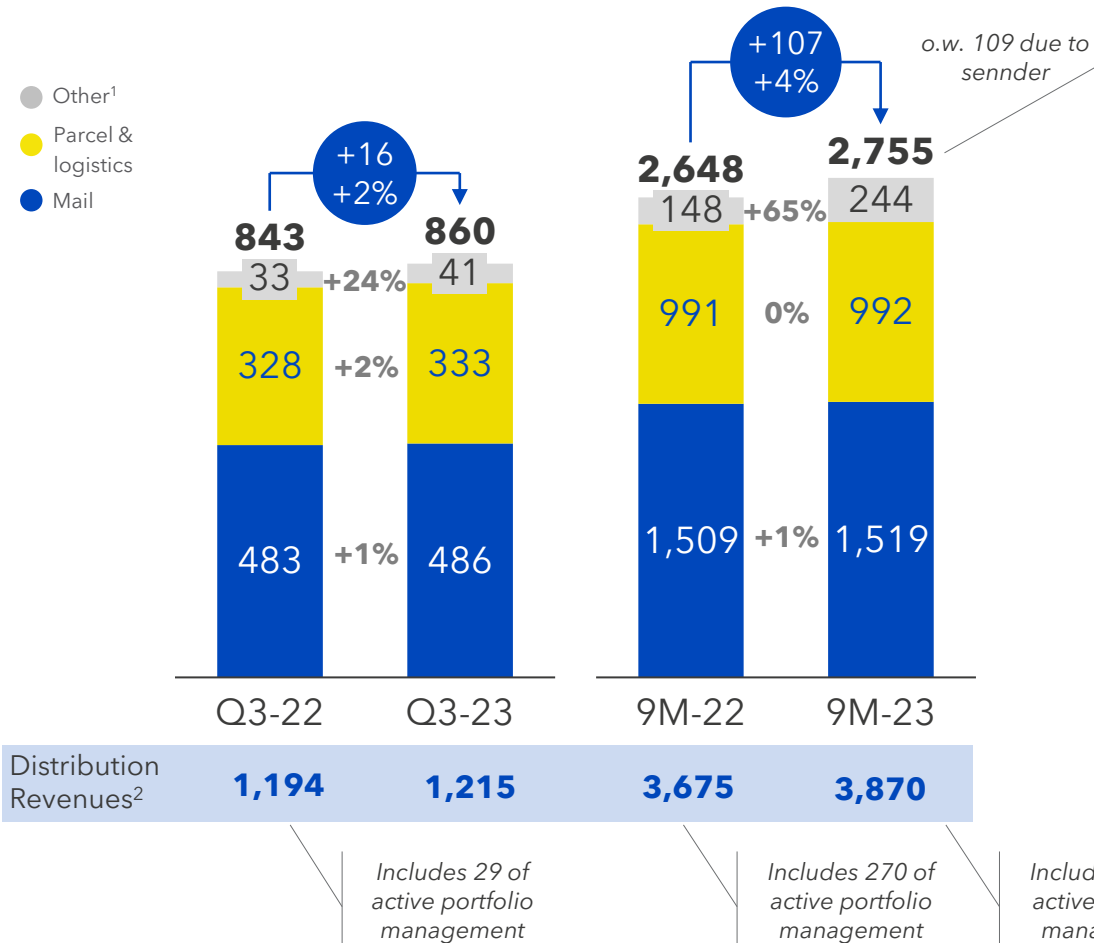


# MAIL, PARCEL & DISTRIBUTION

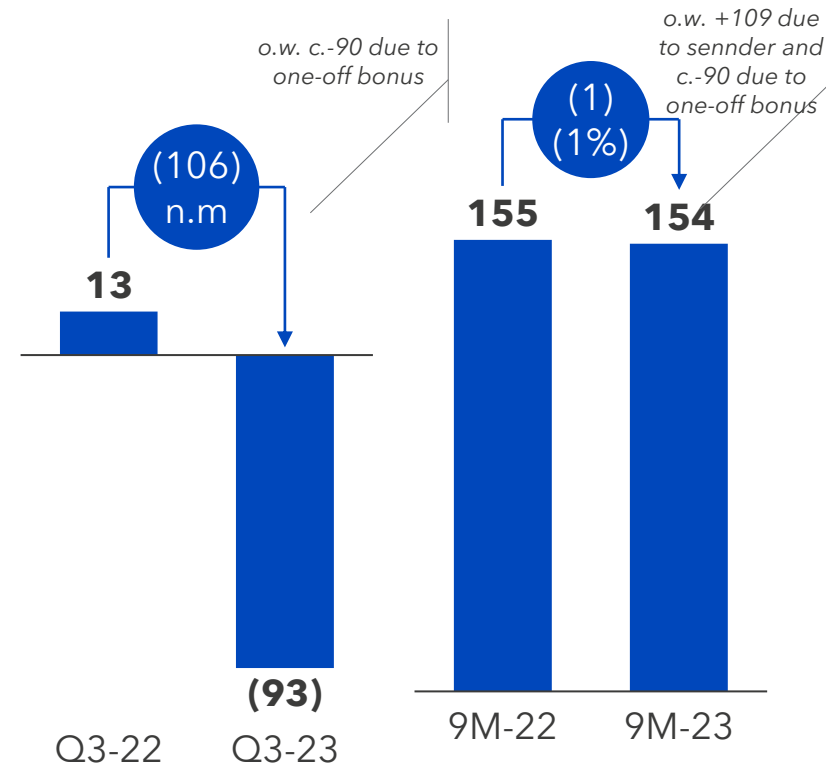
## INCREASED MARKET REVENUES, RESILIENT EBIT EXCLUDING ONE-OFF BONUS

€ m unless  
otherwise stated

### SEGMENT REVENUES



### EBIT



### Q3 HIGHLIGHTS

- Increasing mail revenues driven by repricing actions and a favourable product mix
- Parcel revenues up 2% driven by increasing volumes - up 6% excluding impact of sender Italia deconsolidation and government PPE contract
- Distribution revenues up supported by positive commercial trends
- EBIT impacted by one-off bonus (c.-90) with the remaining c.-50 to be booked in Q4

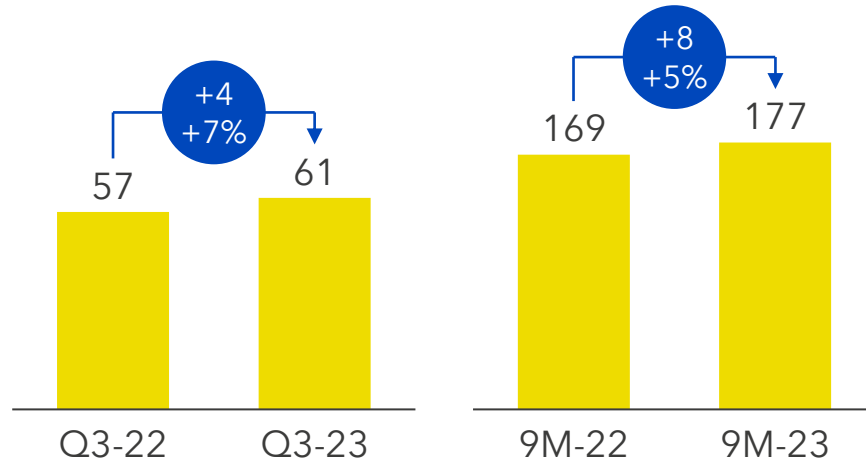
1. Includes Tax Credit contribution, Digital Identities fees, vaccination plan related expense recovery, EGI, Poste Air Cargo, Patenti Via Poste, Philately, Poste Motori, Poste Welfare Service, Agile Lab and Sourcesense; 2. Includes income received by other segments in return for use of the distribution network and Corporate Services

# MAIL, PARCEL & DISTRIBUTION: VOLUMES AND PRICING

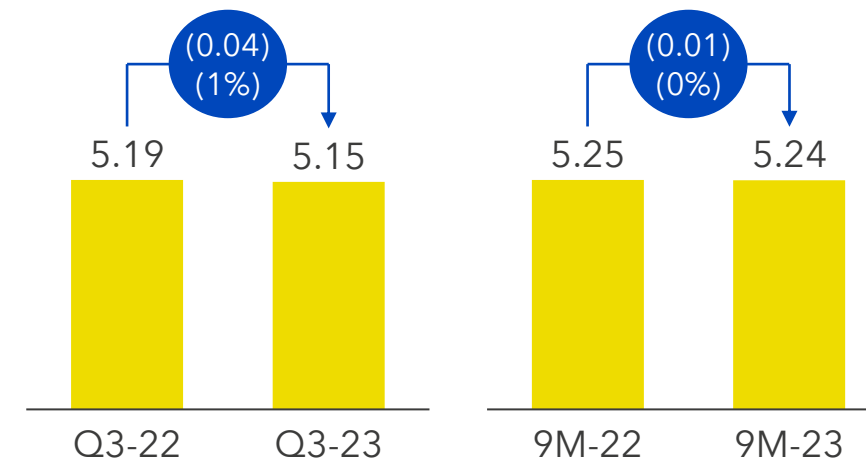
PARCEL VOLUMES ACCELERATING; MAIL REPRICING AND MIX MORE THAN OFFSETTING VOLUME DECLINE

€ m unless  
otherwise stated

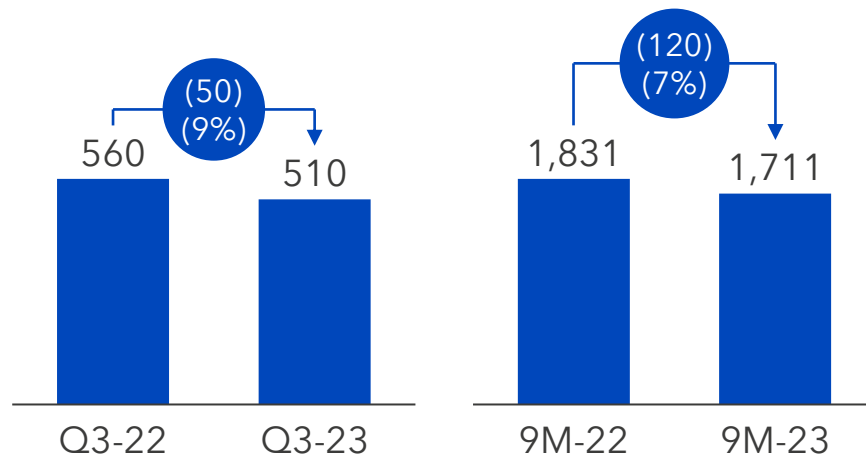
## PARCEL VOLUMES (M, PC)



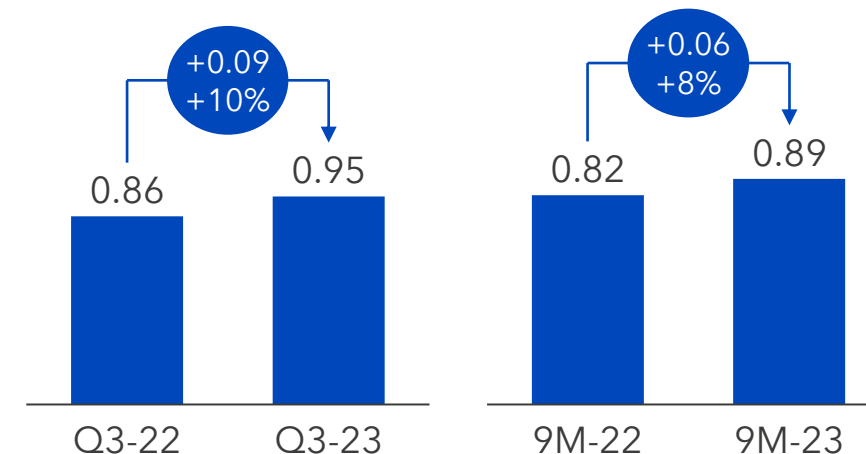
## PARCEL TARIFFS<sup>1</sup> (€/PC)



## MAIL VOLUMES (M, PC)



## MAIL TARIFFS<sup>2</sup> (€/PC)



## Q3 HIGHLIGHTS

- Parcel volume growth supported by B2C and recovery of China inbound
- Parcel tariffs down slightly due to product mix
- Lower mail volumes driven by structural decline in lower-margin unrecorded items
- Higher mail tariffs supported by favourable product mix and repricing actions

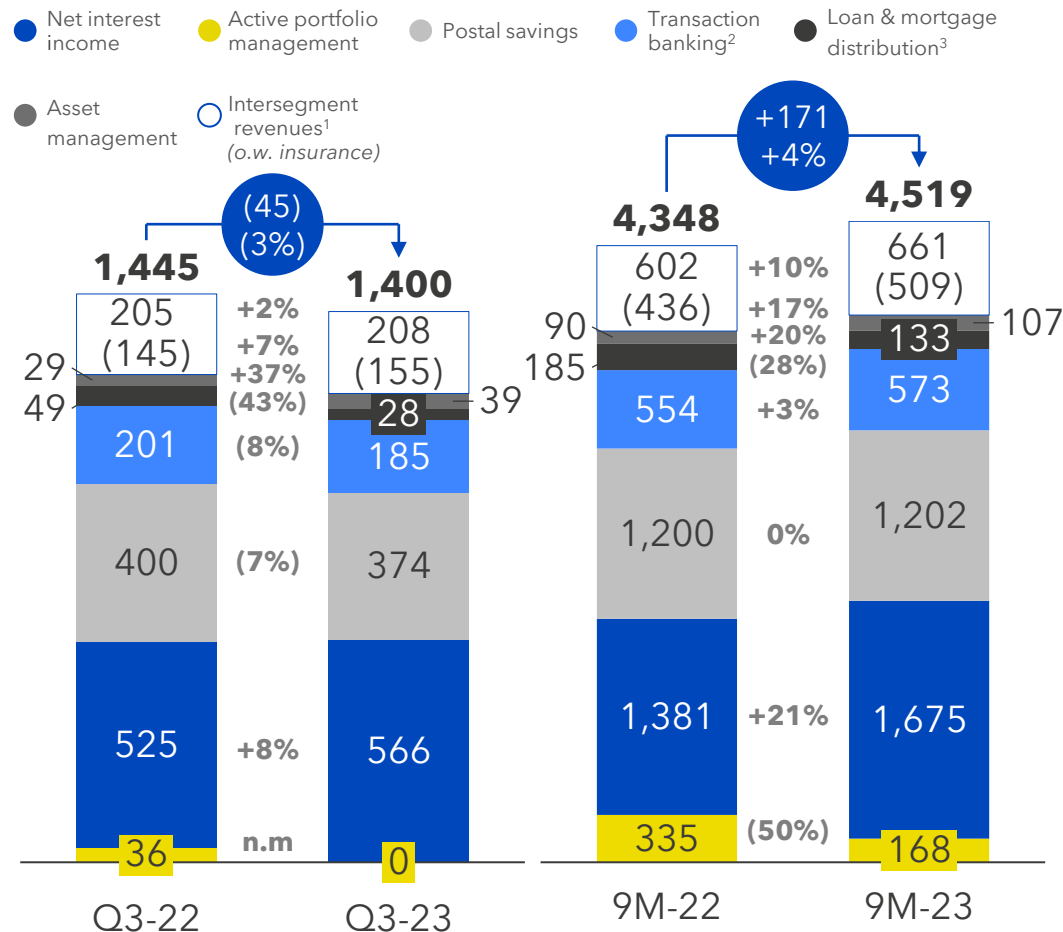
1. Parcel tariffs adjusted for COVID-19 related contract for PPE logistics and sender Italia; 2. Including mix effect

# FINANCIAL SERVICES

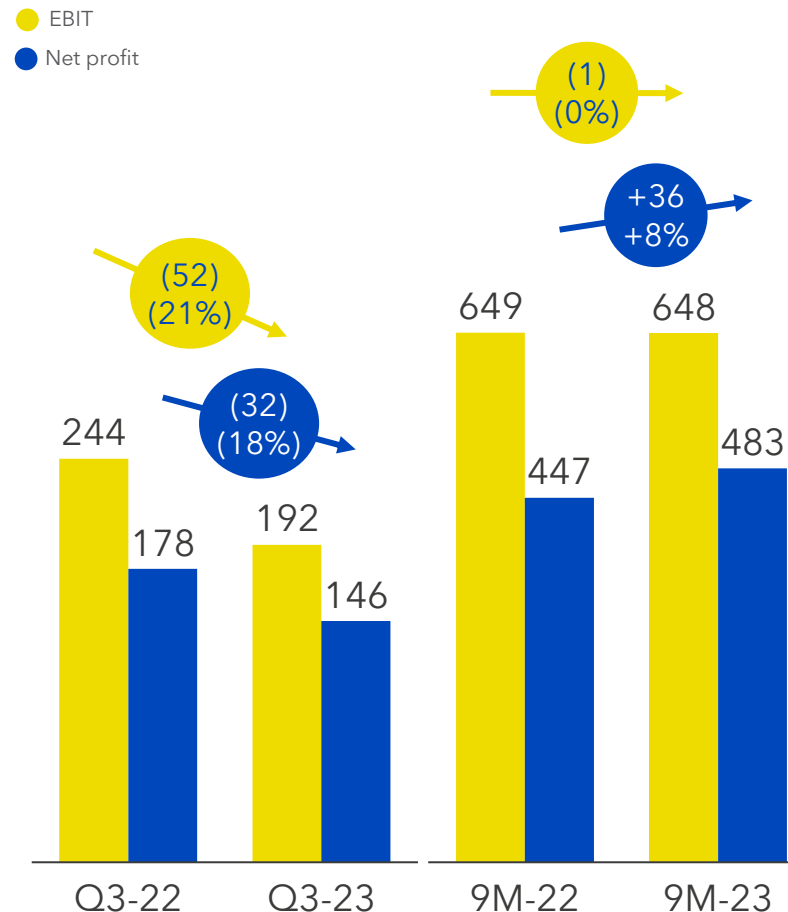
## REVENUE GROWTH DRIVEN BY NII & RESILIENT COMMERCIAL PERFORMANCE

€ m unless  
otherwise stated

### GROSS REVENUES



### EBIT & NET PROFIT



### Q3 HIGHLIGHTS

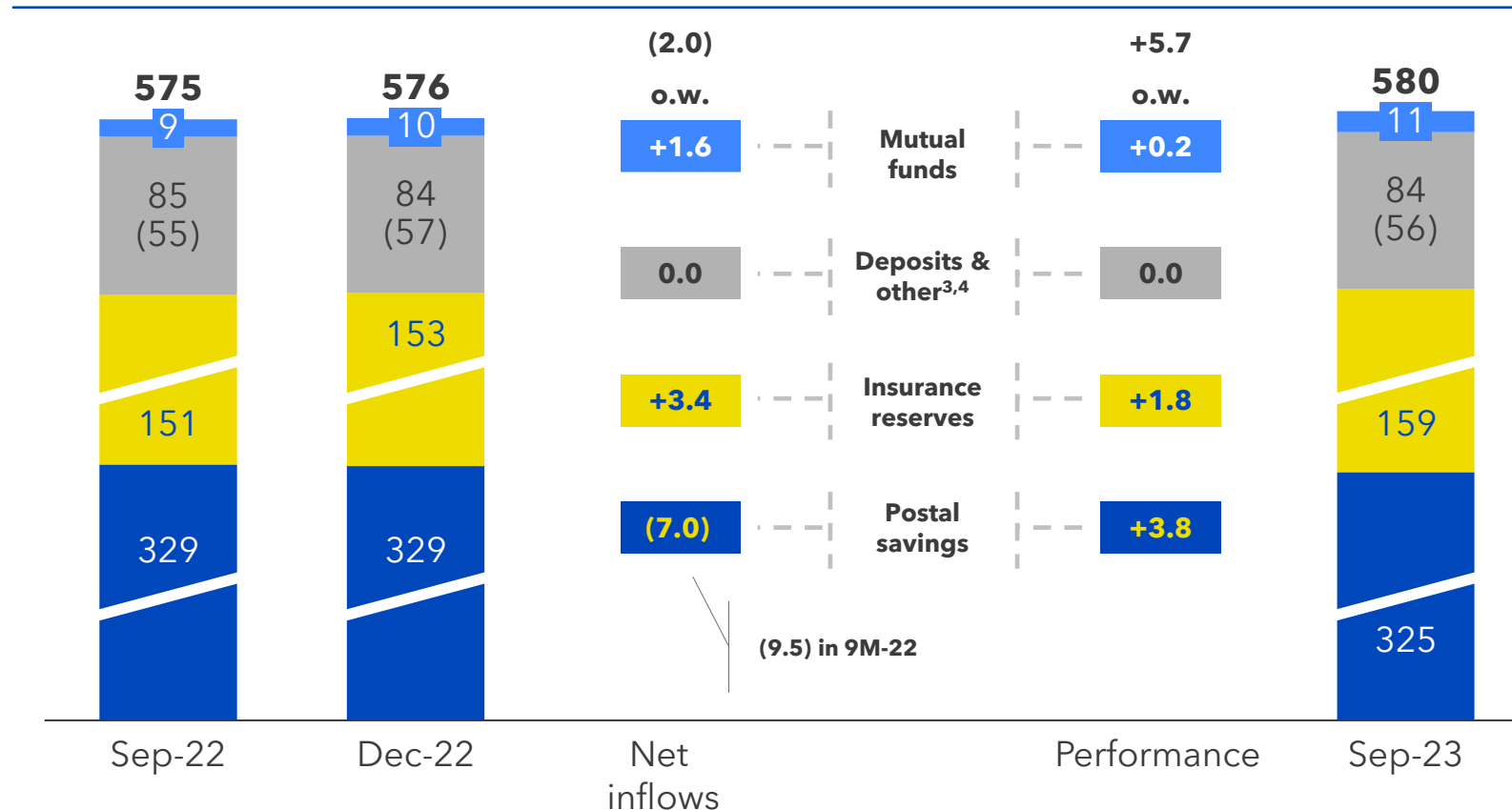
- NII growth supported by higher interest rates, increasing retail and corporate deposits and low cost of funding
- Postal savings fees impacted by product mix and commercial trends
- Transaction banking fees impacted by a lower current account repricing that started in April 2023, mitigated by other payment services fees
- Loan and mortgage fees impacted by higher partners' cost of funding - volumes up Y/Y
- Asset management fees supported by strong net inflows
- Intersegment revenues up driven by insurance inflows

1. Includes intersegment distribution revenues; 2. Includes revenues from payment slips (*bollettino*), current accounts related revenues, fees from INPS and money transfer; 3. Includes reported revenues from custody accounts, credit cards and other revenues from third party products distribution

# GROUP TOTAL FINANCIAL ASSETS

## INCREASING TFAs SUPPORTED BY SAVINGS AND INVESTMENT PRODUCTS NET INFLOWS

### TFA EVOLUTION<sup>1</sup>



### HIGHLIGHTS

- 91% of customers' TFA shielded from market fluctuations
- Postal savings outflows improving y/y thanks to renewed commercial effort put in place to counterbalance the impact from the new market trends and interest rates environment
- Strong Insurance net flows outperforming the market
- Stable deposits and AuC with resilient retail deposits
- Increasing Mutual Funds - confirming strong net flows into target maturity fixed income funds

Retail net flows<sup>6</sup>

**(4.1)**

**(1.6)**

o.w. net savings & investments flows<sup>7</sup>

**5.9**

**0.8**

<sup>1</sup> EoP figures, 2022 Insurance Reserves restated to exclude the Deferred Policyholders' Liabilities "DPL" (-14bn as of Dec-22), in line with local GAAP; <sup>2</sup> Includes Moneyfarm; <sup>3</sup> Includes deposits and Assets Under Custody; <sup>4</sup> Deposits do not include REPOs and Poste Italiane liquidity; <sup>5</sup> Insurance reserves exclude Protection; <sup>6</sup> Includes net flows into postal savings, Mutual Funds, Moneyfarm, Insurance Reserves, Deposits and Assets Under Custody; <sup>7</sup> Includes net flows into Mutual Funds, Moneyfarm, Postal Bonds, Insurance reserves, and Assets under Custody

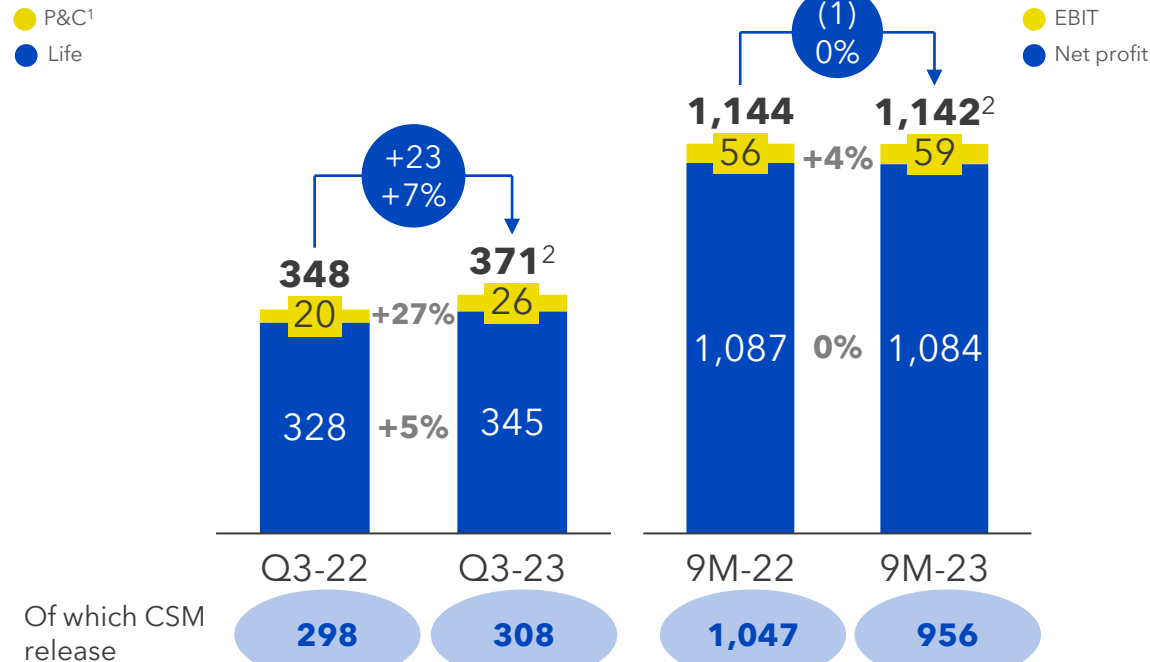
# INSURANCE SERVICES

## POSITIVE NET FLOWS & LOW LAPSE RATE – POSITIVE RESULTS IN A CHALLENGING MARKET

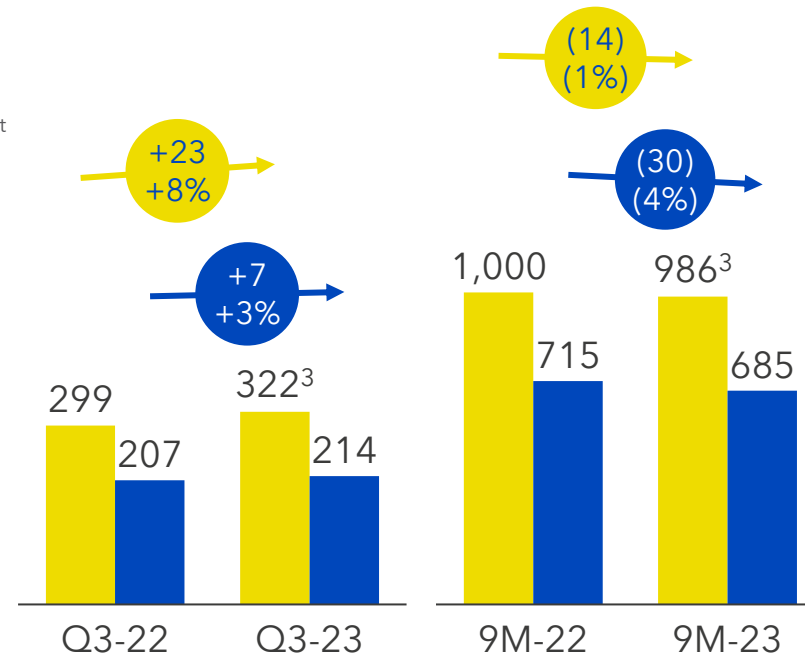
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otherwise stated

### SEGMENT REVENUES<sup>1</sup>

Figures reported under IFRS17 starting from 2023. 2022 figures restated accordingly



### EBIT & NET PROFIT



### Q3 HIGHLIGHTS

- Confirmed positive net flows and resiliently low lapse rate in Life, outperforming the market
- Growth in Life revenues supported by higher volumes and margins
- Higher GWP in Protection also supported by Net Insurance consolidation
- Protection combined ratio in line with 2023 guidance

Life net inflows (€ bn)	1.8	0.3	5.7	3.4
Lapse rate (%) <sup>4</sup>	3.0	4.0	3.5	4.0

Protection GWP <sup>5</sup>	126	194	390	621
Comb. Ratio (%) <sup>6</sup>	-	-	82	85

1. Net of claims; includes Poste Insurance Broker; 2. Includes 8 from Net Insurance (o.w 1 P&C) in Q3 and 15 (o.w 5 P&C) in 9M, consolidated from 1 Apr 2023; 3. Includes 6 from Net Insurance in Q3 and 11 in 9M; 4. Since 2022 lapse rate is calculated as surrenders divided by average reserves; 5. Protection includes total P&C and Life Protection (Class I-IV), 63 related to Net Insurance in Q3-23 and 130 in 9M-23; 6. Protection CoR reclassified as insurance expenses, net reinsurance expenses, other technical income and expenses, not directly attributable expenses divided by gross insurance revenues, net of reinsurance

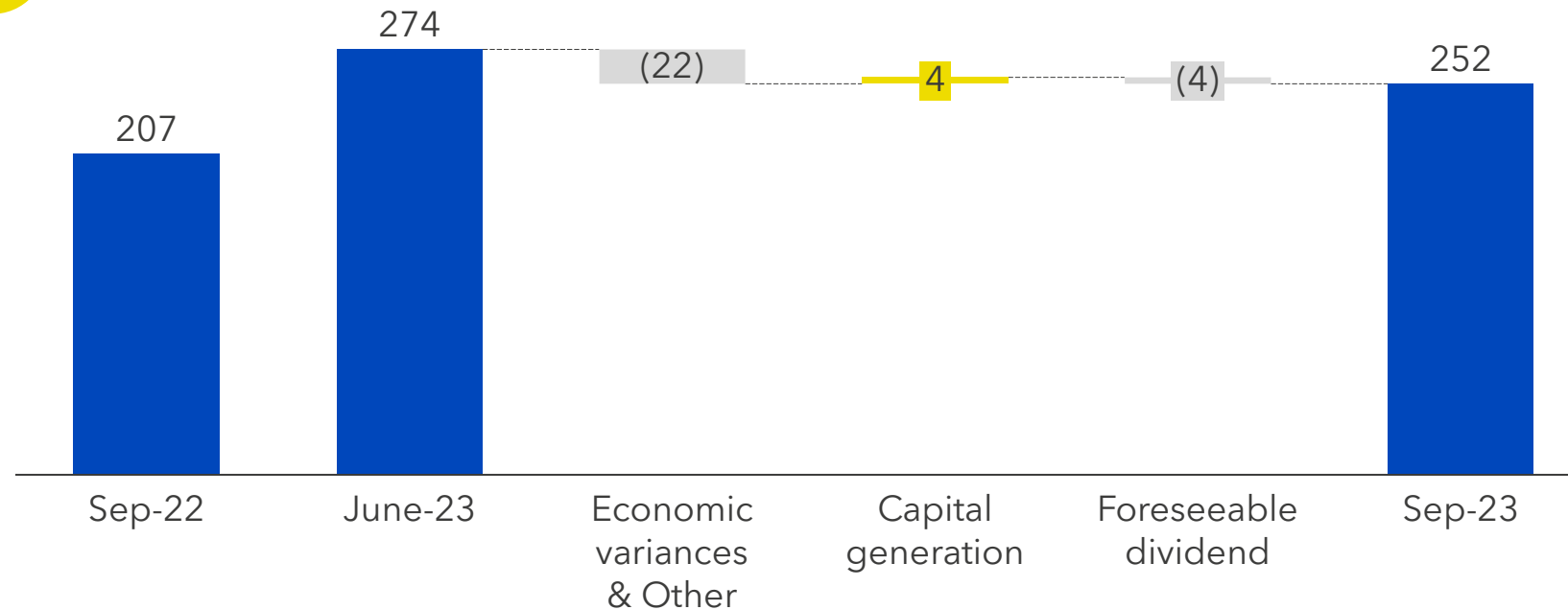
# SOLVENCY II

SII RATIO WELL ABOVE MANAGERIAL AMBITION, SUCCESSFULLY NAVIGATING A VOLATILE ENVIRONMENT

% unless  
otherwise stated



## Q3 SOLVENCY II RATIO EVOLUTION<sup>1,2</sup>



## Q3 HIGHLIGHTS

- Strong Solvency II ratio at 252% (-22 p.p. since June 2023) net of the foreseeable dividend (-4 p.p. in Q3) on the basis of a 75% remittance ratio (-11 p.p. on 9M-23 earnings)
- Economic variances & other impacted by higher rates and BTP spread - confirmed reduced sensitivity to these variables
- Positive impact from capital generation from new business and in force portfolio movements

Volatility adjustment (bp)	<b>17</b>	<b>21</b>	<b>21</b>
10Y Swap (bp)	<b>308</b>	<b>298</b>	<b>338</b>
BTP-Swap spread (bp)	<b>144</b>	<b>106</b>	<b>139</b>
Corporate bond spread (bp)	<b>155</b>	<b>124</b>	<b>130</b>

1. EoP figures; 2. Net of foreseeable dividend

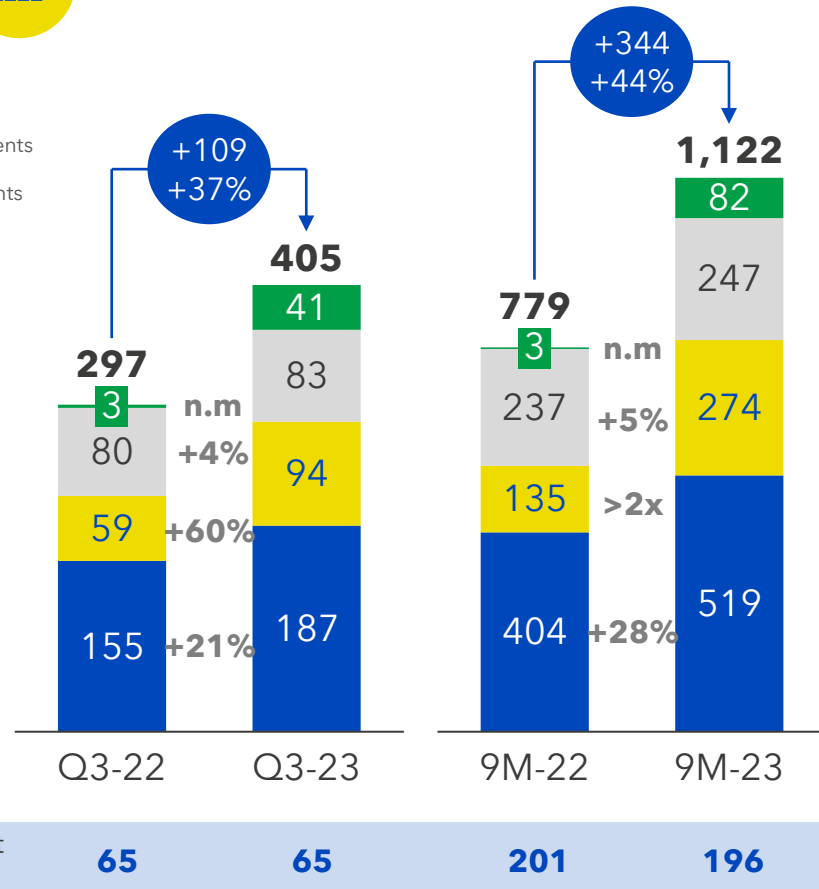
# PAYMENTS & MOBILE

## STRONG PERFORMANCE ACROSS ALL BUSINESS LINES

€ m unless  
otherwise stated

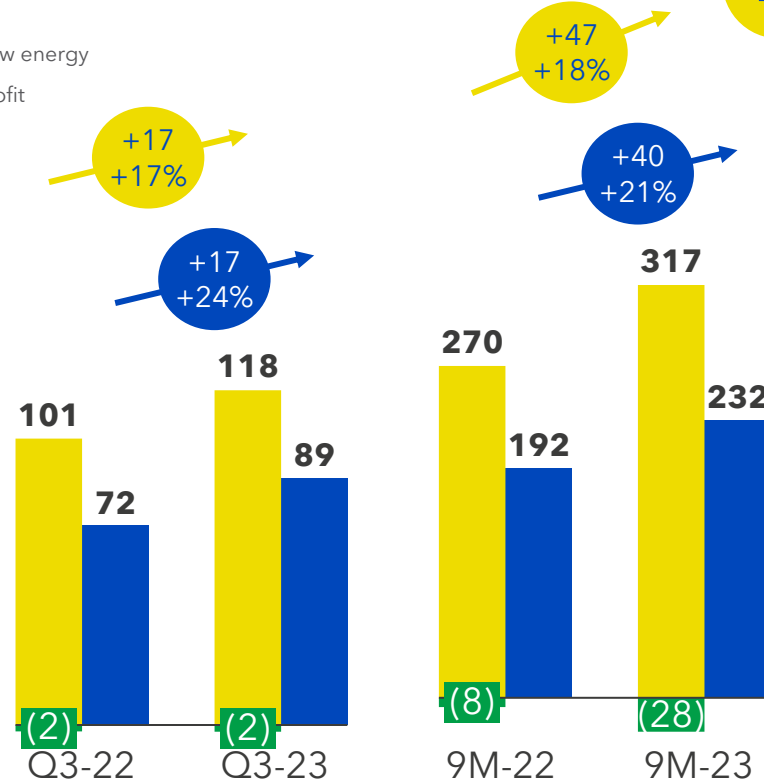
### SEGMENT REVENUES<sup>1</sup>

- Energy
- Telco
- Other payments
- Card Payments



### EBIT<sup>2</sup> & NET PROFIT

- EBIT
- EBIT o.w energy
- Net profit



### Q3 HIGHLIGHTS

- Strong card payment performance with higher transaction values (+12% Y/Y) driven by: e-commerce growth (+18% Y/Y), increase in usage and structural cash to card shift
- LIS consolidation further supporting Card (+17) and other payments (+29)<sup>1</sup>
- Energy business successfully up and running, reaching c.400k contracts
- Steady growth of Telco business supported by fiber offer
- EBIT growth driven by strong payment revenues and LIS contribution, more than offsetting energy business start-up costs

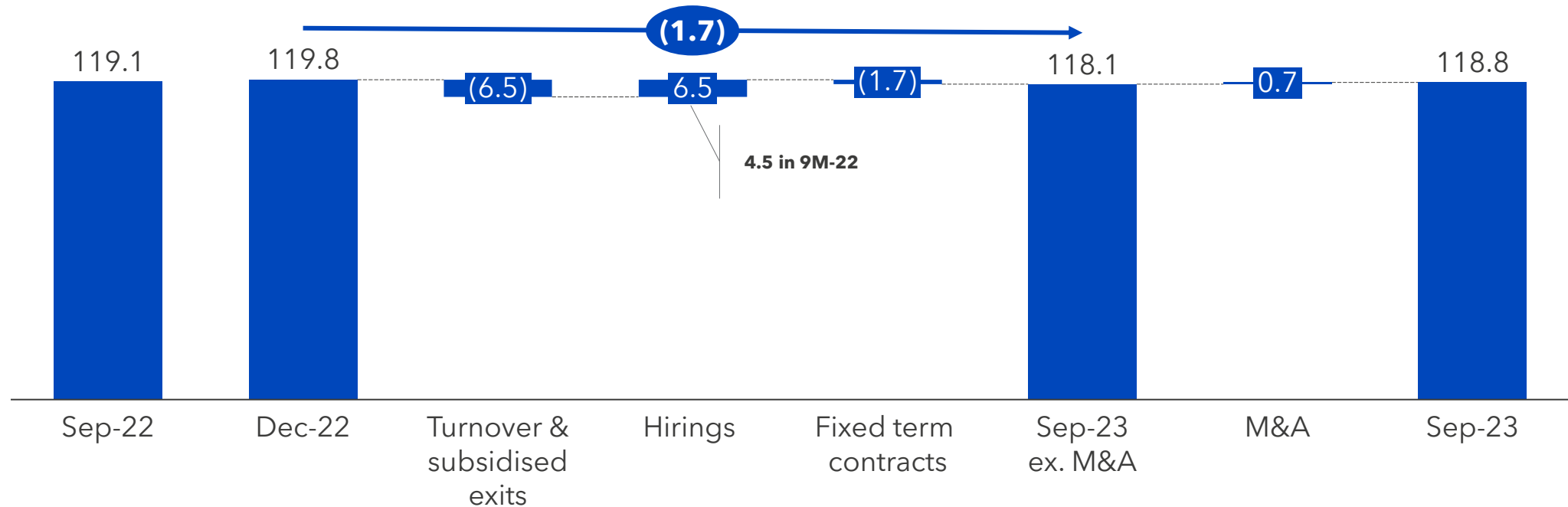
<sup>1</sup>. LIS revenues incremental contribution to Other Payments and Card Payments due to change in perimeter for a total of 46 in Q3-23 and 184 in 9M-23 (LIS was consolidated from 1 Sep 2022); <sup>2</sup>. LIS EBIT incremental contribution due to change in perimeter for a total of 8 in Q3-23 and 30 in 9M-23 (LIS was consolidated from 1 Sep 2022)

# HUMAN CAPITAL – FTEs

CONTINUED FTE EFFICIENCY WITH FOCUSED WORKFORCE RENEWAL



## AVERAGE WORKFORCE EVOLUTION (#, K)



Value added/  
FTEs (€ K) <sup>1,2</sup>

**76.4**

**74.5**

**80.7**

Y/Y

+5.6%

HR costs/  
FTEs (€ K) <sup>1</sup>

**42.9**

**43.0**

**44.5**

+3.6%

1. Annualized figures, calculated excluding IFRS17 effect and one-off bonus; 2. Group revenues minus cost of goods sold

# HUMAN CAPITAL – HR COSTS

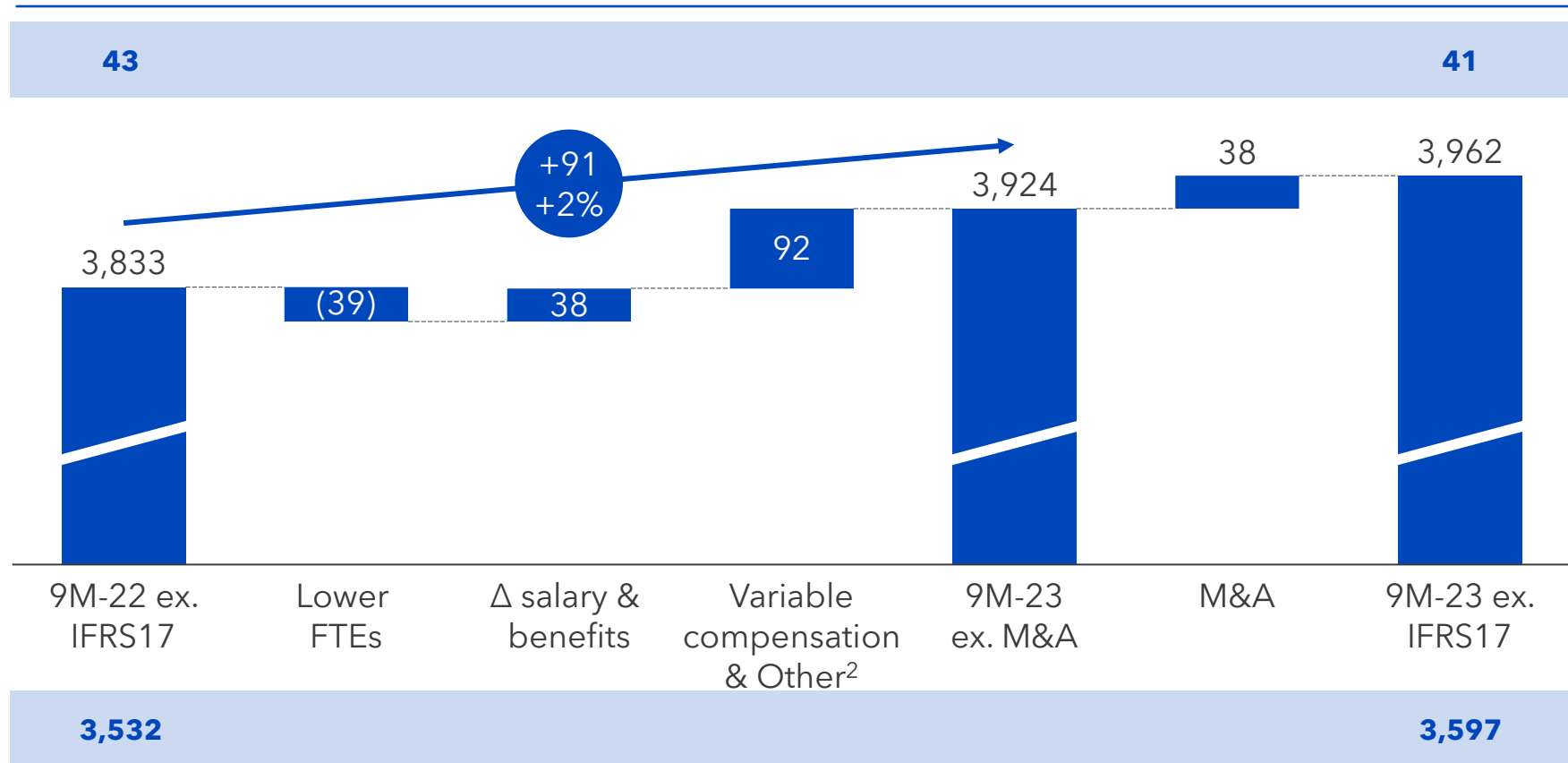
VARIABLE COMP UP REFLECTING POSITIVE COMMERCIAL ACTIVITY – ORDINARY COSTS % DOWN

€ m unless

otherwise stated

## ORDINARY HR COSTS<sup>1</sup>

Ordinary HR costs /  
revenues (%)



1. Excluding one-off bonus of 90; 2. Unpaid leave and provisions for holidays, extraordinary items on bonuses and compensation, turnover and other

# NON-HR COSTS

PROGRESSING AHEAD OF PLAN – INCREASE DUE TO NEW ENERGY BUSINESS, LIMITED INFLATION IMPACT

€ m unless

otherwise stated

## NON-HR COSTS<sup>1</sup>

Variable costs / variable revenues (%)

65

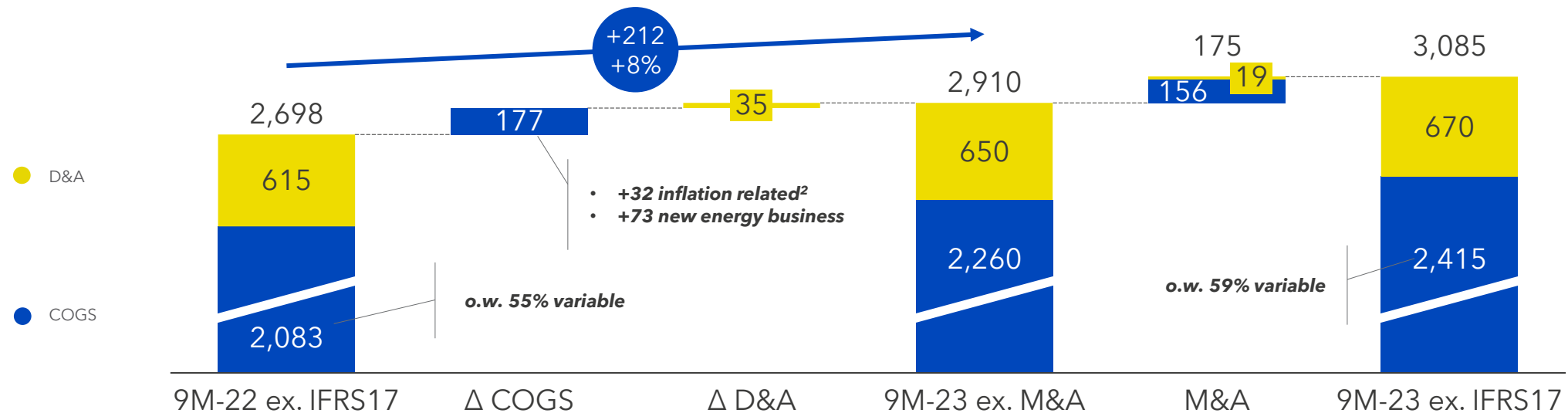
67

66% net of new energy business and inflation impact

Fixed COGS / total revenues (%)

10

10



IFRS17 non HR Costs

2,557

2,920

1. Excluding other non-HR costs; 2. Higher costs for fuel, electricity, gas and raw materials

# CLOSING REMARKS

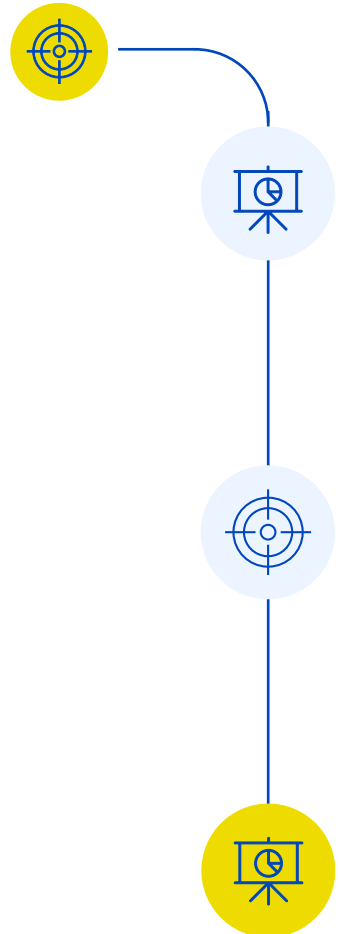


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**Q&A**

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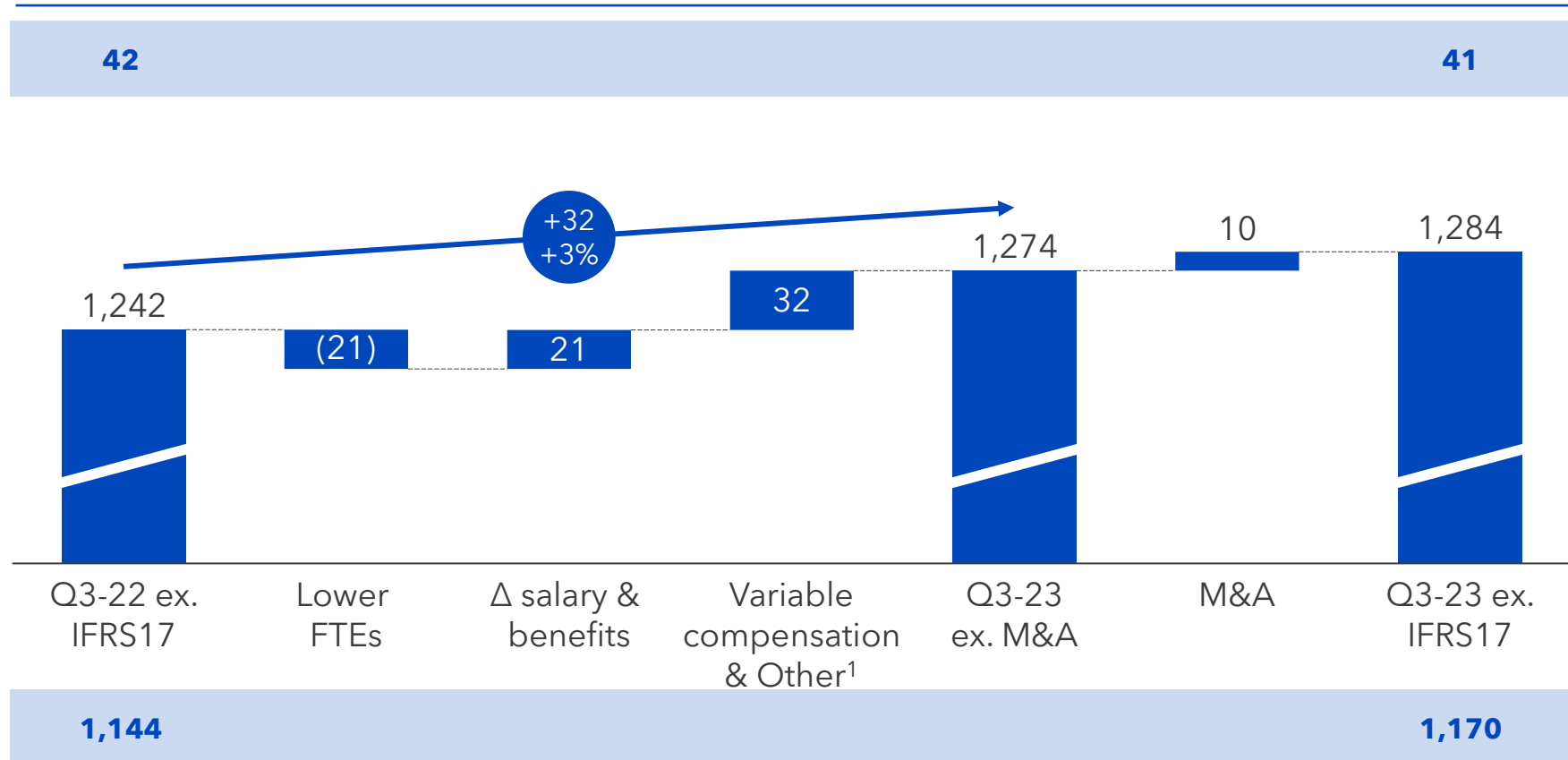
# HUMAN CAPITAL – HR COSTS

PLANNED SALARY INCREASE OFFSET BY LOWER FTEs – HIGHER VARIABLE COMPENSATION

€ m unless  
otherwise stated

## ORDINARY HR COSTS

Ordinary HR costs /  
revenues (%)



1. Unpaid leave and provisions for holidays, extraordinary items on bonuses and compensation, turnover and other

# NON-HR COSTS

## ENERGY BUSINESS START-UP COSTS AND INFLATION INCREASE - IN LINE WITH EXPECTATIONS

€ m unless  
otherwise stated

### NON-HR COSTS<sup>1</sup>

Variable costs / variable  
revenues (%)

63

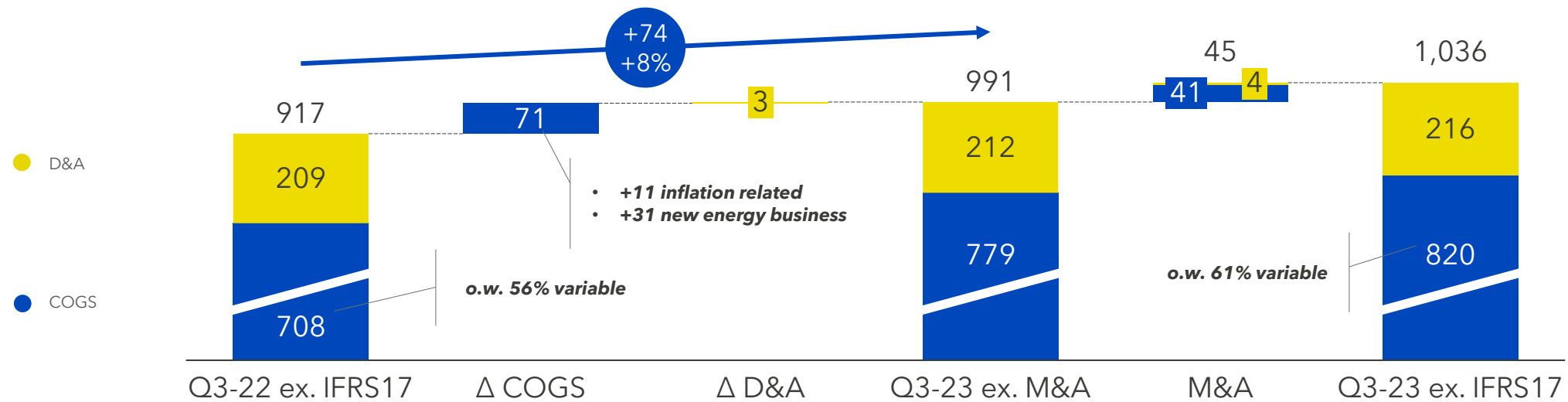
67

66% net of new energy  
business and inflation  
impact

Fixed COGS / total  
revenues (%)

11

10



IFRS17 non HR Costs

869

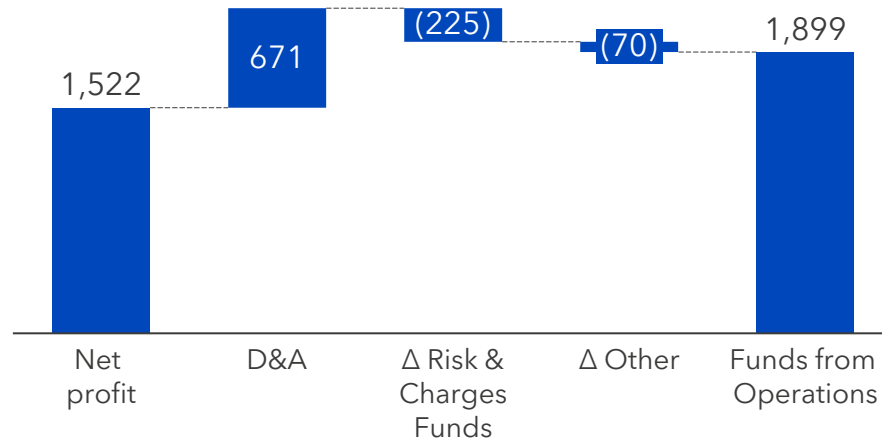
986

1. Excluding other non-HR costs

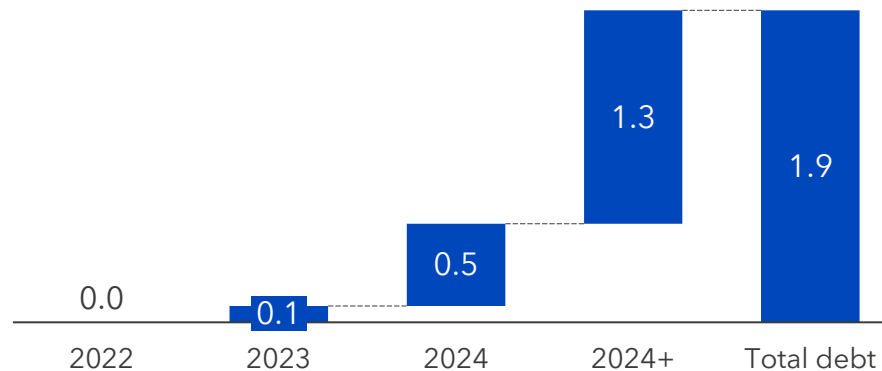
# STRONG CASH GENERATION, AMPLE LIQUIDITY & BALANCED DEBT PROFILE



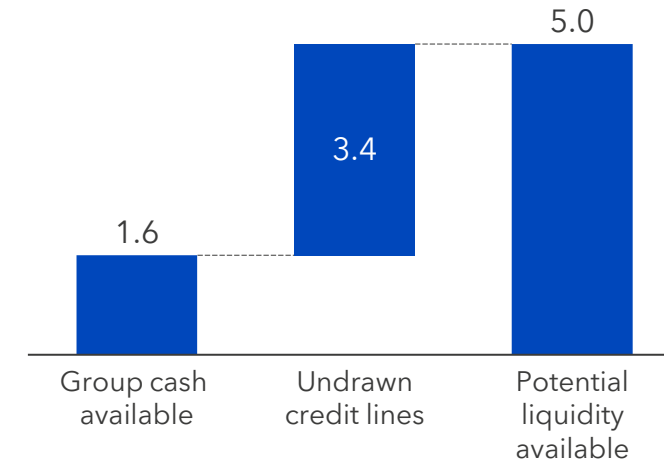
## GROUP FUNDS FROM OPERATIONS (9M-23 - € M)



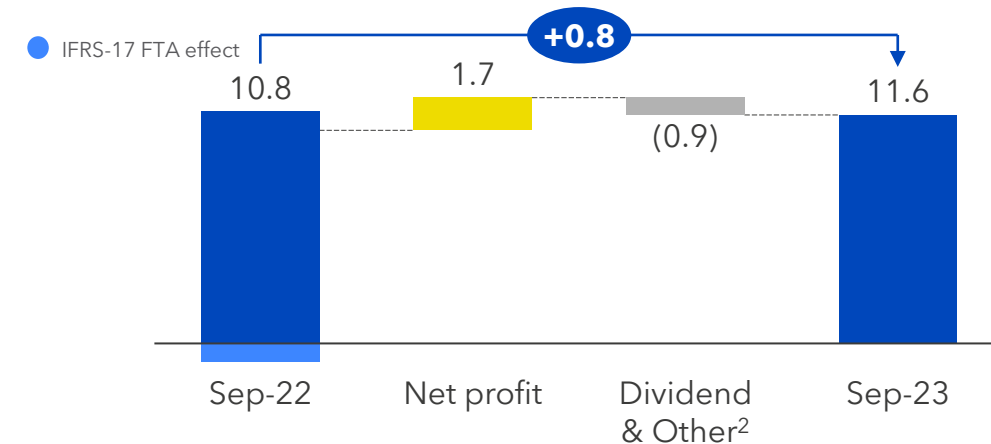
## BALANCED MATURITY PROFILE (€ BN)



## SIGNIFICANT LIQUIDITY RESOURCES (€ BN)



## GROUP SHAREHOLDERS' EQUITY<sup>1</sup> (€ BN)



**1.** Shareholders' equity net of revaluation reserves and IFRS 17 restatement effects; **2.** Other includes buyback, the coupon on the hybrid bond, the purchase of options for minority acquisitions, TFR, reserve variation related to incentive schemes (IFRS 2)



**+364**



- +16 Net income MPD (excl. sender non-cash capital gain)
- +440 D&A
- - 186 Change in risk & funds and other

movements<sup>1</sup>

**NFP Sep-23**  
**ex. IFRS16**  
**& valuation**  
**effects**

**(1,164)**

Sep-22

(2,686)

25

# NET INTEREST INCOME EVOLUTION

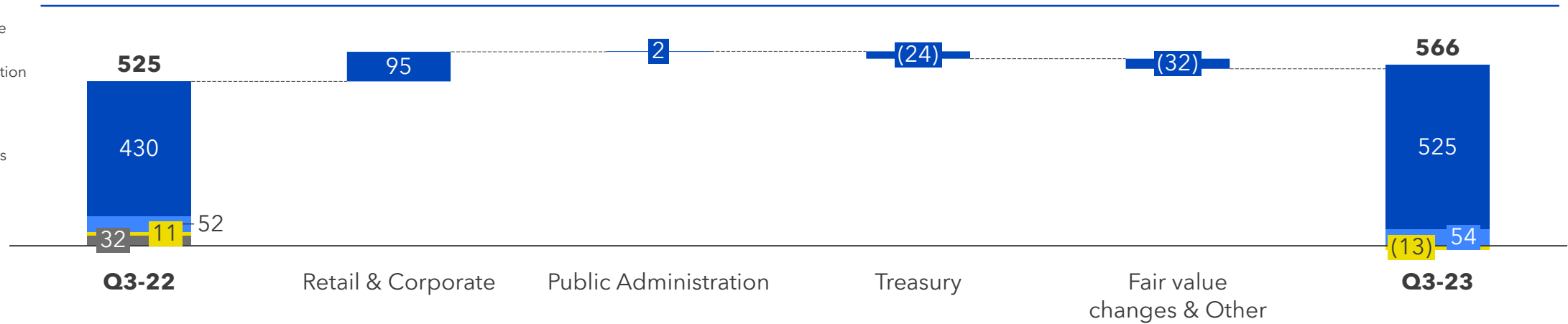
POSITIVE IMPACT FROM RISING INTEREST RATES AND INCREASING RETAIL DEPOSITS YEAR-ON-YEAR

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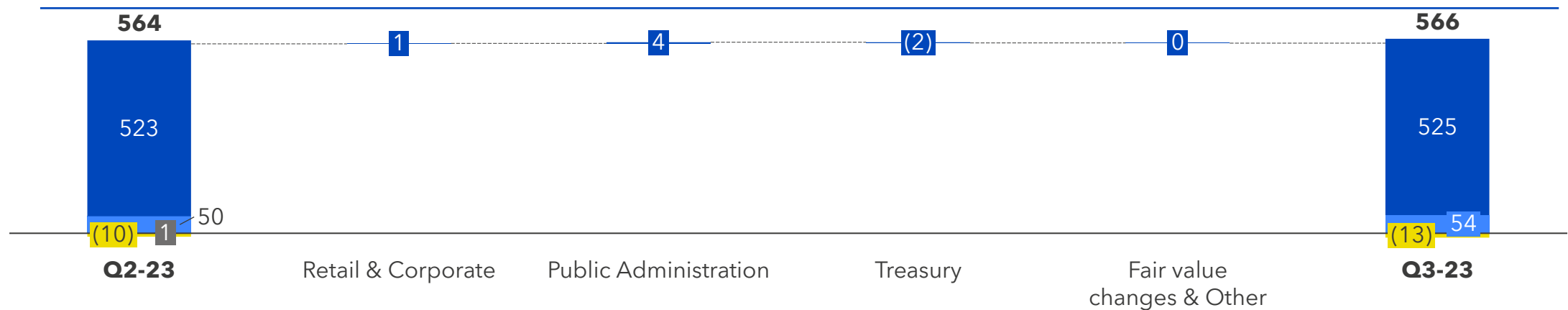
otherwise stated

## Y/Y EVOLUTION

- Retail & Corporate
- Public Administration
- Treasury
- Fair value changes & Other



## Q/Q EVOLUTION



Note: all figures are reported net of interest expenses

# BANCOPOSTA ASSETS AND LIABILITIES STRUCTURE

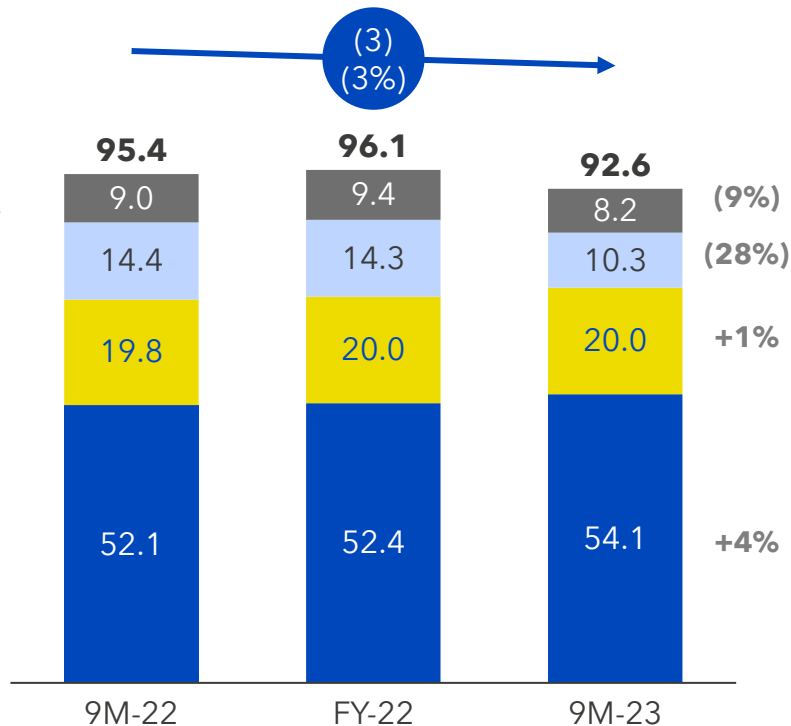
## AVERAGE RETAIL AND CORPORATE DEPOSITS UP

€ bn unless  
otherwise  
stated



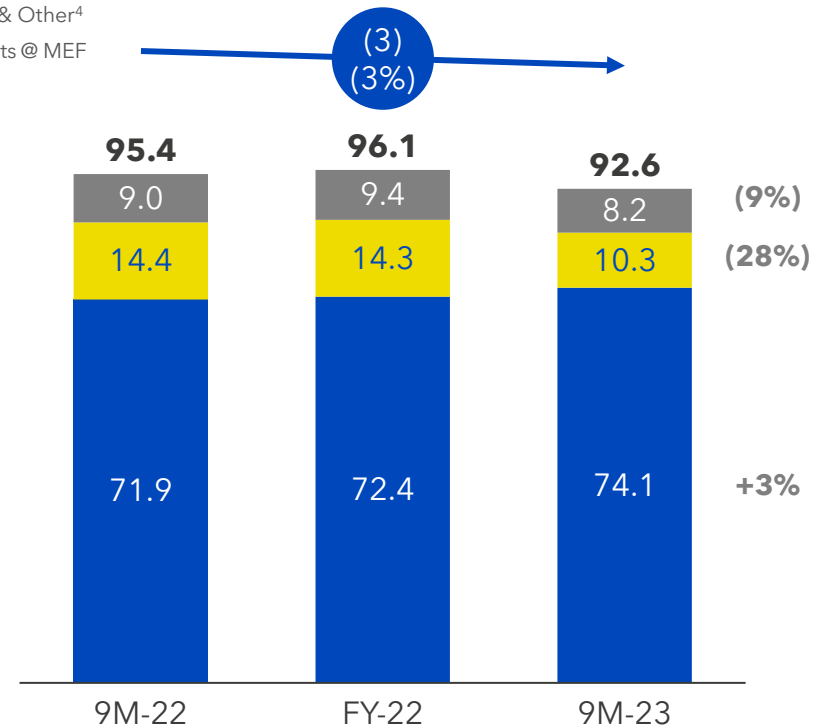
### AVERAGE DEPOSITS

- Treasury<sup>1</sup>
- Public Administration<sup>2</sup>
- Corporate & other<sup>3</sup>
- Retail + Postepay



### AVERAGE INVESTMENT PORTFOLIO

- Italian government bonds & Other<sup>4</sup>
- Treasury<sup>1</sup>
- Deposits @ MEF



Avg. Return ex. cap. gains (%) <sup>5</sup>	1.94	1.99	2.42
Duration (# of years)	5.2	5.0	5.2

### HIGHLIGHTS

- Retail and Corporate deposit increase y/y
- Public Administration assets yield mostly linked to 10Y Italian Govies - liabilities mainly remunerated on 6M Euribor
- Treasury assets mainly remunerated at a fixed rate - liabilities remunerated at variable rate

1. Includes short term REPO and collateral 2. Entirely invested in floating rate deposits c/o MEF; 3. Includes business current accounts, PostePay business, Long-term REPO, Poste Italiane liquidity and other customers debt; 4. Includes Tax Credits & Others; 5. Average yield calculated as net interest income on average deposits

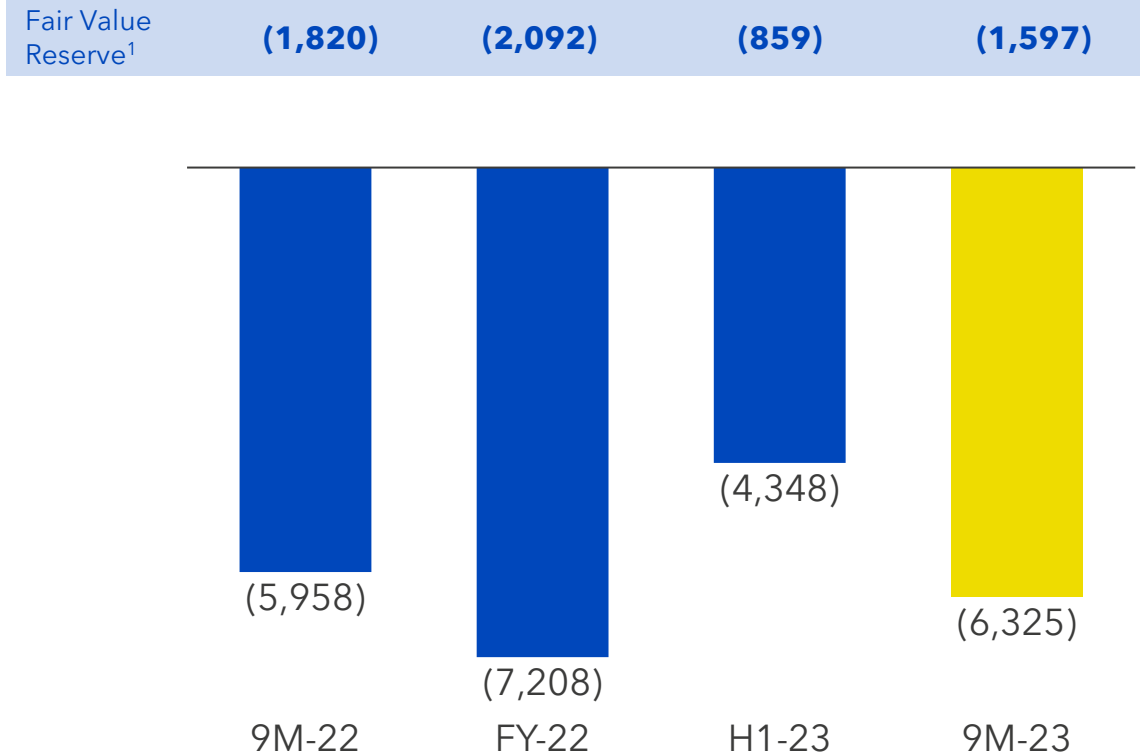
# UNREALISED GAINS & LOSSES AND SENSITIVITIES

## NET UNREALISED LOSSES NOT IMPACTING CAPITAL POSITION

€ m unless  
otherwise  
stated

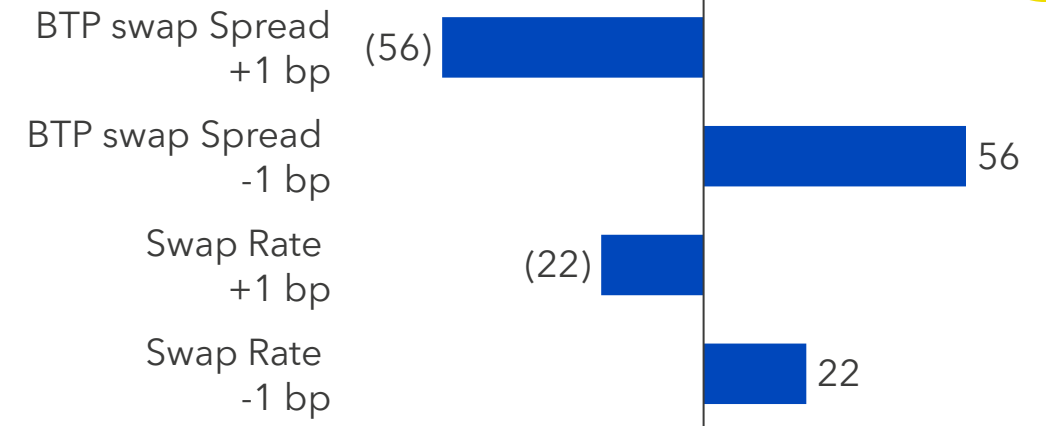
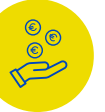


### UNREALISED NET GAINS AND LOSSES



1. Net of taxes

### PORTFOLIO SENSITIVITIES



	Q3-22	Q4-22	Q2-23	Q3-23	Var (bp) Q3-23 vs Q2-23
BTP 10Y	4.52	4.72	4.07	4.78	+71
SWAP 10Y	3.08	3.20	3.02	3.39	+38
BTP 15Y	4.40	4.75	4.26	5.04	+78
SWAP 15Y	3.07	3.14	2.96	3.43	+47
BTP 30Y	4.34	4.79	4.44	5.25	+81
SWAP 30Y	2.40	2.53	2.54	3.09	+55

# POSTAL SAVINGS

## NET OUTFLOWS MAINLY DRIVEN BY POSTAL BONDS

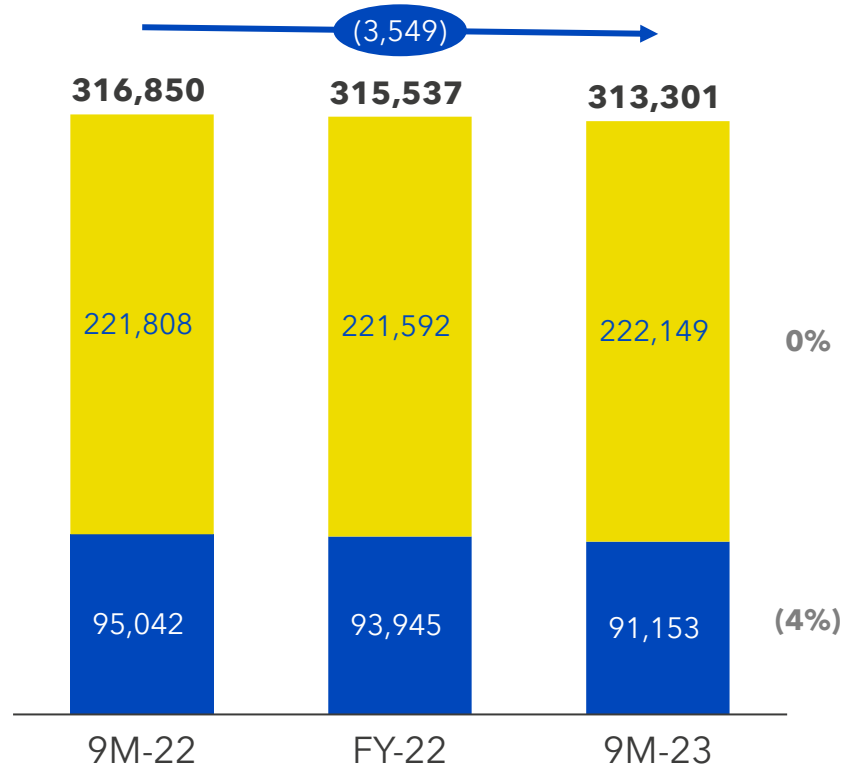
€ m unless  
otherwise stated



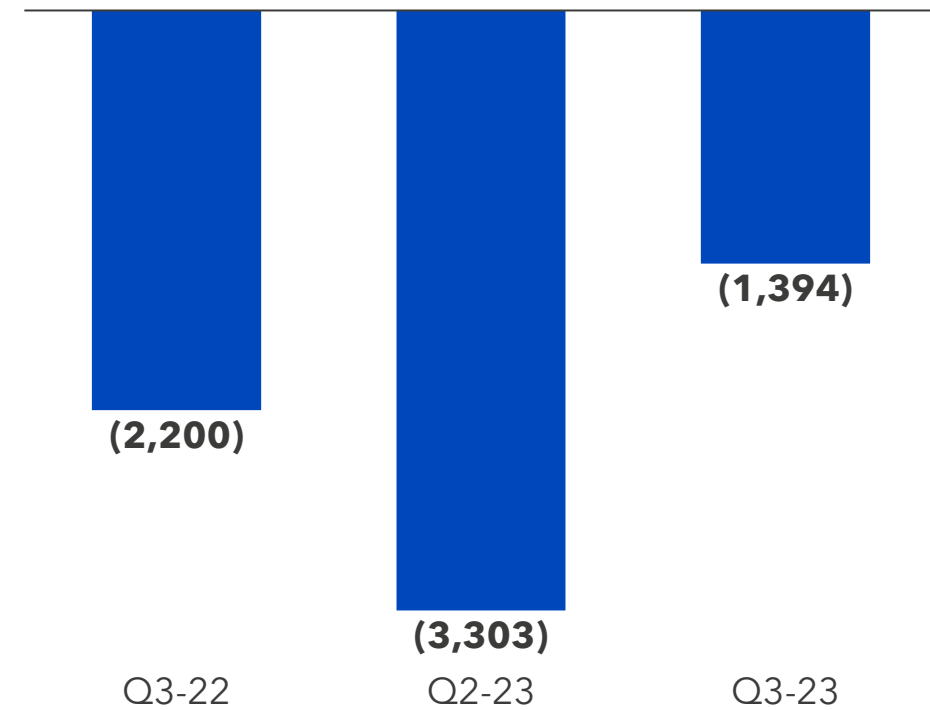
### AVERAGE POSTAL SAVINGS<sup>1</sup>

● Postal Bonds

● Postal savings books



### POSTAL SAVINGS NET FLOWS



1. Average postal savings excludes interests accrued year-to-date and interests compounded, but not yet payable, on postal bonds not matured as of the reporting date

# ASSET MANAGEMENT

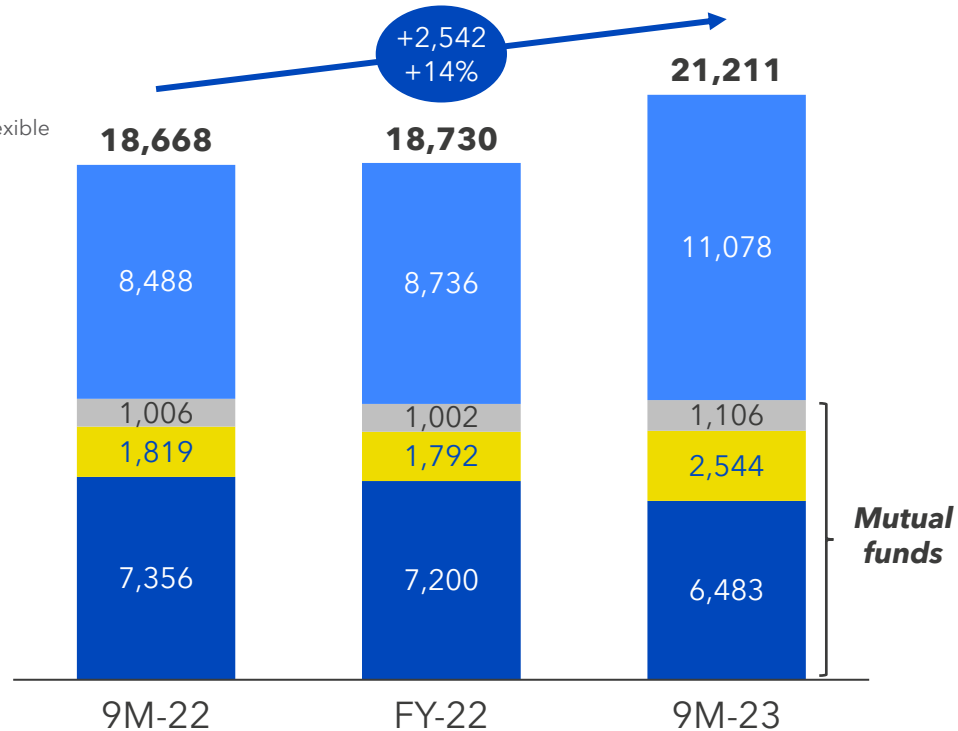
## AUM GROWTH SUPPORTED BY POSITIVE NET FLOWS

€ m unless  
otherwise stated

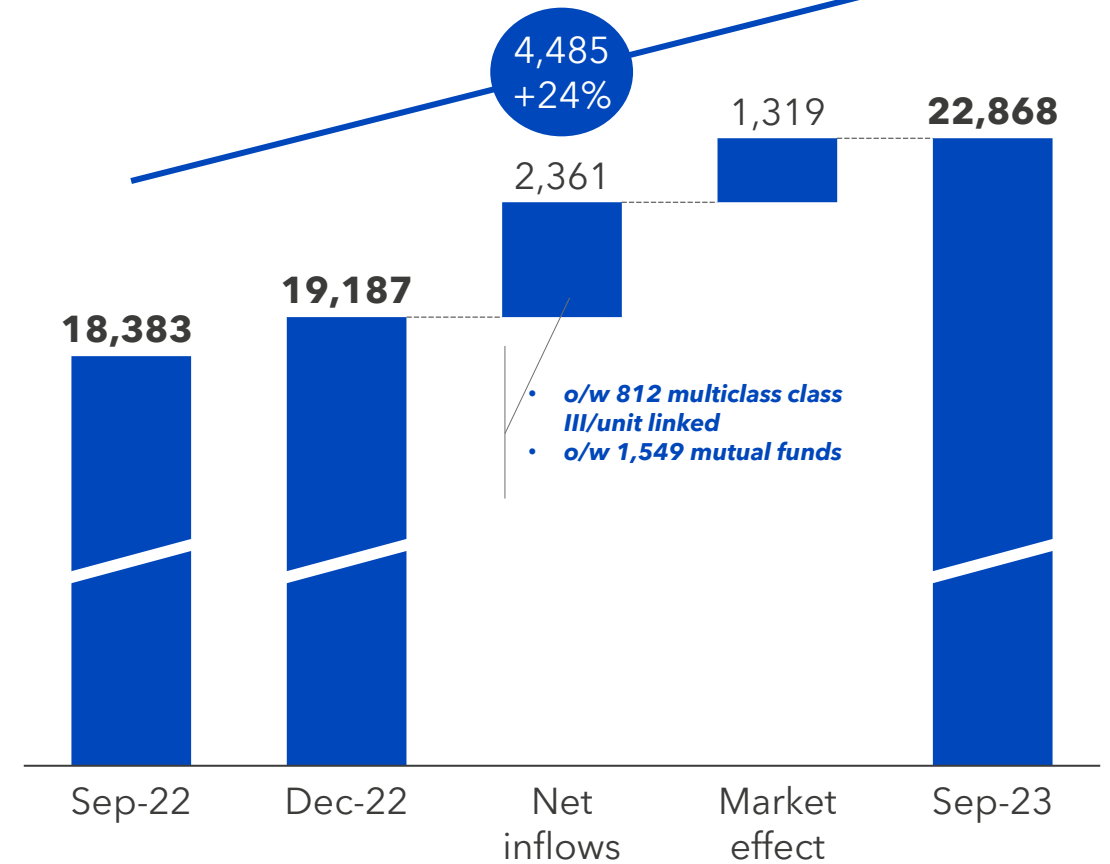


### AVERAGE ASSETS UNDER MANAGEMENT

- Unit linked & multiclass Class III
- Equity
- Bond & Cash
- Balanced & Flexible



### AUM EVOLUTION - EOP



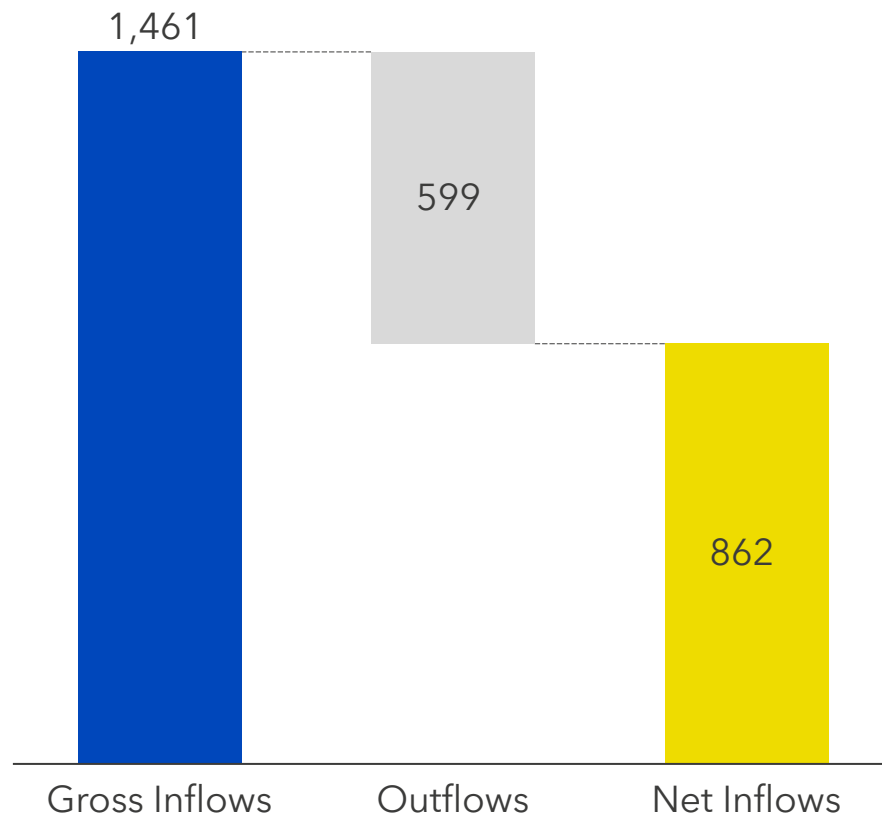
# ASSET MANAGEMENT NET INFLOWS

## POSITIVE NET FLOWS THANKS TO MUTUAL FUNDS AND MULTICLASS CLASS III PRODUCTS

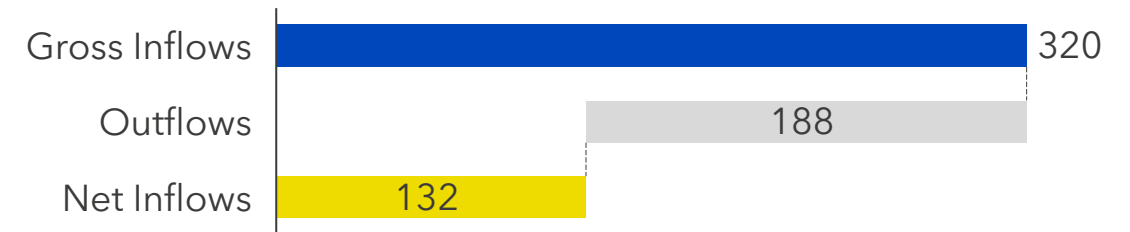
€ m unless  
otherwise stated



### TOTAL NET FLOWS Q3-23



### MULTICLASS CLASS<sup>1</sup> III & UNIT LINKED



### MUTUAL FUNDS



# BANCOPOSTA: SOLID AND EFFICIENT CAPITAL POSITION

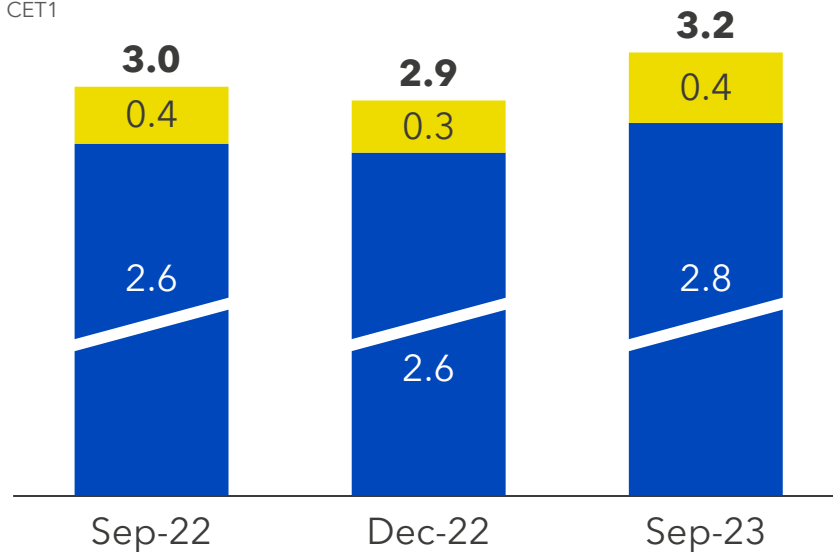
## AN ASSET GATHERER WITH A CAPITAL LIGHT BALANCE SHEET



### LEVERAGE RATIO (%)

AT1

CET1


BALANCE SHEET  
EXPOSURE (€ BN)

99.8

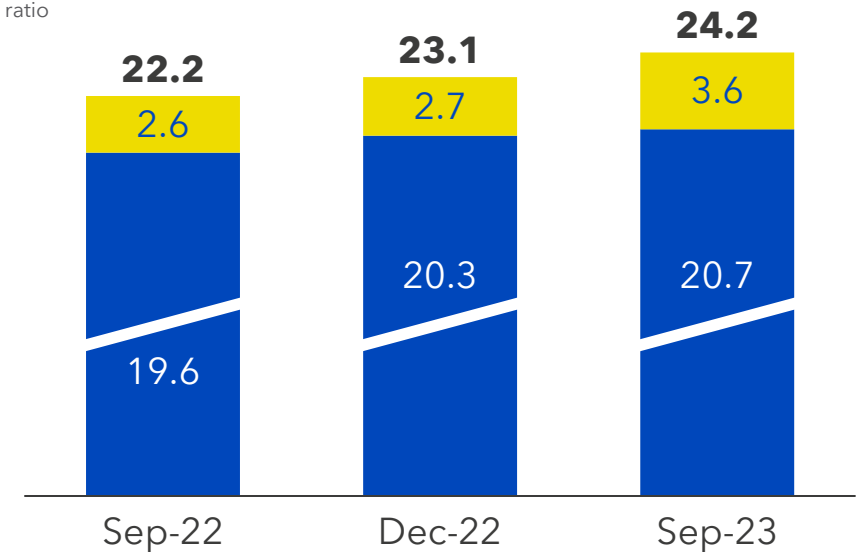
101.7

94.2

### TOTAL CAPITAL RATIO (%)

AT1 ratio

CET1 ratio



RWA (€ BN)

13.3

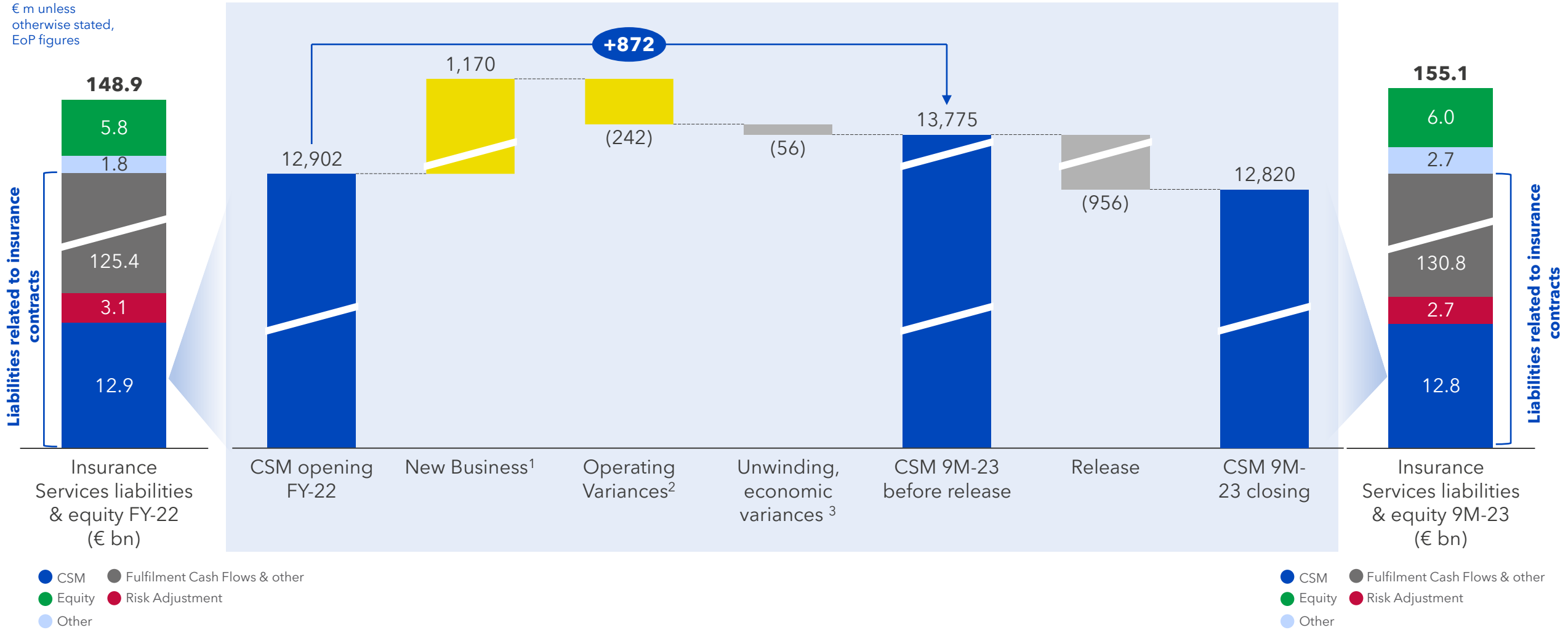
12.9

12.6

# CONTRACTUAL SERVICE MARGIN EVOLUTION

## €12.8BN OF CSM SUPPORTING SUSTAINABLE PROFITABILITY GOING FORWARD

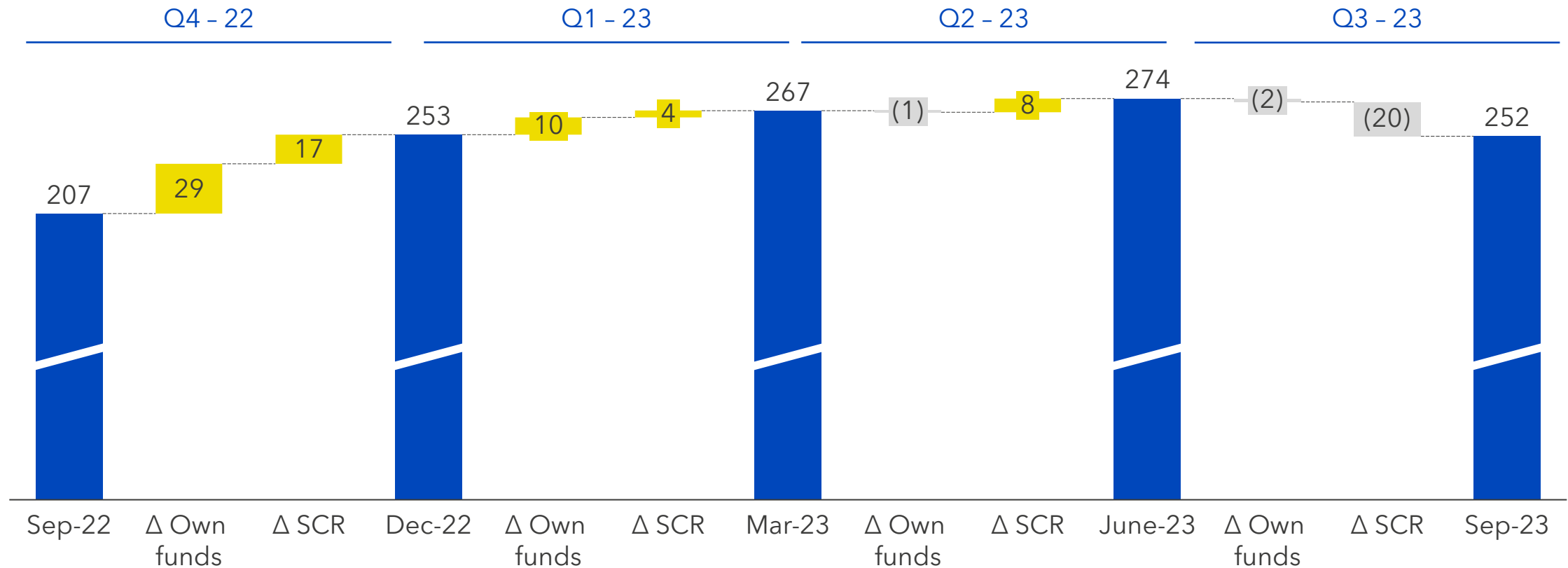
€ m unless  
otherwise stated,  
EoP figures



1. CSM of the business issued over the reporting period; 2. Impact of non-financial assumptions in future cash flow projections; 3. Impact from changes in market condition in future cash flow projections

# INSURANCE SERVICES

## SOLVENCY II EVOLUTION

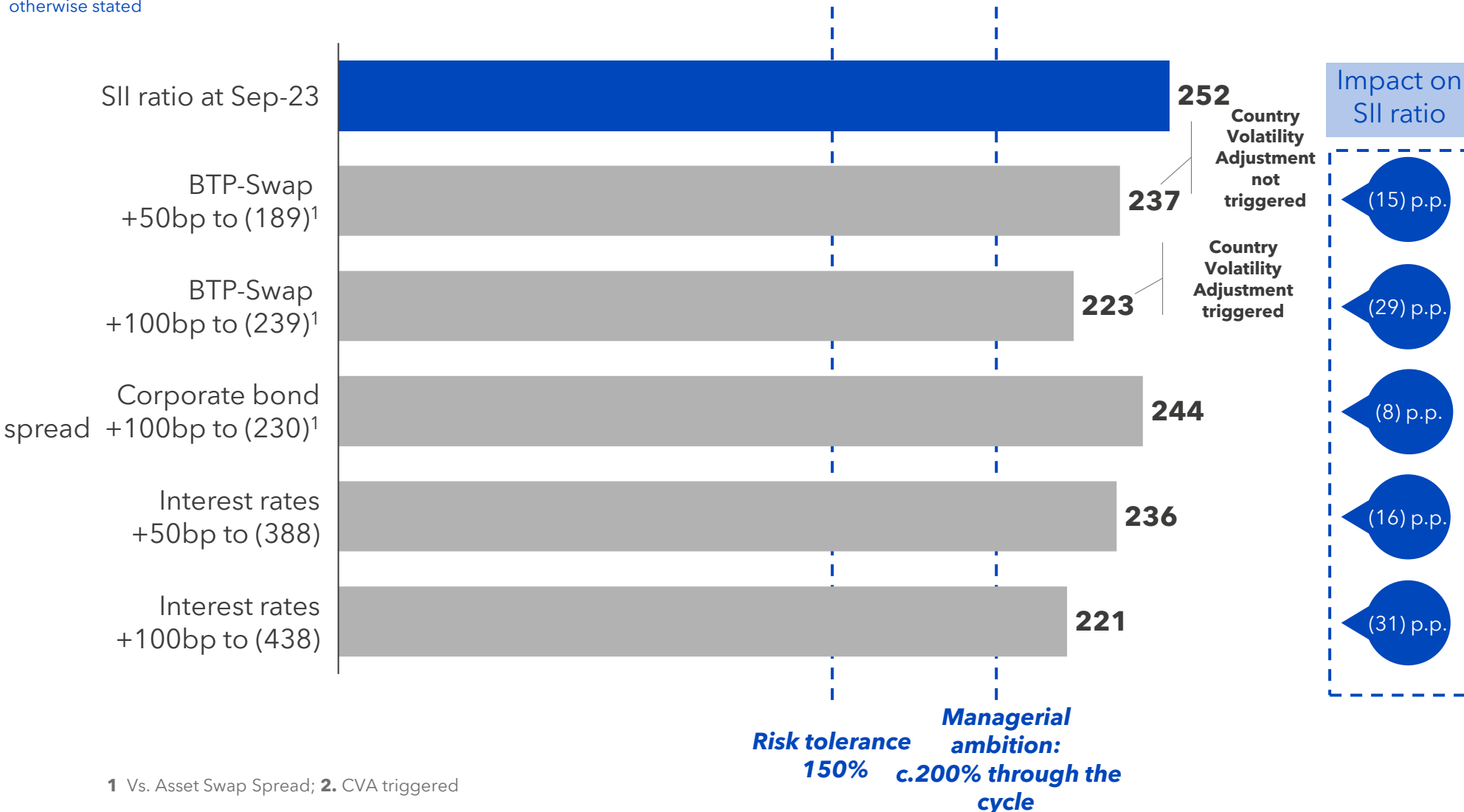


SWAP (BP)	308	320	296	298	338
BTP-SWAP SPREAD (BP)	144	151	114	106	139
V.A. CURR. (BP)	17	19	20	21	21

# SOLVENCY II RATIO SENSITIVITIES

## RATIOS WELL ABOVE RISK TOLERANCE UNDER SIMULATED SCENARIOS

% unless  
otherwise stated



<sup>1</sup> Vs. Asset Swap Spread; <sup>2</sup> CVA triggered

## Q3 HIGHLIGHTS

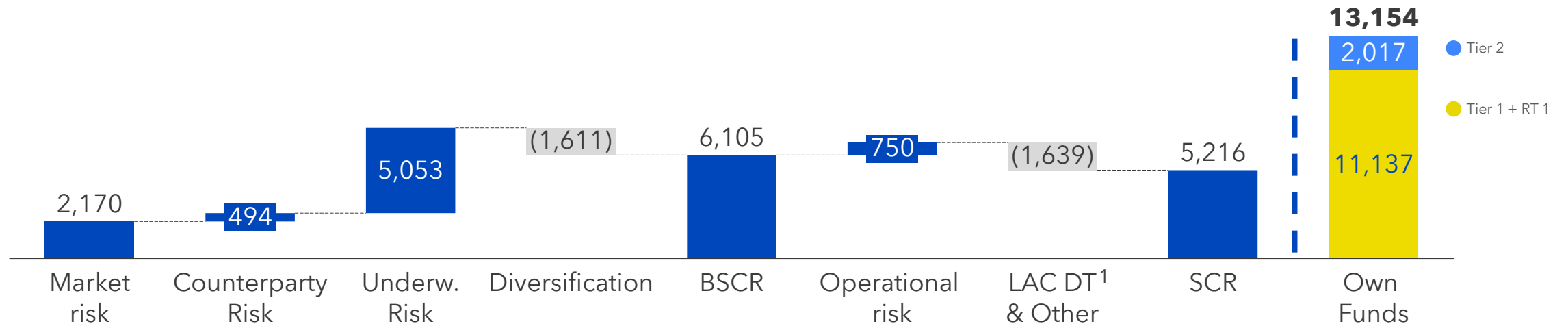
- Solvency II ratio sensitivity to BTP-Swap spread (+100bp):
  - (129) p.p. as of Dec-20
  - (98) p.p. as of Dec-21
  - (71) p.p. as of Mar-22
  - (60) p.p. as of Jun-22
  - (34) p.p. as of Sep-22<sup>2</sup>
  - (29) p.p. as of Dec-22<sup>2</sup>
  - (43) p.p. as of Mar-23
  - (37) p.p. as of Jun-23
  - (29) p.p. as of Sep-23<sup>2</sup>
- Solvency II ratio sensitivity to Swap rate (+100bp):
  - (42) p.p. as of Jun-22
  - (27) p.p. as of Sep-22
  - (32) p.p. as of Dec-22
  - (35) p.p. as of Mar-23
  - (37) p.p. as of Jun-23
  - (31) p.p. as of Sep-23

# INSURANCE SERVICES

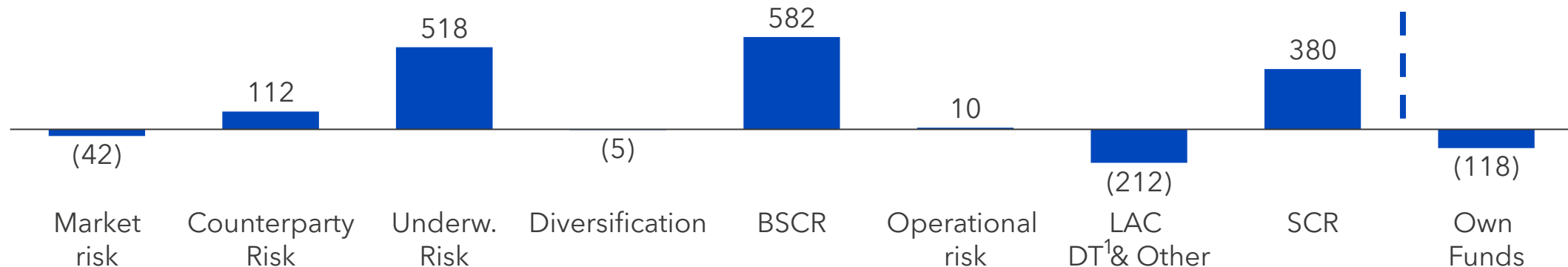
## SOLVENCY II OWN FUNDS TIERING AND SOLVENCY CAPITAL REQUIREMENTS

€ m unless  
otherwise stated

### SOLVENCY II CAPITAL AND SOLVENCY II CAPITAL REQUIREMENT BREAKDOWN



### CHANGE VS JUNE 2023



1. Loss Absorbing Capacity of deferred taxes ("LAC DT")

# INSURANCE SERVICES GWP

## SOLID COMMERCIAL ACTIVITY IN A CHALLENGING ENVIRONMENT

€ m unless  
otherwise stated



LIFE



P&C

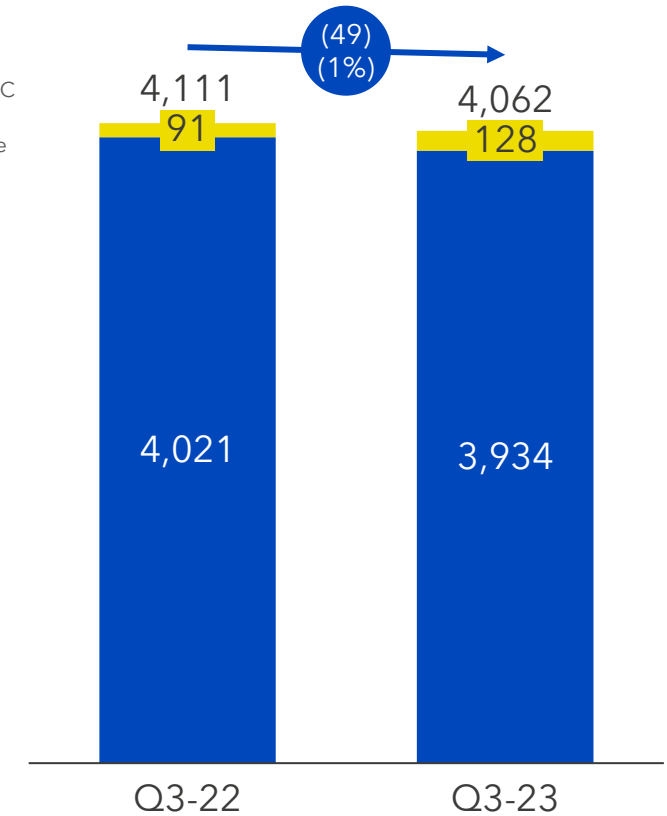
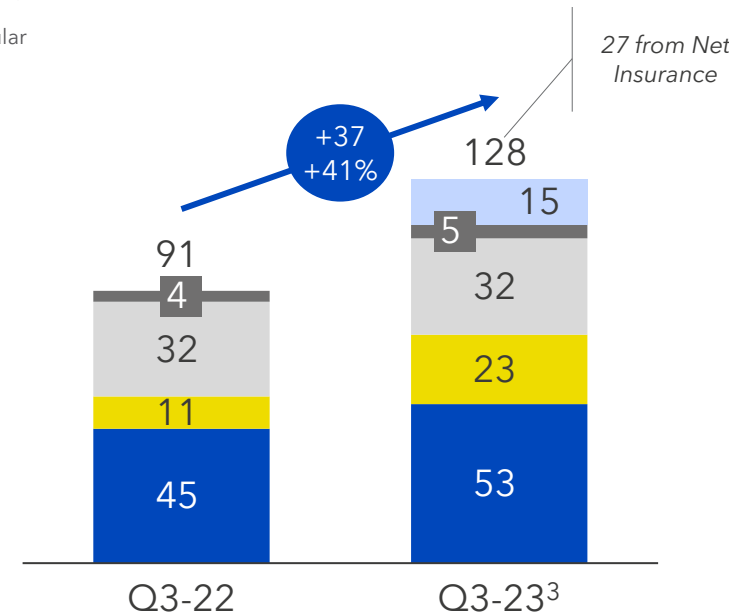
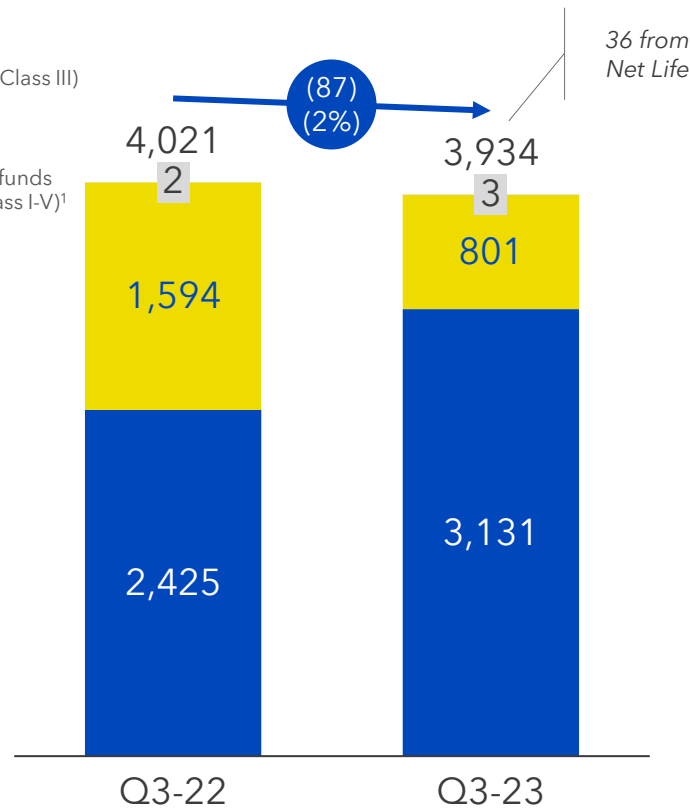


TOTAL

- Unit Linked (Class III)
- Multiclass
- Segregated funds products (class I-V)<sup>1</sup>

- Other
- Intersegment<sup>2</sup>
- Welfare
- Credit protection
- Modular

- P&C
- Life



Multiclass (% of life GWP) **40** **21**

o.w. Protection GWP<sup>4</sup> **126** **194**

1. Includes 66 of life protection, 226 of PPP and 36 of Net Life in Q3-23; 2. Includes P&C Intercompany contracts and Life P&C Integration; 3. Includes 27 of Net Insurance of which 15 products sold via third parties (Other) and 12 credit protection related products; 4. Protection includes total P&C and Life Protection (Class I-IV), 63 related to Net Insurance in Q3-23

# INSURANCE SERVICES RESERVES

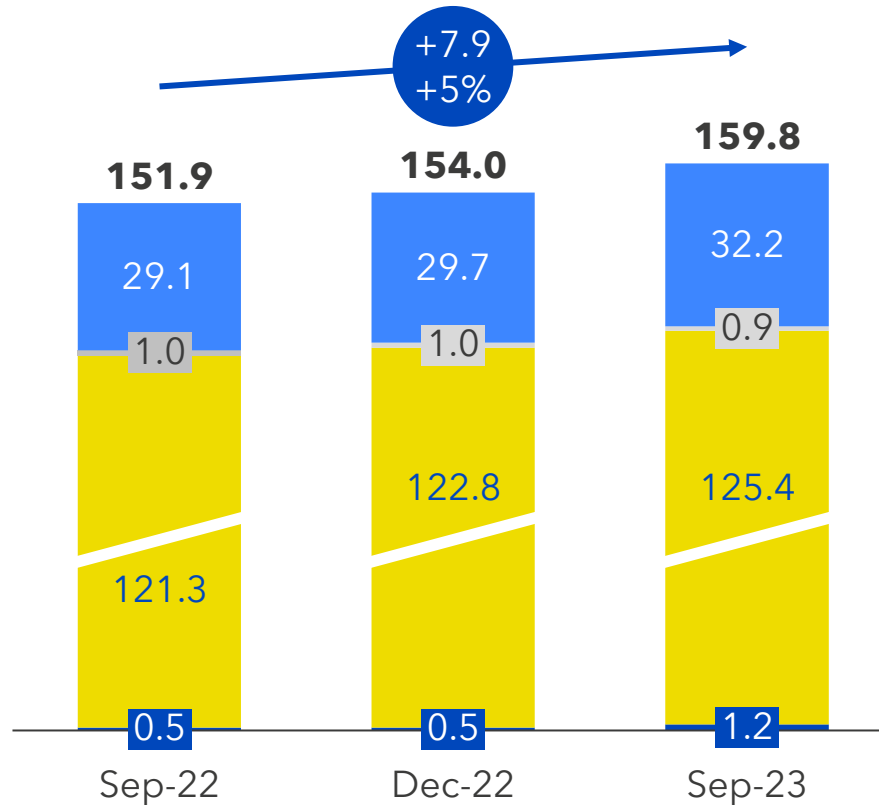
## STRONG NET INFLOWS OUTPERFORMING THE MARKET

€ bn unless  
otherwise stated

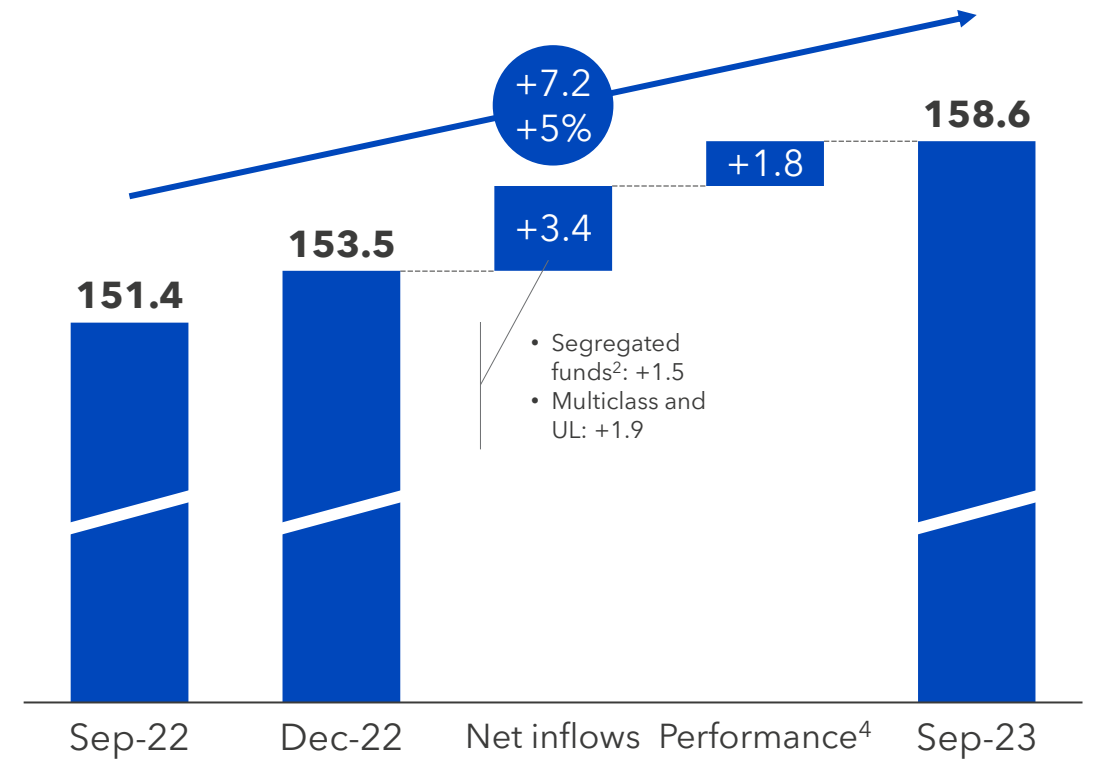


### TOTAL INSURANCE RESERVES<sup>1</sup>

- Multiclass
- Unit linked (Class III)
- Segregated fund products (class I-V)<sup>2</sup>
- Protection



### LIFE INSURANCE RESERVES EVOLUTION<sup>3</sup>



<sup>1</sup>. EoP figures, 2022 Insurance Reserves restated to exclude the Deferred Policyholders' Liabilities "DPL" (-14bn as of Dec-22), in line with local GAAP. Includes non-life insurance reserves. Life Protection is included under Protection; <sup>2</sup>. Includes PPP and Other reserves; <sup>3</sup>. EoP figure; <sup>4</sup>. Includes interests, upfront fees and other minor items

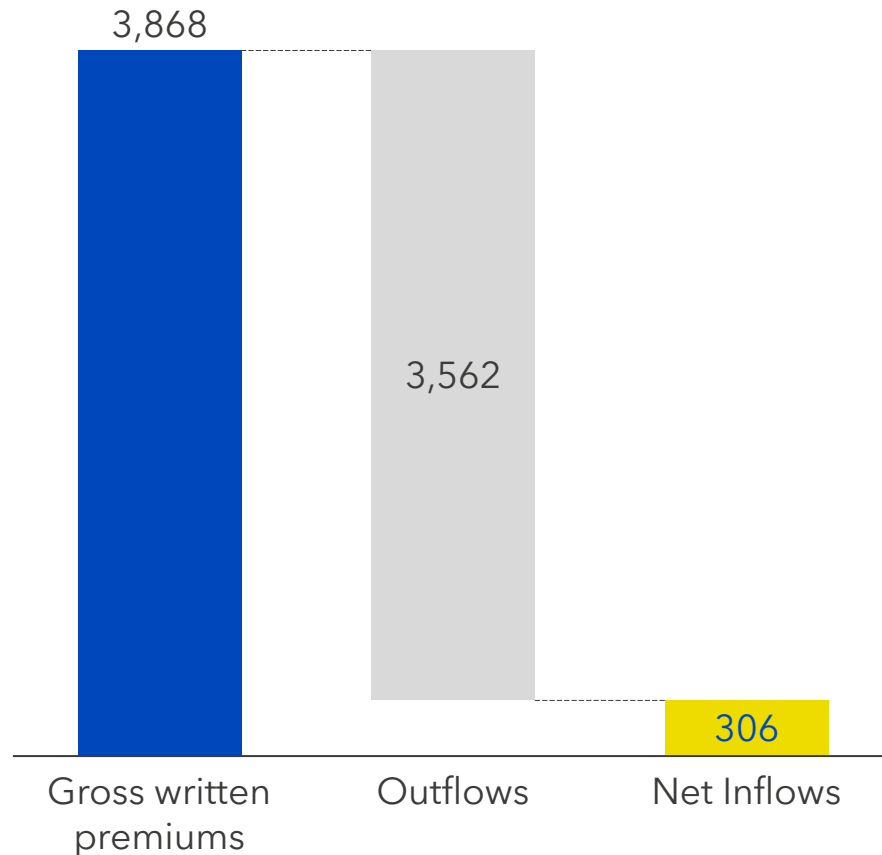
# INSURANCE SERVICES NET INFLOWS

## POSITIVE NET FLOWS ACROSS ALL PRODUCTS

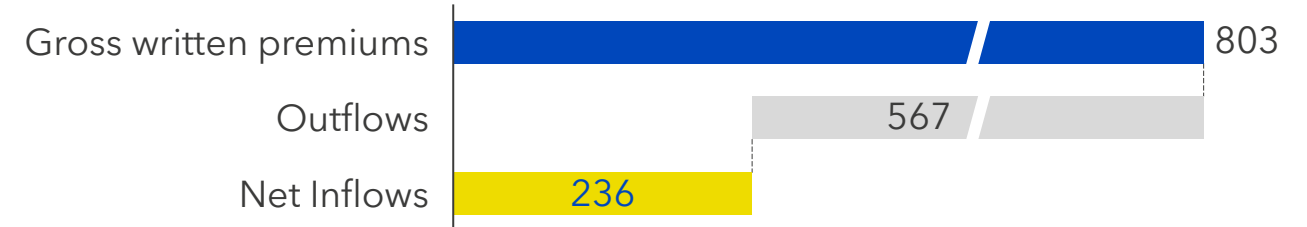
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otherwise stated



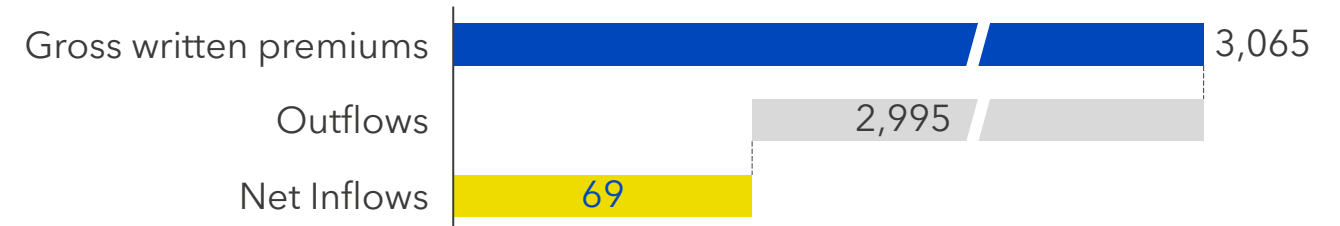
### TOTAL NET FLOWS Q3-23



### MULTICLASS & UNIT LINKED<sup>1</sup>



### CLASS I<sup>2</sup>



1. Including original Class I premiums shifted to Class III in accordance with contractual clauses; 2. Includes PPP

# INSURANCE SERVICES

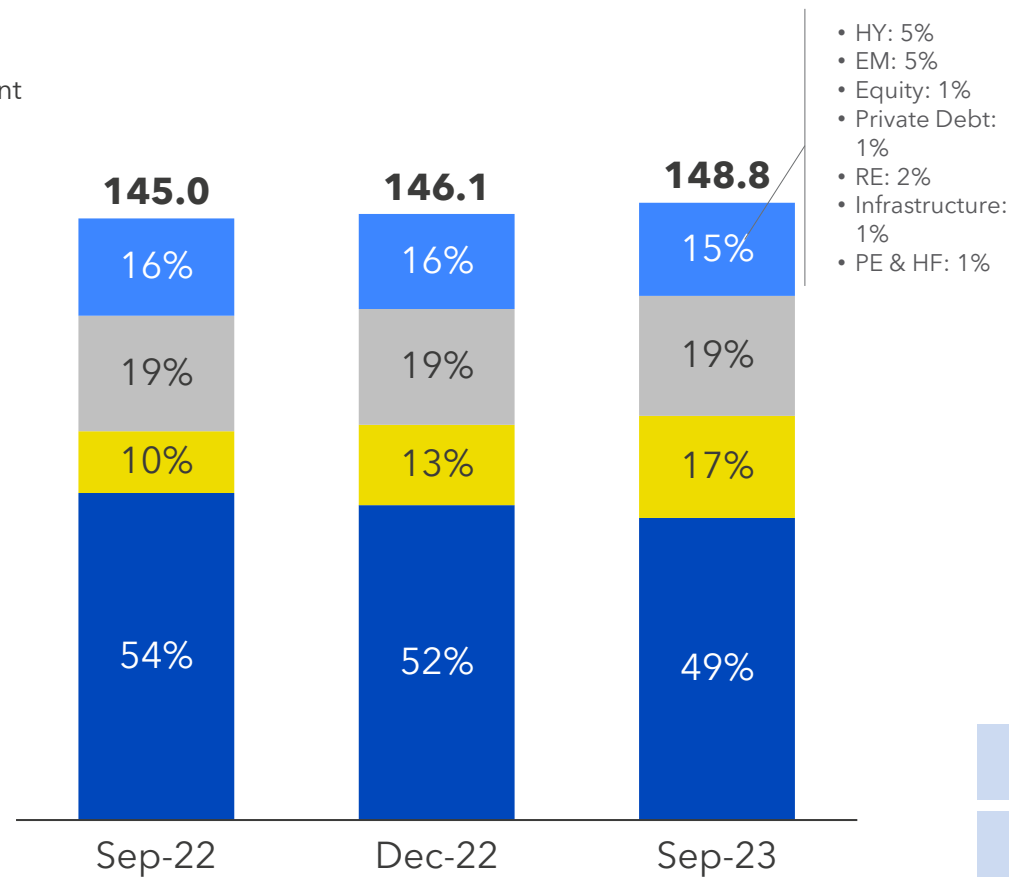
## INVESTMENT PORTFOLIO ONGOING DIVERSIFICATION



### INVESTMENT PORTFOLIO BREAKDOWN<sup>1</sup>

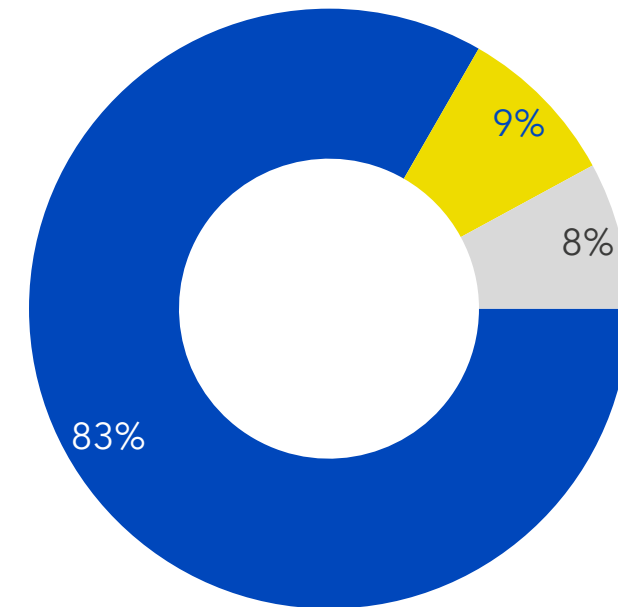
Total investment portfolio (€ bn)

- Other
- Corporate bonds
- Global Govies
- Italian Govies



### BOND PORTFOLIO BREAKDOWN BY COUPON TYPE

- Fixed
- Floating
- Inflation linked



	9M-22	FY-22	H1-23	9M-23	Var (bp) 9M-23 vs H1-23
Minimum guaranteed return (Class I) (%)	0.55	0.54	0.52	0.51	(1) bp
Segregated Fund return (%)	2.56	2.59	2.51	2.57	+6 bp

1. Includes financial assets covering Class I technical provisions and free surplus investments according to local GAAP

# PAYMENTS & MOBILE KEY METRICS

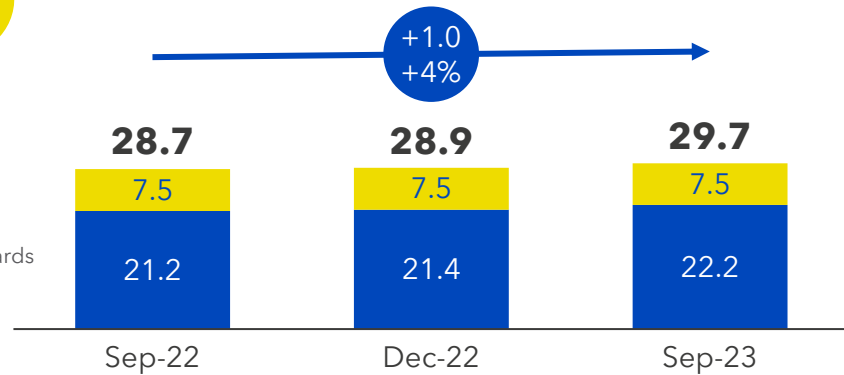
## STEADY INCREASE ACROSS KEY METRICS

€ m unless  
otherwise  
stated



### CARD STOCK<sup>1</sup> (#)

● Debit cards  
● Postepay cards

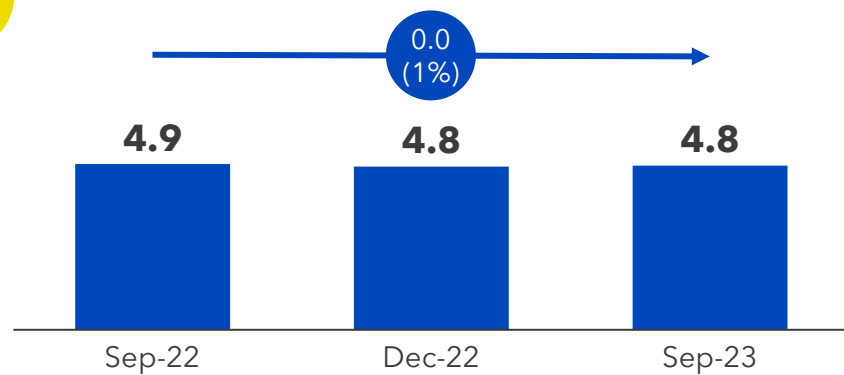


Postepay  
Evolution stock

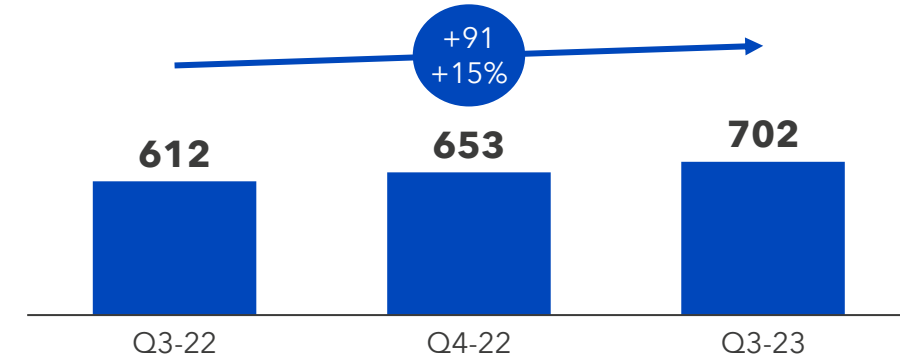
9.3 → +6% → 9.9



### MOBILE & LAND LINE, STOCK (#)



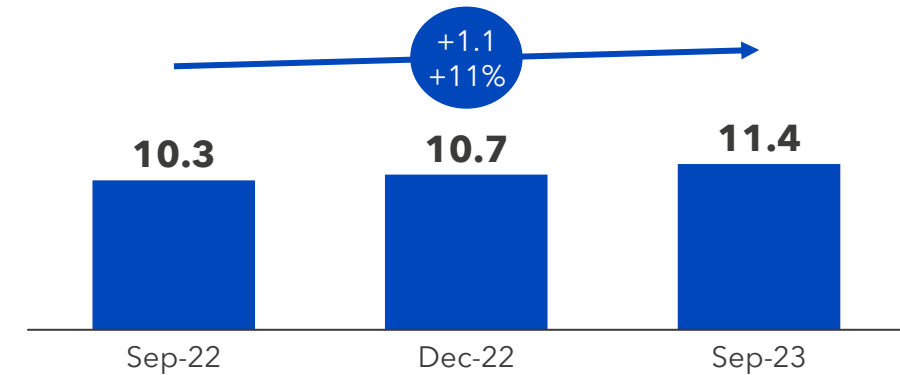
### TOTAL CARD TRANSACTIONS (#)<sup>2</sup>



Of which e-commerce<sup>3</sup>

149 → +18% → 176

### POSTE ITALIANE DIGITAL E-WALLETS (#)<sup>4</sup>



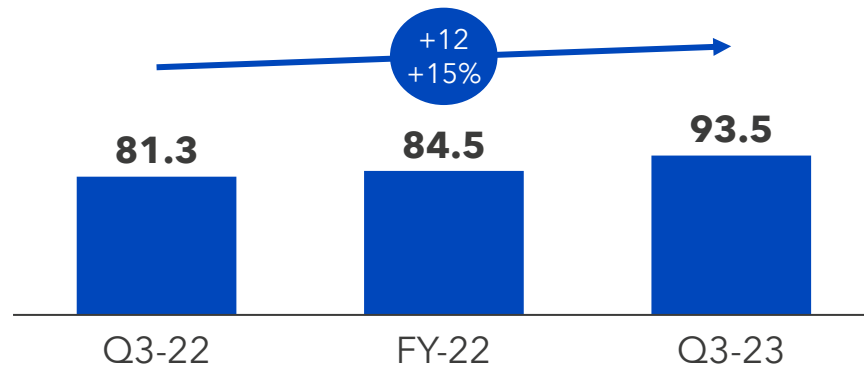
1. Including social measures related cards; 2. Including payments, top-ups and withdrawals; 3. Includes e-commerce and web transactions on Poste Italiane channels; 4. An innovative electronic tool associated to a single customer, able to authorize in app payment transactions

# POSTE ITALIANE DIGITAL FOOTPRINT

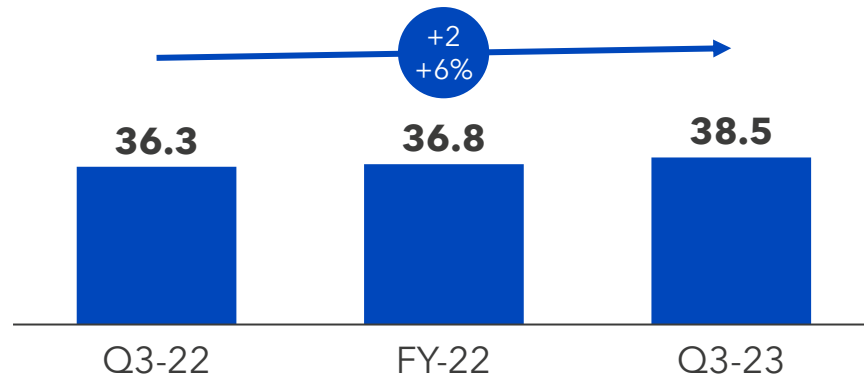
## KEY METRICS CONSTANTLY IMPROVING



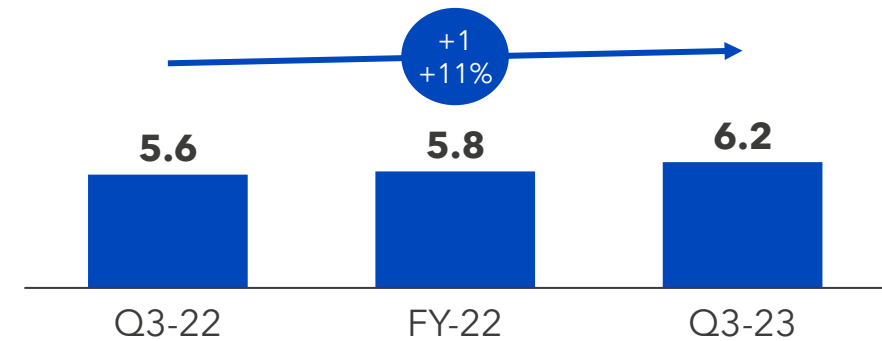
### CUMULATED APP DOWNLOADS (# M)<sup>1</sup>



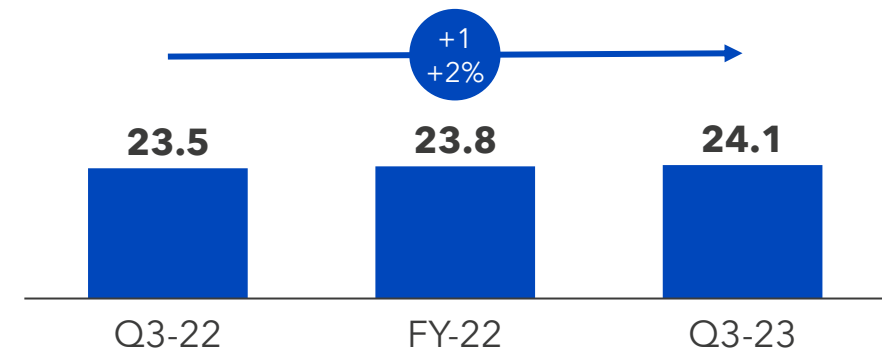
### REGISTERED ONLINE USERS (# M)



### DAILY ONLINE USERS (# M)



### ELECTRONIC IDENTIFICATION STOCK (# M)<sup>2</sup>



1. Source: App stores (iOS and Android); 2. Electronic identification refers to number of ID outstanding

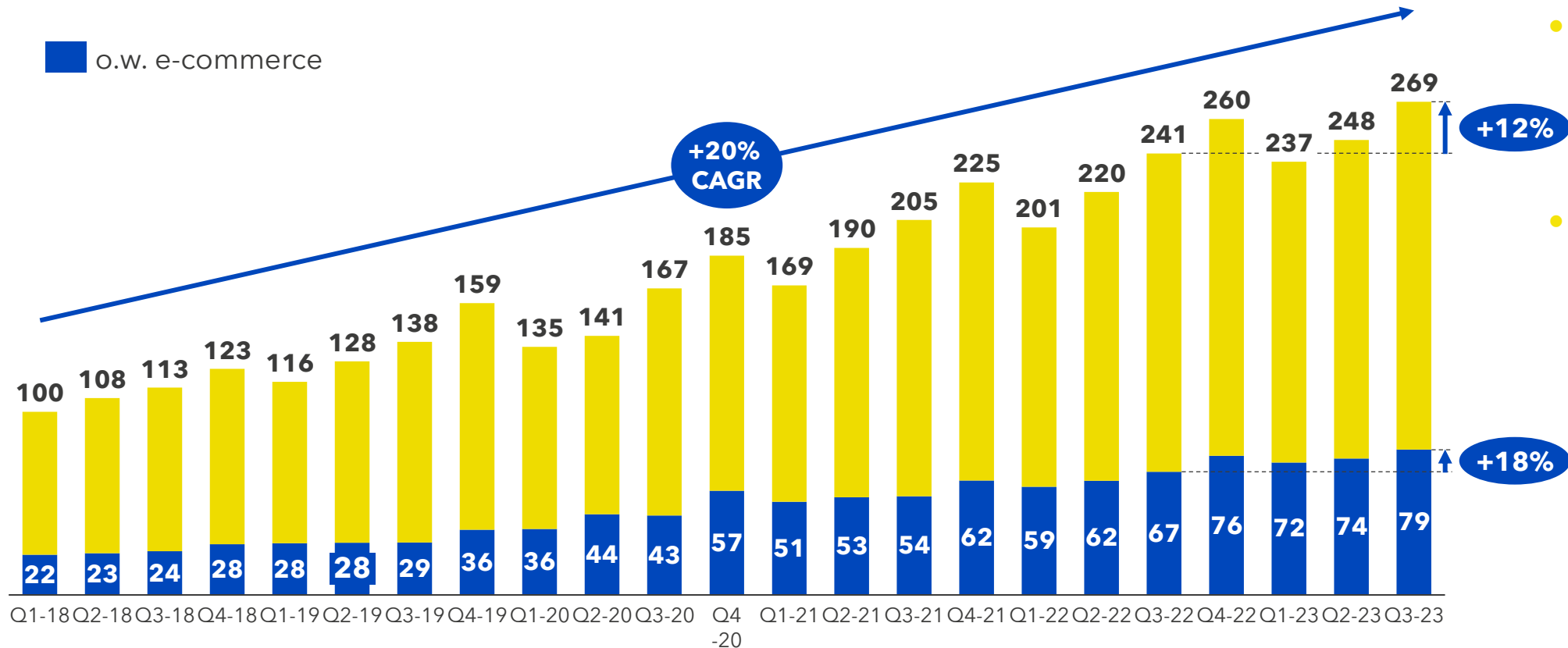
# POSTEPAY PAYMENTS TRANSACTION VALUE

## STEADY INCREASE IN E-COMMERCE TRANSACTIONS



POSTEPAY TRANSACTION VALUE (BASE 100)<sup>1</sup>

■ o.w. e-commerce



## HIGHLIGHTS

- Postepay payment transaction value up strongly, Q3-23 +12% Y/Y supported by strong e-commerce growth (+18%)
- Further room for growth expected thanks to low penetration of digital payments in Italy (39%<sup>2</sup> in 2022)

1. Refers to PostePay SpA transaction value; 2. Osservatorio Innovative Payments

# INTERSEGMENT COSTS AS OF Q3-23

## INTERSEGMENT DYNAMICS' KEY DRIVERS

€ m unless  
otherwise stated

MAIN RATIONALE	INDICATIVE MAIN REMUNERATION SCHEME	3Q-22	3Q-23
• <b>Payments and Mobile remunerates:</b>			
a) <b>Mail, Parcel and Distribution</b> for providing IT, delivery volume, promoting and selling SIMs and energy contracts and other corporates services <sup>1</sup> ;	a) Number of payment transactions flat fee (depending on the product)	a) 54	a) 63
b) <b>Financial Services</b> for promoting and selling card payments and other payments (e.g. tax payments) throughout the network;	b) Fixed % of revenues	b) 66	b) 64
		<b>Total: 120</b>	<b>Total: 127</b>
• <b>Insurance Services remunerates:</b>			
c) <b>Financial Services</b> for promoting and selling insurance products <sup>2</sup> and for investment management services <sup>3</sup> ;	c) Fixed % of upfront fees	c) 145	c) 159
d) <b>Mail, Parcel and Distribution</b> for providing corporate services <sup>1</sup> ;	d) Depending on service/product	d) 19	d) 21
		<b>Total: 164</b>	<b>Total: 180</b>
Insurance Services reported intersegment costs under <b>IFRS17</b> , remunerating MPD only <sup>4</sup>		<b>Total: 9</b>	<b>Total: 7</b>
• <b>Financial Services remunerates:</b>			
e) <b>Mail, Parcel and Distribution</b> for promoting and selling Financial, Insurance and PMD products throughout the network and for proving corporate services <sup>5</sup> ;	e) Fixed % (depending on the product) of revenues	e) 1,122	e) 1,131
f) <b>Payments &amp; Mobile</b> for providing certain payment services <sup>6</sup>	f) Depending on service/product	f) 50	f) 45
		<b>Total: 1,173<sup>7</sup></b>	<b>Total: 1,176<sup>7</sup></b>
• <b>Mail, Parcel and Distribution remunerates:</b>			
g) <b>Payments &amp; Mobile</b> for acquiring services and postman electronic devices	g) Annual fee	g) 7	g) 10
h) <b>Financial Services</b> as distribution fees related to "Bollettino DTT"	h) Flat fee for each "Bollettino"	h) 0	h) 0
		<b>Total: 7</b>	<b>Total: 10</b>

**1.** Corporate Services such as communication, anti money laundering, IT, back office and call centres; **2.** Which, in turn, remunerates Mail, Parcel and Distribution; **3.** Investment management services provided by BancoPosta Fondi SGR; **4.** Under IFRS17 costs directly attributable to insurance policies - incl. distribution costs to remunerate Poste Italiane network - are attributed to Insurance Services' revenues; **5.** E.g. Corporate services are remunerated according to number of allocated FTEs, volumes of letters sent and communication costs; **6.** E.g. "Bollettino"; **7.** Excluding interest charges

# POSTE ITALIANE'S SUSTAINABILITY PATH

## CONFIRMED GROUP'S COMMITMENT AND THE QUALITY OF OUR ESG STRATEGY

### INDICES AND RATINGS



- 'Leadership' (A- rating)



- Highest score 1 - Environment and Social score 2 - Governance



- Sustainability Yearbook 2023 (87/100)
- 'Top 5% S&P Global ESG Score 2022'



- 'Advanced' (79/100 rating)



- "AA" rating



- 'Low Risk' (13.7 rating)



- Platinum medal
- 'Ranked Top 1%'



FTSE4Good



- Europe and Developed indices

- Ranked #3 in Igi index 2023



- Gender Equality Index (GEI)



- MIB ESG Index (#1 ESG Global Score)
- World 120, Eurozone 120, Europe 120 indices
- Euronext Equileap Gender Equality Eurozone 100 Index



- World and Europe indices

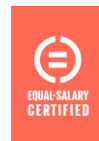


- Included in STOXX Global ESG Leaders Index since 2022

### MEMBERSHIPS

- UN Global Compact
- Climate action 100+
- Principles for Responsible Investment
- UNEP FI Principles for Sustainable Insurance
- UN Women
- Sodalitas
- Anima per Il Sociale
- CSR Manager
- Valore D
- Fondazione ASPHI Onlus
- Organismo Italiano di Business Reporting - Sustainability, Non-Financial e Integrated Reporting (O.I.B.R.)
- Parks - Liberi Uguali

### AWARDS



# CONSOLIDATED ACCOUNTS

## PROFIT & LOSS

€m	Q3-22	Q3-23	Var.	Var. %	9M-22	9M-23	Var.	Var. %
<b>Total revenues</b>	<b>2,728</b>	<b>2,827</b>	<b>+99</b>	<b>+4%</b>	<b>8,315</b>	<b>8,878</b>	<b>+562</b>	<b>+7%</b>
of which:								
Mail, Parcel and Distribution	843	860	+16	+2%	2,648	2,755	+107	+4%
Financial Services	1,240	1,192	(48)	(4%)	3,745	3,858	+113	+3%
Insurance Services	348	371	+23	+7%	1,144	1,142	(1)	0%
Payments and Mobile	297	405	+109	+37%	779	1,122	+344	+44%
<b>Total costs</b>	<b>2,071</b>	<b>2,289</b>	<b>+217</b>	<b>+10%</b>	<b>6,242</b>	<b>6,773</b>	<b>+531</b>	<b>+9%</b>
of which:								
Total personnel expenses	1,156	1,263	+107	+9%	3,542	3,695	+153	+4%
of which personnel expenses	1,144	1,170	+26	+2%	3,532	3,597	+65	+2%
of which early retirement incentives	12	2	(10)	(84%)	17	6	(11)	(66%)
of which legal disputes with employees	1	91	+91	n.m	(7)	92	+99	n.m
Other operating costs	722	825	+103	+14%	2,130	2,460	+330	+15%
Depreciation, amortisation and impairments	193	200	+7	+4%	569	617	+48	+8%
<b>EBIT</b>	<b>657</b>	<b>539</b>	<b>(118)</b>	<b>(18%)</b>	<b>2,073</b>	<b>2,105</b>	<b>+32</b>	<b>+2%</b>
EBIT Margin	+24%	+19%			+25%	+24%		
Finance income/(costs) and profit/(loss) on investments accounted for using the equity method	7	12	+5	+68%	11	76	+65	n.m
<b>Profit before tax</b>	<b>663</b>	<b>550</b>	<b>(113)</b>	<b>(17%)</b>	<b>2,085</b>	<b>2,181</b>	<b>+96</b>	<b>+5%</b>
Income tax expense	210	168	(41)	(20%)	646	659	+13	+2%
<b>Profit for the period</b>	<b>454</b>	<b>382</b>	<b>(72)</b>	<b>(16%)</b>	<b>1,439</b>	<b>1,522</b>	<b>+83</b>	<b>+6%</b>

# CONSOLIDATED ACCOUNTS – SEGMENT VIEW

## 9M-23 PROFIT & LOSS

€m	Mail, Parcels & Distribution	Payment & Mobile	Financial Services	Insurance Services	Adjustments & eliminations <sup>1</sup>	Total
External Revenues	2,755	1,122	3,858	1,142	0	8,878
Intersegment Revenues	3,870	196	661	(116)	(4,612)	0
<b>TOTAL REVENUES</b>	<b>6,625</b>	<b>1,319</b>	<b>4,519</b>	<b>1,026</b>	<b>(4,612)</b>	<b>8,878</b>
Labour cost	3,949	38	36	8	(336)	3,695
COGS	1,776	540	26	7	(46)	2,303
Other Costs	115	11	49	2	0	177
Capitalised Costs and Expenses	(40)	(1)	0	0	0	(40)
Impairment Loss/(Reversal) on debt instruments, receivables and other assets	4	9	8	0	0	21
Intersegment Costs	26	376	3,751	22	(4,176)	0
<b>TOTAL COST</b>	<b>5,829</b>	<b>974</b>	<b>3,870</b>	<b>39</b>	<b>(4,558)</b>	<b>6,155</b>
<b>EBITDA</b>	<b>796</b>	<b>345</b>	<b>649</b>	<b>987</b>	<b>(54)</b>	<b>2,723</b>
D&A	642	28	0	1	(54)	617
<b>EBIT</b>	<b>154</b>	<b>317</b>	<b>648</b>	<b>986</b>	<b>(0)</b>	<b>2,105</b>
Finance income/(cost)	5	22	18	32	(0)	76
<b>PBT</b>	<b>159</b>	<b>339</b>	<b>666</b>	<b>1,018</b>	<b>(0)</b>	<b>2,181</b>
Tax cost/(income)	36	107	183	333	0	659
<b>NET PROFIT</b>	<b>123</b>	<b>232</b>	<b>483</b>	<b>685</b>	<b>(0)</b>	<b>1,522</b>

1. IFRS17 requires the attribution of costs directly attributable to insurance policies – incl. distribution costs to remunerate Poste Italiane network – to Insurance Services' revenues. To ensure full elimination of intersegment costs we make an adjustment at Group level, allocating such costs to Labour costs, COGS and D&A

# MAIL, PARCEL & DISTRIBUTION PROFIT & LOSS

€m	Q3-22	Q3-23	Var.	Var. %	9M-22	9M-23	Var.	Var. %
Segment revenue	843	860	+16	+2%	2,648	2,755	+107	+4%
Intersegment revenue	1,194	1,215	+22	+2%	3,675	3,870	+195	+5%
<b>Total revenues</b>	<b>2,037</b>	<b>2,075</b>	<b>+38</b>	<b>+2%</b>	<b>6,323</b>	<b>6,625</b>	<b>+302</b>	<b>+5%</b>
Personnel expenses	1,227	1,340	+114	+9%	3,763	3,949	+185	+5%
<i>of which personnel expenses</i>	1,215	1,338	+123	+10%	3,747	3,943	+197	+5%
<i>of which early retirement incentives</i>	11	2	(10)	(84%)	17	5	(11)	(67%)
Other operating costs	588	610	+23	+4%	1,776	1,854	+79	+4%
Intersegment costs	7	10	+3	+38%	29	26	(3)	(11%)
<b>Total costs</b>	<b>1,822</b>	<b>1,961</b>	<b>+139</b>	<b>+8%</b>	<b>5,569</b>	<b>5,829</b>	<b>+261</b>	<b>+5%</b>
<b>EBITDA</b>	<b>215</b>	<b>114</b>	<b>(101)</b>	<b>(47%)</b>	<b>755</b>	<b>796</b>	<b>+41</b>	<b>+5%</b>
Depreciation, amortisation and impairments	202	207	+5	+2%	599	642	+43	+7%
<b>EBIT</b>	<b>13</b>	<b>(93)</b>	<b>(106)</b>	<b>n.m</b>	<b>155</b>	<b>154</b>	<b>(1)</b>	<b>(1%)</b>
EBIT MARGIN	+1%	(4%)			+2%	+2%		
Finance income/(costs)	(6)	(5)	+1	+15%	(2)	5	+7	n.m
<b>Profit/(Loss) before tax</b>	<b>7</b>	<b>(98)</b>	<b>(105)</b>	<b>n.m</b>	<b>153</b>	<b>159</b>	<b>+6</b>	<b>+4%</b>
Income tax expense	9	(31)	(40)	n.m	68	36	(32)	(47%)
<b>Profit for the period</b>	<b>(2)</b>	<b>(67)</b>	<b>(65)</b>	<b>n.m</b>	<b>85</b>	<b>123</b>	<b>+38</b>	<b>+45%</b>

# FINANCIAL SERVICES

## PROFIT & LOSS

€m	Q3-22	Q3-23	Var.	Var. %	9M-22	9M-23	Var.	Var. %
Segment revenue	1,240	1,192	(48)	(4%)	3,745	3,858	+113	+3%
Intersegment revenue	205	208	+3	+2%	602	661	+58	+10%
<b>Total revenues</b>	<b>1,445</b>	<b>1,400</b>	<b>(45)</b>	<b>(3%)</b>	<b>4,348</b>	<b>4,519</b>	<b>+171</b>	<b>+4%</b>
Personnel expenses	10	11	+1	+10%	31	36	+4	+14%
<i>of which personnel expenses</i>	10	11	+1	+12%	31	35	+4	+14%
<i>of which early retirement incentives</i>	0	0	(0)	(100%)	0	0	(0)	(6%)
Other operating costs	17	20	+3	+19%	66	83	+17	+26%
Depreciation, amortisation and impairments	0	0	(0)	(48%)	0	0	(0)	(48%)
Intersegment costs	1,173	1,176	+3	+0%	3,601	3,751	+150	+4%
<b>Total costs</b>	<b>1,200</b>	<b>1,208</b>	<b>+7</b>	<b>+1%</b>	<b>3,699</b>	<b>3,870</b>	<b>+172</b>	<b>+5%</b>
<b>EBIT</b>	<b>244</b>	<b>192</b>	<b>(52)</b>	<b>(21%)</b>	<b>649</b>	<b>648</b>	<b>(1)</b>	<b>(0%)</b>
EBIT MARGIN	17%	14%			15%	14%		
Finance income/(costs)	(0)	10	+10	n.m	(22)	18	+40	n.m
<b>Profit/(Loss) before tax</b>	<b>244</b>	<b>202</b>	<b>(42)</b>	<b>(17%)</b>	<b>626</b>	<b>666</b>	<b>+40</b>	<b>+6%</b>
Income tax expense	67	56	(11)	(16%)	180	183	+4	+2%
<b>Profit for the period</b>	<b>178</b>	<b>146</b>	<b>(32)</b>	<b>(18%)</b>	<b>447</b>	<b>483</b>	<b>+36</b>	<b>+8%</b>

# INSURANCE SERVICES

## PROFIT & LOSS

€m	Q3-22	Q3-23	Var.	Var. %	9M-22	9M-23	Var.	Var. %
Segment revenue	348	371	+23	+7%	1,144	1,142	(1)	(0%)
Intersegment revenue	(36)	(34)	+2	+6%	(109)	(116)	(7)	(6%)
<b>Total revenues</b>	<b>312</b>	<b>336</b>	<b>+25</b>	<b>+8%</b>	<b>1,034</b>	<b>1,026</b>	<b>(8)</b>	<b>(1%)</b>
Personnel expenses	2	3	+1	+55%	5	8	+2	+43%
<i>of which personnel expenses</i>	2	3	+1	+55%	5	8	+2	+43%
<i>of which early retirement incentives</i>	0	0	+0	n.m	0	0	+0	n.m
Other operating costs	2	4	+2	n.m	5	9	+4	+89%
Depreciation, amortisation and impairments	0	(0)	(1)	n.m	3	1	(2)	(55%)
Intersegment costs	9	7	(1)	(13%)	21	22	+1	+3%
<b>Total costs</b>	<b>13</b>	<b>15</b>	<b>+2</b>	<b>+15%</b>	<b>35</b>	<b>41</b>	<b>+6</b>	<b>+17%</b>
<b>EBIT</b>	<b>299</b>	<b>322</b>	<b>+23</b>	<b>+8%</b>	<b>1,000</b>	<b>986</b>	<b>(14)</b>	<b>(1%)</b>
EBIT MARGIN	96%	96%			97%	96%		
Finance income/(costs)	13	(1)	(14)	n.m	36	32	(4)	(11%)
<b>Profit/(Loss) before tax</b>	<b>312</b>	<b>321</b>	<b>+9</b>	<b>+3%</b>	<b>1,036</b>	<b>1,018</b>	<b>(18)</b>	<b>(2%)</b>
Income tax expense	105	107	+2	+2%	320	333	+12	+4%
<b>Profit for the period</b>	<b>207</b>	<b>214</b>	<b>+7</b>	<b>+3%</b>	<b>715</b>	<b>685</b>	<b>(30)</b>	<b>(4%)</b>

# PAYMENTS & MOBILE

## PROFIT & LOSS

€m	Q3-22	Q3-23	Var.	Var. %	9M-22	9M-23	Var.	Var. %
Segment revenue	297	405	+109	+37%	779	1,122	+344	+44%
Intersegment revenue	65	65	(0)	(1%)	201	196	(5)	(2%)
<b>Total revenues</b>	<b>362</b>	<b>470</b>	<b>+108</b>	<b>+30%</b>	<b>980</b>	<b>1,319</b>	<b>+339</b>	<b>+35%</b>
Personnel expenses	8	12	+4	+44%	22	38	+16	+71%
<i>of which personnel expenses</i>	8	12	+3	+41%	22	38	+16	+70%
Other operating costs	128	204	+76	+60%	323	559	+237	+73%
Intersegment costs	120	127	+7	+6%	352	376	+24	+7%
<b>Total costs</b>	<b>256</b>	<b>343</b>	<b>+87</b>	<b>+34%</b>	<b>698</b>	<b>974</b>	<b>+276</b>	<b>+40%</b>
<b>EBITDA</b>	<b>106</b>	<b>127</b>	<b>+21</b>	<b>+20%</b>	<b>282</b>	<b>345</b>	<b>+63</b>	<b>+22%</b>
Depreciation, amortisation and impairments	5	9	+4	+86%	12	28	+15	n.m
<b>EBIT</b>	<b>101</b>	<b>118</b>	<b>+17</b>	<b>+17%</b>	<b>270</b>	<b>317</b>	<b>+47</b>	<b>+18%</b>
EBIT MARGIN	28%	25%			28%	24%		
Finance income/(costs)	(0)	7	+8	n.m	(0)	22	+22	n.m
<b>Profit/(Loss) before tax</b>	<b>100</b>	<b>125</b>	<b>+25</b>	<b>+25%</b>	<b>270</b>	<b>339</b>	<b>+70</b>	<b>+26%</b>
Income tax expense	29	37	+8	+27%	77	107	+30	+38%
<b>Profit for the period</b>	<b>72</b>	<b>89</b>	<b>+17</b>	<b>+24%</b>	<b>192</b>	<b>232</b>	<b>+40</b>	<b>+21%</b>

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