

**Recommendations of the Board of Directors of Poste Italiane S.p.A.
to Shareholders on the size and composition
of the new Board of Directors**

The Board of Directors of Poste Italiane S.p.A. (“Poste” or the “Company”), in accordance with the Bank of Italy Supervisory Provisions (Part I, Title IV, Chapter 1, Section IV – Composition and appointment of the corporate bodies of Bank of Italy Memorandum No. 285 of 17 December 2013) applicable to the Company on account of its activity of post office bank and in compliance with the recommendations of the Corporate Governance Code, in view of the fact that its mandate expires when the 2019 financial statements are approved, having:

- consulted the Nominations and Corporate Governance Committee;
- taken the outcome of the 2019 Board Review into account;
- taken account of the **Focus** of the activity of the next Board of Directors whose mandate shall be of considerable importance for the further expansion of the Group’s activity in accordance with the lines of development set out in the last three years;

in view of renewal of the Board, provides the Shareholders with its recommendations with regard to:

- the **size** of the new Board of Directors;
- the **composition**, referring to the suitable profiles of the members of the new Board of Directors, also taking into account factors such as their professional characteristics, gender and seniority of office.

SIZE

The current Board of Directors considers:

- appropriate the current number of nine Directors – the maximum number of Directors established by the Company’s current By-laws – to ensure a suitable balance of the expertise and experience required

by the complexity of the Company and Group business, also within the Committees;

- appropriate the ratio currently in place between Executive Directors (1) and non-Executive Directors (8) and Independent Directors (7), to ensure effective functioning of the Board of Directors.

COMPOSITION

The current Board of Directors

deems that:

the expertise and experience required of Directors to ensure the effectiveness and efficiency of the Board and to satisfy the requirements of the Group, are sufficiently represented within the current composition;

hopes that:

the appointment of the new Board will lead to confirmation of the current members to guarantee stability in the management of the Company and give continuity to on-going developments, bearing in mind that the current composition of the Board of Directors has:

- acquired thorough knowledge of the organisation and characteristics of the Company and Group business;
- performed its duty of guiding and controlling the Company's activities with particular effectiveness throughout its mandate;

suggests that:

if upon renewal the composition of the Board should change, it would be advisable to strengthen the new Board with the presence of managerial, professional, academic/institutional profiles:

- with experience in insurance, banking and international finance;
- with specific expertise in risk management and digital innovation.

With regard to the diversity criteria to be followed to ensure an appropriate composition of the Board that will enable effective fulfilment of its duties and responsibilities, reference is also made to:

- the provisions of the Corporate Governance Code;
- the regulations of the Supervisory Provisions issued by Bank of Italy and applicable to its activity as post office bank;
- the content of the “Diversity Policy” adopted by the Company with specific regard to the requirement that Board members collectively have appropriate expertise in the following sectors: i) postal services and logistic services; ii) banking and finance; iii) insurance; iv) legal; v) sustainability.

In accordance with these criteria, the personal and professional characteristics considered appropriate for the various roles within the Board of Directors are the following:

The Chairman should:

- be a person with suitable personal stature and prestige to ensure fair and transparent management of the functioning of the Board of Directors during the mandate and to stand as a guarantee for all Shareholders;
- have personal characteristics that foster the creation of a strong team spirit and a strong sense of cohesion among the members of the Board of Directors;
- have an appropriate background in corporate governance, having gained previous experience within – and preferably at the head of – boards of directors of listed companies of appropriate size and complexity, having shown awareness of governance issues when fulfilling these offices;

- have appropriate expertise in economic-financial and/or legal matters, as well as experience and familiarity with managing issues of strategic and business-specific relevance at Board level;
- have an international mentality and vision, accompanied by knowledge of foreign languages and particular fluency in English at least.

The Chief Executive Officer – in addition to compliance with the provisions of the aforesaid Supervisory Provisions – should:

- be an authoritative figure and recognised as having strategic vision;
- have gained significant experience and success at senior level in companies preferably operating in the finance and services sector, of appropriate size and complexity;
- have a leadership-oriented management style and the ability to create a team and a team spirit among collaborators;
- have an international mentality and vision, accompanied by knowledge of foreign languages and particular fluency in English at least.

The other seven Directors should all be non-executive and most of them should meet the independence requirements established by applicable legislation and by the Corporate Governance Code and also:

- be represented by persons with a **professional** and/or **managerial** and/or **academic** profile that bring together a diverse and complementary set of expertise and experience therefore contributing to the overall suitability of the Board of Directors, also taking into account the benefits that can arise from the presence within the Board of different genders, age groups and seniority of office;

- have appropriate seniority, meaning proven experience in complex organisational contexts in business and/or professional and/or institutional settings;
- have gained experience in boards of directors of preferably listed companies of appropriate size and complexity;
- have or be able to acquire, through appropriate induction activities, the technical knowledge required to understand the Group's business and the risks to which it is subject to be able to appropriately fulfil the function of impetus and control required of the role;
- have, in addition to the expertise stated above, areas of specialisation that allow effective participation in the business of the Board of Directors and of the various Committees, contributing to the discussion and providing impetus and exchanging views with the management;
- have an international mentality and vision, accompanied by sufficient knowledge of foreign languages and particular fluency in English at least;
- show social intelligence and suitable personal characteristics, including the capacity to relate at all levels, as well as a sense of responsibility and loyalty.

In addition to the above, in accordance with the provisions of the Corporate Governance Code, it is recommended that at least one of them:

- has appropriate knowledge and experience in finance, insurance and remuneration policies;
- has appropriate experience in accounting and finance and risk management.

Furthermore:

- **Those with managerial profiles** should:

- have gained experience in positions of responsibility within financial institutions or groups operating in one of Poste's sectors of appropriate size and complexity;
- have business judgment capacity and a high strategy and results orientation;
- **those with professional profiles** should:
 - have gained experience in positions of responsibility within important professional firms, consulting companies or other public or private organisations;
 - have carried out their professional activity with specific regard for the activity of financial institutions or of sectors where Poste operates;
- **those with academic or institutional profiles** should:
 - have expertise in the sector of banking and financial institutions or other areas where the Group carries on its business.

When accepting their candidature, in addition to satisfying the requirements of integrity and independence and the criteria of experience, all candidates to the office of Director must carefully assess whether they have sufficient time to dedicate to the diligence performance of their duties, taking into account both the number and quality of the offices held in administration and control bodies of other companies, and the commitment required of them by their other working and professional activities. In this regard it is suggested they check that their position is in line with the appropriate policy adopted by Poste.