

POSTE ITALIANE

Financial Inclusion | Insights

Content prepared in order to comply with disclosure requirements of S&P Global rating agency

Financial inclusion

Commitment – Key Points

The **key points** of the approach from the Poste Italiane Group to **promote financial inclusion** are summarized below:



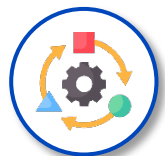
Searching for **innovative solutions** aimed at **reducing** the **digital divide** and increasing financial inclusion, with a particular **focus** on the **most fragile** and **at-risk groups**, taking into consideration **market research** and **feedback** gathered from its customers.



Promoting **information** and **disclosure** initiatives through Financial Education events aimed at **making people financially aware** and autonomous, enabling them to **keep** their **finances** in **balance**.



Promoting financial inclusion through the adoption of a streamlined **complaints system** that is easily **accessible** to all, including the most **disadvantaged groups** and those at **risk of exclusion** for reasons related to financial illiteracy.



Promoting initiatives aimed at the **dissemination** and **support** of the **right** to **study**, **economic sustainability** and **social connectedness**, intercepting, thanks to the network of corporate resources, the needs arising from the various forms of disadvantage, in order to **develop ways** of **providing products** and services that meet the **needs** of the various **categories of customers**, in line with the Group's omnichannel strategy.



Promoting financial inclusion through the **adoption** of **responsible marketing** and **sales practices** aimed at preventing any **disrespectful** or **discriminatory treatment** of customers.



Monitoring its initiatives and its product and service offerings by promoting continuous and structured **dialogue initiatives**, such as, for example, the discussion activity with **key internal** and **external stakeholders**, organized on an annual basis.



Promoting the **well-being** and **financial stability** of the communities in which it operates, with particular reference to **groups at risk of exclusion**, by deploying various types of **support initiatives** aimed at **raising awareness** and **increasing awareness** among them.



Monitoring and supervising by the **Control and Risk Committee**, in coordination with the **Sustainability Committee**, of **sustainability risks** and **opportunities** related to **financial inclusion**.

Financial inclusion Products & Services

Below are the **financial products/services** and **other forms of non-financial support** offered by the Poste Italiane Group to **support** the **financial inclusion** of traditionally **excluded groups**.

Type of products/services: Loan

The Poste Italiane Group considers the elderly as one of the categories to be supported in order to ensure greater financial inclusion for them. These, in fact, are considered by Poste Italiane as a traditionally vulnerable category since they have a low income that is not considered sufficient to cover their needs (e.g., coverage of health care costs) and a tendentially low level of education. In addition, Poste Italiane also targets the elderly located in remote areas of the country with difficulties in accessing services (e.g., mountainous areas, small towns). For this reason, the Group recognizes the possibility for them to apply for small-amount loans on conditions that are appropriate to their needs. Specifically, in fact, these loans provide a repayment plan that does not exceed 120 months and no related costs are required. Through this specific product, the Group in 2023 managed to reach 186,827 clients, signing 47,207 contracts.

Type of products/services: Saving Accounts

Another category that the Poste Italiane Group considers to be vulnerable is young people, particularly underage youth, whose vulnerability is linked, again, to sociodemographic conditions that are not exactly favorable. Just consider that from the latest ISTAT surveys (May 2024), the youth unemployment rate in Italy stands at 20.5 percent, registering an increase of +0.1 percent since the last survey (April 2024), this perspective becomes more compelling for minors, who are also characterized by a low level of education. Therefore, the difficulty of accessing work and the resulting condition of unemployment may result in this category remaining financially “underserved,” a condition that is also widespread among young people who are employed but characterized by low income. Moreover, Poste Italiane also targets young people located in remote locations of the country with difficulties in accessing services (e.g., mountainous areas, small towns). In this regard, in fact, the Group allows underage youth to underwrite a savings account in order to build long-term assets, the opening conditions of which are facilitated (e.g., there are no underwriting and repayment costs). Through this specific product, the Group in 2023 managed to reach 1,152,717 clients, signing 551,822 contracts.

Type of products/services: Non-Cost or Low Cost Checking Account

Lastly, the Poste Italiane Group pays special attention to poor and/or low-income people by guaranteeing them the possibility of underwriting specific products that help ensure greater financial inclusion. Specifically, the Group considers as target subjects all those who have limited income (ISEE less than €16,000 / pension with gross amount within €18,000) and who do not have collateral they can show in order to obtain any loans, and all those who have low or no financial literacy at all, who, as a result, do not even have credit history. To these target clients, the Group allows them to subscribe to a non-payment checking account that offers collection and payment services on favorable terms, providing, in addition, versions of this account that are more suited to the conditions of people considered to be in target (poor and/or low-income people). Through this specific product, the Group in 2023 managed to reach 13,210 clients, signing 6,061 contracts.

Financial inclusion - non-financial support (1/2)

Type of non-financial support: Financial or Digital literacy training

With reference to young people, considered as a vulnerable category by the Poste Italiane Group given the persistence of unfavorable sociodemographic conditions in Italy, such as unemployment (ISTAT data, the youth unemployment rate as of May 2024 stands at 20.5%), low income status for employed youth, location in remote areas of the Italian country due to its conformity (e.g. mountainous areas, small towns) and the low level of education found among underage youth, the Group has introduced and continues to promote a specific financial education program called the "Financial Education Program". This is designed to enable those considered vulnerable, more fragile and at risk, which include the categories of youth described above, to make informed financial choices and understand financial issues in a simple way, improving their skills about these issue. This consists of three video-pillow educational paths (basic, intermediate and advanced) aimed at explaining the different financial solutions in order to choose the most appropriate ones for one's needs, and training and educational events aimed at deepening and mastering the different financial topics through the help of experts in the field. In addition, the Company is also committed to promoting digital inclusion through specific training paths and events in this regard. In order to measure the quantitative level of the positive social impact generated by the "Edufin" program, the Group monitors the number of events referable to the "Edufin Events Plan" and the number of participants in the events themselves. In this regard, it should be noted that the Group has set, within its sustainability strategy, specific objectives and related targets referable to Financial Education activities in order to ensure an increase in inclusiveness and provides public disclosure within its Annual Report. In reference to the year 2023, as indicated on page 372 of the Annual Report, 24 financial and digital education events were, in fact, delivered in which approximately 12,000 participants took part. These helped improve and refine the financial and digital literacy of event participants, contributing to the achievement of the goal that the Poste Italiane Group has set for itself.

Type of non-financial support: Incentives to establish saving accounts

With reference to young people, considered as a vulnerable category by the Poste Italiane Group given the persistence of unfavorable sociodemographic conditions in Italy, such as unemployment (ISTAT data, the youth unemployment rate as of May 2024 stands at 20.5%), low income status for employed young people, location in remote areas of the Italian country due to their conformity (e.g. mountainous areas, small towns) and the low level of education found among underage youth, the Group, therefore, provides incentives for such vulnerable category described above aimed at promoting the opening of a savings account, which meets their needs. In this regard, the incentives allow the opening of fee-free accounts for the first 18 months and the application for both debit and credit cards at no additional cost. The Group tracks the number of those in this target category (4,847) who, after being adequately informed about the benefits of opening a savings account, took advantage of these incentives. This allows Poste Italiane to measure the quantitative social impact generated on the target through the incentives associated with opening a savings account. Indeed, the growing number of adherents demonstrates the Group's ability to understand and meet the needs of young people and actively contribute to the financial inclusion of one of the categories most at risk of exclusion.

Financial inclusion - non-financial support (2/2)

Type of non-financial support: Business Management Training

The «Business Opportunities training workshops», held in cooperation with some of Confindustria's major territorial associations, are intended for small local entrepreneurs (micro entrepreneurs) in order to familiarise them with the procurement rules and the qualification process to become Poste Italiane suppliers. By monitoring the number of small territorial entrepreneurs who participated the conference titled "Piccoli imprenditori: la gestione dell'economia d'impresa e dell'economia familiare" (Small entrepreneurs: the management of business economy and family economy) (58), Poste Italiane keeps track of the impact it generates on the territorial economic environment, stimulating sustainable business choices and models and broadening the audience of companies qualified in the Group's Supplier Register. In fact, the Company offers micro-entrepreneurs the opportunity to enter its business and, thanks to the training provided by experts on these issues, allows them to acquire skills in the area of business management and procurement, helping them to develop professional skills and increase competitiveness.