



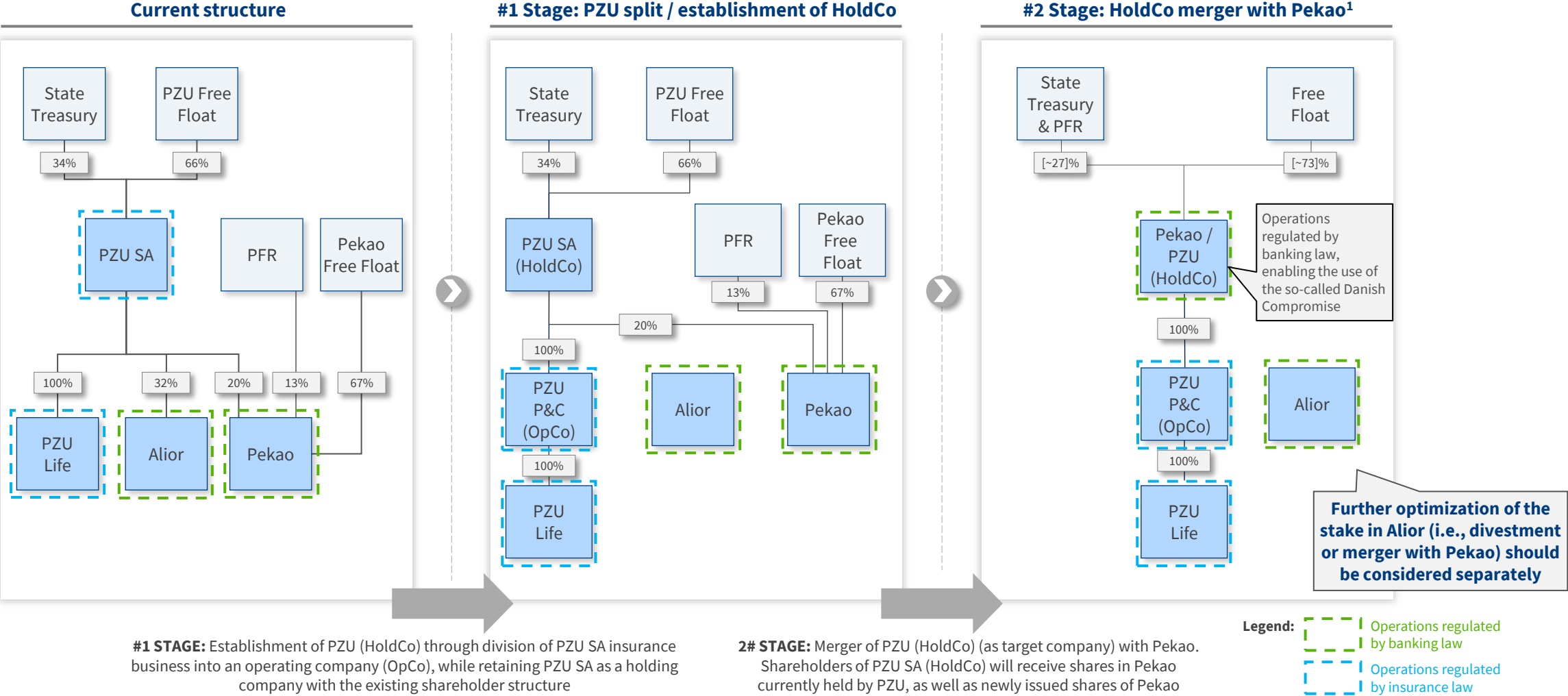
PZU/Pekao Group reorganization

**Transaction structure, capital impact
and dividend policy**

Warsaw, 12th June 2025

Transaction structure | two-stage transaction designed to address identified challenges

The diagram below is focused solely on the reorganization of PZU and Pekao, and doesn't address Alior Bank

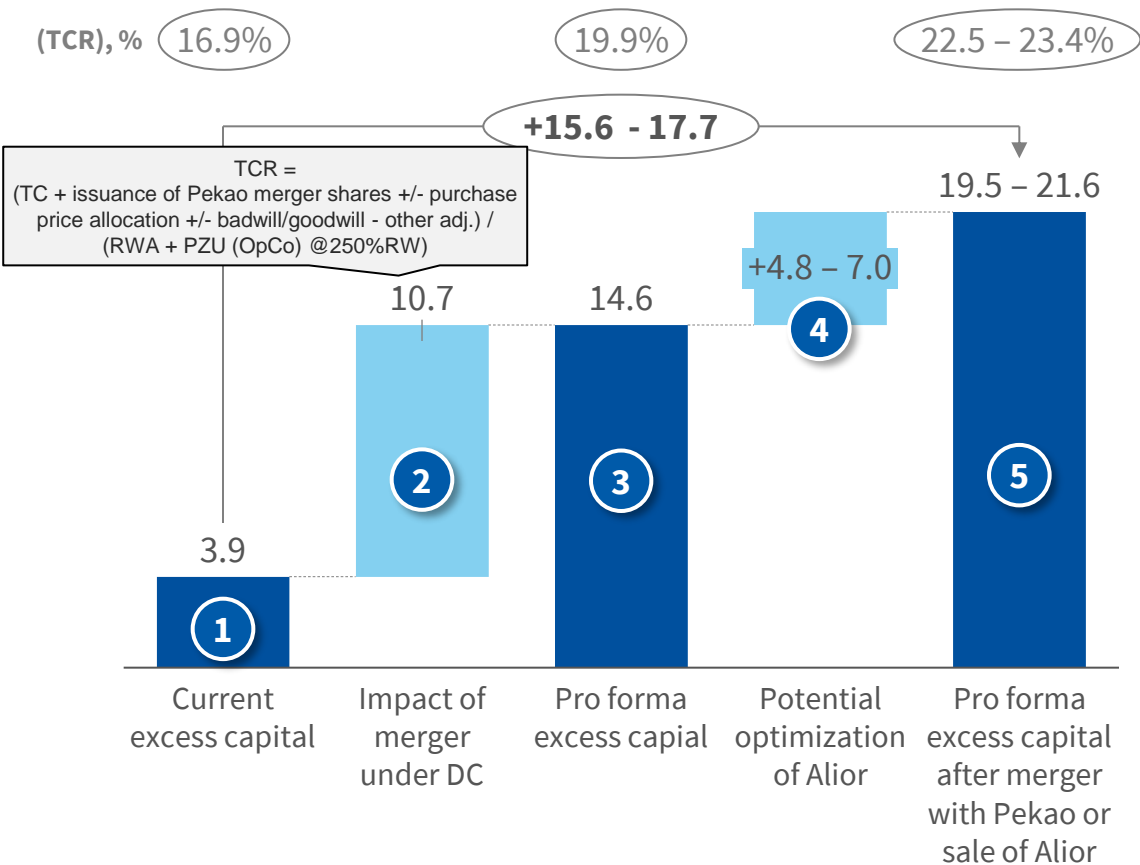


1. Pro forma shareholder structure based on conservative estimates assuming share prices of Pekao and PZU remain at levels as of June 10, 2025 i.e. 179.70 PLN and 62.94 PLN respectively. Total pro forma market cap was calculated based on combined market cap of Pekao and PZU, excl. PZU's stake in Pekao. At this stage, final post-transaction shareholder structure cannot be precisely determined
Source: market data as of June 10, 2025

Capital impact | potential transaction releases PLN ~15-20bn of capital

Illustrative estimated capital impact of the PZU/Pekao group reorganization and the application of Danish Compromise

Pekao total excess capital over 14,5% TCR, PLN bn, 3Q24



PZU OpCo total excess capital over 180% SCR, PLNbn, 3Q24

- 1 Pekao excess capital above 14.5% TCR currently stands at **PLN 3.9bn**
 - 2 Purchase of 100% PZU in all-stock deal under the Danish Compromise (assuming Alior is kept at PZU level but DC is not applied to Alior) releases additional **PLN 10.7bn** of excess capital for Pekao
 - 3 This adds up to a total of **PLN 14.6bn** excess capital
 - 4 Potential optimization of Alior may release additional capital of up to **PLN 7.0bn**
 - 5 Hence, pro forma Pekao / PZU SA (HoldCo) post Alior optimization would have a total of up to **~PLN 21.6bn** in excess capital
 - 6 Assuming PLN 8.2bn of excess capital (above 180% Solvency II ratio) at PZU OpCo level can be extracted post transaction, potential maximum of **~PLN 3.0bn¹** of capital can be released at Pekao / PZU SA (HoldCo)
- Thus, resulting in total of up to **~PLN 24.6bn** excess capital post transaction

Excess capital of Pekao and PZU cannot be summed up

1. Calculated as PLN 8.2bn excess capital (post removal of Alior and Pekao stakes from EoF and SCR) at PZU level, risk-weighted at 250%, multiplied by the target capital ratio of 14.5%.
Source: company information, market data as of May 23, 2025

Dividend Policy | Potential transaction strengthens exceptional and unique dividend profile of both institutions

Dividend Policy

≥50%

of net profit to be paid out as dividends in
2025-2027

Dividend Policy Bank Pekao

50-75%

of net profit to be paid out as dividends in
2025-2027

Combined entity will ensure **predictable and stable dividend** payouts while maintaining adequate level of equity and development of operational activities