

# PZU Group Strategy for 2025–2027



confidence meets **the future**

WARSAW, DECEMBER 2024





# Agenda

- 1** **Context**
- 2** PZU Group Strategy
- 3** Banking assets
- 4** Financial ambitions
- 5** Summary



Leader in large-scale risk management and partner providing **certainty** in times of recurring crises

<b>Largest financial institution in CEE</b>	<b>42%</b>	<b>32%</b>	<b>111</b> bn PLN	<b>22</b> m
	Life insurance market <sup>1</sup>	Non-life insurance market <sup>1</sup>	Assets under management <sup>2</sup>	Customers in the Group, incl. 15 million of insurance customers

<b>Diversified and stable business model</b>	<b>Profit centers in numerous industries...</b>				<b>PZU Group's strong financial condition</b>	
	Insurance	Banks	Investments	Health		<b>233%</b> Solvency II ratio <sup>3</sup>
	<b>...and countries</b>					
	PL	UA	LT	LV	EE	

<b>Robust ecosystem and widespread presence</b>	<b>&gt;400</b>	<b>8.9</b> k	<b>&gt;34</b> k	<b>40</b> m
	Own branches	Tied agents and customer advisors	Third-party agents and brokers <sup>4</sup>	Logins to mojePZU <sup>5</sup>

1. PZU Group's share of gross written premiums in Poland after Q2 2024 2. TFI PZU, PTE PZU and PZU's own assets 3. After Q2 2024 4. Including individuals performing agency activities 5. Forecast for 2024 1-5. Definitions in the list of supplementary comments

# Credibility: we deliver what we promise

## Strategy 2021–2024 KPIs

Gross insurance revenue<sup>1</sup>

Healthcare pillar revenue

PZU Group's net profit<sup>2</sup>

Banks' contribution to PZU Group's net profit<sup>2</sup>

aROE<sup>3</sup>

Solvency II ratio

Assets under management<sup>4</sup>



2024 target

Target realization rate for FY2024

Target realization after 3Q2024

>28 bn PLN

78%



1.7 bn PLN

82%



4.3 bn PLN

85%



1 bn PLN

156%



+56%

15.5%

108%



+1,3 pp

≥ 200%

117%



+33 pp

60 bn PLN

107%



+7%

100%



annual KPI already realized after 3Q2024



on track to achieve target

Targets as of April 27, 2023, under IFRS 17 standards, considering changes in the macroeconomic environment for the PZU Group Strategy indicators for 2021–2024

1. Gross insurance revenues of the PZU Group 2. Net profit attributable to the shareholders of the parent company 3. Adjusted return on equity (aROE %), calculated on an equity basis excluding the cumulative effect of change in discount rates for valuation of insurance liabilities 4. External clients assets under management of TFI PZU, Pekao TFI and Alior TFI

# We identify opportunities to build safe and successful future



## Global opportunities

### Growing awareness of risks

– accelerating the growth of non-life insurance market to USD 1.3 trillion in 2040, at a 5.3% CAGR 2020–2040<sup>1</sup>

**Growth in medical services demand** – value of telemedicine market increasing to USD 175 billion by 2026<sup>2</sup>

**Potential for USD 31 billion in savings driven by use of AI**, due to lower underwriting and collection systems cost of financial institutions<sup>3</sup>



## Local opportunities

Poland maintaining the **highest economic growth in Central and Eastern Europe** – 3.8% CAGR 2004–2023<sup>4</sup>

Expenditures estimated for the **implementation of Poland’s energy transition goals** in accordance with EU requirements – PLN 1.6–2.4 trillion by 2030<sup>5</sup>

**Growth in demand for investment products** at 19% y/y as a result of increase in savings in Poland<sup>6</sup>



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# confidence meets **the future**

The four pillars of PZU Group's Strategy until 2027



## Simplicity

We are simplifying the Group structure and strengthening operational effectiveness...

**PLN 400 m** of efficiency gains and synergies within the Group

**8xCustomer** which is an operating model, built around 8 business units focused on the Customers and their needs



## Focus

...to ensure profitable growth of the insurance business and...

**>PLN 7.5 bn** of additional gross revenue from insurance

**<90% COR** in non-life insurance

**>25%** market share in the Polish bancassurance market, translating into a strengthened leadership position



## Development

...to invest in healthcare market, digitization and offerings developed with partners...

**PLN 1 bn** investment in healthcare

**8 m** of mojePZU customers resulting from service model digitization

**x2** written premiums from embedded insurance



## Engagement

...and to build resilience and inclusive society

**x2** investment in green transformation

**15 m** individuals reached through social responsibility initiatives

# Strategy implementation will bring us by 2027...



Net profit



Core business  
ROE<sup>1</sup>



Core business  
EPS growth<sup>1</sup>



Non-life insurance  
COR ratio<sup>2</sup>



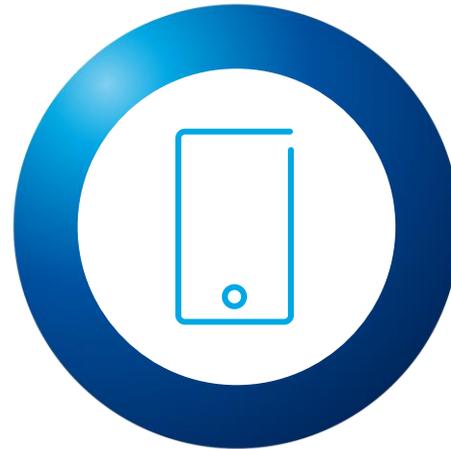
Life insurance  
operating margin

1. Core business, without banks 2. Total mass and corporate insurance segment (all products)

## ...and five key benefits to our customers



Highest NPS for products and service in the market



8 m users of mojePZU digital channels



Physical health and mental well-being of children and adults

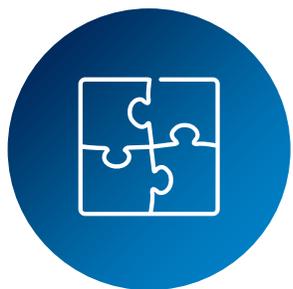


Inclusive and transparent sponsorship, prevention and education programs



Common solutions implemented in cooperation with the market

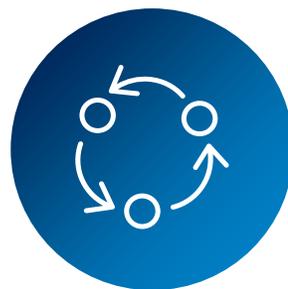
## Operational efficiency: rearrange and simplify asset structure around customer needs



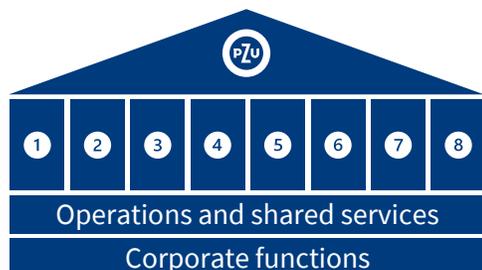
Rearrange the organization around **business units** designed to deliver **value to the customer**, accelerate the automation of our processes



Simplify the structure of **banking assets** within the Group



Build synergies across **insurance and investment companies**



Bank Pekao



LINK 4



Zdrowie



TFI

Pekao TFI



Synergy effect following simplification of Group's assets and organizational structure

400  
m PLN

of efficiency gains

# Mass non-life insurance: PZU – a leader prepared for the market challenges

**No. 1** in the mass non-life insurance market

~32% of premium share<sup>1</sup>

~47% of technical result share<sup>1</sup>

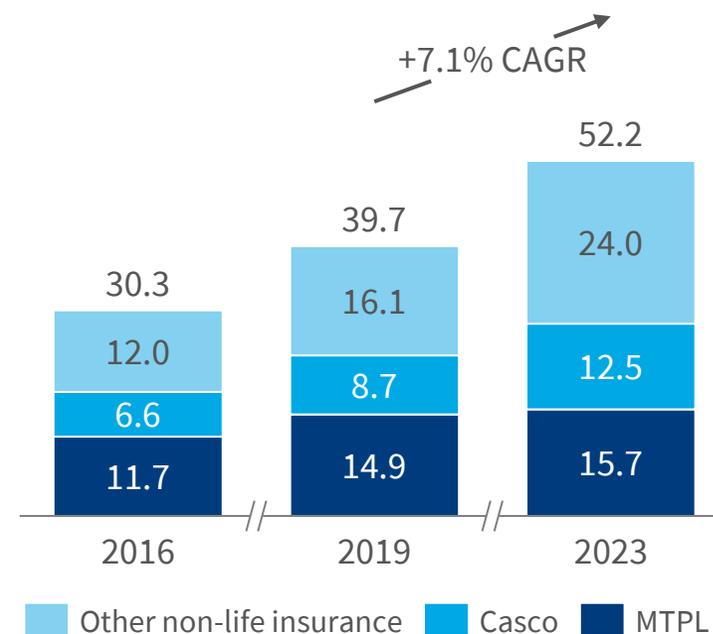
**Multi-channel** distribution

**Widest range of products** and services

1. Market share of total non-life insurance (mass and corporate) on primary business in Poland  
Source: KNF, as of the end of Q2 2024

## Non-life insurance market in Poland in a growing trend...

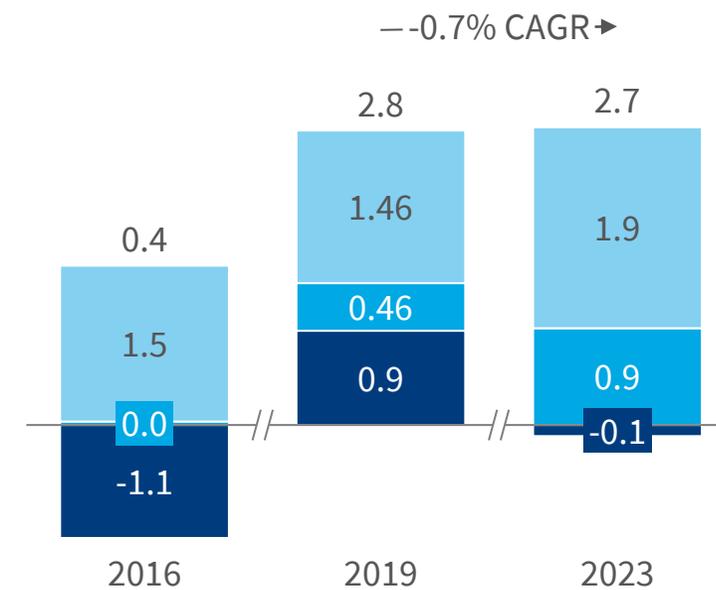
Gross written premium, PLN bn



Source: KNF annual bulletin, primary business

## ...but their profitability, especially MTPL, is a challenge

Non-life insurance technical result, PLN bn



# Mass non-life insurance: profitable growth

## Strategic objectives



## How will we achieve it?

1 Achieve technical and operational excellence



Advanced pricing models, models based on behavioral and climate data



Competence centers in the areas of product, pricing and claims handling

2 Propagate the offer across all channels



Profitable presence in all distribution channels



New value proposition for own channels

3 Manage brands actively



Multibrand strategy covering all customer segments



Increase in insurance revenue<sup>1</sup>

Combined ratio (COR)<sup>1</sup>

<90%

1. Applies to non-life insurance in the mass segment excluding bancassurance products

# Life insurance: leader leveraging potential of demographic change

**No. 1** in life insurance market

~42% of premium share

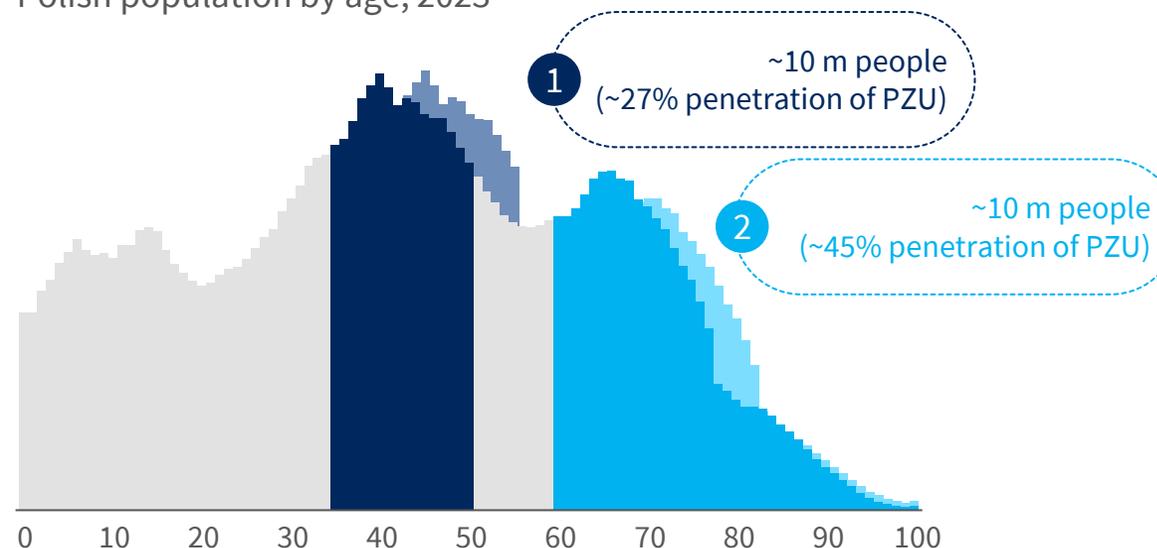
~33% of APE share

4.2 m individual life insurance customers

5.4 m group life insurance customers

## Highest value creation potential in the baby boomer and silver generations...

Polish population by age, 2023



■ Baby boomer generation (35–50)

■ Baby boomer generation in 5 years

■ Silver generation (60+)

■ Silver generation in 5 years

### Baby boomer customers

They are allocating funds previously earmarked for loan repayments, into pension security and insurance

### Silver generation customers

They are looking for products similar to group insurance they are familiar with

...expecting more from financial institutions

only **52%** believe the current offers are **well-suited** to the needs of people their age

# Life insurance: strengthening market leadership position

## Strategic objectives



## How will we achieve it?

- |   |  |  |
|---|--|--|
| <p>1 Make the offer more attractive and adjust it to the needs of changing demographics</p> |  | <p>Maintenance of customer portfolio and increasing profitability in group insurance through redefinition of value proposition: new life, health, sports, and other benefit products<br/>Focus activities on baby boomer and silver generation</p> |
| <p>2 Increase in conversion from group insurance to individual insurance</p>                |  | <p>Development of digital and hybrid sales and service processes for individual continuation</p>   |
| <p>3 Grow product penetration of the existing customer base of individual segment</p>       |  | <p>X-sell growth – new products and active sales activities</p>  |
| <p>4 Improve the efficiency of distribution channels</p>                                    |  | <p>Programs to increase sales network's efficiency and develop their competencies (including increasing the number of MDRT members to 100 in 2027)</p>   |

New business value growth<sup>1</sup>

>35%

>20%

Operating margin

1. New business under IFRS 17 measurement for life insurance in Poland, defined as CSM contractual service margin less loss component for insurance contracts entered into during the period, measured at the time of contract recognition

# Bancassurance: growth potential in the fastest-growing segment of standalone protection products

## Market structure

20%  
investment insurance

30%  
standalone protection  
products

50%  
bundled protection  
products

Source: 2024 forecast based on PIU

## Market trends



Market expected to stabilize after declines resulting from UFK product phase out



Expected fast-paced market growth (at 10% CAGR in recent years)

Expanded product offerings and omnichannel development



The amount of premium resulting from the value mortgage and cash loan sales  
Regular premium instead of single premium

## PZU Group position



Leading position built upon solid asset management and stable premium growth, despite unfavorable market trends



Significant untapped potential addressed by expanding offerings



In line with market shares of the banks in the Group, remaining potential for growth

# Bancassurance: stable growth, expansion of offerings and omni-channel model

## Strategic objectives



## How will we achieve it?

- 1** Build a new approach to offering insurance linked to banking products

 Premium spread over the entire coverage period, giving stable growth  
Greater availability and value of products to the customer
- 2** Expand the offering of standalone protection insurance and services, as well as savings and investment products

 New and modified product offering, as well as customization based on customer knowledge  
Comprehensive life, health and asset protection for every stage of life
- 3** Develop further omni-channel distribution and service model

 Simplified digital and hybrid insurance sales processes  
Personalized offer and communications, reaching a broad customer base

+50%

Increase in the number of insured customers in the PZU Group banks

Higher written premium in standalone protection products

4x

# Corporate non-life insurance: strong growth of the Group in rapidly expanding corporate insurance market



~37%

PZU Group's share of insurance for business market<sup>1</sup>



+18%

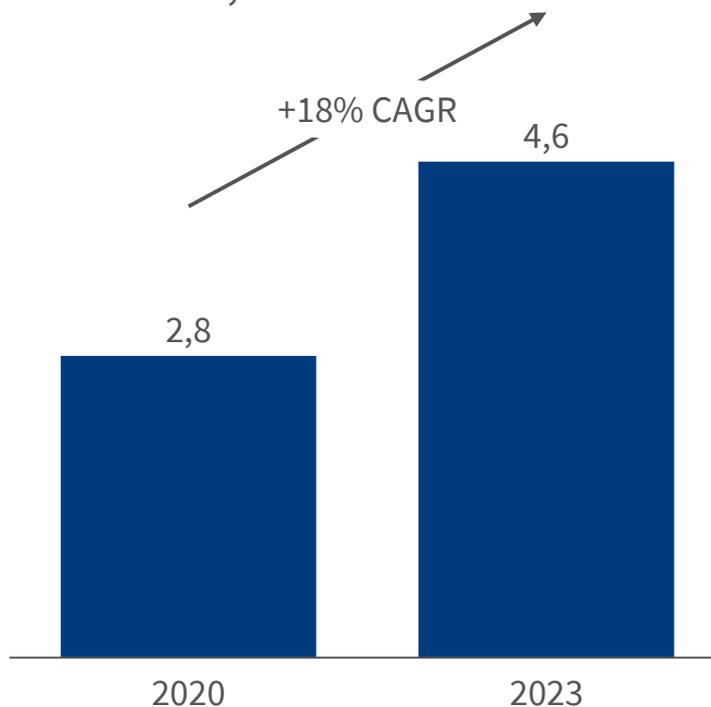
average annual growth vs. market with 13% growth



Technical and operational excellence crucial for maintaining business profitability

## PZU Group gross written premiums in the corporate segment

2020–2023, PLN bn



## Key future growth levers

**Participation in major investments:** NRRP<sup>2</sup>, green transition

**Increasing use of data** in new pricing models and quotes

**Key client loyalization** achieved through support in operations and risk reduction

**Automation** of sales and service **processes** leveraging new technologies and GenAI

1. Across corporates and SMEs, including PZU SA, TUW PZUW and Link4, 2023, 2. National Recovery and Resilience Plan, Pol. Krajowy Program Odbudowy  
Source: PIU

# Corporate non-life insurance: profitable growth and robust client relationships

## Strategic objectives



## How will we achieve it?

1 Ensure independence of financial results from underwriting cycles through technical and operational excellence



Leverage use of data in pricing even more  
Unify risk assessment and client data analysis, including through automation

2 Build a unique value proposition for clients, as well as agents and brokers



Develop new and existing products, as well as services

- iFlota
- RyzykoPRO
- Process Safety Management (PSM)

3 Automate sales and service processes



Use new technologies and GenAI to streamline sales processes (e.g., sales support via chat) and fast claims handling

Increase in insurance revenue

>25%

<90%

Combined ratio (COR)

# Healthcare: growth in the fastest-growing categories of a huge market



Healthcare market<sup>1</sup> in Poland will reach

**PLN 350 bn**



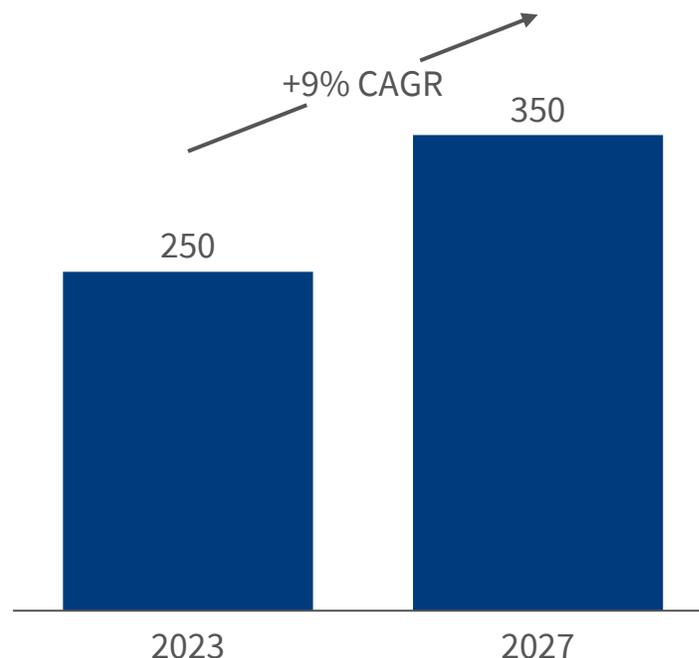
Subscriptions and insurance with **+10–15%** average annual growth over the term of the Strategy<sup>1</sup>



Strong position thanks to the PZU Group: up-sale to PZU Życie customers, corporate relations

## Healthcare spending in Poland<sup>1</sup>

2023–2027, PLN bn



## Key growth levers<sup>2</sup>

Increase of GDP per capita and the share of healthcare spending to 7%, eliminating the gap as compared to the OECD (currently 6.2%)

Share of the 65+ population coming to ~22% in 2027

~PLN 20 bn in NRRP<sup>3</sup> subsidies for healthcare

1. OECD, Economist Intelligence Unit, PMR 2. PwC, Ochrona zdrowia w Polsce potencjał rozwoju i szanse dla inwestorów, 2024 3. National Recovery and Resilience Plan, Pol. Krajowy Program Odbudowy

# Healthcare: consistently building a leadership position

## Strategic objectives



## How will we achieve it?

1 Improve quality for customers through best-in-class technology infrastructure



Streamline digital customers journeys within mojePZU and develop channel integration

Digitize business processes

Optimize medical IT systems

2 Boost profitability through an efficient business and operating model



Increase share of own medical facilities up to approx. 60% share

Smoothen cooperation with partnering facilities (integrate systems and strengthen cooperation)

3 Growth of revenue from a wide range of services and presence in the most attractive segments



Increase share of FFS products in sales to ~20%

Unlock potential of cooperation with the public payer (NFZ<sup>1</sup>), e.g., in the form of primary healthcare



# Investment: broader offer for external customers and support for green transition

## Strategic objectives



## How will we achieve it?

1 Boost exposure to green transition for PZU Group



Increase investment in the debt financing segment

2 Increase exposure to innovation and technologies of the Group



Boost investment in alternative investments segment

3 Expand product offering for external customers



Develop asset management service for businesses and alternative investment fund for external customers

**PZU Group  
market  
position**

**#1**

PZU Group as the largest investor in Poland, with the broadest value proposition for customers<sup>1</sup>

**111 bn PLN**

value of assets under management in PZU<sup>1</sup>

1. TFI, PTE and PZU's own assets 2. Compared to data at the end of 3Q2024  
Source: IZFIA, September 2024



Assets of external clients in TFI PZU, >50% growth<sup>2</sup>

New investments in green transformation (growth x2) and in innovation



# Digitization: customer relationship center in mojePZU

## mojePZU comprehensive digital channel<sup>1</sup>

650 m PLN

premium from direct and hybrid sales

560 k

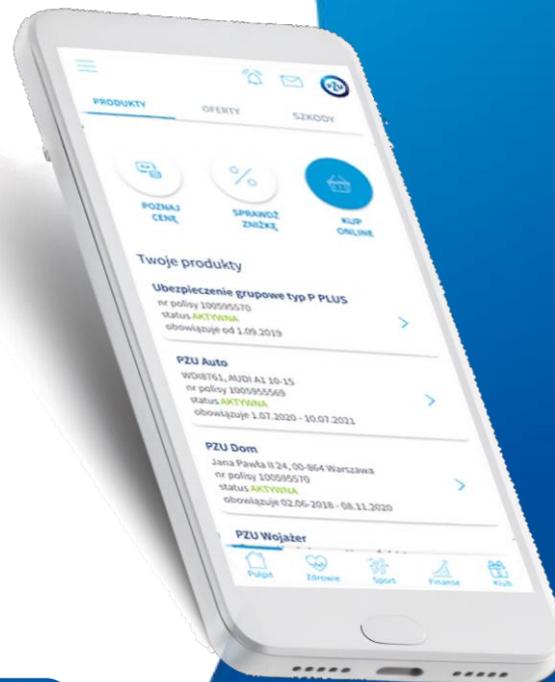
claims and benefits reported

4.7 m

outpatient appointments made

>70%

mojePZU users with marketing consents<sup>2</sup>



Beyond-financial products

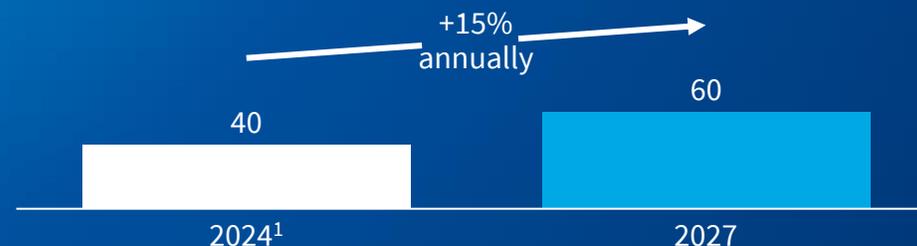
Transparent policy management in one place

## Continued growth of mojePZU user base...

mojePZU users, m



Login events to mojePZU, m



## ...by strengthening the role of mojePZU as a central channel for customers

- Key customer paths available in mojePZU
- mojePZU as a platform to support omnichannel sales model
- Adapting mojePZU functions to meet broader sales needs and increase of product penetration of the digital customer base

1. Statistics based on 2024 forecast 2. Marketing of own products, electronic channels: contact and service of PZU SA

# Advanced technologies: new levels of operational excellence and innovations

**No. 1** in the market

Next-generation interactive CRM based on event-driven and real-time response

**~10 bn PLN**

Value of claims processed with AI support



## Next-generation CRM

Offers leveraging data of 360-degree customer and agent views, all channels in CRM activities, and joint analytics projects with PZU Group banks

Target

Building next-generation interactive CRM that enables real-time hyper-personalization and proactive relationship management in digital



## Consistently applying AI to transform the Group

AI already processed claims with of ~PLN 10 bn in value, yielding significant savings

Scaling the technology and introducing an AI solution in tariffs, as well as a major pilot project of the AI Assistant



## PZU Ready for Startups

Collaboration with start-ups, which has already brought in a total of >PLN 200 m in additional income with 76 completed projects

Developing a platform for collaboration, reaching out to a wider group of perspective startups and supporting them to implement innovations

# Strategic partnerships and new businesses: strengthening relationships with major players in key markets and developing embedded offer

## Strategic objectives How will we achieve it?

- 1** Increase the number of strategic partners

 Focus on key markets: financial services, automotive, tourism, real estate, consumer electronics, and e-commerce
- 2** Develop employee benefits

 Expand offering, include the full range of benefits available on the Polish market
- 3** Create a wellbeing ecosystem

 Extend the offer with an PZU Sport subscription and a complementary service ecosystem, including psychological support, dietary advice, recovery services, supplementation, physiotherapy, and physical activity

### PZU Group's current partner offerings

**Energy:** >60 assistance services offered with energy services

**Tourism:** travel insurance with dynamic pricing in ticket reservation system

**Telecommunications:** innovative combination of smartphone service with insurance

**Commerce:** insurance package for electronic devices, integrated within the API

**No. 1**

on the embedded insurance<sup>1</sup> market

1. Position in terms of gross written premiums

# International expansion: PZU Group present in five Central European countries, further development in light expansion model



- Experience in the region thanks to the presence of the PZU Group in 5 countries of Central and Eastern Europe
- Well-established inward reinsurance capabilities, ~PLN 1.4 billion of written premiums from inward reinsurance in 2023

## Expansion through distribution channels

Insurance brokers

Reinsurance brokers

Dealer networks

Managing General Agents

Bancassurance partners

Embedded insurance

## Expansion through inward reinsurance

Developing international capabilities and exploring new markets

**PLN 500 m<sup>1</sup>**  
Additional income from inward reinsurance outside the Group by 2030

Goals

Experience and knowledge of local specifics

Strong capital base



Expertise in key industries

An approach tailored to the country and customer

1. Not including reinsurance within the PZU Group, in Poland and abroad

# Green transition: PZU offers a full catalog of solutions in cooperation with banks

~PLN 2 trillion

investment needs for Poland's energy transition in the long term

~PLN 121 billion for climate goals out of the ~PLN 268 billion full allocation in the National Recover and Resilience Plan<sup>1</sup>

Energy companies in PZU Group's portfolio are key beneficiaries of NRRP<sup>1</sup> funds

## Group's offering to support green transition

### Corporate insurance

Products adequate at the investment stage, including engineering and specialized

Post-project non-life insurance, including TUW

### Equity investments

Stocks and bonds of companies focusing on green transition

Green government bonds

Loans for green investments

Investments in BREEAM-certified buildings



### Debt financing

Project finance and structured financing of green investment projects

Targeted loans for investments

### Guarantees

Insurance and banking solutions to secure transactions between contractors in green investments, e.g., due performance, remedy of defects, payment of bid bonds, timely payment of receivables

1. National Recovery and Resilience Plan, Pol. Krajowy Program Odbudowy  
Source: kpo.gov.pl; report of the Institute of Finance "Finansowe i legislacyjne aspekty transformacji energetycznej w Polsce"

# Collaboration: building solutions for customers and for market development, in partnership with key players



## Our goals

Building the best solutions and value for customers

Increasing insurance awareness among Poles

Building a positive perception of the insurance industry

## Insurance within public services ecosystem



Introduction of insurance services on common platforms, such as mStłuczka solution<sup>1</sup> within mObywatel to increase customers convenience by standardizing and digitizing the handling of motor claims

## Insurance data ecosystem



Using and sharing data in the ecosystem, e.g., Baza Danych Ubezpieczeniowych<sup>1</sup> containing information on non-life and life insurance, allowing for advanced analysis of concluded contracts and reported claims

## Supporting tools



Developing tools to improve market efficiency, e.g., FOTO for countering claim scams from motor insurance using automatic image recognition technology

Polish Chamber of Insurance

Insurance Guarantee Fund

Ministry of Digital Affairs

mObywatel 2.0

Centre for Information Technology<sup>2</sup>

Insurers

1. Solution in the planning phase 2. Pol. Centralny Ośrodek Informatyki

# Society: building trust and a friendly image of a socially engaged brand



## Sponsorship and prevention activities

Promoting a healthy and active lifestyle

Building healthy and safe social attitudes

- cooperation with public services: police, fire brigades
- support for emergency services: GOPR, WOPR
- campaigns and projects implemented jointly with the ministries of health, education, sports



## PZU Foundation

Building competencies of the future, including critical thinking, defense against disinformation

Creating spaces for community integration and dialog

Modern philanthropy, inspiring to action

Education and talent promotion

Building a society resilient to the challenges of modern times through initiatives in health, education, and reducing vulnerability to misinformation

15  
m

of people each year covered by PZU's activities in the field of social responsibility<sup>1</sup>

1. Activities under the 4 operational objectives "Safe on the road," "Safe in health" "Safe in action" "Safe at home and business" – details in the list of supplementary comments

# Team PZU: enhancing agility and developing capabilities to fuel growth of PZU Group



**Strong brand and HR capabilities make PZU Group an attractive place to work**

**Employee satisfaction** in *people management* and *inclusiveness and cooperation*, 4–6 pp above market average

**Good position in the pay market** and **GPG** ratio (Gender Pay Gap) of 95%

**~2.5 x lower turnover, 4x higher return** rate than in the market

Space to **develop skills and gain diverse experience**

**The HR strategy will focus on...**

...accountability for results through comprehensive performance management and ensuring optimal development of people and the organization within the implemented business units

...developing supportive leadership and distinctive employee experiences



...an inclusive organizational culture that supports agile operations, autonomy and employee innovation

...delivering tomorrow's competencies, crucial from a strategic perspective, including for international expansion

# ESG: an integral part of PZU Group's business

**E**

## Environment

Strengthening resilience in the face of climate change

- Reducing CO2e intensity in corporate insurance, banking and investments
- Financing projects supporting green transition
- Impact of climate change on claims ratio included in tariffs

**S**

## Social impact

Developing social skills

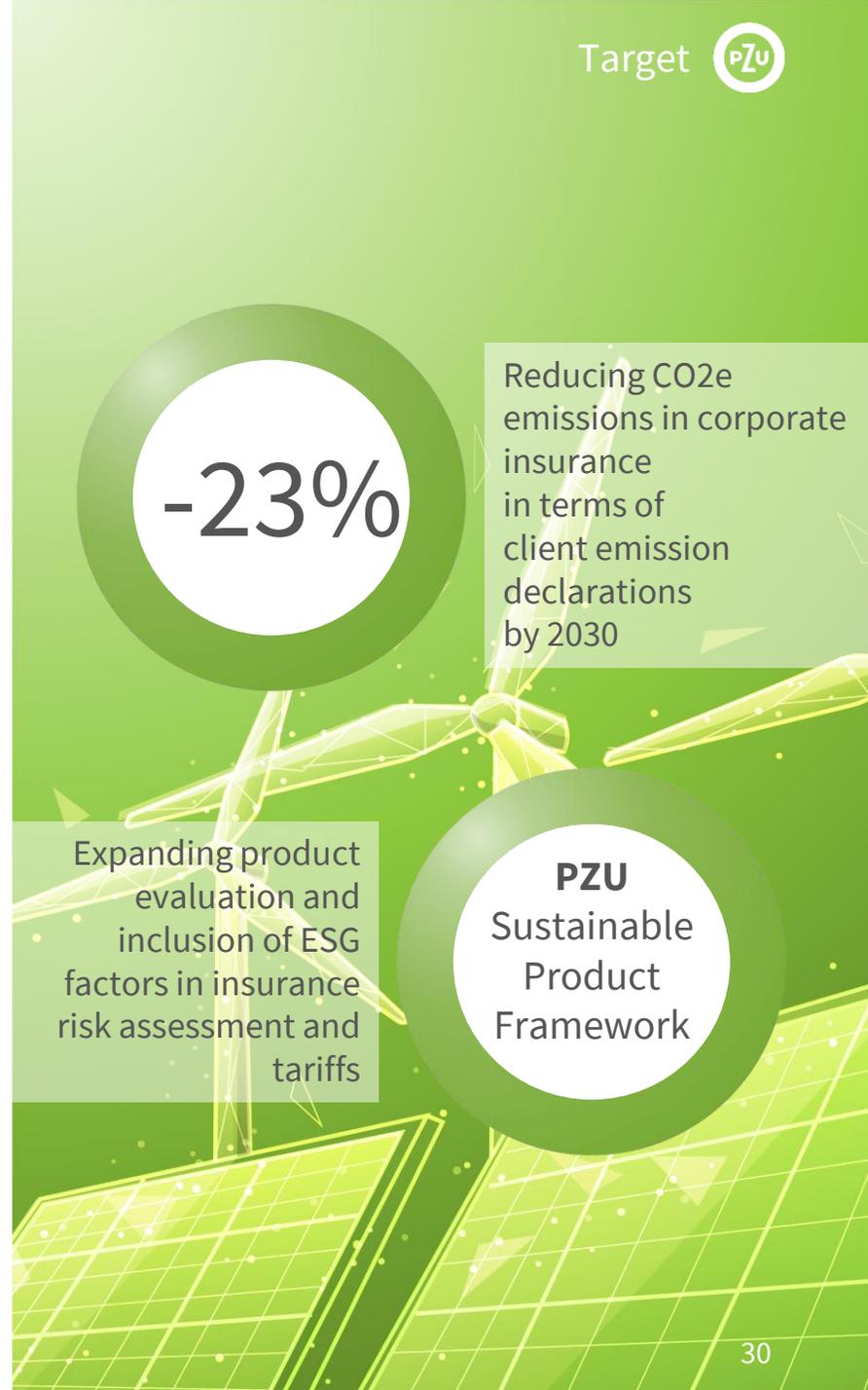
- Diversity, equality, inclusiveness
- Financial security, on the road and online
- Physical and mental health

**G**

## Corporate governance

Building a modern and transparent governance model

- New governance model
- Transparent rules for the appointment of supervisory boards
- Arranging the structure of assets



-23%

Reducing CO2e emissions in corporate insurance in terms of client emission declarations by 2030

Expanding product evaluation and inclusion of ESG factors in insurance risk assessment and tariffs

**PZU**  
Sustainable  
Product  
Framework



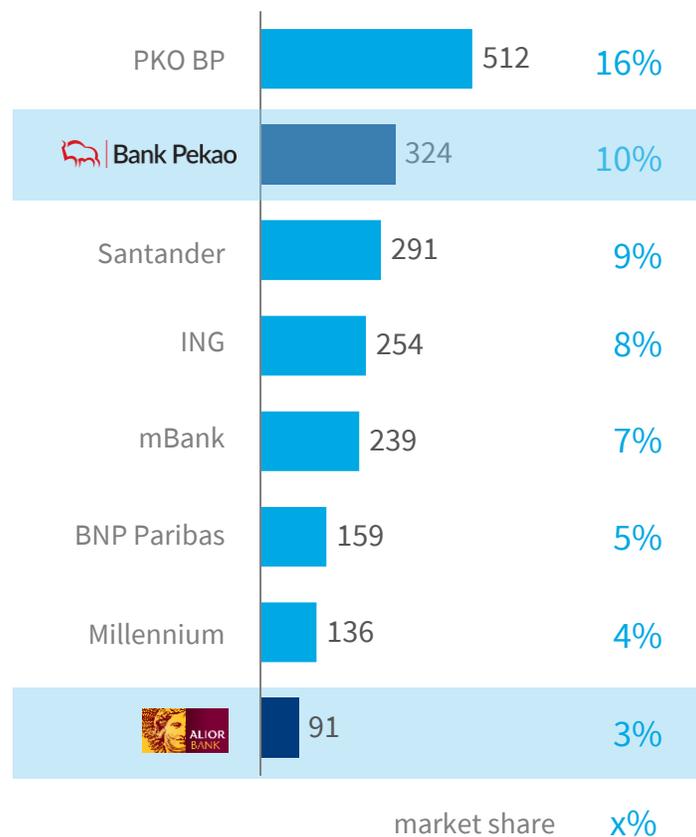
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# Banking assets: suboptimal structure of banking segment in the Group

## PZU Group's banking assets

PLN bn, September '24, Top 8 banks in PL



## Suboptimal structure of the Group's banking segment

**Lower attractiveness** for investors and **discount in valuation** due to being one of the few insurance groups in Europe directly supervising two competing banks

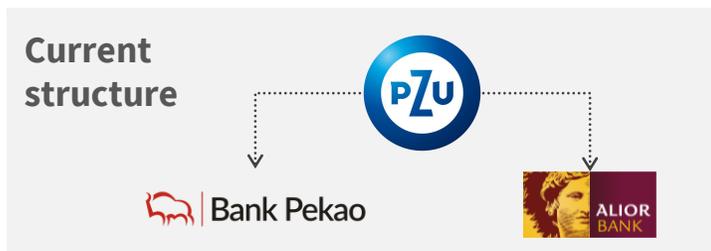
**The complexity of direct supervision over** two competing entities and failures to achieve synergies between entities operating in the same industry within the Group

Significant **capital concentration** on the Polish banking sector, with a large stake in two entities within the sector – greater risk

# Banking assets: consolidation of banking assets

Planned sale of Alior shares to Pekao...

...to generate value for the PZU Group and other shareholders of both banks



Cash settlement expected

1 **Transparent structure** to increase **attractiveness** for shareholders - single consolidating banking entity within PZU Group

2 Simplified **Group governance** – no direct supervision over competing banks

3 Released **capital for investment**

4 **Value generation** potential due to **complementarity** of banks

## Completed activities



**December 2nd 2024**

Signing the letter of intent between PZU and Pekao SA

## Next steps



**H1 2025**

Signing the Sale and Purchase Agreement (SPA)



Focus on maintaining the market dynamics of both banks



**By the end of 2025**

Development of target value generation model

# Banking assets: freed-up capital allocated to business development & economic transformation

## Investment directions

**1** Strategic partnerships development in Poland and abroad, incl. distribution, bancassurance and embedded insurance

**2** Healthcare segment development

**3** Participation in financing the transformation of the Polish economy



## Investment goals

Business development acceleration – new growth engines

Supporting the transformation of the society and the economy

Enhancing PZU Group's investment profile



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**High profitability and attractive dividend:** the goals in the new strategic horizon **much more ambitious** than in the previous horizon

	LTM <sup>1</sup>	Growth	2027
<b>Net profit</b> bn PLN	5,3	+17%	
<b>EPS core bussiness<sup>2</sup></b> PLN	3,7	+40% 	
<b>ROE core bussiness<sup>2</sup></b> %	17%	+2 p.p.	
<b>DPS</b> PLN		Improving financial results will allow us to maintain a high dividend payout per share	

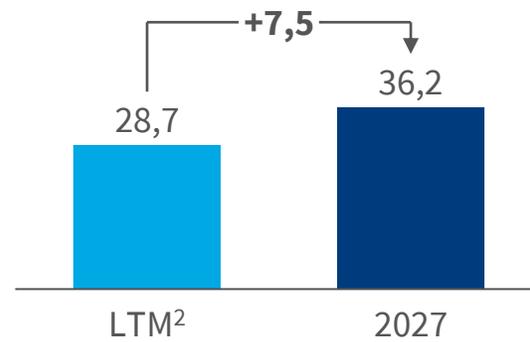
1. LTM – last 12 months (Q4 2023 – Q3 2024) 2. Core business, without banks

# Insurance: focus on core business with a goal of significant value increase

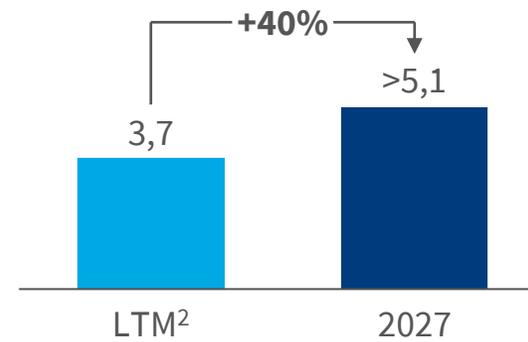


**Strong growth in core business...**

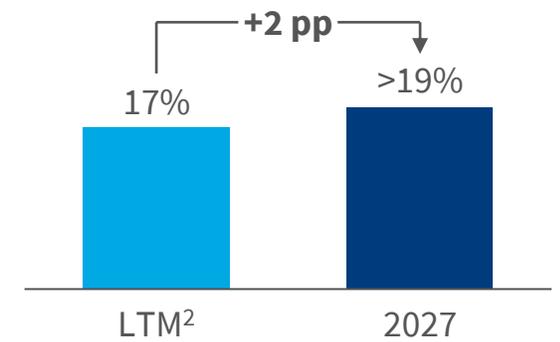
**Gross insurance revenue, bn PLN**



**Core business EPS<sup>1</sup>, PLN**



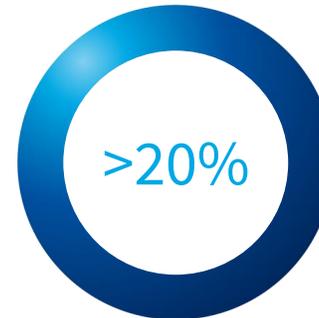
**Core business ROE<sup>1</sup>, %**



**...driven by cost efficiency and high solvency**



Non-life insurance  
COR ratio



Life insurance  
operating margin



Solvency II

1. Core business, without banks  
2. LTM – last 12 months (Q4 2023 – Q3 2024)

# Forecasts of macroeconomic indicators over the term of the Strategy

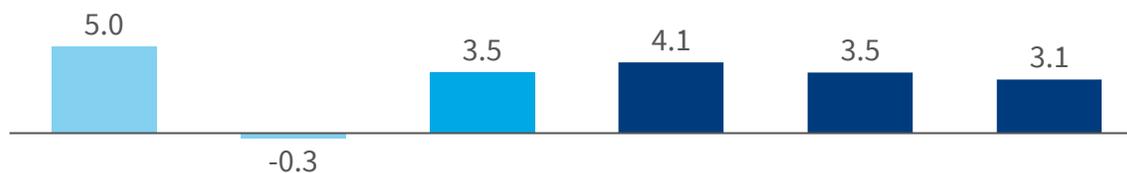
## GDP

%, real change



## Individual consumption

%, real change



## CPI inflation

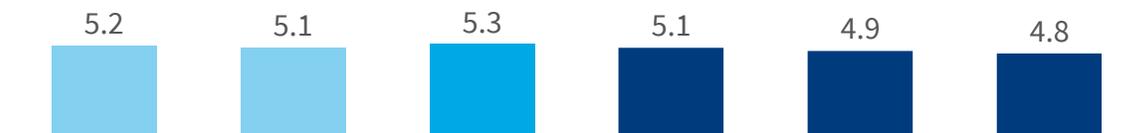
%

■ CPI inflation – annual average (%) ■ CPI inflation – end of period (%)



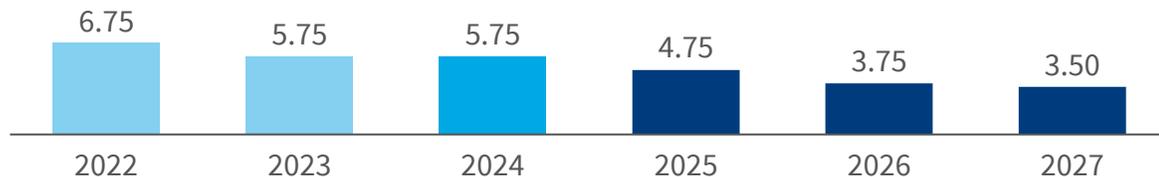
## Unemployment rate

%, end of period



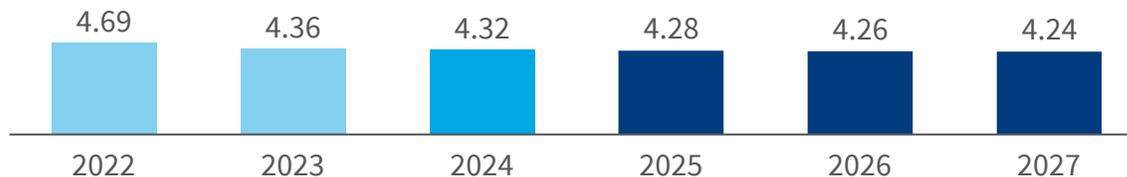
## NBP base rate

%, end of period



## PLN to EUR exchange rate

End of period



Source: PZU's own forecasts for Poland



# Agenda

- 1 Context
- 2 PZU Group Strategy
- 3 Banking assets
- 4 Financial ambitions
- 5 Summary**



confidence meets  
**the future**

## Summary

# 1

### **Focus on core business and profitability**

Reduction of COR to <90% – profitable growth as a strategic priority for insurance segment

# 2

### **Simplification of Group structure and consolidation of banks**

Increased transparency for investors, simplified governance and freed up capital for investment

# 3

### **Improving efficiency in the Group**

400 m PLN additional synergies within the Group

# 4

### **Growing and secure dividend**

DPS to a level of at least PLN 4.5, increase in net results and lower dependence on interest rate level

# List of abbreviations

Abbrv.	Explanation	Translation
AI	Artificial Intelligence	
Alior Bank	Alior Bank Spółka Akcyjna with its registered office in Warsaw	
APE	Annual Premium Equivalent	
API	Application Programming Interface	
Bank Pekao	Bank Polska Kasa Opieki Spółka Akcyjna with its registered office in Warsaw	
CAGR	Compound Annual Growth Rate	
COR	Combined Operating Ratio	
CPI	Consumer Price Index	
CRM	Customer Relationship Management	
CSM	Customer Success Management	
CSR	Corporate Sustainability Reporting Directive	
DPS	Dividends Per Share	
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization	
EE	Estonia	
EPS	Earnings Per Share	
ESG	Environmental, Social and Corporate Governance	
GenAI	Generative Artificial Intelligence	
G	Group	
GOPR	Górskie Ochotnicze Pogotowie Ratunkowe	Mountain Voluntary Rescue Service
GPG	Gender Pay Gap	
GUS	Główny Urząd Statystyczny	Statistics Poland
HR	Human Resources	
IZFiA	Izba Zarządzających Funduszami i Aktywami	Chamber of Fund and Asset Management

Abbrv.	Explanation	Translation
KNF	Komisja Nadzoru Finansowego	Polish Financial Supervision Authority
RRP	National Recovery and Resilience Plan	
LT	Lithuania	
LTM	Last Twelve Months	
LV	Latvia	
MGA	Managing General Agent	
MSWiA	Ministerstwo Spraw Wewnętrznych i Administracji	Ministry of the Interior and Administration
NPS	Net Promoter Score	
OECD	Organisation for Economic Co-operation and Development	
OSP	Ochotnicza Straż Pożarna	Voluntary Fire Brigade
PIU	Polska Izba Ubezpieczeń	Polish Insurance Association
GDP	Gross domestic product	
PL	Poland	
PTE	Powszechne Towarzystwo Emerytalne	Universal pension fund company
PZU	Powszechny Zakład Ubezpieczeń Spółka Akcyjna with its registered office in Warsaw (PZU SA) and Powszechny Zakład Ubezpieczeń na Życie Spółka Akcyjna with its registered office in Warsaw (PZU Życie SA)	
ROE	Return on Equity	
SPA	Sale and Purchase Agreement	
TFI	Towarzystwo Funduszy Inwestycyjnych	Mutual fund company
TUW	Towarzystwo Ubezpieczeń Wzajemnych	Mutual insurance company
UA	Ukraine	
EU	European Union	
WOPR	Wodne Ochotnicze Pogotowie Ratunkowe	Water Volunteer Rescue Service

# List of supplementary comments

Page	Scope	Comment
3	Life insurance market share	PZU Group's share of gross written premiums from insurance premiums paid periodically as reported by the KNF after Q2 2024 (in Poland)
3	Non-life insurance market share	PZU Group's market share in non-life insurance on primary business after Q2 2024 (in Poland)
3	Value of assets under management	Assets under management in PZU – the sum of the value of the assets of external clients of TFI PZU, PTE PZU and PZU's own assets as of the end of September 2024, adjusted for dividend payments as of 8.10.2024
3	Number of customers in the Group	22 m - Total number of unique customer in Poland - including banking, healthcare and investment customers 15 m – Number of unique insurance customers in Poland – including PZU SA, PZU Życie, and Link4
3	Solvency II ratio	As of 30 June 2024. Calculation according to the existing methodology, i.e., own funds are adjusted by dividends calculated on the basis of the interim result
30	Operational goals and activities relating to people covered by PZU's social responsibility activities	<ul style="list-style-type: none"> <li>• “Safe on the road” – improving road safety through education, innovative technologies</li> <li>• “Safe in Health” – promoting health prevention and psychological support through educational campaigns</li> <li>• “Safe in Action” – supporting the activities of emergency services by subsidizing the purchase of equipment, training and promoting the principles of first aid</li> <li>• “Safe at home and business” – prevention activities to increase safety at homes and in businesses (workplaces)</li> </ul>

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