

Powszechny Zakład Ubezpieczeń
Spółka Akcyjna
Group

Condensed interim
Consolidated Financial Statements
for the 9 months ended
30 September 2025



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Financial highlights

1. Selected consolidated financial data of PZU Group

Data from the consolidated profit and loss account	m PLN 1 January – 30 September 2025	m PLN 1 January – 30 September 2024	m EUR 1 January – 30 September 2025	m EUR 1 January – 30 September 2024
Insurance service result	3,660	2,293	864	533
Revenue from commissions and fees	3,905	3,842	922	893
Fee and commission expenses	(908)	(1,031)	(214)	(240)
Net investment result	22,338	21,026	5,273	4,887
Profit before tax	13,630	11,386	3,217	2,647
Net profit, of which:	10,580	8,807	2,497	2,047
- profit attributable to the equity holders of the Parent Company	5,225	3,661	1,233	851
- profit attributable to holders of non-controlling interests	5,355	5,146	1,264	1,196
Basic and diluted weighted average number of common shares	863,334,261	863,366,397	863,334,261	863,366,397
Basic and diluted earnings per common share (in PLN/EUR)	6.05	4.24	1.43	0.99

Data from the consolidated statement of financial position	m PLN 30 September 2025	m PLN 31 December 2024	m EUR 30 September 2025	m EUR 31 December 2024
Assets	519,462	503,257	121,677	117,776
Share capital	86	86	20	20
Equity attributable to equity holders of the parent company	33,946	32,111	7,951	7,515
Non-controlling interest	34,902	33,146	8,175	7,757
Total equity	68,848	65,257	16,126	15,272
Basic and diluted number of common shares	863,338,703	863,312,918	863,338,703	863,312,918
Book value per common share (in PLN/EUR)	39.32	37.20	9.21	8.70

Data from the consolidated cash flow statement	m PLN 1 January – 30 September 2025	m PLN 1 January – 30 September 2024	m EUR 1 January – 30 September 2025	m EUR 1 January – 30 September 2024
Net cash flows from operating activities	1,175	18,984	277	4,413
Net cash flows from investing activities	6,036	(13,521)	1,425	(3,143)
Net cash flows from financing activities	(4,432)	885	(1,046)	206
Total net cash flows	2,779	6,348	656	1,476

2. Selected standalone financial data of PZU (PAS)

Data from the balance sheet	m PLN 30 September 2025	m PLN 31 December 2024	m EUR 30 September 2025	m EUR 31 December 2024
Assets	61,313	56,094	14,362	13,127
Share capital	86	86	20	20
Total equity	24,443	22,729	5,725	5,319
Basic and diluted number of common shares	863,523,000	863,523,000	863,523,000	863,523,000
Book value per common share (in PLN/EUR)	28.31	26.32	6.63	6.16

Data from the technical non-life insurance account and from the general profit and loss account	m PLN 1 January – 30 September 2025	m PLN 1 January – 30 September 2024	m EUR 1 January – 30 September 2025	m EUR 1 January – 30 September 2024
Gross written premiums	12,764	12,746	3,013	2,963
Non-life insurance technical result	1,294	614	305	143
Net profit or loss on investing activities ¹⁾	4,372	3,629	1,032	843
Net profit or loss	4,792	3,565	1,131	829
Basic and diluted weighted average number of common shares	863,523,000	863,523,000	863,523,000	863,523,000
Basic and diluted earnings per common share (in PLN/EUR)	5.55	4.13	1.31	0.96

¹⁾ Including the item "Share of the net profit (loss) of related parties accounted for using the equity method".

3. Selected standalone financial data of Powszechny Zakład Ubezpieczeń na Życie Spółka Akcyjna (PAS)

Data from the balance sheet	m PLN 30 September 2025	m PLN 31 December 2024	m EUR 30 September 2025	m EUR 31 December 2024
Assets	33,437	30,414	7,832	7,118
Total equity	4,817	5,102	1,128	1,194

Data from the technical life insurance account and from the general profit and loss account	m PLN 1 January – 30 September 2025	m PLN 1 January – 30 September 2024	m EUR 1 January – 30 September 2025	m EUR 1 January – 30 September 2024
Gross written premiums	8,050	7,444	1,900	1,730
Technical life insurance result	1,836	1,783	433	414
Net investment result	1,759	1,282	415	298
Net profit	1,524	1,422	360	330

4. Summary of consolidated quarterly performance

The net profit of PZU Group for the 9-month period ended 30 September 2025 was PLN 10,580 million and was higher by 20.1% than the net profit for the corresponding period of the preceding year. The net profit attributable to the parent company's shareholders was PLN 5,225 million compared to PLN 3,661 million in the first three quarters of 2024 (an increase by PLN 1,564 million).

The aROE attributable to the parent company (PZU) for the period from 1 January to 30 September 2025 was 22.1%, which constitutes an increase by 5.3 p.p. in comparison to that for the corresponding period of the preceding year.

The following factors affected the PZU Group's operating result in the 9-month period ended 30 September 2025, as compared to the corresponding period of the preceding year:

- higher profitability in the mass property insurance segment - growth in the insurance service result both in non-motor and motor insurance;
- higher profitability on the operating activities of the corporate non-life insurance business, mainly as a result of an improved y/y insurance service result especially in motor insurance;
- higher operating result in the group and individually continued life insurance segment, in particular due to the increase in the insurance service result as well as the higher result from investments allocated to the segment;
- higher performance in the banking business segment, in particular due to an increase in the interest income at Pekao, resulting from higher loan volumes and higher interest margins. This was partially offset by higher operating costs, particularly personnel costs, and a higher level of fees paid to the BFG;
- an increase in operating profit in the investment segment due to higher earnings from equity instruments, an increase in swap point income from foreign currency derivatives and higher income from debt portfolios;
- higher result in the Baltic States segment due to higher insurance service result - rising insurance revenues outpacing growth in insurance service costs.

Interim consolidated profit and loss account

Consolidated profit and loss account	Note	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024 (restated) ¹⁾	1 January – 30 September 2024 (restated) ¹⁾
Insurance service result before reinsurance		1,692	4,335	729	3,079
Insurance revenue	10.1.2 10.1.4	7,903	23,129	7,541	21,836
Insurance service expenses	10.1.4	(6,211)	(18,794)	(6,812)	(18,757)
Net income or expenses from reinsurance contracts held		(187)	(675)	(36)	(786)
Reinsurance premium allocation	10.1.3	(513)	(1,507)	(481)	(1,379)
Amounts recoverable from reinsurers	10.1.5	326	832	445	593
Insurance service result		1,505	3,660	693	2,293
Financial income and expenses from insurance		(549)	(1,484)	(320)	(1,248)
Finance income or expenses from reinsurance		36	(45)	(54)	36
Interest income calculated using the effective interest rate, and equalized to them	10.2	7,169	21,665	7,291	21,009
Interest income calculated using the effective interest rate		6,874	20,749	6,971	20,064
Income of a nature similar to interest		295	916	320	945
Other net investment income	10.3	168	153	21	210
Result from derecognition of financial instruments and investments not measured at fair value through profit or loss	10.4	3	64	(52)	(20)
Result from allowances for expected credit losses	10.5	(385)	(994)	(440)	(1,065)
Net movement in fair value of assets and liabilities measured at fair value	10.6	391	1,450	332	892
Revenue from commissions and fees	10.7	1,347	3,905	1,264	3,842
Fee and commission expenses	10.8	(321)	(908)	(304)	(1,031)
PZU Group's non-insurance operating expenses	10.9	(2,647)	(8,252)	(2,492)	(7,842)
Interest expenses	10.10	(1,831)	(5,802)	(2,072)	(6,157)
Legal risk costs of foreign currency mortgage loans	10.11	(59)	(479)	(70)	(340)
Other operating income	10.12	453	1,300	382	1,171
Other operating expenses	10.13	(161)	(597)	(118)	(370)
Operating profit		5,119	13,636	4,061	11,380
Share of the net financial results of entities accounted for using the equity method		(1)	(6)	1	6
Profit before tax		5,118	13,630	4,062	11,386
Income tax	10.14	(1,163)	(3,050)	(891)	(2,579)
Net profit, of which:		3,955	10,580	3,171	8,807
- profit attributable to the equity holders of the Parent Company		1,995	5,225	1,215	3,661
- profit attributable to holders of non-controlling interests		1,960	5,355	1,956	5,146
Weighted average basic and diluted number of common shares	10.15	863,339,400	863,334,261	863,379,027	863,366,397
Basic and diluted profit (loss) per common share (in PLN)	10.15	2.31	6.05	1.41	4.24

¹⁾ Information on restatement of data for the periods from 1 July to 30 September 2024 and 1 January to 30 September 2024 is presented in section 6.2.

Interim consolidated statement of other comprehensive income

Consolidated statement of other comprehensive income	Note	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024 (restated) ¹⁾	1 January – 30 September 2024 (restated) ¹⁾
Net profit		3,955	10,580	3,171	8,807
Net other comprehensive income		188	1,537	792	971
Subject to subsequent reclassification to profit or loss		203	1,424	750	964
Valuation of debt instruments		300	1,019	597	681
Reclassification of debt instruments valuation for the profit and loss account		(7)	(47)	30	28
Measurement of loan receivables from clients		1	2	6	3
Financial income and expenses from insurance		(253)	(373)	(525)	(131)
Finance income or expenses from reinsurance		10	42	45	34
Foreign exchange translation differences		13	(6)	(17)	(38)
Cash flow hedging		179	1,112	788	615
Gains and losses on fair value measurement of financial instruments hedging cash flows in the portion constituting an effective hedge		41	602	95	(229)
Gains and losses on cash flow hedging financial instruments reclassified to profit or loss		138	510	693	844
Income tax	10.14	(40)	(325)	(174)	(228)
Not to be reclassified to profit or loss in the future		(15)	113	42	7
Valuation of equity instruments		(17)	151	50	(43)
Reclassification of real property from property, plant and equipment to investment property		-	1	2	51
Actuarial gains and losses related to provisions for employee benefits		-	(5)	-	-
Income tax	10.14	2	(34)	(10)	(1)
Total net comprehensive income		4,143	12,117	3,963	9,778
- comprehensive income attributable to equity holders of the Parent Company		1,987	5,693	1,358	4,041
- comprehensive income attributable to holders of non-controlling interests		2,156	6,424	2,605	5,737

¹⁾ Information on restatement of data for the periods from 1 July to 30 September 2024 and 1 January to 30 September 2024 is presented in section 6.2.

Interim consolidated statement of financial position

Assets	Note	30 September 2025	31 December 2024
Goodwill	10.16	2,792	2,792
Intangible assets	10.17	3,665	3,745
Property, plant and equipment	10.18	4,187	4,256
Investment property		3,043	3,159
Entities accounted for using the equity method	10.19	60	69
Insurance contract assets	10.1.4	107	108
Reinsurance contract assets	10.1.5	4,280	4,042
Assets pledged as collateral for liabilities	10.23	1,114	1,404
Assets held for sale	10.20	615	595
Loan receivables from clients (including finance lease receivables)	10.21	245,912	232,166
Financial derivatives	10.22	6,195	5,384
Investment financial assets	10.24	222,573	222,315
Measured at amortized cost		149,961	158,550
Measured at fair value through other comprehensive income		58,091	53,131
Measured at fair value through profit or loss		14,521	10,634
Deferred tax assets		2,045	2,244
Current income tax receivables		47	6
Other receivables	10.25	4,345	5,258
Other assets	10.26	673	587
Cash and cash equivalents		17,809	15,127
Total assets		519,462	503,257

Interim consolidated statement of financial position (continued)

Equity and liabilities	Note	30 September 2025	31 December 2024
Equity			
Equity attributable to equity holders of the parent company		33,946	32,111
Share capital	10.30	86	86
Other capital		25,398	22,076
Retained earnings		8,462	9,949
Retained profit or loss		3,237	4,607
Net profit		5,225	5,342
Non-controlling interest		34,902	33,146
Total equity		68,848	65,257
Liabilities			
Insurance contract liabilities	10.1.4	45,672	43,642
Reinsurance contract liabilities	10.1.5	20	35
Subordinated liabilities	10.32	5,875	5,099
Liabilities on the issue of own debt securities	10.33	20,484	18,086
Liabilities to banks	10.34	7,157	6,895
Liabilities to clients under deposits	10.35	338,850	334,193
Financial derivatives	10.22	5,190	6,132
Current income tax liabilities		690	1,818
Other liabilities	10.36	19,905	15,946
Provisions	10.37	2,928	2,756
Deferred income tax liabilities		3,822	3,374
Liabilities directly associated with assets classified as held for sale	10.20	21	24
Total liabilities		450,614	438,000
Total equity and liabilities		519,462	503,257

Interim consolidated statement of changes in equity

Consolidated statement of changes in equity	Equity attributable to equity holders of the parent company											Non-controlling interest	Total equity
	Share capital	Other capital								Undistribut- ed profit	Total		
		Treasury shares	Supple- mentary capital	Other reserve capital	Cumulative other comprehensive income								
					Revaluation reserve	Financial income and expenses from insurance	Finance income or expenses from reinsurance	Actuarial gains and losses related to provisions for employee benefits	Foreign exchange translation differences				
Note	10.30											2.4	
As at 1 January 2025	86	(7)	17,491	3,923	(834)	1,657	(61)	(9)	(84)	9,949	32,111	33,146	65,257
Total comprehensive income	-	-	-	-	742	(301)	34	(1)	(6)	5,225	5,693	6,424	12,117
Net profit (loss)	-	-	-	-	-	-	-	-	-	5,225	5,225	5,355	10,580
Net other comprehensive income	-	-	-	-	742	(301)	34	(1)	(6)	-	468	1,069	1,537
Transaction with the shareholders of the parent company	-	-	1,254	1,599	-	-	-	-	-	(6,712)	(3,859)	(4,671)	(8,530)
Distribution of financial result	-	-	2,334	1,599	-	-	-	-	-	(3,933)	-	(4,671)	(4,671)
PZU dividend	-	-	(1,080)	-	-	-	-	-	-	(2,779)	(3,859)	-	(3,859)
Other changes	-	1	4	1	(5)	-	-	-	-	-	1	3	4
Transactions in treasury shares	-	1	1	-	-	-	-	-	-	-	2	-	2
Sales of equity instruments designated for valuation at fair value through other comprehensive income	-	-	2	-	(2)	-	-	-	-	-	-	-	-
Transactions with holders of non-controlling interests	-	-	(2)	-	-	-	-	-	-	-	(2)	3	1
Other	-	-	3	1	(3)	-	-	-	-	-	1	-	1
As at 30 September 2025	86	(6)	18,749	5,523	(97)	1,356	(27)	(10)	(90)	8,462	33,946	34,902	68,848

Interim consolidated statement of changes in equity (continued)

Consolidated statement of changes in equity	Equity attributable to equity holders of the parent company											Non-controlling interest	Total equity
	Share capital	Other capital								Undistribut- ed profit	Total		
		Treasury shares	Supple- mentary capital	Other reserve capital	Cumulative other comprehensive income								
					Revaluation reserve	Financial income and expenses from insurance	Finance income or expenses from reinsurance	Actuarial gains and losses related to provisions for employee benefits	Foreign exchange translation differences				
Note	10.30												
As at 31 January 2024	86	(4)	15,804	2,218	(948)	1,258	(48)	(8)	(47)	11,726	30,037	30,515	60,552
Total comprehensive income	-	-	-	-	496	(107)	28	-	(37)	3,661	4,041	5,737	9,778
Net profit (loss)	-	-	-	-	-	-	-	-	-	3,661	3,661	5,146	8,807
Net other comprehensive income	-	-	-	-	496	(107)	28	-	(37)	-	380	591	971
Transaction with the shareholders of the parent company	-	-	1,665	1,705	-	-	-	-	-	(7,118)	(3,748)	(4,424)	(8,172)
Distribution of financial result	-	-	2,519	1,705	-	-	-	-	-	(4,224)	-	(4,424)	(4,424)
PZU dividend	-	-	(854)	-	-	-	-	-	-	(2,894)	(3,748)	-	(3,748)
Other changes	-	-	23	-	(24)	-	-	-	-	(1)	(2)	(5)	(7)
Sales of equity instruments designated at fair value through other comprehensive income	-	-	24	-	(24)	-	-	-	-	-	-	-	-
Transactions with holders of non-controlling interests	-	-	(1)	-	-	-	-	-	-	-	(1)	(3)	(4)
Other	-	-	-	-	-	-	-	-	-	(1)	(1)	(2)	(3)
As at 30 September 2024	86	(4)	17,492	3,923	(476)	1,151	(20)	(8)	(84)	8,268	30,328	31,823	62,151

Interim consolidated cash flow statement

Consolidated cash flow statement	Note	1 January – 30 September 2025	1 January – 30 September 2024 (restated)
Profit before tax		13,630	11,386
Adjustments		(5,486)	(4,762)
Amortization of intangible assets and depreciation of property, plant and equipment		989	1,088
Net movement in fair value of assets and liabilities measured at fair value		(1,450)	(892)
Realized gains/losses from investing activities and result from allowances for expected credit losses		1,094	1,168
Net foreign exchange differences		25	(29)
Interest income and expenses		(6,144)	(6,097)
Movement		(3,037)	15,336
Change in loans receivable from clients (including finance lease receivables)		(14,822)	(10,113)
Movement in liabilities under deposits		5,848	18,660
Movement in insurance contract assets and liabilities		1,658	1,653
Movement in reinsurance contract assets and liabilities		(211)	(425)
Movement in receivables		270	533
Movement in liabilities		662	(1,358)
Movement in liabilities under investment contracts		230	123
Movement in participation units and investment certificates of investment funds		284	322
Other adjustments		3,044	5,941
Income tax paid		(3,932)	(2,976)
Net cash flows from operating activities		1,175	18,984
Cash flow from investing activities			
Inflows		1,196,004	1,667,121
- sale of investment property		16	-
- sale of intangible assets and property, plant and equipment		130	106
- sale of ownership interests and shares		870	623
- realization of debt securities		666,921	1,188,849
- closing of buy-sell-back transactions		397,391	338,038
- closing of term deposits with credit institutions		99,233	106,977
- realization of other investments		28,464	30,180
- interest received		2,896	2,275
- dividends received		60	55
- increase in cash due to purchase of entities and change in the scope of consolidation		2	4
- other investment proceeds		21	14

Interim consolidated cash flow statement (continued)

Consolidated cash flow statement	Note	1 January – 30 September 2025	1 January – 30 September 2024 (restated)
Expenditures		(1,189,968)	(1,680,642)
- purchase of investment property		(7)	(5)
- purchase of intangible assets and property, plant and equipment		(848)	(900)
- purchase of ownership interests and shares		(806)	(627)
- purchase of ownership interests and shares in subsidiaries		-	(60)
- decrease in cash due to the change in the scope of consolidation		(10)	-
- purchase of debt securities		(658,616)	(1,201,311)
- opening of buy-sell-back transactions		(400,290)	(340,700)
- purchase of term deposits with credit institutions		(100,522)	(107,061)
- purchase of other investments		(28,844)	(29,951)
- other expenditures for investments		(25)	(27)
Net cash flows from investing activities		6,036	(13,521)
Cash flows from financing activities			
Inflows		260,722	217,096
- proceeds from loans and borrowings	10.38	-	1,211
- proceeds on the issue of own debt securities	10.38	33,151	28,340
- opening of repurchase transactions	10.38	227,571	187,545
Expenditures		(265,154)	(216,211)
- dividends to owners of non-controlling interests		(4,671)	(4,424)
- repayment of loans and borrowings	10.38	(1,860)	(770)
- redemption of own debt securities	10.38	(30,172)	(23,305)
- closure of repurchase transactions	10.38	(227,862)	(187,161)
- interest on loans and borrowings	10.38	(3)	(8)
- interest on outstanding debt securities	10.38	(317)	(378)
- expenditures on leases – capital part	10.38	(213)	(126)
- expenditures on leases – interest part	10.38	(56)	(39)
Net cash flows from financing activities		(4,432)	885
Total net cash flows		2,779	6,348
Cash and cash equivalents at the beginning of the period		15,127	17,702
Movement in cash due to foreign exchange differences		(97)	(119)
Cash and cash equivalents at the end of the period, including:		17,809	23,931
- restricted cash		11	10

Notes to the condensed interim consolidated financial statements

1. Introduction

Compliance statement

These condensed interim consolidated financial statements of Powszechny Zakład Ubezpieczeń Spółka Akcyjna Group (“condensed interim consolidated financial statements” and “PZU Group”, respectively) have been prepared in line with requirements of International Accounting Standard 34 “Interim Financial Reporting”, as endorsed by the Commission of European Union, and with requirements set forth in the Regulation on Current and Periodic Information.

These condensed interim consolidated financial statements should be read in conjunction with the consolidated financial statements of PZU Group for 2024.

Parent company’s quarterly standalone financial information

Pursuant to Article 63 para. 1 of the Regulation on Current and Periodic Information, quarterly standalone financial information of the PZU Group’s parent company, i.e. PZU, forms part of these condensed interim consolidated financial statements.

According to Article 45 para. 1a of the Accounting Act, financial statements of issuers of securities admitted to trading on one of the regulated markets of the European Economic Area countries may be prepared in accordance with IFRS.

As the General Meeting of Shareholders of PZU has not made the decision referred to in Article 45 para. 1c of the Accounting Act in the matter of preparation of financial statements pursuant to IFRS, PZU’s standalone statements are prepared in accordance with the Polish Accounting Standards (PAS) defined in the Accounting Act and in the implementing acts issued on the basis thereof, including:

- Regulation of the Minister of Finance on the special accounting principles for insurance and reinsurance undertakings of 12 April 2016;
- Regulation of the Minister of Finance on the recognition, valuation methods, as well as disclosure and presentation of financial instruments of 17 November 2024.

In matters not regulated by the Accounting Act or the implementing acts issued on the basis thereof, Polish Accounting Standards or IFRS are applied accordingly.

Period covered by the condensed interim consolidated financial statements

These condensed interim consolidated financial statements cover the period of 9 months from 1 January to 30 September 2025.

The financial statements of the subsidiaries are prepared for the same reporting period as the financial statements of the parent company.

Functional and presentation currency

The PZU's functional and presentation currency is the Polish zloty. Unless noted otherwise, all amounts presented in these consolidated financial statements are stated in millions of Polish zloty.

The functional currency of the companies domiciled in Lithuania, Latvia and Sweden is the EUR, while for the companies domiciled in Ukraine it is the Ukrainian hryvnia, and for the company domiciled in the United Kingdom it is the British pound.

FX rates

Financial data of foreign subsidiaries is converted into Polish zloty as follows:

- assets and liabilities – at the average exchange rate set by the National Bank of Poland at the end of the reporting period;
- items of the profit and loss account and other comprehensive income – at the arithmetic mean of average exchange rates set by the National Bank of Poland as at the dates ending each month of the reporting period.

Currency	1 January – 30 September 2025	1 January – 30 September 2024	30 September 2025	31 December 2024
EUR	4.2365	4.3022	4.2692	4.2730
GBP	4.9849	5.0697	n/a	5.1488
UAH	0.0912	0.0996	0.0882	0.0976

Going concern assumption

These condensed interim consolidated financial statements have been drawn up under the assumption that PZU Group remains a going concern in the foreseeable future, i.e. in the period of at least 12 months after the end of the reporting period. As at the date of signing hereof, there are no facts or circumstances that would indicate that a threat exists to the PZU Group's capability of continuing its operations in a 12-month period following the end of the reporting period as a result of an intentional or compulsory discontinuation or a mayor curtailment of its current activities.

Discontinued operations

In the 9-month period ended 30 September 2025, PZU Group did not discontinue any significant type of the activities carried out.

Seasonal or cyclical business

The PZU Group's business is not of a significantly seasonal or cyclical nature.

Glossary

The most important terms, abbreviations and acronyms used in the condensed interim consolidated financial statements are explained below.

Names of companies

Balta – Apdrošināšanas akciju sabiedrība "BALTA".

Alior Bank – Alior Bank SA.

Alior Bank Group – Alior Bank with its subsidiaries listed in section 2.2.

Pekao Group – Pekao with its subsidiaries listed in section 2.2.

Idea Bank – Idea Bank SA.

LD – Akcinė bendrovė “Lietuvos draudimas”.

Link4 – Link4 Towarzystwo Ubezpieczeń SA.

Pekao – Bank Pekao SA.

PFR – Polski Fundusz Rozwoju SA.

PG TUW – Polski Gaz Towarzystwo Ubezpieczeń Wzajemnych in liquidation.

PG TUWnŻ – Polski Gaz Towarzystwo Ubezpieczeń Wzajemnych na Życie in liquidation.

PZU, parent company – Powszechny Zakład Ubezpieczeń Spółka Akcyjna.

PZU Finance AB – PZU Finance AB (publ.) in liquidation.

PZU LT GD – Uždaroji akcinė bendrovė “PZU Lietuva gyvybės draudimas”.

PZU Ukraina – PRJSC IC “PZU Ukraine”.

PZU Ukraina Życie – PRJSC IC “PZU Ukraine Life Insurance”.

PZU Życie – Powszechny Zakład Ubezpieczeń na Życie Spółka Akcyjna.

TFI PZU – Towarzystwo Funduszy Inwestycyjnych PZU Spółka Akcyjna.

TUW PZUW – Towarzystwo Ubezpieczeń Wzajemnych Polski Zakład Ubezpieczeń Wzajemnych.

Other definitions

BFG – Bank Guarantee Fund.

CIRS – Cross-currency interest rate swap.

COR – Combined operating ratio, calculated for the non-life insurance sector. This is the ratio of insurance service expenses, including amounts recoverable from reinsurers to the net income on insurance activities; a decrease in the value of this indicator signifies an improvement in efficiency (Combined Operating Ratio).

CSM – contractual service margin.

EBC – European Central Bank.

GMM – general measurement model, for measurement of insurance contracts according to IFRS 17.

CODM – Chief operating decision maker within the meaning of IFRS 8 – Operating segments.

WSE – Warsaw Stock Exchange.

IRS – Interest rate swap.

PZU’s standalone financial statements for 2024 – annual standalone financial statements of Powszechny Zakład Ubezpieczeń Spółka Akcyjna for 2024, prepared in accordance with the PAS.

KNF – Polish Financial Supervision Authority.

Baltic countries – Lithuania (LD, PZU LT GD), Latvia (Balta), Estonia (LD branch).

LIC – Liability for incurred claims.

LRC – Liability for remaining coverage.

MSSF – International Financial Reporting Standards, as endorsed by the European Commission, published and in force as at 30 September 2025.

MRA – Modified retrospective approach.

NBP – National Bank of Poland.

PAA – Premium allocation approach.

POCI – Purchased or originated credit-impaired financial assets.

Banking Law – the Act of 29 August 1997 entitled Banking Law.

Solvency Law – the Act of 28 February 2003 entitled Solvency Law.

PLET – Polish Life Expectancy Tables published annually by the Central Statistical Office of Poland.

PAS – Accounting Act of 29 September 1994 and regulations issued thereunder.

ROE attributable to the parent company – return on equity calculated as the ratio of the annual net profit attributable to owners of the parent company to the arithmetic mean of consolidated equity, less the minority interest at the beginning and at the end of the reporting period; the higher the ratio, the better the efficiency (Return on Equity).

aROE – adjusted return on equity, calculated on the basis of equity, excluding cumulative other comprehensive income relating to insurance and reinsurance finance income and expenses.

Capital Requirements Regulation, CRR – Regulation (EU) 2013/575 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.

Regulation on Current and Periodic Information – Regulation of the Minister of Finance of 6 June 2025 on Current and Periodic Information Transmitted by Securities Issuers and the Conditions for Recognizing the Information Required by the Regulations of a Non-Member State as Equivalent.

IASB – International Accounting Standards Board.

Consolidated financial statements – consolidated financial statements of the PZU Group prepared in accordance with IFRS for the year ended 31 December 2024.

SPPI test – solely payments of principal and interest test.

CJEU – Court of Justice of the European Union.

UKNF – Office of the Polish Financial Supervision Authority.

UOKiK – Office of Competition and Consumer Protection.

BFG Act – Act of 10 June 2016 on the Bank Guarantee Fund, the deposit guarantee scheme and resolution.

Insurance Activity Act – Act on Insurance and Reinsurance Activity of 11 September 2015.

Supplementary Oversight Act – Act of 15 April 2005 on supplementary oversight over credit institutions and insurance undertakings, reinsurance undertakings and investment firms comprising a financial conglomerate.

VFA – variable fee approach.

Financial leverage ratio – quotient of debt to the PZU Group's of debt and equity attributed to the equity holders of the parent company, less the balance of goodwill and intangible assets attributed to the equity holders of the parent company. Ratio calculated on the basis of the categories disclosed in the PZU Group's consolidated financial statements net of the banking sector.

Cost/Income ratio (banking sector) – the quotient of the PZU Group's non-insurance operating expenses excluding tax on other financial institutions and total operating income, which includes: interest income calculated using the effective interest rate and equalized, other net investment income, result on discontinued recognition of financial instruments and investments not measured at fair value through profit or loss, net change in fair value of assets and liabilities measured at fair value, interest expenses, as well as result on commissions and fees and other operating income and expenses; (C/I Cost/Income).

PZU Ordinary Shareholder Meeting – Ordinary Shareholder Meeting of Powszechny Zakład Ubezpieczeń Spółka Akcyjna.

2. Composition of PZU Group

2.1 Key information on PZU Group

Key information on the parent company

Name of the reporting entity	Powszechny Zakład Ubezpieczeń Spółka Akcyjna
Legal form	Joint stock company [Spółka Akcyjna]
Registered office	Poland
Country of registration	Poland
Registration address of the entity's offices	Rondo Ignacego Daszyńskiego 4, 00-843 Warsaw
Principal place of business	Rondo Ignacego Daszyńskiego 4, 00-843 Warsaw, Poland
Core business	Non-life insurance (65.12 according to the Polish Classification of Business Activity and the Statistical Classification of Economic Activities in Europe)
National Court Register [Krajowy Rejestr Sądowy]	District Court of the Capital City of Warsaw, 13th Commercial Division of the National Court Register, Commercial Register – KRS 0000009831

2.2 PZU Group companies and associates

No.	Name of the entity	Registered office	Date of obtaining control / significant influence	% of the share capital and % of votes held directly or indirectly by PZU		Line of business and website
				30 September 2025	31 December 2024	
Consolidated insurance undertakings						
1	Powszechny Zakład Ubezpieczeń SA	Warsaw	n/a	n/a	n/a	Non-life insurance. https://www.pzu.pl/grupa-pzu/spolki/pzu-sa
2	Powszechny Zakład Ubezpieczeń na Życie SA	Warsaw	18.12.1991	100.00%	100.00%	Life insurance. https://www.pzu.pl/pl/grupa-pzu/spolki/pzu-zycie
3	Link4 Towarzystwo Ubezpieczeń SA	Warsaw	15.09.2014	100.00%	100.00%	Non-life insurance. https://www.link4.pl/
4	Towarzystwo Ubezpieczeń Wzajemnych Polski Zakład Ubezpieczeń Wzajemnych	Warsaw	20.11.2015	100.00%	100.00%	Non-life insurance. https://www.tuwpzuw.pl/
5	AB “Lietuvos draudimas”	Vilnius (Lithuania)	31.10.2014	100.00%	100.00%	Non-life insurance. http://www.ld.lt/
6	AAS “BALTA”	Riga (Latvia)	30.06.2014	100.00%	100.00%	Non-life insurance. http://www.balta.lv/
7	PRJSC IC “PZU Ukraine”	Kiev (Ukraine)	1.07.2005	100.00%	100.00%	Non-life insurance. http://www.pzu.com.ua/
8	PRJSC IC “PZU Ukraine Life Insurance“	Kiev (Ukraine)	1.07.2005	100.00%	100.00%	Life insurance. http://www.pzu.com.ua/
9	UAB “PZU Lietuva gyvybes draudimas”	Vilnius (Lithuania)	8.04.2004	100.00% ¹⁾	99.34%	Life insurance. https://pzugd.lt/
10	Polski Gaz Towarzystwa Ubezpieczeń Wzajemnych in liquidation,	Warsaw	25.01.2024	100.00%	100.00%	Non-life insurance. https://www.link4.pl/
11	Polski Gaz Towarzystwo Ubezpieczeń Wzajemnych na Życie in liquidation;	Warsaw	25.01.2024	100.00%	100.00%	Life insurance. https://polskigaztuw.pl/pgtuwnz_oferta/
Consolidated companies – Pekao Group						
12	Bank Pekao SA	Warsaw	7.06.2017	20.02%	20.03%	Banking services. https://www.pekao.com.pl/
13	Pekao Bank Hipoteczny SA	Warsaw	7.06.2017	20.02%	20.03%	Banking services. http://www.pekaobh.pl/
14	Pekao Leasing sp. z o.o.	Warsaw	7.06.2017	20.02%	20.03%	Lease services. http://www.pekaoleasing.com.pl/
15	Pekao Investment Banking SA	Warsaw	7.06.2017	20.02%	20.03%	Brokerage services. http://pekaoib.pl/
16	Pekao Faktoring sp. z o.o.	Lublin	7.06.2017	20.02%	20.03%	Factoring services. https://www.pekaofaktoring.pl/
17	Pekao Towarzystwo Funduszy Inwestycyjnych SA	Warsaw	11.12.2017	20.02%	20.03%	Creation, representing and management of mutual funds. https://pekaotfi.pl/
18	Centrum Kart SA	Warsaw	7.06.2017	20.02%	20.03%	Auxiliary financial services. http://www.centrumkart.pl/
19	Pekao Financial Services sp. z o.o.	Warsaw	7.06.2017	46.82% ²⁾	46.82% ²⁾	Transfer agent. http://www.pekao-fs.com.pl/pl/

No.	Name of the entity	Registered office	Date of obtaining control / significant influence	% of the share capital and % of votes held directly or indirectly by PZU		Line of business and website
				30 September 2025	31 December 2024	
Consolidated companies – Pekao Group – continued						
20	Pekao Direct sp. z o. o.	Kraków	7.06.2017	20.02%	20.03%	Call center services. https://www.pekaodirect.pl/
21	Pekao Property SA in liquidation	Warsaw	7.06.2017	20.02%	20.03%	Development activities.
22	Pekao Fundusz Kapitałowy sp. z o.o. ⁽³⁾	Warsaw	7.06.2017	20.02%	20.03%	Development activities.
23	Pekao Investment Management SA	Warsaw	11.12.2017	20.02%	20.03%	Asset management. https://pekaotfi.pl/o-nas/pekao-investment-mangament
24	PeUF sp. z o.o.	Warsaw	20.07.2021	20.02%	20.03%	Auxiliary financial activities.
Consolidated companies – Alior Bank Group						
25	Alior Bank SA	Warsaw	18.12.2015	31.93%	31.94%	Banking services. https://www.aliorbank.pl/
26	Alior Services sp. z o.o.	Warsaw	18.12.2015	31.93%	31.94%	Other activity supporting financial services, excluding insurance and pension funds.
27	Alior Leasing sp. z o.o.	Warsaw	18.12.2015	31.93%	31.94%	Lease services. https://www.aliorbank.pl/wlasna-dzialalnosc/alior-leasing.html
28	Meritum Services ICB SA	Gdańsk	18.12.2015	31.93%	31.94%	IT services.
29	Alior Towarzystwo Funduszy Inwestycyjnych SA	Warsaw	18.12.2015	31.93%	31.94%	Asset management services and management of Alior SFIO subfunds. https://www.aliortfi.com/
30	AL Finance sp. z o.o.	Katowice	30.01.2017	31.93%	31.94%	Agency activities.
31	Corsham sp. z o.o.	Warsaw	4.02.2019	31.93%	31.94%	Business consulting.
32	RBL_VC sp. z o.o.	Warsaw	7.11.2019	31.93%	31.94%	Venture capital fund management activities.
33	RBL_VC sp. z o.o. ASI SKA	Warsaw	17.04.2020	31.93%	31.94%	Activity of trusts, funds and similar financial institutions.
34	Alior Leasing Individual sp. z o.o.	Warsaw	23.10.2023	31.93%	31.94%	Finance lease.
Consolidated companies – PZU Zdrowie Group						
35	PZU Zdrowie SA	Warsaw	2.09.2011	100.00%	100.00%	Medical services. https://www.pzu.pl/pl/grupa-pzu/spolki/pzu-zdrowie
36	Centrum Medyczne Medica sp. z o.o.	Płock	9.05.2014	100.00%	100.00%	Medical services. https://www.plock.pzuzdrowie.pl/
37	Sanatorium Uzdrowskowe “Krystynka” sp. z o.o.	Ciechocinek	9.05.2014	99.09%	99.09%	Hospital, physical therapy and spa services. http://www.sanatoriumkrystynka.pl/
38	Przedsiębiorstwo Świadczeń Zdrowotnych i Promocji Zdrowia ELVITA– Jaworzno III sp. z o.o.	Jaworzno	1.12.2014	100.00%	100.00%	Medical services. https://www.jaworzno.pzuzdrowie.pl/
39	Przedsiębiorstwo Usług Medycznych PROELMED sp. z o.o.	Łaziska Górne	1.12.2014	57.00%	57.00%	Medical services. http://www.proelmed.pl/
40	Centrum Medyczne Gamma sp. z o.o.	Warsaw	8.09.2015	100.00%	100.00%	Medical services. http://www.cmgamma.pl/

No.	Name of the entity	Registered office	Date of obtaining control / significant influence	% of the share capital and % of votes held directly or indirectly by PZU		Line of business and website
				30 September 2025	31 December 2024	
Consolidated companies – PZU Zdrowie Group – continued						
41	Tomma Diagnostyka Obrazowa SA	Poznań	9.12.2019	100.00%	100.00%	Medical services. https://tomma.com.pl/
42	Bonus-Diagnosta sp. z o.o.	Poznań	9.12.2019	100.00%	100.00%	Medical services.
43	Boramed Centrum Medyczne sp. z o.o.	Warsaw	31.05.2023	100.00%	100.00%	Medical services. https://www.boramed.pl/
Consolidated companies – other companies						
44	Powszechne Towarzystwo Emerytalne PZU SA	Warsaw	8.12.1998	100.00%	100.00%	Management of pension funds. https://www.pzu.pl/pl/grupa-pzu/spolki/pte-pzu
45	PZU Centrum Operacji SA	Warsaw	30.11.2001	100.00%	100.00%	Auxiliary activity associated with insurance and pension funds. https://www.pzu.pl/grupa-pzu/spolki/pzu-centrumoperacji
46	Towarzystwo Funduszy Inwestycyjnych PZU SA	Warsaw	30.04.1999	100.00%	100.00%	Creation, representing and management of mutual funds. https://www.pzu.pl/pl/grupa-pzu/spolki/tfi-pzu
47	PZU Pomoc SA	Warsaw	18.03.2009	100.00%	100.00%	Provision of assistance services. https://www.pzu.pl/grupa-pzu/spolki/pzu-pomoc
48	PZU Finance AB (publ.) in likvidation	Stockholm (Sweden)	2.06.2014	100.00%	100.00%	Financial services.
49	PZU Finanse sp. z o.o.	Warsaw	8.11.2013	100.00%	100.00%	Financial and accounting services.
50	Tower Inwestycje sp. z o.o.	Warsaw	27.08.1998	100.00%	100.00%	Development activity, operation and lease of properties. https://www.pzu.pl/pl/grupa-pzu/spolki/tower-inwestycje
51	Ogrodowa-Inwestycje sp. z o.o.	Warsaw	15.09.2004	100.00%	100.00%	Buying, operating, renting and selling real estate. http://www.ogrodowainwestycje.pl/
52	Arm Property sp. z o.o.	Kraków	26.11.2014	100.00%	100.00%	Purchase and sale of real estate.
53	Ipsilon sp. z o.o.	Warsaw	2.04.2009	100.00%	100.00%	No business conducted.
54	PZU LAB SA	Warsaw	13.09.2011	100.00%	100.00%	Consulting and training services, development of technology innovation to support technical and procedural security processes and risk management. https://www.pzu.pl/pl/grupa-pzu/spolki/pzu-lab
55	Omicron BIS SA	Warsaw	28.08.2014	100.00%	100.00%	No business conducted.
56	LLC SOS Services Ukraine	Kiev (Ukraine)	1.07.2005	100.00%	100.00%	Assistance services.

No.	Name of the entity	Registered office	Date of obtaining control / significant influence	% of the share capital and % of votes held directly or indirectly by PZU		Line of business and website
				30 September 2025	31 December 2024	
Consolidated companies – other companies – continued						
57	PZU TECH SA (formerly PZU CASH SA) ⁴⁾	Warsaw	15.09.2017	100.00%	100.00%	Other service activities in the field of information technology and computer technology.
58	Tulare Investments sp. z o.o.	Warsaw	15.09.2017	100.00%	100.00%	No business conducted.
59	PZU Projekt 01 SA	Warsaw	1.09.2020	100.00%	100.00%	No business conducted.
60	UAB "B10 biurai"	Vilnius (Lithuania)	14.03.2023	100.00%	100.00%	Property management.
61	UAB "B10 apartamentai"	Vilnius (Lithuania)	14.03.2023	100.00%	100.00%	Property management.
Consolidated companies – Armatura Group						
62	Armatura Kraków SA	Kraków	7.10.1999	100.00%	100.00%	Production and sale of radiators and sanitary fittings and administration and management of the group. https://www.kfa.pl/
63	Aquaform Ukraine TOW in liquidation	Zhytomyr (Ukraine)	15.01.2015	100.00%	100.00%	No business conducted.
Consolidated companies – mutual funds						
64	PZU SFIO Universum	Warsaw	15.12.2009	n/a	n/a	Investment of funds collected from fund members.
65	PZU FIZ Aktywów Niepublicznych Sektora Nieruchomości 2	Warsaw	21.11.2011	n/a	n/a	As above.
66	PZU FIZ Aktywów Niepublicznych BIS 1	Warsaw	12.12.2012	n/a	n/a	As above.
67	PZU FIZ Aktywów Niepublicznych BIS 2	Warsaw	19.11.2012	n/a	n/a	As above.
68	inPZU Akcje Polskie	Warsaw	10.05.2018	n/a	n/a	As above.
69	inPZU Akcje Rynków Rozwiniętych	Warsaw	10.05.2018	n/a	n/a	As above.
70	inPZU Obligacje Rynków Wschodzących	Warsaw	10.05.2018	n/a	n/a	As above.
71	inPZU Akcje Rynków Wschodzących	Warsaw	28.10.2019	n/a	n/a	As above.
72	inPZU Akcje Polskie Małych i Średnich Spółek (formerly inPZU Akcje CEEplus) ⁵⁾	Warsaw	28.10.2019	n/a	n/a	As above.
73	PZU FIZ Legato Absolutnej Stopy Zwrotu	Warsaw	11.08.2021	n/a	n/a	As above.
74	inPZU Akcje Rynku Surowców	Warsaw	15.12.2021	n/a	n/a	As above.
75	inPZU Akcje Rynku Złota	Warsaw	15.12.2021	n/a	n/a	As above.
76	inPZU Akcje Sektora Zielonej Energii	Warsaw	15.12.2021	n/a	n/a	As above.
77	inPZU Akcje Sektora Informatycznego	Warsaw	15.12.2021	n/a	n/a	As above.
78	inPZU Akcje Sektora Nieruchomości	Warsaw	15.12.2021	n/a	n/a	As above.
79	inPZU Akcje Europejskie	Warsaw	15.12.2021	n/a	n/a	As above.

No.	Name of the entity	Registered office	Date of obtaining control / significant influence	% of the share capital and % of votes held directly or indirectly by PZU		Line of business and website
				30 September 2025	31 December 2024	
Consolidated companies – mutual funds – continued						
80	inPZU Obligacje Skarbowe Amerykańskie (formerly inPZU Obligacje Inflacyjne) ⁵⁾	Warsaw	15.12.2021	n/a	n/a	Investment of funds collected from fund members.
81	PZU Dłużny Korporacyjny	Warsaw	12.04.2023	n/a	n/a	As above.
82	inPZU Złoto (formerly inPZU Akcje Sektora Biotechnologii) ⁶⁾	Warsaw	7.09.2023	n/a	n/a	As above.
83	inPZU Akcje Sektora Cyberbezpieczeństwa	Warsaw	7.09.2023	n/a	n/a	As above.
84	inPZU Akcje Sektora Technologii Kosmicznych	Warsaw	7.09.2023	n/a	n/a	As above.
85	InPZU Bitcoin (formerly inPZU Akcje Sektora Zrównoważonej Gospodarki Wodnej) ⁶⁾	Warsaw	7.09.2023	n/a	n/a	As above.
86	inPZU Zielone Obligacje	Warsaw	7.09.2023	n/a	n/a	As above.
87	inPZU Obligacje Korporacyjne High Yield	Warsaw	7.09.2023	n/a	n/a	As above.
88	inPZU Puls Życia 2070	Warsaw	4.01.2024	n/a	n/a	As above.
89	PZU FIZ Forte Absolutnej Stopy Zwrotu	Warsaw	28.01.2025	n/a	n/a	As above.
90	PZU FIZ Corporate Bonds	Warsaw	1.04.2025	n/a	n/a	As above.
91	PZU FIZ Private Debt	Warsaw	25.09.2025	n/a	n/a	As above.
Consolidated companies – special purpose vehicles of PZU FIZ Aktywów Niepublicznych Sektora Nieruchomości 2						
92	PH 3 sp. z o.o.	Warsaw	28.01.2011	100.00%	100.00%	Real property management.
93	PH 3 sp. z o.o. SKA	Warsaw	28.01.2011	100.00%	100.00%	As above.
94	Portfel Alliance Silesia I BIS sp. z o.o. in liquidation ⁷⁾	Warsaw	29.03.2013	100.00%	100.00%	As above.
95	Portfel Alliance Silesia III sp. z o.o.	Warsaw	2.10.2012	100.00%	100.00%	As above.
96	Portfel Alliance Silesia IV sp. z o.o.	Warsaw	4.10.2012	100.00%	100.00%	As above.
97	Portfel Alliance Silesia V sp. z o.o.	Warsaw	8.10.2012	100.00%	100.00%	As above.
98	Portfel Alliance Silesia VII sp. z o.o. in liquidation ⁷⁾	Warsaw	4.10.2012	100.00%	100.00%	As above.
99	Portfel of PB 1 sp. z o.o.	Warsaw	3.10.2012	100.00%	100.00%	As above.
100	Portfel of PB 2 sp. z o.o.	Warsaw	8.10.2012	100.00%	100.00%	As above.
101	Portfel of PH 1 sp. z o.o.	Warsaw	2.10.2012	100.00%	100.00%	As above.
102	Portfel of PH 2 sp. z o.o.	Warsaw	8.10.2012	100.00%	100.00%	As above.
103	EBP 1 sp. z o.o.	Warsaw	28.09.2018	100.00%	100.00%	As above.
104	EBP 2 sp. z o.o.	Warsaw	11.07.2012	100.00%	100.00%	As above.

No.	Name of the entity	Registered office	Date of obtaining control / significant influence	% of the share capital and % of votes held directly or indirectly by PZU		Line of business and website
				30 September 2025	31 December 2024	
Consolidated companies – special purpose vehicles of PZU FIZ Aktywów Niepublicznych Sektora Nieruchomości 2 – continued						
105	EBP 3 Sp. z o.o.	Warsaw	13.07.2012	100.00%	100.00%	Real property management.
106	Ogrody Lubicz sp. z o.o.	Kraków	25.07.2012	100.00%	100.00%	As above.
107	Portfel PM1 sp. z o.o. in liquidation ⁷⁾	Warsaw	9.10.2012	100.00%	100.00%	As above.
108	3 PB 1 sp. z o.o.	Warsaw	22.03.2012	100.00%	100.00%	As above.
109	3 PB 1 sp. z o.o. SKA	Warsaw	22.03.2012	100.00%	100.00%	As above.
110	Portfel2 PH5 sp. z o.o.	Warsaw	28.11.2014	100.00%	100.00%	As above.
111	2 PB 1 sp. z o.o.	Warsaw	13.12.2011	100.00%	100.00%	As above.
112	2 PB1 sp. z o.o. SKA	Warsaw	13.12.2011	100.00%	100.00%	As above.
113	2 PB 2 sp. z o.o.	Warsaw	8.02.2012	100.00%	100.00%	As above.
114	2PB3 sp. z o.o.	Warsaw	12.07.2012	100.00%	100.00%	As above.
115	2PB4 sp. z o.o.	Warsaw	11.07.2012	100.00%	100.00%	As above.
116	2PB5 sp. z o.o.	Warsaw	25.07.2012	100.00%	100.00%	As above.
117	2 PM 1 sp. z o.o.	Warsaw	28.03.2014	100.00%	100.00%	As above.
118	2PM2 sp. z o.o.	Warsaw	4.12.2012	100.00%	100.00%	As above.
119	2 PM 3 sp. z o.o.	Warsaw	13.08.2014	100.00%	100.00%	As above.
120	2PM4 sp. z o.o.	Warsaw	7.11.2014	100.00%	100.00%	As above.
121	2 PM 5 sp. z o.o.	Warsaw	7.11.2014	100.00%	100.00%	As above.

No.	Name of the entity	Registered office	Date of obtaining control / significant influence	% of the share capital and % of votes held directly or indirectly by PZU		Line of business and website
				30 September 2025	31 December 2024	
Associates						
122	re58 SA (formerly Sigma BIS SA) ⁸⁾	Warsaw	3.10.2019	34.00%	34.00%	Advertising activity. https://www.re58.pl/
123	Logistics Services SA in liquidation (formerly RUCH SA) ⁹⁾	Warsaw	23.12.2020	30.92%	30.92%	Retail sale of newspapers and stationery in specialized stores.
124	Krajowy Integrator Płatności SA ¹⁰⁾	Poznań	31.03.2021	7.67%	7.68%	Other monetary intermediation. https://tpay.com/

¹⁾ As of 27 February 2025, PZU became the owner of 100% of the shares of UAB "PZU Lietuva gyvybes draudimas" entitling to 100% of the votes at the General Meeting of Shareholders.

²⁾ PZU directly holds a 33.5% equity stake in Pekao Financial Services sp. z o.o. while Pekao holds 66.5%.

³⁾ By a resolution of the Extraordinary Shareholders' Meeting of June 4, 2025, the liquidation of the company was repealed and it was decided that the company would continue to exist.

⁴⁾ The new name of the company became effective on 9 April 2025.

⁵⁾ The new name of the fund became effective on 2 April 2025.

⁶⁾ The new name of the fund became effective on 28 August 2025.

⁷⁾ On July 1, 2025, the companies' Shareholders' Meetings passed resolutions to open liquidation.

⁸⁾ The new name of the company became effective on 18 June 2025.

⁹⁾ The new name of the company became effective on 11 June 2025. on June 27, 2025, the General Meeting passed a resolution to dissolve the company and open its liquidation.

¹⁰⁾ Pekao's associate in which it holds a 38.33% stake. Therefore, the Management Board of PZU believes that PZU Group has a significant influence on this company.

2.3 Changes in the scope of consolidation and structure of PZU Group

The accounting policy concerning the settlement of acquisition transactions is presented in detail in the consolidated financial statements for 2024.

The changes in the scope of consolidation and in the PZU Group's structure that occurred in the 9-month period ended 30 September 2025 are presented in the following sections.

2.3.1. Changes to consolidation of mutual funds

During 2025:

- funds under the control of the PZU Group were consolidated: PZU FIZ Forte Absolutnej Stopy Zwrotu (effective 28 January 2025), PZU FIZ Obligacji Korporacyjnych (effective 1 April 2025) and PZU FIZ Private Debt (effective 25 September 2025);
- funds over which the PZU Group ceased to exercise control were excluded from consolidation: inPZU Polskie Obligacje Skarbowe (as of 1 February 2025), inPZU Akcje Amerykańskie, and inPZU Inwestycje Ostrożne Obligacji Krótkoterminowych (effective 30 June 2025).

2.3.2. Liquidation of PZU Group company

On April 8, 2025, FPB – Media sp. z o.o. was deleted from the National Court Register (KRS). This deletion did not affect the interim consolidated financial statements of the PZU Group.

2.3.3. Sale of PZU Group company

On 24 September 2025, PZU Corporate Member Limited was sold to Residual Services Limited. The selling price was 1 GBP. The transaction had no significant effect on the interim consolidated financial statements.

2.3.4. Acquisition of Pekao Direct sp. z o.o.

In May 2025, Pekao acquired Pekao Direct Sp. z o.o. related to the provision of call-center services. The transaction did not affect the condensed interim consolidated financial statements of the PZU Group.

2.3.5. Acquisition of an organized part of the enterprise of Pekao Bank Hipoteczny SA

In October 2025, Pekao acquired the organized part of Pekao Bank Hipoteczny SA. The subject of the acquisition was primarily loans that at any time after the signing of the loan agreement were recorded by Pekao Bank Hipoteczny SA as loans in a currency other than PLN, for which any of the following criteria are met: (i) there is an indebtedness, (ii) the loan has been forgiven in whole or in part (i.e., with respect to the loan, there has been a settlement or other agreement between the client and Pekao Bank Hipoteczny SA providing for the release of the client from the debt, in respect of part or all of the principal, interest or costs), (iii) the loan has been repaid, or (iv) a court judgment has been passed against the loan stating that the loan agreement is invalid, but there are still unsatisfied claims on the part of the borrower or Pekao Bank Hipoteczny SA. The transaction did not affect the condensed interim consolidated financial statements of the PZU Group.

2.4 Non-controlling interest

The table below presents subsidiaries with certain non-controlling interests (at present or in the past):

Name of the entity	30 September 2025	31 December 2024
Pekao ¹⁾	79.98%	79.97%
Alior Bank ²⁾	68.07%	68.06%
Przedsiębiorstwo Usług Medycznych PROELMED sp. z o.o.	43.00%	43.00%
Sanatorium Uzdrowskie "Krystynka" sp. z o.o.	0.91%	0.91%
PZU LT GD ³⁾	-	0.66%

¹⁾ As a result, PZU also holds non-controlling interests in the Pekao's subsidiaries listed in the table in section 2.2.

²⁾ As a result, PZU also holds non-controlling interests in the Alior Bank's subsidiaries listed in the table in section 2.2.

³⁾ As of 27 February 2025, PZU owns 100% of the shares of UAB "PZU Lietuva gyvybes draudimas" entitling to 100% of the votes at the Shareholder Meeting.

Carrying amount of non-controlling interests	30 September 2025	31 December 2024
Pekao Group	26,637	25,541
Alior Bank Group	8,264	7,604
Other	1	1
Total	34,902	33,146

Both Pekao and Alior Bank conduct operations primarily in the territory of Poland. The tables below present condensed financial information for the Pekao Group and the Alior Bank Group included in the consolidated financial statements (without consolidation eliminations). The data of the Pekao Group and the Alior Bank Group incorporate the effect of adjustments resulting from the measurement of assets and liabilities to fair value as at the date control was acquired and their subsequent amortization over time.

Assets	Pekao Group		Alior Bank Group	
	30 September 2025	31 December 2024	30 September 2025	31 December 2024
Goodwill	693	693	-	-
Intangible assets	2,156	2,216	619	586
Property, plant and equipment	2,141	2,103	643	698
Entities accounted for using the equity method	52	59	-	-
Assets pledged as collateral for liabilities	926	1,345	18	18
Assets held for sale	14	26	-	-
Loan receivables from clients (including finance lease receivables)	181,202	169,720	64,332	61,996
Financial derivatives	5,212	4,670	603	489
Investment financial assets	128,298	136,480	25,993	24,916
Measured at amortized cost	109,375	121,819	3,805	3,684
Measured at fair value through other comprehensive income	16,611	13,317	22,113	21,204
Measured at fair value through profit or loss	2,312	1,344	75	28
Deferred tax assets	1,245	1,321	675	831
Current income tax receivables	1	-	39	-
Other receivables	2,520	3,167	1,291	1,479
Other assets	270	206	100	94
Cash and cash equivalents	13,596	12,269	3,380	2,123
Total assets	338,326	334,275	97,693	93,230

Equity and liabilities	Pekao Group		Alior Bank Group	
	30 September 2025	31 December 2024	30 September 2025	31 December 2024
Equity				
Equity attributable to equity holders of the parent company	33,305	31,938	12,140	11,173
Share capital	263	263	1,306	1,306
Other capital	26,083	23,585	9,094	7,403
Retained earnings	6,959	8,090	1,740	2,464
Non-controlling interest	13	14	-	-
Total equity	33,318	31,952	12,140	11,173
Liabilities				
Subordinated liabilities	3,604	2,782	-	-
Liabilities on the issue of own debt securities	18,739	16,168	1,890	2,087
Liabilities to banks	6,907	6,736	255	160
Liabilities to clients under deposits	259,159	258,200	80,522	76,937
Derivatives	4,840	5,338	344	647
Current income tax liabilities	321	1,356	209	277
Other liabilities	8,987	9,415	1,935	1,610
Provisions	2,434	2,310	396	337
Deferred income tax liabilities	17	18	2	2
Total liabilities	305,008	302,323	85,553	82,057
Total equity and liabilities	338,326	334,275	97,693	93,230

Consolidated profit and loss account for the period from 1 January to 30 September 2025	PZU Group	Elimination of Pekao's data	Elimination of Alior Bank's data	Elimination of consolidation adjustments	PZU Group without Pekao and Alior Bank
Insurance service result before reinsurance	4,335	-	-	-	4,335
Insurance revenue	23,129	-	-	-	23,129
Insurance service expenses	(18,794)	-	-	-	(18,794)
Net income or expenses from reinsurance contracts held	(675)	-	-	-	(675)
Reinsurance premium allocation	(1,507)	-	-	-	(1,507)
Amounts recoverable from reinsurers	832	-	-	-	832
Insurance service result	3,660	-	-	-	3,660
Financial income and expenses from insurance	(1,484)	-	-	-	(1,484)
Finance income or expenses from reinsurance	(45)	-	-	-	(45)
Interest income calculated using the effective interest rate, and equalized to them	21,665	(14,684)	(5,247)	267	2,001
Other net investment income	153	(227)	(68)	(13)	(155)
Result from derecognition of financial instruments and investments not measured at fair value through profit or loss	64	(52)	(27)	-	(15)
Result from allowances for expected credit losses	(994)	644	301	-	(49)
Net movement in fair value of assets and liabilities measured at fair value	1,450	(129)	25	1	1,347
Revenue from commissions and fees	3,905	(2,957)	(858)	182	272
Fee and commission expenses	(908)	708	214	(14)	-
PZU Group's non-insurance operating expenses	(8,252)	5,081	1,967	(408)	(1,612)
Interest expenses	(5,802)	4,328	1,363	(62)	(173)
Legal risk costs of foreign currency mortgage loans	(479)	376	103	-	-
Other operating income	1,300	(154)	(99)	57	1,104
Other operating expenses	(597)	247	112	(10)	(248)
Operating profit	13,636	(6,819)	(2,214)	-	4,603
Share of the net financial results of entities accounted for using the equity method	(6)	5	-	-	(1)
Profit before tax	13,630	(6,814)	(2,214)	-	4,602
Income tax	(3,050)	1,557	521	-	(972)
Net profit	10,580	(5,257)	(1,693)	-	3,630
- profit attributable to the equity holders of the Parent Company	5,225	(1,054)	(541)	-	3,630
- profit attributable to holders of non-controlling interests	5,355	(4,203)	(1,152)	-	-

Consolidated profit and loss account for the period from 1 January to 30 September 2024 (restated)	PZU Group	Elimination of Pekao's data	Elimination of Alior Bank's data	Elimination of consolidation adjustments	PZU Group without Pekao and Alior Bank
Insurance service result before reinsurance	3,079	-	-	-	3,079
Insurance revenue	21,836	-	-	-	21,836
Insurance service expenses	(18,757)	-	-	-	(18,757)
Net income or expenses from reinsurance contracts held	(786)	-	-	-	(786)
Reinsurance premium allocation	(1,379)	-	-	-	(1,379)
Amounts recoverable from reinsurers	593	-	-	-	593
Insurance service result	2,293	-	-	-	2,293
Financial income and expenses from insurance	(1,248)	-	-	-	(1,248)
Finance income or expenses from reinsurance	36	-	-	-	36
Interest income calculated using the effective interest rate, and equalized to them	21,009	(13,904)	(5,392)	188	1,901
Other net investment income	210	(156)	7	(5)	56
Result from derecognition of financial instruments and investments not measured at fair value through profit or loss	(20)	2	(40)	-	(58)
Result from allowances for expected credit losses	(1,065)	601	331	-	(133)
Net movement in fair value of assets and liabilities measured at fair value	892	(193)	(28)	-	671
Revenue from commissions and fees	3,842	(2,727)	(1,013)	143	245
Fee and commission expenses	(1,031)	662	389	(20)	-
PZU Group's non-insurance operating expenses	(7,842)	4,750	1,751	(162)	(1,503)
Interest expenses	(6,157)	4,515	1,516	(42)	(168)
Legal risk costs of foreign currency mortgage loans	(340)	299	41	-	-
Other operating income	1,171	(156)	(98)	47	964
Other operating expenses	(370)	125	87	(149)	(307)
Operating profit	11,380	(6,182)	(2,449)	-	2,749
Share of the net financial results of entities accounted for using the equity method	6	(6)	-	-	-
Profit before tax	11,386	(6,188)	(2,449)	-	2,749
Income tax	(2,579)	1,326	601	-	(652)
Net profit	8,807	(4,862)	(1,848)	-	2,097
- profit attributable to the equity holders of the Parent Company	3,661	(974)	(590)	-	2,097
- profit attributable to holders of non-controlling interests	5,146	(3,888)	(1,258)	-	-

Statement of comprehensive income	Pekao Group		Alior Bank Group	
	1 January – 30 September 2025	1 January – 30 September 2024	1 January – 30 September 2025	1 January – 30 September 2024
Net profit	5,257	4,862	1,693	1,848
Net other comprehensive income	932	507	474	270
Subject to subsequent reclassification to profit or loss	847	539	442	250
Valuation of debt instruments	351	279	199	105
Reclassification of debt instruments valuation for the profit and loss account	(56)	(15)	(6)	(15)
Valuation of loan receivables from clients (including finance lease receivables)	2	3	-	-
Foreign exchange translation differences	-	-	-	(2)
Cash flow hedging	748	398	350	221
Income tax	(198)	(126)	(101)	(59)
Not subject to subsequent reclassification to profit or loss	85	(32)	32	20
Valuation of equity instruments	110	(39)	42	25
Actuarial gains and losses related to provisions for employee benefits	(5)	-	-	-
Income tax	(20)	7	(10)	(5)
Total net comprehensive income	6,189	5,369	2,167	2,118

Cash flow statement	Pekao Group		Alior Bank Group	
	1 January – 30 September 2025	1 January – 30 September 2024	1 January – 30 September 2025	1 January – 30 September 2024
Net cash flows from operating activities	1,869	17,995	4,019	1,806
Net cash flows from investing activities	3,541	(13,398)	(1,058)	19
Net cash flows from financing activities	(3,985)	1,273	(1,679)	(1,382)
Total net cash flows	1,425	5,870	1,282	443

Dividend-related information	Pekao		Alior Bank	
	1 January – 30 September 2025	1 January – 30 September 2024	1 January – 30 September 2025	1 January – 30 September 2024
Date of ratifying the dividend	24 April 2025	17 April 2024	16 June 2025	26 April 2024
Record date	7 May 2025	24 April 2024	30 June 2025	10 May 2024
Dividend payment date	23 May 2025	10 May 2024	14 July 2025	24 May 2024
Dividend per share (PLN)	18.36	19.20	9.19	4.42
Dividend attributable to PZU Group	965	1,009	383	184
Dividend attributable to non-controlling interest	3,854	4,031	817	393

3. Shareholder structure

As at the date of submission of this interim report, PZU's shareholding structure, including shareholders holding at least 5% of votes at the General Meeting of PZU, was as follows:

No.	Shareholder's name	Number of shares and votes at the General Meeting of Shareholders	Percentage held in the share capital and in the total number of votes at the General Meeting of Shareholders
1	State Treasury	295,217,300	34.1875%
2	BlackRock, Inc. ¹⁾	43,209,557	5.0039%
3	Other shareholders	525,096,143	60.8086%
Total		863,523,000	100%

¹⁾ Based on the current report No. 38/2025 dated October 23, 2025

The State Treasury, holding 34.1875% of PZU shares entitling it to 34.1875% of votes at the PZU General Meeting, controls PZU within the meaning of IFRS 10.

3.1 Indication of changes in the ownership structure of significant shareholdings in the issuer

In 2025, BlackRock, Inc. transacted in PZU shares:

Transaction date	Type of transaction	Number of shares and votes at the General Meeting of Shareholders before the transaction	Percentage held in the share capital and in the total number of votes at the General Meeting of Shareholders before the transaction	Number of shares and votes at the General Meeting of Shareholders after the transaction	Percentage held in the share capital and in the total number of votes at the General Meeting of Shareholders after the transaction
15 May	acquisition	43,118,728	4.9934%	43,249,344	5.0085%
20 October	divestment	43,298,802	5.0142%	43,136,798	4.9954%
21 October	acquisition	43,136,798	4.9954%	43,209,557	5.0039%

3.2 Shares or rights to shares held by persons managing or supervising PZU

Number of PZU shares held by PZU Management Board Members and PZU Supervisory Board Members	19 November 2025	27 August 2025
PZU Management Board Members		
Maciej Fedyna	300	300
Tomasz Kulik	7,847	7,847
Tomasz Tarkowski	830	830
Jan Zimowicz	1,520	1,520
PZU Supervisory Board Members		
Adam Uszpolewicz	5,150	5,150
Michał Jonczynski	100	-

Neither as at the date of conveying this interim report nor as at the date of conveying the interim report for the 6-month period ended 30 June 2025 did any of the other members of the Management Board, Supervisory Board or the Directors of the Group hold any PZU shares or rights to them.

4. Key management personnel

Key management personnel, within the meaning of IAS 24, in the PZU Group are considered to be the Management Board of the parent company, Directors of the PZU Group and Members of the Management Boards of Pekao and Alior Bank.

Members of the PZU and PZU Życie Management Boards, including PZU Group Directors, ensure a coherent and effective management model at PZU and PZU Życie, based on the functional division of responsibility for the companies' respective business areas. PZU Group Directors generally oversee analogous areas in PZU and PZU Życie.

Members of the Management Boards at Pekao and Alior Bank are responsible for the planning, management and control of processes affecting the balance sheet totals and financial results of these banks. Due to the significant contribution of these amounts to the PZU Group's balance sheet total and consolidated financial result, the decision was made to recognize the members of the Management Boards at Pekao and Alior Bank as key management personnel of the PZU Group.

4.1 Parent company's Management Board

From 1 January 2025, the composition of the Management Board of PZU was as follows:

- Artur Olech – President of the PZU Management Board;
- Maciej Fedyna – Member of the PZU Management Board;
- Bartosz Grześkowiak – Member of the PZU Management Board;
- Elżbieta Häuser-Schöneich – Member of the PZU Management Board;
- Tomasz Kulik – Member of the PZU Management Board;
- Tomasz Tarkowski – Member of the PZU Management Board;
- Jan Zimowicz – Member of the PZU Management Board.

On 27 January 2025, the PZU Supervisory Board dismissed Artur Olech, who served as the President of the PZU Management Board, from the PZU Management Board.

That same day, the PZU's Supervisory Board passed a resolution to delegate a Member of the PZU's Supervisory Board, Andrzej Klesyk, to temporarily perform the duties of the President of the PZU's Management Board, until the appointment of the President of the PZU's Management Board, but for a period not exceeding 3 months. The resolution came into force upon its adoption.

On 27 February 2025, the PZU Supervisory Board adopted a resolution to appoint Andrzej Klesyk to the PZU Management Board and entrusted him with the function of the PZU Management Board President, subject to approval by the KNF. Until such approval is obtained, the PZU Supervisory Board entrusted Andrzej Klesyk with discharging the duties of the President of the Management Board in the scope admissible by relevant law. The resolution came into force upon its adoption. The appointment was effective as of 3 March 2025, for a joint term of office, encompassing three full financial years 2023–2025.

On 2 July 2025, the KNF unanimously approved the appointment of Andrzej Klesyk as the President of PZU.

On 7 August 2025, PZU's Supervisory Board dismissed Andrzej Klesyk from his position as the President of PZU and from the PZU Management Board. The PZU Supervisory Board also passed a resolution to temporarily entrust PZU Management Board member Tomasz Tarkowski with the duties of the President of PZU until the appointment of the President of PZU.

On 24 September 2025, the PZU Supervisory Board adopted a resolution to appoint Bogdan Benczak to the PZU Management Board and entrusted him with the function of the PZU Management Board President, subject to approval by the KNF. Until the KNF's approval is obtained, the Supervisory Board of the Company has entrusted Mr Benczak with discharging the duties of the President of the Management Board in the scope admissible by relevant law. The resolution came into force upon its adoption. The appointment was effective as of 25 September 2025, for a joint term of office, encompassing three full financial years 2023–2025.

From 25 September 2025 to the date of signing the condensed interim consolidated financial statements, the PZU Management Board consisted of the following persons:

- Bogdan Benczak – Member of the Management Board in charge pending approval by the Polish Financial Supervision Authority;
- Maciej Fedyna – Member of the PZU Management Board;
- Bartosz Grześkowiak – Member of the PZU Management Board;
- Elżbieta Häuser-Schöneich – Member of the PZU Management Board;
- Tomasz Kulik – Member of the PZU Management Board;
- Tomasz Tarkowski – Member of the PZU Management Board;
- Jan Zimowicz – Member of the PZU Management Board.

4.2 PZU Group Directors

From 1 January 2025, the following persons were PZU Group Directors:

- Sławomir Bilik (PZU);
- Bartosz Grześkowiak (PZU Życie);
- Elżbieta Häuser-Schöneich (PZU Życie);
- Jarosław Mastalerz (PZU);
- Małgorzata Skibińska (PZU);
- Paweł Wajda (PZU);
- Iwona Wróbel (PZU);
- Paweł Wróbel (PZU and PZU Życie);
- Jan Zimowicz (PZU Życie).

On 15 January 2025, Igor Radziewicz-Winnicki was appointed as a Group Director at PZU and PZU Życie.

As of 31 January 2025, the position of Group Director at PZU was no longer held by Jarosław Mastalerz and Paweł Wajda.

On 19 February 2025, at PZU SA and on February 21, 2025, at PZU Życie SA, Paweł Wróbel was dismissed from his position as Director of the PZU Group, effective 30 April 2025.

As of 28 February 2025, the position of PZU Group Director at PZU was no longer held by Sławomir Bilik. On the same day, Michał Kopyt was appointed PZU Group Director at PZU, effective as of 1 March.

On 31 March 2025, Igor Radziewicz-Winnicki was dismissed from his position of PZU Group Director at PZU and PZU Życie.

On 16 April 2025, Artur Fromberg was appointed PZU Group Director at PZU.

On 30 April 2025, the position of PZU Group Director at PZU was no longer held by Małgorzata Skibińska.

On 30 May 2025, with effect from 1 June 2025, Katarzyna Majewska was appointed Group Director of PZU and PZU Życie.

On 19 February 2025, with effect from 9 June 2025, Andrzej Mikosz was appointed as the PZU Group Director at PZU and PZU Życie.

On 16 June 2025, Katarzyna Majewska was dismissed from her position as PZU Group Director at PZU Życie, following her appointment to the PZU Życie Management Board.

On 26 June 2025, with effect from 1 July 2025, Rafał Cegiela was appointed as PZU Group Director at PZU.

On 4 November 2025, Michał Świtalski was appointed PZU Group Director at PZU.

From 4 November 2025 until the date of signing the condensed interim consolidated financial statements, Directors of PZU Group were as follows:

- Rafał Cegiela (PZU);
- Artur Fromberg (PZU);
- Bartosz Grześkowiak (PZU Życie);
- Elżbieta Häuser-Schöneich (PZU Życie);
- Michał Kopyt (PZU);
- Katarzyna Majewska (PZU);
- Andrzej Mikosz (PZU and PZU Życie);
- Michał Świtalski (PZU);
- Iwona Wróbel (PZU);
- Jan Zimowicz (PZU Życie).

4.3 Pekao Management Board

On September 30, 2025, the composition of the Pekao Management Board was as follows: Cezary Stypułkowski, Marcin Gadomski, Łukasz Januszewski, Michał Panowicz, Robert Sochacki, Błażej Szczeciński, Dagmara Wojnar, Marcin Zygmantowski.

4.4 Alior Bank Management Board

On September 30, 2025, the composition of the Alior Bank Management Board was as follows: Piotr Żabski, Marcin Ciszewski, Jacek Iljin, Wojciech Przybył, Beata Stawiarska, Zdzisław Wojtera.

5. Supervisory Board of the parent company

From January 1, 2025, the PZU Supervisory Board consisted of the following persons:

- Marcin Kubicza – Chairman of the Supervisory Board;
- Małgorzata Kurzynoga – Vice Chairman of the Supervisory Board;
- Anna Machnikowska – Secretary of the Supervisory Board;
- Michał Bernaczyk – Member of the Supervisory Board;
- Anita Elżanowska – Member of the Supervisory Board;
- Filip Gorczyca – Member of the Supervisory Board;
- Michał Jonczyński – Member of the Supervisory Board;
- Andrzej Kaleta – Member of the Supervisory Board;
- Wojciech Olejniczak – Member of the Supervisory Board;
- Adam Uszpolewicz – Member of the Supervisory Board.

On January 10, 2025, the Extraordinary Shareholder Meeting of PZU dismissed Wojciech Olejniczak as Member of the PZU Supervisory Board.

On January 21, 2025, the Extraordinary Shareholder Meeting of PZU appointed Andrzej Klesyk as Member of the PZU Supervisory Board.

On February 28, 2025, Andrzej Klesyk submitted his resignation from serving in the capacity of a PZU Supervisory Board Member, effective as of the end of March 2, 2025.

On 25 June 2025, the Ordinary Shareholder Meeting of PZU dismissed Michał Bernaczyk from the PZU Supervisory Board, and appointed Beata Stelmach and Maciej Szwarc to the PZU Supervisory Board.

On 22 October 2025, the Minister of State Assets, acting on behalf of the State Treasury of the Republic of Poland, appointed Kazimierz Karolczak as a member of the Supervisory Board of PZU SA for a term of office, pursuant to § 20(7) of the Articles of Association of PZU SA.

On 3 November 2025, Mr. Filip Gorczyca tendered his resignation from serving in the capacity of a PZU SA Supervisory Board Member, effective as of 3 November 2025.

From 4 November 2022 to the date of signing the condensed interim consolidated financial statements, the PZU Supervisory Board consisted of the following persons:

- Marcin Kubicza – Chairman of the Supervisory Board;
- Małgorzata Kurzynoga – Vice Chairman of the Supervisory Board;
- Anna Machnikowska – Secretary of the Supervisory Board;
- Anita Elżanowska – Member of the Supervisory Board;
- Michał Jonczynski – Member of the Supervisory Board;
- Andrzej Kaleta – Member of the Supervisory Board;
- Kazimierz Karolczak – Member of the Supervisory Board;
- Beata Stelmach – Member of the Supervisory Board;
- Maciej Szwarc – Member of the Supervisory Board;
- Adam Uszpolewicz – Member of the Supervisory Board.

6. Key accounting policies, key estimates and judgments

Detailed accounting policies and critical estimates and judgments are presented in the consolidated financial statements of the PZU Group for 2024.

The accounting policies and calculation methods used in these condensed interim financial statements are the same as those used in the consolidated financial statements of the PZU Group for 2024.

In accordance with IAS 34, the PZU Group has included in the condensed interim consolidated financial statements the principle of recognizing income tax expense on the basis of the best possible estimate of the weighted average annual income tax rate that the PZU Group expects to incur in the full fiscal year.

6.1 Amendments to the applied IFRS

6.1.1. Standards, interpretations and amendments to standards effective from 1 January 2025

The following amendments to standards have been applied to the condensed interim consolidated financial statements.

Name of standard/interpretation	Approving regulation	Comment
Amendments to IAS 21 – The effects of changes in foreign exchange rates	2024/2862	<p>The amendments relate to requirements to be applied by entities when the foreign currency is not exchangeable.</p> <p>The amendments include:</p> <ul style="list-style-type: none"> • specify when a currency is exchangeable and when it is not; • specify how an entity determines the exchange rate to apply when a currency is not exchangeable; • require the disclosure of additional information when a currency is not exchangeable – evaluation how a currency's lack of exchangeability affects, or is expected to affect, its financial performance, financial position and cash flows. <p>The amendment has not affected the PZU Group's consolidated statements to any significant extent.</p>

6.1.2. Standards and interpretations and amendments to standards issued, not yet effective

Approved by European Commission Regulation – coming into force on 1 January 2026

Name of standard/ interpretation	Comment
Amendments to IFRS 9 and IFRS 7 – changes in classification and measurement of financial instruments	<p>Approved by Regulation 2025/1047, as amended by Regulation 2025/1266.</p> <p>The amendments are in response to emerging concerns in the application of the standards and include, among others:</p> <ul style="list-style-type: none"> • clarification of the timing of recognition and discontinuation of recognition of financial assets and liabilities, including a new exception for financial liabilities settled by electronic transfer – if certain criteria are met, the amendments allow an entity to cease recognizing a financial liability (or part thereof) that will be settled using an electronic payment system, before the payment settlement date. An entity that chooses this option will be obliged to apply the selected approach to all settlements made by the same electronic payment system; • clarifications and additional guidance clarifying whether financial assets meet the criteria of the principal and interest flow test (SPPI test) – the amendments cover three areas considered when performing the SPPI test: <ul style="list-style-type: none"> ○ contractual conditions that can change cash flows based on contingent events (e.g., a change in interest rates dependent on specific ESG criteria); ○ terms of non-recourse instruments (instruments in which the right of the instrument holder to receive cash flows is contractually limited to a specific asset) – the existence of such terms does not automatically exclude compliance with the SPPI test, but requires in-depth analysis; ○ contractually linked instruments – the issuer may prioritize payments using multiple contractually linked instruments, leading to concentration of credit risk (so-called "tranches"). The amendment indicates that a key element that distinguishes contractually linked agreements from other non-recourse instruments is the cascading payment structure, resulting in a disproportionate allocation of cash shortfalls between tranches. The amendment also points out that not all transactions with multiple debt instruments meet the criteria for transactions with multiple contractually related instruments, and points out examples. It further clarifies that reference to instruments in the underlying pool may include financial instruments outside the scope of IFRS 9; • new disclosures for instruments whose contractual terms change the distribution over time or the amount of contractual cash flows based on contingencies not directly related to changes in underlying costs and credit risk (e.g., instruments with features relating to the level of achievement of environmental, social and governance (ESG) goals); • amendment of disclosure requirements for equity instruments designated at fair value through other comprehensive income (among other things, the need for separate presentation of gain or loss on instruments held at period end and those for which recognition has been discontinued); • for environmentally dependent electricity contracts, often taking the form of power purchase agreements: <ul style="list-style-type: none"> ○ clarify the application of the "for personal use" requirements; ○ allow the use of hedge accounting if such contracts are used as hedging instruments; ○ introduce new disclosure requirements to enable investors to understand the impact of such agreements on an entity's financial results and cash flows. <p>The PZU Group is in the process of evaluating the impact of the amendments to the standards on its consolidated financial statements.</p>

Name of standard/ interpretation	Comment
Annual updates – 11th edition	<p>Approved by Regulation 2025/1331.</p> <p>The updates include changes to 5 standards:</p> <ul style="list-style-type: none"> IFRS 1 – hedge accounting upon first-time adoption of IFRS – the amendment addresses a potential concern arising from inconsistent provisions between paragraph B6 of IFRS 1 and the hedge accounting requirements of IFRS 9. IFRS 7: <ul style="list-style-type: none"> gain or loss on discontinued recognition – the amendment addresses a potential ambiguity in paragraph B38 of IFRS 7, arising from an outdated reference to the paragraph, which was removed from the standard with the issuance of IFRS 13; disclosure of deferred differences between fair value and transaction price – the amendment addresses inconsistencies between paragraph 28 of IFRS 7 and the accompanying implementation guidance, which arose when the implementation of IFRS 13 amended paragraph 28 but did not change the implementation guidance; credit risk introduction and disclosures – the amendment addresses a potential concern by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements of the referenced paragraphs of IFRS 7 and by simplifying some of the explanations; IFRS 9: <ul style="list-style-type: none"> discontinuation of recognition of lessee's lease obligations – the amendment addresses a potential ambiguity in the application of IFRS 9 requirements to recognize the expiration of a lessee's liability, which arises due to the fact that paragraph 2.1(b)(ii) of IFRS 9 contains a reference to paragraph 3.3.1, but does not contain a reference to paragraph 3.3.3 of IFRS 9; transaction price – the amendment addresses a potential ambiguity arising from the reference in Appendix A to IFRS 9 to the definition of "transaction price" in IFRS 15, while the term "transaction price" is used in individual paragraphs of IFRS 9 with a meaning that is not necessarily consistent with the definition of the term in IFRS 15; IFRS 10 – definition of "de facto agent" – the amendment addresses a potential concern arising from inconsistencies between paragraphs B73 and B74 related to an investor's determination of whether another party is acting on its behalf, by aligning the wording in both paragraphs. IAS 7 – cost method – the amendment addresses a potential ambiguity in the application of paragraph 37 of IAS 7, which stems from the use of the term "cost method," which is no longer used in IFRS. <p>The PZU Group is in the process of evaluating the impact of the amendments to the standards on its consolidated financial statements.</p>

Not approved by the regulation of the European Commission

Name of standard/ interpretation	Comment
IFRS 18 – Presentation and disclosures in financial statements	<p>Date of issue by the IASB: 9 April 2024 Planned effective date according to IASB: 1 January 2027</p> <p>IFRS 18 to replace IAS 1 – Presentation of Financial Statements The new standard aims to improve information on the financial performance of entities.</p> <p>The new requirements include, among others:</p> <ul style="list-style-type: none"> presentation of the profit and loss account, in particular the disclosure of specific totals and subtotals – all income and expenses will have to be classified into one of five categories – operating, investment, finance, income tax and discontinued operations. The presentation of the operating result, the result before financing and income tax and profit or loss will be compulsory; the performance measures used by management, defining them as subtotals that the entity uses in external communications, outside the financial statements, presenting a management perspective on the performance of the entity. IFRS 18 will require disclosure of all of an entity's performance measures in a single note, including how the measure was calculated, its value in use and a reconciliation to the most comparable value, in accordance with IFRS 18; guidelines on aggregation and disaggregation of financial information. <p>Some of the requirements will remain unchanged from IAS 1. Some of the requirements will be transferred from IAS 1 to IAS 8. Modifications will also be made to IAS 7 and IAS 34.</p> <p>The application of the new standard will affect the disclosures presented in the PZU Group's consolidated financial statements. PZU Group is in the process of analyzing this impact.</p>

Name of standard/ interpretation	Comment
IFRS 19 – Subsidiaries not accountable to the public – Disclosures	<p>Date of issue by the IASB: 9 May 2024 as amended on 21 August 2025. Planned effective date according to IASB: 1 January 2027</p> <p>The new IFRS 19 standard allows subsidiaries to limit the scope of disclosures when applying IFRS in their financial statements. This entitlement is available to entities:</p> <ul style="list-style-type: none"> • which are not publicly accountable, i.e. do not hold shares or listed debt instruments and do not hold assets in a fiduciary capacity to a wide range of outsiders; • the parent company of which applies IFRS in its consolidated financial statements. <p>The application of IFRS 19 is optional.</p> <p>The disclosure requirements in IFRS 19 are a reduced version of the disclosure requirements in other IFRSs. An authorized subsidiary applying IFRS 19 is required to apply the requirements of other IFRS accounting standards regarding recognition, measurement and presentation requirements.</p> <p>The new standard will not affect the PZU Group's consolidated statements.</p>

6.2 Restatement of comparative data

In the consolidated financial statements of the PZU Group for 2024, the PZU Group has made presentation amendments to the data presented in the condensed interim consolidated financial statements for the 9-month period ended 30 September 2024.

6.2.1. Change in the presentation of operating expenses incurred by the PZU Group

The PZU Group decided to change the presentation of the operating expenses incurred by the PZU Group (except for the cost of insurance services, which under IFRS 17 is part of the insurance service result). Costs are now presented in one line of the consolidated income statement, "PZU Group operating expenses not related to insurance activities". In the condensed interim consolidated financial statements for the 9-month period ended 30 September 2024, costs incurred by non-insurance PZU Group units were presented in several lines of the consolidated profit and loss account – "Other net investment income" presented costs of investment activities, "Costs of banking operations" – costs incurred by PZU Group banks, while in "Other operating expenses" – costs of entities not engaged in insurance or banking activities and certain costs related to mandatory fees to supervisory or industry institutions. The PZU Group believes that presenting expenses on a single line of the consolidated profit and loss account is more useful to users of the report.

6.2.2. Amendment to the presentation of gains and losses on valuation of cash flow hedging instruments

The PZU Group has changed the preparation of its consolidated statement of other comprehensive income with respect to gains and losses on valuation of cash flow hedging instruments. In the condensed interim consolidated financial statements for the 9-month period ended 30 September 2024, these values were presented in a single line "Cash flow hedging". In these condensed interim consolidated financial statements, the PZU Group has added two new lines, in which it presents separately "Gains and losses on fair value measurement of cash flow hedging financial instruments in the portion that constitutes an effective hedge" and "Gains and losses on cash flow hedging financial instruments reclassified to financial result". According to the PZU Group, this presentation is more useful for users of the consolidated financial statements.

6.2.3. Effect of changes on the basic tables of the condensed interim consolidated financial statements

The tables present the impact of the changes on the interim consolidated profit and loss account and interim statement of comprehensive income for the periods 1 July – 30 September 2024 and 1 January – 30 September 2024.

Consolidated profit and loss account	1 July – 30 September 2024 (before restatement)	6.2.1	1 July – 30 September 2024 (restated)
Operating costs of banks	(1,661)	1,661	n/a
PZU Group's non-insurance operating expenses	n/a	(2,492)	(2,492)
Other operating income	419	(37)	382
Other operating expenses	(986)	868	(118)
Operating profit	4,061	-	4,061
Profit before tax	4,062	-	4,062
Net profit	3,171	-	3,171

Consolidated profit and loss account	1 January – 30 September 2024 (before restatement)	6.2.1	1 January – 30 September 2024 (restated)
Operating costs of banks	(5,112)	5,112	n/a
PZU Group's non-insurance operating expenses	n/a	(7,842)	(7,842)
Other operating income	1,277	(106)	1,171
Other operating expenses	(3,206)	2,836	(370)
Operating profit	11,380	-	11,380
Profit before tax	11,386	-	11,386
Net profit	8,807	-	8,807

Consolidated statement of comprehensive income	1 July – 30 September 2024 (before restatement)	6.2.2	1 July – 30 September 2024 (restated)
Net profit	3,171	-	3,171
Net other comprehensive income	792	-	792
Subject to subsequent reclassification to profit or loss	750	-	750
Cash flow hedging	788	-	788
Gains and losses on fair value measurement of financial instruments hedging cash flows in the portion constituting an effective hedge	n/a	95	95
Gains and losses on cash flow hedging financial instruments reclassified to profit or loss	n/a	693	693
Not to be reclassified to profit or loss in the future	42	-	42
Total net comprehensive income	3,963	-	3,963
- comprehensive income attributable to equity holders of the Parent Company	1,358	-	1,358
- comprehensive income attributable to holders of non-controlling interests	2,605	-	2,605

Consolidated statement of comprehensive income	1 January – 30 September 2024 (before restatement)	6.2.2	1 January – 30 September 2024 (restated)
Net profit	8,807	-	8,807
Net other comprehensive income	971	-	971
Subject to subsequent reclassification to profit or loss	964	-	964
Cash flow hedging	615	-	615
Gains and losses on fair value measurement of financial instruments hedging cash flows in the portion constituting an effective hedge	n/a	(229)	(229)
Gains and losses on cash flow hedging financial instruments reclassified to profit or loss	n/a	844	844
Not to be reclassified to profit or loss in the future	7	-	7
Total net comprehensive income	9,778	-	9,778
- comprehensive income attributable to equity holders of the Parent Company	4,041	-	4,041
- comprehensive income attributable to holders of non-controlling interests	5,737	-	5,737

6.3 Use of estimates and assumptions

PZU Group evaluated the estimates and assumptions made that affect the value of individual assets and liabilities of PZU Group, as well as revenues and costs presented in the condensed interim consolidated financial statements. Given the uncertainty of further economic developments, in particular due to the ongoing armed conflict in Ukraine, the estimates made may change in the future. Uncertainties relate primarily to projections of macroeconomic assumptions, in particular those relating to key economic indicators (inflation, market interest rate levels, the level of the expected economic downturn, GDP, employment, housing prices, possible disruptions to capital markets), possible disruptions to activity resulting from decisions taken by state institutions, businesses and consumers, the effectiveness of aid programs designed to support businesses and consumers, and the development of mortality and other insurance risks.

6.3.1 Judgments in exercising control

In order to determine whether PZU Group has rights that are sufficient to give it power, that is practical ability to direct the relevant activities unilaterally, the PZU Group analyzes among others:

- how many votes it holds at the shareholder meeting and whether it holds more votes than other investors (including potential voting rights and rights resulting from other contractual arrangements);
- how many entities would have to act together in order to outvote the PZU Group;
- distribution of votes at previous general meetings to analyze the activity or inactivity of other shareholders;
- if the key personnel of the entity or members of the investee's governing body are related parties of the PZU Group;
- capacity to appoint members of management and supervisory bodies of the entity;
- commitments, if any, to ensure that an investee continues to operate as designed;
- capacity to obligate the entity to perform or prevent it from performing significant transactions;
- other prerequisites.

The analysis of prerequisites for exercising control over Pekao and Alior Bank is presented in the table below.

Criterion	Pekao	Alior Bank
Share in votes at the shareholder meeting	20.02%	31.93%
Shareholder agreements	<p>On 23 January 2017, PZU and PFR (holding 12.8% of Pekao's share capital) signed a Shareholder Agreement to build Pekao's long-term value, implement a policy aimed at ensuring Pekao's development, financial stability and effective and prudent management. It defines the rules of cooperation between PZU and PFR, in particular pertaining to joint exercise of voting rights from the shares held and the implementation of a common long-term policy for Pekao's business. The Shareholder Agreement provides for the possibility of having real influence on Pekao's operating policies.</p> <p>An annex of 30 March 2023 added a new area of cooperation to the scope of the Agreement regarding non-financial sustainability reporting requirements.</p> <p>On 14 May 2025, an annex was signed extending the Shareholder Agreement until 7 June 2030, with the possibility of further extensions.</p> <p>The Management Board of PZU does not have any information about any agreements that may have been concluded between Pekao's other shareholders.</p>	<p>The PZU Group has not entered into agreements with other shareholders of Alior Bank.</p> <p>The Management Board of PZU also does not have any information about any agreements that may have been concluded between Alior Bank's other shareholders.</p>
Other shareholders	<p>Only two shareholders hold a stake of more than 5%, accounting in total for 12% shares. The remaining shareholders are dispersed and a significant number of entities would have to take concerted action to outvote PZU at the shareholder meeting.</p> <p>The provisions of paragraphs B73 – B75 of IFRS 10 and ESMA's guidance indicate that votes held by entities under the control of the same entity as PZU should also be considered when analyzing voting rights held, even if there are no formal agreements on joint voting.</p> <p>Although there are no formal agreements with other Treasury-related parties, PZU accepts that such parties may be "de facto agents" within the meaning of IFRS 10.B73.</p> <p>General Meeting resolutions necessary for the day-to-day management of Pekao's important activities are adopted by a simple majority. A qualified majority is required only for special matters (such as amending the charter) that exceed the scope of the day-to-day management of the entity.</p> <p>An analysis of attendance at past general meetings shows that it did not exceed 75% of those eligible to vote, which demonstrates the passive attitude of some shareholders, so that at past general meetings, since the acquisition of Pekao, PZU has been able to vote on the draft resolutions it proposed.</p>	<p>Three shareholders hold a stake of more than 5%, accounting in total for 23% shares. The remaining shareholders are dispersed and a significant number of entities would have to take concerted action to outvote PZU at the shareholder meeting.</p> <p>The provisions of paragraphs B73 – B75 of IFRS 10 and ESMA's guidance indicate that votes held by entities under the control of the same entity as PZU should also be considered when analyzing voting rights held, even if there are no formal agreements on joint voting.</p> <p>Although there are no formal agreements with other Treasury-related parties, PZU accepts that such parties may be "de facto agents" within the meaning of IFRS 10.B73.</p> <p>General Meeting resolutions necessary for the day-to-day management of Alior Bank's important activities are adopted by a simple majority. A qualified majority is required only for special matters (such as amending the charter) that exceed the scope of the day-to-day management of the entity.</p> <p>An analysis of attendance at past general meetings shows that it did not exceed 74% of those eligible to vote, which demonstrates the passive attitude of some shareholders, so that at past general meetings, since the acquisition of Alior Bank, PZU has been able to vote on the draft resolutions it proposed.</p>
PZU representatives in governing bodies	<p>Supervisory Board members include persons fulfilling key management functions at PZU.</p> <p>Most members of the Supervisory Board were proposed by PZU or PFR.</p>	<p>Supervisory Board members include persons fulfilling key management functions at PZU.</p> <p>Most of the Supervisory Board members were nominated by the PZU Group.</p>

6.3.2. Assets and liabilities under insurance and reinsurance contracts

Significant assumptions regarding the valuation of assets and liabilities under insurance and reinsurance contracts are presented in section 10.1.1.

6.3.3. Allowance for expected credit losses

In preparing the condensed interim consolidated financial statements, PZU Group took into account the economic conditions (such as market prices, interest rates or exchange rates) that existed as at the balance sheet date.

Information on changes in allowance for expected credit losses is presented in section 10.27.

6.3.4. Goodwill

PZU Group did not recognize any goodwill impairment losses in the 9-month period ended September 30, 2025.

6.3.5. Provision for potential reimbursements of loan costs

PZU Group monitors, on an ongoing basis, the value of estimated amounts resulting from prepaid consumer loans and, in the calculation of the provision for potential loan refunds, takes into account the most recent data on incoming claims and refund amounts. Detailed information on this subject is presented in section 10.37.

6.3.6. Legal risk provision for foreign currency mortgage loans in Swiss francs

As at September 30, 2025, the PZU Group assessed the probability of an impact of a legal risk of Swiss franc foreign currency mortgages on future expected cash flows from credit exposures and the probability of cash outflows.

Key elements of the estimate include a projection of the total scale and duration of litigation, the expected financial impact of future judgments, including statutory interest costs, and consideration of the borrower settlement program.

For more information thereon please see section 10.37.

7. Major events that have a significant impact on the structure of items of the financial statements

In the 9-month period ended September 30, 2025, there were no events that resulted in any significant change to the structure of financial statement line items.

8. Correction of errors from previous years

In 9 months ended 30 September 2025, no corrections of errors from previous years were made.

9. Significant events after the end of the reporting period

There were no significant events after the end of the reporting period requiring disclosure in the PZU Group's condensed interim consolidated financial statements.

10. Notes to the condensed interim consolidated financial statements

10.1 Insurance and reinsurance contracts

10.1.1. Key assumptions

For the purposes of estimating future cash flows for the measurement of the liability for remaining coverage, the PZU Group applies the following key assumptions:

- loss ratios – assumptions are based on historical observations as well as the PZU Group's own assessment of expected claims patterns for new insurance contracts;
- mortality – assumptions are based on life tables published by the Central Statistical Office, which are adjusted to reflect historical observations on mortality in the PZU Group's insurance contracts portfolio, taking into account expert judgment;
- morbidity – assumptions are based on historical observations in the PZU Group's insurance contracts portfolio, taking into account expert judgment;
- lapse rates – assumptions are based on historical lapse levels in the PZU Group's insurance contracts portfolio, taking into account expert judgment;
- expenses – assumptions are based on the PZU Group's own assessment of the level of future expenses adopted in the financial planning process for the following year. The projected level of future costs takes into account the development of the operations and cost inflation as a result of changes in the macroeconomic environment and the impact of inflation on individual areas of the PZU Group's operations. Long-term assumptions are based on the National Bank of Poland's inflation target.

For the purposes of estimating future cash flows for the measurement of the liability for incurred claims, PZU Group relies on historical data and standard actuarial methods for estimating the ultimate value of claims, such as the Chain-Ladder method or the Bornhuetter-Ferguson method. These methods assume that historical data are a good predictor of future expected claim development patterns. To assess the extent to which historical claim development patterns apply to the future, PZU Group uses a qualitative assessment that takes into account additional factors such as changes in the economic and legal environment, changes in the claims handling process, one-time events or changes in portfolio characteristics. Estimates are made at the level of homogeneous risk groups.

Cash flows for reported annuities are projected individually based on the current annuity amount, the expected annuity term and the expected growth rate. The expected term is determined on the basis of the age and sex of the annuity recipient, based on mortality determined at 100% of the Polish Life Expectancy Tables 2024 ("PTTŻ 2024") and, in the case of temporary annuities, additionally on the basis of the end of the annuity payment. The annuity growth forecast is made on the basis of historical annuity increases.

The calculation takes into account damage inflation in 2025 increased by 1 p.p. over the multi-year average.

The calculation of the flows for potential compensation for harm to the next of kin of a victim who has suffered a severe and permanent injury was based on an estimate of the number of authorized persons and the average expected compensation.

Mortality assumptions for long-term products were made using the relative mortality method, based on the Polish Life Expectancy Tables 2018 ("PTTŻ 2018") and experience in the implementation of these tables. In other cases, mainly for short-term products, the assumption was set as the frequency of deaths per 1,000 insured persons, based on the PZU Group's current experience for these products, with the level of assumed mortality for the main group insurance portfolio being 86% of the average mortality determined on the Polish working-age population.

In the case of individually continued and traditional insurance, assumptions are set according to age and gender, taking other factors into account, and vary significantly depending on the product and the target customer group. Traditional insurance has a lower relative mortality rate – for whole life products the assumptions made are below 93% PTTŻ 2018 for ages up to 80 years. Above the age of 80 there is an interpolation to 100% PTTŻ 2018.

In the case of life and endowment insurance and dowry insurance, assumptions are made in the range of 34% – 57% PTTŻ 2018 for men and 48% – 71% PTTŻ 2018 for women.

Mortality rates for individually continued insurance range from 85% PTTŻ 2018 and do not exceed 100% PTTŻ 2018 for most of the insured.

Cash flow discounting

The table below shows the curves used to discount insurance contract cash flows for the main currencies. The ‘No premium’ rows present the base curves for IFRS 17 portfolios in which no illiquidity premium has been added (applicable to group insurance, insurance with participation features, banking products and unit-linked products). The “Annuities” rows present the curves used to discount selected annuity liabilities in property insurance, while the “IK” row – curves used to discount selected individual life insurance, particularly the individual continuation portfolio and term insurance.

Portfolio duration	30 September 2025					31 December 2024				
	1 year	5 years	10 years	20 years	40 years	1 year	5 years	10 years	20 years	40 years
No premium										
PLN	3.76%	4.79%	5.44%	5.28%	4.49%	4.97%	5.50%	5.78%	5.35%	4.51%
EUR	2.02%	2.29%	2.60%	2.87%	3.02%	2.24%	2.14%	2.27%	2.26%	2.56%
USD	3.64%	3.39%	3.69%	4.06%	3.83%	4.18%	4.02%	4.07%	4.10%	3.66%
GBP	3.87%	3.85%	4.21%	4.73%	4.60%	4.46%	4.04%	4.07%	4.30%	3.99%
NOK	4.08%	3.96%	3.98%	3.87%	3.66%	4.30%	3.99%	3.93%	3.81%	3.62%
Annuities										
PLN	3.98%	5.01%	5.66%	5.50%	4.72%	5.18%	5.70%	5.99%	5.56%	4.72%
EUR	2.09%	2.36%	2.68%	2.94%	3.09%	2.27%	2.18%	2.30%	2.30%	2.60%
IK										
PLN	3.91%	4.93%	5.59%	5.43%	4.64%	5.11%	5.63%	5.92%	5.49%	4.65%

Risk adjustment for non-financial risk

Confidence level for the risk adjustment was 79.5% as at September 30, 2025 (as at December 31, 2024: 79.4%).

10.1.2. Insurance revenue

Insurance revenue	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Contracts not measured under the PAA	2,264	6,697	2,202	6,503
Amounts relating to changes in liabilities for the remaining coverage	2,087	6,151	2,032	5,987
Expected incurred claims and other insurance service expenses	1,584	4,757	1,624	4,749
Release of the risk adjustment for non-financial risk for the period	38	118	49	135
Contractual service margin recognized in profit or loss for services provided	504	1,376	401	1,192
Other (including experience adjustments for premium receipts)	(39)	(100)	(42)	(89)
Recovery of insurance acquisition cash flows	177	546	170	516
Contracts measured under the PAA	5,639	16,432	5,339	15,333
Total insurance revenue	7,903	23,129	7,541	21,836

10.1.3. Reinsurance premium allocation

Reinsurance premium allocation	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Contracts not measured under the PAA	-	-	-	-
Contracts measured under the PAA	(513)	(1,507)	(481)	(1,379)
Allocation of reinsurance premiums, total	(513)	(1,507)	(481)	(1,379)

10.1.4. Movement in insurance contract assets and liabilities

Movement in insurance contract assets and liabilities 1 January – 30 September 2025	Assets concerning cash flows for acquisitions	LRC		Non-PAA contracts	LIC Contracts under PAA		Total
		excluding the loss component	loss compo- nent		estimated present value of the future cash flows	risk adjust- ment for non- financial risk	
Beginning of the period	(2)	25,401	635	837	15,398	1,265	43,534
Assets	-	(124)	1	8	7	-	(108)
Liabilities	(2)	25,525	634	829	15,391	1,265	43,642
Changes in the consolidated profit or loss or in the consolidated other comprehensive income	-	(19,165)	(154)	5,742	10,986	113	(2,478)
Insurance service result before reinsurance	-	(20,499)	(167)	5,728	10,535	68	(4,335)
Insurance revenue	-	(23,129)	-	-	-	-	(23,129)
Measured under the modified retrospective approach	-	(1,631)	-	-	-	-	(1,631)
Measured under the fair value	-	(30)	-	-	-	-	(30)
Other contracts	-	(21,468)	-	-	-	-	(21,468)
Insurance service expenses	-	3,716	(167)	4,659	10,518	68	18,794
Incurred claims and other insurance service expenses	-	-	(739)	4,659	10,518	68	14,506
Incurred in the period	-	-	(739)	4,690	10,405	329	14,685
Incurred in the past	-	-	-	(31)	113	(261)	(179)
Amortization of insurance acquisition cash flows	-	3,716	-	-	-	-	3,716
Losses and loss reversals on onerous contracts	-	-	572	-	-	-	572
Investment component	-	(1,086)	-	1,069	17	-	-
Net finance expenses from insurance contracts	-	1,330	13	14	568	52	1,977
Foreign exchange differences	-	4	-	-	(117)	(7)	(120)
Cash flows	(2)	20,628	-	(5,717)	(10,368)	-	4,541
Premiums received	-	24,377	-	-	-	-	24,377
Insurance service expenses paid, including investment components	-	-	-	(5,717)	(10,368)	-	(16,085)
Insurance acquisition cash flows	(2)	(3,749)	-	-	-	-	(3,751)
Other changes	3	(26)	(1)	(1)	(7)	-	(32)
End of the period	(1)	26,838	480	861	16,009	1,378	45,565
Assets	-	(128)	3	12	6	-	(107)
Liabilities	(1)	26,966	477	849	16,003	1,378	45,672

Movement in insurance contract assets and liabilities 1 January – 30 September 2024	LRC		Non-PAA contracts	LIC Contracts under PAA		Total
	excluding the loss component	loss component		estimated present value of the future cash flows	risk adjustment for non-financial risk	
Beginning of the period	24,890	538	795	14,841	1,153	42,217
Assets	(129)	5	9	4	-	(111)
Liabilities	25,019	533	786	14,837	1,153	42,328
Changes in the consolidated profit or loss or in the consolidated other comprehensive income	(18,569)	147	5,651	11,001	70	(1,700)
Insurance service result before reinsurance	(19,390)	132	5,639	10,515	25	(3,079)
Insurance revenue	(21,836)	-	-	-	-	(21,836)
Measured under the modified retrospective approach	(1,640)	-	-	-	-	(1,640)
Measured under the fair value	(29)	-	-	-	-	(29)
Other contracts	(20,167)	-	-	-	-	(20,167)
Insurance service expenses	3,556	132	4,565	10,479	25	18,757
Incurred claims and other insurance service expenses	-	(837)	4,565	10,479	25	14,232
Incurred in the period	-	(837)	4,617	10,479	294	14,553
Incurred in the past	-	-	(52)	-	(269)	(321)
Amortization of insurance acquisition cash flows	3,556	-	-	-	-	3,556
Losses and loss reversals on onerous contracts	-	969	-	-	-	969
Investment component	(1,110)	-	1,074	36	-	-
Net finance expenses from insurance contracts	821	15	12	525	46	1,419
Foreign exchange differences	-	-	-	(39)	(1)	(40)
Cash flows	19,421	-	(5,616)	(10,258)	-	3,547
Premiums received	23,042	-	-	-	-	23,042
Insurance service expenses paid, including investment components	-	-	(5,616)	(10,258)	-	(15,874)
Insurance acquisition cash flows	(3,621)	-	-	-	-	(3,621)
Other changes	67 ¹⁾	(3)	(1)	(21)	(2)	40
End of the period	25,809	682	829	15,563	1,221	44,104
Assets	(141)	6	9	6	-	(120)
Liabilities	25,950	676	820	15,557	1,221	44,224

¹⁾ This includes PLN 103 million due to the consolidation of the PG TUW.

Assets resulting from acquisition expenses are disclosed as a part of liabilities for remaining coverage.

Movement in insurance contract assets and liabilities – Non-PAA insurance contracts 1 January – 30 September 2025	Estimated present value of the future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Measurement under modified retrospective transition approach	Measurement under fair value retrospective transition approach	Other contracts	CSM, total	
Beginning of the period	8,762	1,577	4,314	22	4,748	9,084	19,423
Assets	(635)	108	25	-	405	430	(97)
Liabilities	9,397	1,469	4,289	22	4,343	8,654	19,520
Changes in the consolidated profit or loss or in the consolidated other comprehensive income	(1,293)	81	391	-	636	1,027	(185)
Insurance service result before reinsurance	(2,246)	(11)	248	-	467	715	(1,542)
Changes that relate to future services	(2,037)	118	718	3	1,370	2,091	172
Contracts initially recognized in the period	(992)	128	-	-	1,116	1,116	252
Changes that adjust the CSM	(947)	(17)	718	3	253	974	10
Changes on onerous contracts	(98)	7	-	-	1	1	(90)
Changes that relate to current services	(195)	(111)	(470)	(3)	(903)	(1,376)	(1,682)
CSM recognized for services provided	-	-	(470)	(3)	(903)	(1,376)	(1,376)
Changes in risk adjustments for non-financial risks for the period	-	(111)	-	-	-	-	(111)
Experience adjustment for current service	(195)	-	-	-	-	-	(195)
Changes that relate to past services – changes for claims and other insurance service expenses	(14)	(18)	-	-	-	-	(32)
Net finance expenses from insurance contracts	953	92	143	-	169	312	1,357
Foreign exchange differences	-	-	-	-	-	-	-
Cash flows	1,510	-	-	-	-	-	1,510
Premiums received	7,811	-	-	-	-	-	7,811
Insurance service expenses paid, including investment component	(5,717)	-	-	-	-	-	(5,717)
Insurance acquisition cash flows	(584)	-	-	-	-	-	(584)
Other changes	(12)	(2)	(2)	-	-	(2)	(16)
End of the period	8,967	1,656	4,703	22	5,384	10,109	20,732
Assets	(681)	118	23	-	448	471	(92)
Liabilities	9,648	1,538	4,680	22	4,936	9,638	20,824

Movement in insurance contract assets and liabilities – Non-PAA insurance contracts 1 January – 30 September 2024	Estimated present value of the future cash flows	Risk adjustment for non-financial risk	CSM				Total
			Measurement under modified retrospective transition approach	Measurement under fair value retrospective transition approach	Other contracts	CSM, total	
Beginning of the period	9,179	1,542	4,563	22	4,178	8,763	19,484
Assets	(497)	84	28	-	285	313	(100)
Liabilities	9,676	1,458	4,535	22	3,893	8,450	19,584
Changes in the consolidated profit or loss or in the consolidated other comprehensive income	(868)	64	(149)	(1)	382	232	(572)
Insurance service result before reinsurance	(1,366)	9	(301)	(1)	239	(63)	(1,420)
Changes that relate to future services	(1,001)	138	140	1	988	1,129	266
Contracts initially recognized in the period	(747)	110	-	-	948	948	311
Changes that adjust the CSM	(200)	26	140	1	40	181	7
Changes on onerous contracts	(54)	2	-	-	-	-	(52)
Changes that relate to current services	(336)	(106)	(441)	(2)	(749)	(1,192)	(1,634)
CSM recognized for services provided	-	-	(441)	(2)	(749)	(1,192)	(1,192)
Changes in risk adjustments for non-financial risks for the period	-	(106)	-	-	-	-	(106)
Experience adjustment for current service	(336)	-	-	-	-	-	(336)
Changes that relate to past services – changes for claims and other insurance service expenses	(29)	(23)	-	-	-	-	(52)
Net finance expenses from insurance contracts	497	55	152	-	143	295	847
Foreign exchange differences	1	-	-	-	-	-	1
Cash flows	1,014	-	-	-	-	-	1,014
Premiums received	7,170	-	-	-	-	-	7,170
Insurance service expenses paid, including investment component	(5,616)	-	-	-	-	-	(5,616)
Insurance acquisition cash flows	(540)	-	-	-	-	-	(540)
Other changes	(14)	(2)	(5)	-	(1)	(6)	(22)
End of the period	9,311	1,604	4,409	21	4,559	8,989	19,904
Assets	(665)	110	27	-	420	447	(108)
Liabilities	9,976	1,494	4,382	21	4,139	8,542	20,012

10.1.5. Movement in reinsurance contract assets and liabilities

Movement in reinsurance contract assets and liabilities 1 January – 30 September 2025	LRC		Non-PAA contracts	LIC Contracts under PAA		Total
	excluding the loss recovery component	loss recovery component		estimated present value of the future cash flows	risk adjustment for non-financial risk	
Beginning of the period	(199)	-	-	(3,578)	(230)	(4,007)
Assets	(254)	-	-	(3,559)	(229)	(4,042)
Liabilities	55	-	-	(19)	(1)	35
Changes in the consolidated profit or loss or in the consolidated other comprehensive income	1,510	(5)	-	(785)	(42)	678
Net income or expenses from reinsurance contracts held	1,512	(5)	-	(793)	(39)	675
Reinsurance premium allocation	1,507	-	-	-	-	1,507
Amounts recoverable from reinsurers for:	-	(5)	-	(788)	(39)	(832)
Claims and other expenses incurred in the period	-	-	-	(624)	(68)	(692)
Changes for recoveries of incurred claims and other expenses incurred in the past	-	-	-	(164)	29	(135)
Recognition and movement in the loss recovery component	-	(5)	-	-	-	(5)
Investment component	5	-	-	(5)	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-
Net finance income from reinsurance contracts	-	-	-	(110)	(8)	(118)
Foreign exchange differences	(2)	-	-	118	5	121
Cash flows	(1,686)	-	-	755	-	(931)
Premiums paid	(1,686)	-	-	-	-	(1,686)
Claims recovered and expenses paid	-	-	-	755	-	755
Other changes	-	-	-	-	-	-
End of the period	(375)	(5)	-	(3,608)	(272)	(4,260)
Assets	(403)	(5)	-	(3,600)	(272)	(4,280)
Liabilities	28	-	-	(8)	-	20

Movement in reinsurance contract assets and liabilities 1 January – 30 September 2024	LRC		Non-PAA contracts	LIC Contracts under PAA		Total
	excluding the loss recovery component	loss recovery component		estimated present value of the future cash flows	risk adjustment for non-financial risk	
Beginning of the period	42	-	-	(3,288)	(188)	(3,434)
Assets	(9)	-	-	(3,272)	(188)	(3,469)
Liabilities	51	-	-	(16)	-	35
Changes in the consolidated profit or loss or in the consolidated other comprehensive income	1,384	-	-	(654)	(14)	716
Net income or expenses from reinsurance contracts held	1,383	-	-	(587)	(10)	786
Reinsurance premium allocation	1,379	-	-	-	-	1,379
Amounts recoverable from reinsurers for:	-	-	-	(583)	(10)	(593)
Claims and other expenses incurred in the period	-	-	-	(595)	(45)	(640)
Changes for recoveries of incurred claims and other expenses incurred in the past	-	-	-	12	35	47
Recognition and movement in the loss recovery component	-	-	-	-	-	-
Investment component	4	-	-	(4)	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-	-	-
Net finance income from reinsurance contracts	-	-	-	(99)	(5)	(104)
Foreign exchange differences	1	-	-	32	1	34
Cash flows	(1,728)	-	-	551	-	(1,177)
Premiums paid	(1,728)	-	-	-	-	(1,728)
Claims recovered and expenses paid	-	-	-	551	-	551
Other changes	(60) ¹⁾	-	-	-	-	(60) ¹⁾
End of the period	(362)	-	-	(3,391)	(202)	(3,955)
Assets	(387)	-	-	(3,386)	(202)	(3,975)
Liabilities	25	-	-	(5)	-	20

¹⁾ Change in the composition of the Group – consolidation of the PG TUW.

10.1.6. Carrying amount of insurance and reinsurance contracts recognized in the period (without PAA)

Non-PAA insurance contracts	Contracts issued 1 January – 30 September 2025			Contracts issued 1 January – 30 September 2024		
	profitable	onerous	total	profitable	onerous	total
Insurance contracts						
Present value of cash outflows	3,936	2,161	6,097	3,031	2,539	5,570
Present value of claims and insurance service expenses	3,495	1,988	5,483	2,677	2,345	5,022
Present value of insurance acquisition cash flows	441	173	614	354	194	548
Present value of cash inflows	(5,159)	(1,930)	(7,089)	(4,066)	(2,251)	(6,317)
Risk adjustment for non-financial risk	107	21	128	87	23	110
CSM	1,116	-	1,116	948	-	948
Losses recognized on initial recognition	-	(252)	(252)	-	(311)	(311)
Reinsurance contracts						
Present value of cash outflows	-	-	-	-	-	-
Present value of cash inflows	-	-	-	-	-	-
Risk adjustment for non-financial risk	-	-	-	-	-	-
CSM	-	-	-	-	-	-

Non-PAA insurance contracts	Contracts issued 1 July – 30 September 2025			Contracts issued 1 July – 30 September 2024		
	profitable	onerous	total	profitable	onerous	total
Insurance contracts						
Present value of cash outflows	1,267	646	1,913	1,025	583	1,608
Present value of claims and insurance service expenses	1,128	596	1,724	913	540	1,453
Present value of insurance acquisition cash flows	139	50	189	112	43	155
Present value of cash inflows	(1,658)	(574)	(2,232)	(1,358)	(517)	(1,875)
Risk adjustment for non-financial risk	36	7	43	31	6	37
CSM	355	-	355	302	-	302
Losses recognized on initial recognition	-	(79)	(79)	-	(72)	(72)
Reinsurance contracts						
Present value of cash outflows	-	-	-	-	-	-
Present value of cash inflows	-	-	-	-	-	-
Risk adjustment for non-financial risk	-	-	-	-	-	-
CSM	-	-	-	-	-	-

In the period from 1 January to 30 September 2025, and in the period from 1 January to 30 September 2024, the PZU Group did not buy any insurance or reinsurance contracts, not measured under PAA.

10.2 Interest income calculated using the effective interest rate, and equalized to them

Interest income calculated using the effective interest rate, and equalized to them	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024 (restated)	1 January – 30 September 2024 (restated)
Loan receivables from clients	3,863	11,859	4,195	12,075
Debt securities measured at fair value through other comprehensive income	743	2,270	870	2,538
Debt securities measured at amortized cost	1,590	4,591	1,240	3,611
Buy-sell-back transactions	185	588	195	486
Term deposits with credit institutions	178	527	177	466
Loans	87	256	100	295
Receivables purchased	134	427	151	476
Hedge derivatives	(70)	(312)	(151)	(472)
Receivables	3	10	8	27
Cash and cash equivalents	161	533	186	562
Income of a nature similar to interest	295	916	320	945
Interest income calculated using the effective interest rate, and equalized to them, total	7,169	21,665	7,291	21,009

10.3 Other net investment income

Other net investment income	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Dividend income, including:	21	69	20	65
Investment financial assets measured at fair value through profit or loss	21	38	20	35
Investment financial assets measured at fair value through other comprehensive income	-	31	-	30
Foreign exchange differences	111	(25)	(42)	29
Income on investment property	44	131	49	137
Other	(8)	(22)	(6)	(21)
Total other net investment income	168	153	21	210

10.4 Result from derecognition of financial instruments and investments not measured at fair value through profit or loss

Result from derecognition of financial instruments and investments not measured at fair value through profit or loss	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Investment financial assets	10	54	(30)	(20)
Debt instruments measured at fair value through other comprehensive income	7	47	(30)	(28)
Instruments measured at amortized cost	3	7	-	8
Loan receivables from clients measured at amortized cost (including finance lease receivables)	(6)	11	(9)	1
Short selling	-	-	(13)	-
Receivables	(1)	(1)	-	(1)
Result from derecognition of financial instruments and investments not measured at fair value through profit or loss, total	3	64	(52)	(20)

10.5 Result from allowances for expected credit losses

Result from allowances for expected credit losses	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Investment financial assets	(9)	(62)	(74)	(108)
Debt instruments measured at fair value through other comprehensive income	(1)	(5)	7	9
Instruments measured at amortized cost	(8)	(57)	(81)	(117)
- debt instruments	3	(6)	28	17
- term deposits with credit institutions	(2)	(4)	2	2
- loans	(9)	(47)	(111)	(136)
Loan receivables from clients (including finance lease receivables)	(492)	(1,073)	(496)	(1,035)
Measured at amortized cost	(493)	(1,065)	(498)	(1,032)
Measured at fair value through other comprehensive income	1	(8)	2	(3)
Guarantees and sureties given	125	155	130	85
Receivables	(10)	(13)	3	(5)
Cash and cash equivalents	1	(1)	(3)	(2)
Result from allowances for expected credit losses, total	(385)	(994)	(440)	(1,065)

10.6 Net movement in fair value of assets and liabilities measured at fair value

Net movement in fair value of assets and liabilities measured at fair value	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Investment financial instruments measured at fair value through profit or loss	426	1,124	151	661
Equity instruments	57	297	(9)	95
Debt securities	110	276	113	226
Participation units and investment certificates	258	550	47	340
Other financial assets	1	1	-	-
Derivatives	34	633	212	388
Measurement of liabilities to members of consolidated mutual funds	(51)	(137)	(15)	(50)
Investment contracts for the client's account and risk (unit-linked)	(16)	(62)	(3)	(24)
Investment property	(9)	(103)	(3)	(100)
Loan receivables from clients (including finance lease receivables)	7	(5)	(10)	17
Net movement in fair value of assets and liabilities measured at fair value, total	391	1,450	332	892

10.7 Revenue from commissions and fees

Revenue from commissions and fees	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Banking activity	1,117	3,269	1,070	3,305
Margin on foreign exchange transactions with clients	272	790	255	760
Brokerage fees	66	223	52	173
Fiduciary activity	25	71	20	60
Payment card and credit card services	284	799	262	917
Fees on account of insurance intermediacy activities	7	20	7	24
Loans and borrowings	121	382	145	409
Bank account-related services	97	280	90	282
Transfers	86	249	81	237
Cash operations	29	84	33	81
Receivables purchased	23	64	19	56
Guarantees, letters of credit, collections, promises	29	77	28	83
Commissions on leasing activity	26	76	25	77
Other commission	52	154	53	146
Revenue and payments received from funds and mutual fund management companies	177	485	144	400
Pension insurance	53	148	49	134
Other	-	3	1	3
Total revenue from commissions and fees	1,347	3,905	1,264	3,842

10.8 Fee and commission expenses

Fee and commission expenses	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Costs of card and ATM transactions, including card issue costs	174	484	168	637
Commissions on acquisition of banking clients	36	96	29	87
Fees for the provision of ATMs	12	35	12	36
Costs of awards to banking clients	9	26	6	19
Costs of bank transfers and remittances	11	37	13	37
Additional services attached to banking products	10	31	7	22
Brokerage fees	7	25	7	23
Costs of administration of bank accounts	2	6	2	5
Fiduciary activity expenses	10	28	8	22
Other commission	50	140	52	143
Total fee and commission expenses	321	908	304	1,031

10.9 PZU Group's non-insurance operating expenses

PZU Group's non-insurance operating expenses	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024 (restated)	1 January – 30 September 2024 (restated)
Consumption of materials and energy	72	222	75	229
Third party services	329	945	344	956
Taxes and charges, including:	428	1,271	416	1,249
– levy on financial institutions	393	1,166	393	1,172
Employee expenses	1,332	4,041	1,270	3,939
Depreciation of property, plant and equipment	152	459	152	456
Amortization of intangible assets, including:	139	403	130	371
– amortization of intangible assets purchased in company acquisition transactions	13	37	15	45
Other:	195	911	105	642
– advertising	104	259	60	183
– compulsory payments to banking market institutions	-	60	4	55
– fees to the Bank Guarantee Fund	37	455	-	279
– other	54	137	41	125
Total PZU Group operating expenses not related to insurance services	2,647	8,252	2,492	7,842

10.10 Interest expenses

Interest expenses	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Term deposits	801	2,538	963	2,869
Current deposits	455	1,478	472	1,396
Own debt securities issued	353	1,048	350	1,005
Hedge derivatives	65	237	112	346
Loans	17	53	13	35
Repurchase transaction	71	216	69	229
Bank loans contracted by PZU Group companies	37	132	56	171
Leases	18	52	18	54
Other	14	48	19	52
Total interest expenses	1,831	5,802	2,072	6,157

10.11 Legal risk costs of foreign currency mortgage loans

Legal risk costs of foreign currency mortgage loans	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Loans receivable from customers - adjustment to reduce gross carrying amount	2	24	(17)	(76)
Provisions	57	455	87	416
Total legal risk costs of foreign currency mortgage loans	59	479	70	340

Information on the status of the provision for legal risk costs of foreign currency mortgages is presented in 10.37.

10.12 Other operating income

Other operating income	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024 (restated)	1 January – 30 September 2024 (restated)
Revenues on the sales of products, merchandise and services by non-insurance companies, including:	355	1,024	309	888
Sales of medical services	287	835	248	722
Sales of products and goods	45	124	44	115
Other	23	65	17	51
Reversal of provisions	14	40	22	75
Other	84	236	51	208
Other operating income, total	453	1,300	382	1,171

10.13 Other operating expenses

Other operating expenses	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024 (restated)	1 January – 30 September 2024 (restated)
Expenditures for prevention activity	16	55	8	50
Establishment of provisions	35	189	29	98
Recognition of impairment losses for non-financial assets	1	4	1	11
Donations	25	30	3	6
Costs of pursuit of claims	9	43	23	55
Other	75	276	54	150
Other operating expenses, total	161	597	118	370

10.14 Income tax

Total amount of current and deferred tax	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Recognized through profit or loss, including:	1,163	3,050	891	2,579
- current tax	1,085	2,762	901	2,319
- deferred tax	78	288	(10)	260
Recognized in other comprehensive income, including:	38	359	184	229
- current tax	1	1	-	5
- deferred tax	37	358	184	224
Total	1,201	3,409	1,075	2,808

Income tax on other comprehensive income items	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Other comprehensive income, gross	226	1,896	976	1,200
Income tax	(38)	(359)	(184)	(229)
Valuation of debt instruments	(55)	(186)	(107)	(123)
Reclassification of debt instruments valuation for the profit and loss account	2	9	(5)	(5)
Financial income and expenses from insurance	49	72	98	24
Finance income or expenses from reinsurance	(2)	(8)	(8)	(6)
Cash flow hedging, including:	(34)	(212)	(150)	(117)
Gains and losses on fair value measurement of financial instruments hedging cash flows in the portion constituting an effective hedge	(8)	(115)	(19)	43
Gains and losses on cash flow hedging financial instruments reclassified to profit or loss	(26)	(97)	(131)	(160)
Equity instruments measured at fair value through other comprehensive income	2	(32)	(10)	8
Actuarial gains and losses related to provisions for employee benefits	-	1	-	-
Reclassification of real property from property, plant and equipment to investment property	-	(3)	-	(9)
Loan receivables from clients	-	-	(2)	(1)
Net other comprehensive income	188	1,537	792	971

The PZU Group is made of entities operating in various countries and governed by different tax regulations. Regulations on tax on goods and services, corporate income tax, personal income tax or social security contributions are subject to relatively frequent changes. The regulations applicable in the countries where the PZU Group operates also include many ambiguities, which result in different opinions on the legal interpretation of tax regulations both between public authorities and between public authorities and companies. Tax and other settlements (e.g. customs and foreign exchange settlements) may be controlled by authorities (in Poland for five years), which have the right to impose high penalties. Additional liabilities identified during such controls must be paid together with high interest. This generates tax risk, as a result of which amounts disclosed in the financial statements may change later after they are finally determined by tax authorities.

10.15 Earnings per share

Earnings per share	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Net earnings attributable to owners of the parent company	1,995	5,225	1,215	3,661
Weighted average basic and diluted number of common shares	863,339,400	863,334,261	863,379,027	863,366,397
Number of issued shares	863,523,000	863,523,000	863,523,000	863,523,000
Weighted average number of treasury shares (held by entities subject to consolidation)	(183,600)	(188,739)	(143,973)	(156,603)
Basic and diluted earnings (loss) per ordinary share (in PLN)	2.31	6.05	1.41	4.24

In 9 months ended respectively September 30, 2025, and September 30, 2024, there were no transactions or events resulting in the dilution of earnings per share.

10.16 Goodwill

Goodwill	30 September 2025	31 December 2024
Pekao ¹⁾ (Banking Operations segment)	1,715	1,715
LD ²⁾ (Baltic countries segment)	472	472
Medical companies (Other segment)	341	341
Link4 (Mass insurance in non-life insurance segment)	221	221
Balta (Baltic countries segment)	38	38
Other	5	5
Goodwill, total	2,792	2,792

¹⁾ Includes goodwill resulting from the purchase of Pekao Investment Management SA and the acquisition of Idea Bank.

²⁾ Includes goodwill resulting from the purchase of a branch of LD in Estonia.

10.17 Intangible assets

Intangible assets by group	30 September 2025	31 December 2024
Software, licenses and similar assets	1,522	1,518
Trademarks	612	612
- Pekao	340	340
- Alior Bank	100	100
- other	172	172
Customer relations	190	231
- Pekao	142	170
- other	48	61
Intangible assets under development	857	909
Other intangible assets	484	475
Intangible assets, total	3,665	3,745

10.18 Property, plant and equipment

Property, plant and equipment by group	30 September 2025	31 December 2024
Equipment and machinery	671	676
Means of transport	349	234
Property, plant and equipment under construction	358	379
Real property	2,365	2,521
Other property, plant and equipment	444	446
Total property, plant and equipment	4,187	4,256

10.19 Entities accounted for using the equity method

Associates	30 September 2025	31 December 2024
Krajowy Integrator Płatności SA	52	59
re58 SA	8	10
Associates, total	60	69

10.20 Assets and liabilities held for sale

Assets held for sale by classification before transfer	30 September 2025	31 December 2024
Groups held for sale	282	275
Assets	303	299
Investment property	271	272
Receivables	2	5
Other assets	1	-
Cash and cash equivalents	29	22
Liabilities directly associated with assets classified as held for sale	21	24
Other liabilities	12	14
Deferred income tax liabilities	9	10
Other assets held for sale	312	296
Property, plant and equipment	14	27
Investment property	298	269
Assets and groups of assets held for sale	615	595
Liabilities directly associated with assets classified as held for sale	21	24

The “Investment property” line item and the “Groups held for sale” section mainly include real properties held for sale by the investment fund of the real property sector.

10.21 Loan receivables from clients (including finance lease receivables)

Loan receivables from clients (including finance lease receivables)	30 September 2025	31 December 2024
Measured at amortized cost	245,332	231,559
Measured at fair value through other comprehensive income	194	247
Measured at fair value through profit or loss	386	360
Total loan receivables from clients (including finance lease receivables)	245,912	232,166

Loan receivables from clients (including finance lease receivables)	30 September 2025	31 December 2024
Retail segment	128,215	122,214
Loans for real estate	92,802	88,932
Other	35,413	33,282
Business segment	117,697	109,952
Finance lease	18,352	17,333
Other	99,345	92,619
Total loan receivables from clients (including finance lease receivables)	245,912	232,166

10.22 Financial derivatives

Derivatives	30 September 2025		31 December 2024	
	Assets	Liabilities	Assets	Liabilities
Related to interest rates	5,201	4,626	4,587	5,477
Fair value hedging instruments – swap transactions	164	7	65	56
Cash flow hedging instruments – swap transactions	1,293	805	662	1,509
Instruments reported as held for trading, including:	3,744	3,814	3,860	3,912
- forward contracts	46	38	88	85
- swap transactions	3,682	3,754	3,744	3,800
- call options (purchase)	15	7	21	21
- put options (sale)	-	4	6	5
- other options	1	11	1	1
Related to exchange rates	669	271	538	427
Cash flow hedging instruments – swap transactions	-	-	3	-
Instruments reported as held for trading, including:	669	271	535	427
- forward contracts	170	100	80	184
- swap transactions	467	115	413	192
- call options (purchase)	11	6	26	14
- put options (sale)	21	50	16	37
Related to prices of securities – forward contracts	2	1	-	1
Related to commodity prices	323	292	259	227
- swap transactions	290	259	236	204
- call options (purchase)	12	12	7	8
- put options (sale)	6	6	9	9
- other	15	15	7	6
Total	6,195	5,190	5,384	6,132

10.23 Assets pledged as collateral for liabilities

Assets pledged as collateral for liabilities	30 September 2025				31 December 2024			
	at amortized cost	at fair value through other comprehensive income	at fair value through profit or loss	Total	at amortized cost	at fair value through other comprehensive income	at fair value through profit or loss	Total
Debt securities	599	345	170	1,114	-	1,017	387	1,404
Government securities	599	345	170	1,114	-	1,017	387	1,404
Domestic	599	345	170	1,114	-	1,017	387	1,404
Fixed rate	599	327	60	986	-	999	351	1,350
Floating rate	-	18	110	128	-	18	36	54
Assets pledged as collateral for liabilities, total	599	345	170	1,114	-	1,017	387	1,404

10.24 Investment financial assets

Investment financial assets	30 September 2025				31 December 2024			
	at amortized cost	at fair value through other comprehensive income	at fair value through profit or loss	Total	at amortized cost	at fair value through other comprehensive income	at fair value through profit or loss	Total
Equity instruments	n/a	747	1,585	2,332	n/a	609	1,471	2,080
Participation units and investment certificates	n/a	n/a	6,867	6,867	n/a	n/a	5,234	5,234
Debt securities	130,826	57,344	6,050	194,220	143,584	52,522	3,929	200,035
Government securities	102,687	47,510	5,331	155,528	96,142	41,062	3,508	140,712
Domestic	97,082	39,204	4,981	141,267	85,590	32,862	3,277	121,729
Fixed rate	76,020	29,222	2,833	108,075	70,180	22,929	2,071	95,180
Floating rate	21,062	9,982	2,148	33,192	15,410	9,933	1,206	26,549
Foreign	5,605	8,306	350	14,261	10,552	8,200	231	18,983
Fixed rate	5,605	8,306	348	14,259	10,552	8,200	231	18,983
Floating rate	-	-	2	2	-	-	-	-
Other	28,139	9,834	719	38,692	47,442	11,460	421	59,323
Fixed rate	18,111	6,073	258	24,442	37,898	7,996	125	46,019
Floating rate	10,028	3,761	461	14,250	9,544	3,464	296	13,304
Other investment financial assets	-	-	19	19	-	-	-	-
Listed on the regulated market	-	-	19	19	-	-	-	-
Other, including:	19,135	-	-	19,135	14,966	-	-	14,966
Buy-sell-back transactions	12,294	-	-	12,294	9,747	-	-	9,747
Term deposits with credit institutions	2,429	-	-	2,429	1,033	-	-	1,033
Loans	4,412	-	-	4,412	4,186	-	-	4,186
Investment financial assets, total	149,961	58,091	14,521	222,573	158,550	53,131	10,634	222,315

Equity instruments measured at fair value through other comprehensive income	30 September 2025	31 December 2024
Biuro Informacji Kredytowej SA	341	263
PSP SA	179	137
Grupa Azoty SA	132	135
Krajowa Izba Rozliczeniowa SA	36	27
Webuild SpA	23	19
Other	36	28
Equity instruments measured at fair value through other comprehensive income, total	747	609

Exposure to debt securities issued by governments other than the Polish government

Carrying amount of debt securities issued by governments other than the Polish government	30 September 2025	31 December 2024
USA	5,668	6,988
France	3,212	5,052
Lithuania	1,074	995
Austria	614	726
Germany	545	1,166
Romania	344	363
United Kingdom	330	548
Hungary	237	210
Latvia	223	267
Finland	212	4
Mexico	186	167
Chile	129	118
Spain	120	111
Colombia	121	118
Ukraine	109	102
Croatia	104	103
Italy	104	103
Indonesia	95	114
Panama	90	89
Serbia	70	69
Bulgaria	69	50
Saudi Arabia	67	197
Other	538 ¹⁾	1,323 ²⁾
Total	14,261	18,983

¹⁾ The item "Other" comprises bonds issued by 48 countries towards which the balance sheet liability per country does not exceed PLN 50 million.

²⁾ The item "Other" comprises bonds issued by 45 countries.

Exposure to debt securities issued by corporations, local government units and the National Bank of Poland

Carrying amount of debt securities issued by corporations, local authorities and the National Bank of Poland	30 September 2025	31 December 2024
K. Financial and insurance activities, including:	24,376	45,446
Foreign banks	16,919	11,647
National Bank of Poland	3,022	29,458
Companies from the WIG-Banks Index	1,578	1,265
O. Public administration and defense, compulsory social security, of which:	6,284	6,501
Domestic local governments	6,284	6,501
U. Extra-territorial organizations and teams	1,616	1,172
E. Water supply; sewerage, waste management and remediation activities	1,547	1,487
D. Electricity, gas, steam, hot water and air conditioning production and supply, including:	1,306	1,424
Companies from the WIG-Energy Index	1,005	977
C. Manufacturing, including:	1,125	1,141
Production and processing of crude oil refining products (including WIG-Fuels)	510	494
J. Information and communication	527	471
H. Transportation and storage	451	456
F. Construction	294	256
B. Mining and quarrying	263	278
N. Administrative and support service activities	242	194
I. R. Accommodation and food service activities (including: WIG - hotels and restaurants), and arts, entertainment and recreation activities	229	164
L. Real property activities	220	170
M. Professional, scientific and technical activity	200	152
G. Wholesale and retail trade services; repair services of motor vehicles and motorcycles	12	11
Total	38,692	59,323

10.25 Other receivables

Other receivables – carrying amount	30 September 2025	31 December 2024
Receivables from insurance intermediaries	100	104
Receivables from sale of securities and security deposits ¹⁾	1,340	1,912
Receivables on account of payment card settlements	766	1,529
Trade receivables	699	668
Receivables from the state budget, other than corporate income tax receivables	135	74
Receivables from commissions on off-balance sheet products	345	310
Prevention settlements	30	44
Receivables from security and bid deposits	77	70
Interbank and interbranch receivables	423	6
Disputed settlements	55	50
Co-insurance receivables on co-insurer's share	51	47
Other	324	444
Other receivables, total	4,345	5,258

¹⁾ This line item presents receivables associated with executed but outstanding transactions on financial instruments.

As at September 30, 2025, and December 31, 2024, the fair value of receivables did not differ significantly from their carrying amount, primarily due to their short-term nature and the policy of recognizing impairment losses.

10.26 Other assets

Other assets	30 September 2025	31 December 2024
IT costs settled over time	311	282
Accrued direct claims handling receivables	54	51
Costs settled over time	146	161
Inventories	67	52
Tax settlements on real properties, means of transport and land	10	-
Settlements of payments made to the Company Social Benefit Fund	27	-
Other assets	58	41
Total other assets	673	587

10.27 Expected credit losses

Loan receivables from clients measured at amortized cost Business segment – finance leasing	1 January – 30 September 2025					1 January – 30 September 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	15,613	738	1,461	-	17,812	14,517	844	1,322	-	16,683
Recognition of instruments at the time of acquisition, creation, granting	5,776	-	-	-	5,776	5,359	-	-	-	5,359
Changes attributable to sale, exclusion or expiration of the instrument	(2,847)	(54)	(369)	-	(3,270)	(2,705)	(267)	(117)	-	(3,089)
Assets from the statement of financial position	-	-	(160)	-	(160)	-	-	(84)	-	(84)
Reclassification to stage 1	216	(152)	(64)	-	-	320	(250)	(70)	-	-
Reclassification to stage 2	(421)	441	(20)	-	-	(855)	895	(40)	-	-
Reclassification to stage 3	(466)	(198)	664	-	-	(459)	(201)	660	-	-
Other changes, including foreign exchange differences	(1,137)	(154)	(114)	-	(1,405)	(810)	(181)	(132)	-	(1,123)
End of the period	16,734	621	1,398	-	18,753	15,367	840	1,539	-	17,746
Expected credit losses										
Beginning of the period	(47)	(31)	(401)	-	(479)	(42)	(32)	(428)	-	(502)
Establishment of allowances for newly acquired, created, granted instruments	(24)	-	-	-	(24)	(25)	-	-	-	(25)
Changes attributable to sale, exclusion or expiration of the instrument (excluding reclassification)	4	1	10	-	15	10	2	57	-	69
Assets from the statement of financial position	-	-	160	-	160	-	-	84	-	84
Reclassification to stage 1	(4)	2	2	-	-	(3)	2	1	-	-
Reclassification to stage 2	7	(8)	1	-	-	8	(10)	2	-	-
Reclassification to stage 3	4	9	(13)	-	-	3	8	(11)	-	-
Other changes, including foreign exchange differences	5	-	(78)	-	(73)	5	(1)	(121)	-	(117)
End of the period	(55)	(27)	(319)	-	(401)	(44)	(31)	(416)	-	(491)
Net carrying amount at the end of the period	16,679	594	1,079	-	18,352	15,323	809	1,123	-	17,255

Loan receivables from clients measured at amortized cost Business segment – other	1 January – 30 September 2025					1 January – 30 September 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	75,513	13,899	6,302	1,897	97,611	73,100	12,451	5,641	2,657	93,849
Recognition of instruments at the time of acquisition, creation, granting	32,833	-	-	335	33,168	29,055	-	-	381	29,436
Change attributable to modification of cash flows concerning the given instrument	(7)	-	-	-	(7)	-	-	-	-	-
Changes attributable to sale, exclusion or expiration of the instrument	(20,406)	(2,523)	(716)	(377)	(24,022)	(21,349)	(2,211)	(1,493)	(234)	(25,287)
Assets from the statement of financial position	-	(2)	(609)	(19)	(630)	-	-	(1,004)	(34)	(1,038)
Reclassification to stage 1	2,919	(2,878)	(41)	-	-	1,926	(1,899)	(27)	-	-
Reclassification to stage 2	(6,980)	7,116	(136)	-	-	(5,846)	5,962	(116)	-	-
Reclassification to stage 3	(735)	(1,157)	1,892	-	-	(654)	(1,618)	2,272	-	-
Other changes, including foreign exchange differences	(967)	(434)	275	68	(1,058)	(1,615)	(121)	462	(340)	(1,614)
End of the period	82,170	14,021	6,967	1,904	105,062	74,617	12,564	5,735	2,430	95,346
Expected credit losses										
Beginning of the period	(572)	(578)	(3,073)	(1,062)	(5,285)	(690)	(618)	(2,854)	(1,874)	(6,036)
Establishment of allowances for newly acquired, created, granted instruments	(277)	-	-	(76)	(353)	(210)	-	-	(51)	(261)
Changes attributable to sale, exclusion or expiration of the instrument (excluding reclassification)	60	73	258	35	426	48	46	255	10	359
Assets from the statement of financial position	-	2	609	19	630	-	-	1,004	34	1,038
Reclassification to stage 1	(90)	86	4	-	-	(76)	73	3	-	-
Reclassification to stage 2	116	(131)	15	-	-	102	(149)	47	-	-
Reclassification to stage 3	61	115	(176)	-	-	43	243	(286)	-	-
Other changes, including foreign exchange differences	99	(96)	(1,482)	109	(1,370)	181	(106)	(1,016)	343	(598)
End of the period	(603)	(529)	(3,845)	(975)	(5,952)	(602)	(511)	(2,847)	(1,538)	(5,498)
Net carrying amount at the end of the period	81,567	13,492	3,122	929	99,110	74,015	12,053	2,888	892	89,848

Receivables from clients measured at amortized cost Retail segment – real estate loans	1 January – 30 September 2025					1 January – 30 September 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	82,200	6,623	989	301	90,113	74,910	7,410	1,099	256	83,675
Recognition of instruments at the time of acquisition, creation, granting	11,888	-	-	31	11,919	12,099	-	-	67	12,166
Changes attributable to sale, exclusion or expiration of the instrument	(6,894)	(746)	(173)	(24)	(7,837)	(5,702)	(881)	(176)	(11)	(6,770)
Assets from the statement of financial position	-	-	(139)	(5)	(144)	-	(9)	(83)	-	(92)
Reclassification to stage 1	2,331	(2,318)	(13)	-	-	1,327	(1,309)	(18)	-	-
Reclassification to stage 2	(2,172)	2,236	(64)	-	-	(2,489)	2,606	(117)	-	-
Reclassification to stage 3	(77)	(246)	323	-	-	(70)	(204)	274	-	-
Other changes, including foreign exchange differences	(702)	353	153	25	(171)	1,299	(1,522)	148	(33)	(108)
End of the period	86,574	5,902	1,076	328	93,880	81,374	6,091	1,127	279	88,871
Expected credit losses										
Beginning of the period	(46)	(476)	(487)	(86)	(1,095)	(55)	(480)	(523)	(107)	(1,165)
Establishment of allowances for newly acquired, created, granted instruments	(13)	-	-	(2)	(15)	(26)	-	-	(1)	(27)
Changes attributable to sale, exclusion or expiration of the instrument (excluding reclassification)	4	17	49	5	75	5	6	39	1	51
Assets from the statement of financial position	-	-	139	5	144	-	9	83	-	92
Reclassification to stage 1	(130)	126	4	-	-	(72)	68	4	-	-
Reclassification to stage 2	11	(35)	24	-	-	2	(48)	46	-	-
Reclassification to stage 3	1	20	(21)	-	-	3	28	(31)	-	-
Other changes, including foreign exchange differences	115	(42)	(206)	(8)	(141)	63	14	(162)	(15)	(100)
End of the period	(58)	(390)	(498)	(86)	(1,032)	(80)	(403)	(544)	(122)	(1,149)
Net carrying amount at the end of the period	86,516	5,512	578	242	92,848	81,294	5,688	583	157	87,722

Loan receivables from clients measured at amortized cost Retail segment – other loans	1 January – 30 September 2025					1 January – 30 September 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	29,828	3,277	1,832	286	35,223	28,495	3,657	2,364	346	34,862
Recognition of instruments at the time of acquisition, creation, granting	14,618	-	-	10	14,628	11,801	-	-	18	11,819
Changes attributable to sale, exclusion or expiration of the instrument	(8,388)	(592)	(377)	(30)	(9,387)	(7,095)	(635)	(409)	(24)	(8,163)
Assets from the statement of financial position	-	-	(258)	(2)	(260)	-	(7)	(483)	(3)	(493)
Reclassification to stage 1	550	(533)	(17)	-	-	683	(661)	(22)	-	-
Reclassification to stage 2	(1,577)	1,660	(83)	-	-	(1,379)	1,495	(116)	-	-
Reclassification to stage 3	(313)	(320)	633	-	-	(290)	(373)	663	-	-
Other changes, including foreign exchange differences	(2,845)	(140)	106	(37)	(2,916)	(2,780)	(139)	98	(6)	(2,827)
End of the period	31,873	3,352	1,836	227	37,288	29,435	3,337	2,095	331	35,198
Expected credit losses										
Beginning of the period	(419)	(460)	(1,253)	(209)	(2,341)	(437)	(599)	(1,543)	(245)	(2,824)
Establishment of allowances for newly acquired, created, granted instruments	(193)	-	-	(5)	(198)	(211)	-	-	(18)	(229)
Changes attributable to sale, exclusion or expiration of the instrument (excluding reclassification)	80	38	112	4	234	80	73	206	5	364
Assets from the statement of financial position	-	-	258	2	260	-	7	483	3	493
Reclassification to stage 1	(70)	64	6	-	-	(139)	131	8	-	-
Reclassification to stage 2	52	(92)	40	-	-	54	(105)	51	-	-
Reclassification to stage 3	31	84	(115)	-	-	29	112	(141)	-	-
Other changes, including foreign exchange differences	117	(77)	(327)	66	(221)	200	(147)	(494)	27	(414)
End of the period	(402)	(443)	(1,279)	(142)	(2,266)	(424)	(528)	(1,430)	(228)	(2,610)
Net carrying amount at the end of the period	31,471	2,909	557	85	35,022	29,011	2,809	665	103	32,588

Loan receivables from clients measured at fair value through other comprehensive income	1 January – 30 September 2025					1 January – 30 September 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Carrying amount										
Beginning of the period	247	-	-	-	247	82	-	-	-	82
Recognition of instruments at the time of acquisition, creation, granting	104	-	-	-	104	185	-	-	-	185
Changes attributable to sale, exclusion or expiration of the instrument	(150)	-	-	-	(150)	-	-	-	-	-
Reclassification to stage 2	(194)	194	-	-	-	-	-	-	-	-
Other changes	(7)	-	-	-	(7)	(1)	-	-	-	(1)
End of the period	-	194	-	-	194	266	-	-	-	266
Expected credit losses										
Beginning of the period	(3)	-	-	-	(3)	(1)	-	-	-	(1)
Establishment of allowances for newly acquired, created, granted instruments	(6)	-	-	-	(6)	(3)	-	-	-	(3)
Changes attributable to sale, exclusion or expiration of the instrument (excluding reclassification)	1	-	-	-	1	-	-	-	-	-
Reclassification to stage 2	8	(8)	-	-	-	-	-	-	-	-
Other changes	-	(3)	-	-	(3)	-	-	-	-	-
End of the period	-	(11)	-	-	(11)	(4)	-	-	-	(4)

The allowance pertaining to loan receivables from clients measured at fair value through other comprehensive income adjusts the revaluation reserve and it does not lower the carrying amount of assets.

Debt investment financial assets measured at amortized cost	1 January – 30 September 2025					1 January – 30 September 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	143,288	367	-	64	143,719	121,184	479	-	53	121,716
Recognition of instruments at the time of acquisition, creation, granting	102,533	-	-	-	102,533	256,918	-	-	-	256,918
Changes attributable to sale, exclusion or expiration of the instrument	(115,131)	(43)	-	(9)	(115,183)	(251,980)	(96)	-	-	(252,076)
Reclassification to stage 1	102	(102)	-	-	-	125	(125)	-	-	-
Reclassification to stage 2	(148)	148	-	-	-	(153)	153	-	-	-
Other changes	497	(5)	-	1	493	1,626	(12)	-	4	1,618
End of the period	131,141	365	-	56	131,562	127,720	399	-	57	128,176
Expected credit losses										
Beginning of the period	(82)	(11)	-	(42)	(135)	(89)	(25)	-	(28)	(142)
Establishment of allowances for newly acquired, created, granted instruments	(28)	-	-	-	(28)	(26)	-	-	-	(26)
Changes attributable to sale, exclusion or expiration of the instrument	13	(1)	-	-	12	5	3	-	-	8
Reclassification to stage 1	-	-	-	-	-	(6)	6	-	-	-
Reclassification to stage 2	4	(4)	-	-	-	12	(12)	-	-	-
Other changes, including foreign exchange differences	4	7	-	3	14	25	13	-	(10)	28
End of the period	(89)	(9)	-	(39)	(137)	(79)	(15)	-	(38)	(132)
Net carrying amount at the end of the period	131,052	356	-	17	131,425	127,641	384	-	19	128,044

The value of allowances for expected credit losses on buy-sell-back transactions is zero.

Debt investment financial assets measured at fair value through other comprehensive income	1 January – 30 September 2025					1 January – 30 September 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Carrying amount										
Beginning of the period	53,383	156	-	-	53,539	45,104	119	-	-	45,223
Recognition of instruments at the time of acquisition, creation, granting	554,872	-	-	-	554,872	945,287	-	-	-	945,287
Changes attributable to sale, exclusion or expiration of the instrument	(551,742)	(14)	-	-	(551,756)	(940,441)	(24)	-	-	(940,465)
Reclassification to stage 1	1	(1)	-	-	-	32	(32)	-	-	-
Reclassification to stage 2	(28)	28	-	-	-	(94)	94	-	-	-
Other changes, including foreign exchange differences	1,038	(4)	-	-	1,034	1,397	-	-	-	1,397
End of the period	57,524	165	-	-	57,689	51,285	157	-	-	51,442
Expected credit losses										
Beginning of the period	(28)	-	-	-	(28)	(34)	(2)	-	-	(36)
Establishment of allowances for newly acquired, created, granted instruments	(9)	-	-	-	(9)	(8)	-	-	-	(8)
Changes attributable to sale, exclusion or expiration of the instrument	3	-	-	-	3	5	3	-	-	8
Reclassification to stage 2	1	(1)	-	-	-	1	(1)	-	-	-
Other changes, including foreign exchange differences	3	(2)	-	-	1	8	1	-	-	9
End of the period	(30)	(3)	-	-	(33)	(28)	1	-	-	(27)

The allowance pertaining to debt investment financial assets measured at fair value through other comprehensive income adjusts the revaluation reserve and it does not lower the carrying amount of assets.

Term deposits with credit institutions	1 January – 30 September 2025					1 January – 30 September 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	987	6	56	-	1,049	836	151	67	-	1,054
Recognition of instruments at the time of acquisition, creation, granting	47,456	-	-	-	47,456	61,682	-	-	-	61,682
Changes attributable to sale, exclusion or expiration of the instrument	(46,015)	(6)	(5)	-	(46,026)	(61,389)	(145)	(6)	-	(61,540)
Reclassification to stage 2	-	-	-	-	-	(144)	144	-	-	-
Change in the composition of the Group	-	-	-	-	-	25	-	-	-	25
Other changes, including foreign exchange differences	(32)	-	(1)	-	(33)	8	(14)	-	-	(6)
End of the period	2,396	-	50	-	2,446	1,018	136	61	-	1,215
Expected credit losses										
Beginning of the period	(8)	(1)	(7)	-	(16)	-	(11)	(7)	-	(18)
Establishment of allowances for newly acquired, created, granted instruments	(21)	-	-	-	(21)	(17)	-	-	-	(17)
Changes attributable to sale, exclusion or expiration of the instrument	11	-	-	-	11	-	10	-	-	10
Reclassification to stage 2	-	-	-	-	-	16	(16)	-	-	-
Other changes, including foreign exchange differences	7	1	1	-	9	-	11	1	-	12
End of the period	(11)	-	(6)	-	(17)	(1)	(6)	(6)	-	(13)
Net carrying amount at the end of the period	2,385	-	44	-	2,429	1,017	130	55	-	1,202

Loans	1 January – 30 September 2025					1 January – 30 September 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	3,520	512	328	-	4,360	3,478	827	-	-	4,305
Recognition of instruments at the time of acquisition, creation, granting	1,215	20	-	-	1,235	524	15	-	-	539
Changes attributable to sale, exclusion or expiration of the instrument	(1,034)	(2)	-	-	(1,036)	(377)	(10)	-	-	(387)
Reclassification to stage 2	(58)	58	-	-	-	-	-	-	-	-
Reclassification to stage 3	-	(75)	75	-	-	-	(326)	326	-	-
Other changes	67	6	1	-	74	42	16	(2)	-	56
End of the period	3,710	519	404	-	4,633	3,667	522	324	-	4,513
Expected credit losses										
Beginning of the period	(10)	(3)	(161)	-	(174)	(13)	(30)	-	-	(43)
Establishment of allowances for newly acquired, created, granted instruments	(7)	-	-	-	(7)	(5)	-	-	-	(5)
Changes attributable to sale, exclusion or expiration of the instrument	2	-	-	-	2	3	-	-	-	3
Reclassification to stage 2	2	(2)	-	-	-	-	-	-	-	-
Reclassification to stage 3	-	2	(2)	-	-	-	92	(92)	-	-
Other changes	(1)	(2)	(39)	-	(42)	(2)	(66)	(66)	-	(134)
End of the period	(14)	(5)	(202)	-	(221)	(17)	(4)	(158)	-	(179)
Net carrying amount at the end of the period	3,696	514	202	-	4,412	3,650	518	166	-	4,334

Other receivables	1 January – 30 September 2025	1 January – 30 September 2024
Gross carrying amount		
Beginning of the period	5,661	5,635
Changes in the period	(911)	(912)
End of the period	4,750	4,723
Expected credit losses		
Beginning of the period	(403)	(408)
Changes in the period	(2)	8
End of the period	(405)	(400)
Net carrying amount at the end of the period	4,345	4,323

10.28 Fair value

10.28.1. Measurement techniques

10.28.1.1. Debt securities and borrowings

Fair values of debt securities are determined on the basis of quotations publicly available on an active market or valuations published by an authorized information service, and if there are no such quotations – using valuation models containing references to published price quotations of the underlying financial instruments, interest rates and stock exchange indices.

The PZU Group conducts an internal review of the valuations published by the authorized information service comparing them to the valuations available from other sources based on data which can be observed on the market.

The fair value of borrowings and debt securities for which an active market does not exist is measured using the discounted cash flow method. For floating-rate debt instruments, a reference curve reflecting the level of risk-free rates for discounting future flows is built on the basis of the relevant currency swap curve. However, for instruments based on a fixed interest rate – based on the quotes of treasury bonds in the given currency. For illiquid listed bonds, an individual spread is added to the reference curve, quantifying the specific risk of a given debt instrument. However, for unlisted bonds and loans, in addition to the individual spread, a market sector spread published in news services is added, which reflects the pricing of risk for a given sector of the issuer's business and its rating.

10.28.1.2. Equity-based financial assets

Fair values of equity-based financial assets are determined on the basis of quotations publicly available on an active market or, if they are unavailable, based on the present value of future forecast profit or loss of companies or measurement models based on available market data.

10.28.1.3. Participation units and investment certificates of mutual funds

Fair values of participation units and investment certificates of mutual funds are measured using the value of the participation units and investment certificates published by the mutual fund management companies. Such valuation reflects the PZU Group's share in net assets of these funds.

10.28.1.4. Derivatives

For derivatives quoted on an active market, the fair value is considered to be the closing price as at the balance sheet date.

The fair value of derivatives not quoted on an active market, including forward contracts and interest rate swaps (IRSs) is measured using the discounted future cash flow method. Rates from OIS (overnight indexed swaps) curves taking into account the currency in which the margin for the instrument is denominated are used to discount cash flows.

The fair value of options is measured using the Black-Scholes model (plain vanilla options) or as the expected value of the option payoff function discounted as at the valuation date (Asian or stage options). The expected value of the payoff function is calculated using the Monte Carlo modelling method.

10.28.1.5. Loan receivables from clients (including finance lease receivables)

In order to determine a change in the fair value of loan receivables from clients (excluding current account overdraft), the margins earned on newly granted loans (in the month preceding the date as at which the consolidated financial statements are prepared) are compared with the margins in the whole loan portfolio. If the margins earned on newly granted loans are higher (lower) than the margins in the existing portfolio the fair value of the loan portfolio is lower (higher) than its carrying amount.

Loan receivables from clients are classified in full to level III of the fair value hierarchy due to the use of a valuation model with significant non-observable input data, i.e. current margins generated on newly granted loans.

10.28.1.6. Properties measured at fair value

Depending on the nature of the real property, its fair value is measured using the comparative method, the income method or the residual method.

The comparative method is used for measuring free land for development and certain smaller and less valuable buildings (such as residential units, garages, etc.). The comparative method assumes the determination of the fair value by reference to observable market prices, taking into account weighting coefficients. Weighting coefficients include, for instance, factors such as the passage of time and the trend of changes in market prices, the location, exposure, intended use in the zoning plan, accessibility for transportation purposes and access roads, surface, neighborhood (including the proximity to attractive objects), investment opportunities, physical conditions, form of exercising control, etc.

The income method assumes estimation of the fair value of the real property based on the discounted value of cash flows. The calculation takes into account such variables as the capitalization rate, the level of rents, the level of operating expenses, the provision for vacancy, losses resulting from rent free periods, rent arrears, etc. The values of the variables described above vary depending on the nature and the intended use of the measured real property (office space, retail space, logistics and warehousing space), its modernity and location (access roads, distance from an urban center, accessibility, exposure, etc.) as well as parameters specific to the relevant local market (such as capitalization rates, the level of rents, operating expenses, etc.).

The residual method is used to measure the market value if the real property is to be subjected to construction works. The fair value of such a real property is calculated as the difference in the value of the property after the construction works and the average value of the cost of these works, taking into account any gains earned in the market on similar properties.

Properties measured at fair value are appraised by licensed appraisers. Acceptance of each such measurement is further preceded by a review by employees of PZU Group units.

Investment property is measured in accordance with the following rules:

- real properties held by consolidated investment funds controlled – measured every 6 months – on days ending each financial half-year and financial year;
- investment properties held by PZU Group companies – the most valuable items are measured in the event of ascertainment of a possible significant change in the value (usually on an annual basis). Regardless of the value, each investment property is measured not less frequently than once every 5 years;
- real properties held for sale – measured before the commencement of their active exposure to the market in accordance with the requirements of IFRS 5.

10.28.1.7. Liabilities on the issue of own debt securities and subordinated liabilities

The fair value of liabilities on the issue of own debt securities, including subordinated liabilities, is calculated as the present value of expected payments based on the current interest rate curves and the individual credit spread for the given issue. The individual spread is initially calibrated to the issue price and periodically recalibrated when transaction data is available.

10.28.1.8. Liabilities under deposits

Due to the fact that deposits are accepted under current operations on a daily basis, hence their terms are similar to the current market terms for identical transactions, and the time to maturity for such loans is short, it is deemed that for liabilities to clients with maturities up to 1 year the fair value does not significantly deviate from the carrying amount. For deposits over 1 year, fair value is calculated as the amount of future expected cash flows discounted as at the respective balance sheet date using the risk-free market rate plus a margin.

10.28.1.9. Other liabilities

Liabilities under investment contracts for the client's account and risk

Liabilities under investment contracts for the client's account and risk are measured at the fair value of assets covering the liabilities of the unit-linked fund associated with the relevant investment contract.

Liabilities to contributors of consolidated investment funds

Liabilities to members in the consolidated mutual funds are measured at the fair value of assets of the relevant mutual fund (according to the share in the mutual fund's net assets).

Liabilities from borrowed securities

Liabilities from securities borrowed to make a short sale are measured at the fair value of borrowed securities.

10.28.2. Fair value hierarchy

On the basis of the input data for fair value measurement, the individual assets and liabilities for which fair value has been presented have been classified to the following levels:

- level I – assets and liabilities measured based on quoted prices (unadjusted) from active markets for identical assets and liabilities. This level includes:
 - liquid listed quoted securities;
 - shares and investment certificates quoted on exchanges;
 - derivatives quoted on exchanges;
 - liabilities on borrowed securities quoted on exchanges (short sale);
- level II – assets and liabilities whose measurement is based on input data other than quoted prices included within level I, which can be observed on the market, either directly (as prices) or indirectly (derived from prices). This level includes:
 - quoted debt securities carried on the basis of the valuations published by an authorized information service;
 - derivatives – among others FX Swap, FX Forward, IRS, CIRS, forward rate agreements;
 - participation units of mutual funds;
 - liabilities to contributors of consolidated investment funds;
 - investment contracts for the client's account and risk;
- level III – assets measured based on input data unobserved on the existing markets (unobservable input data). This level includes:
 - unquoted debt securities and non-liquid quoted (for which no spread calibration is possible due to the lack of an active market) debt securities (including non-treasury debt securities issued by other financial entities, local government and non-financial entities), measured using models based on discounted cash flows;
 - investment properties or properties held for sale measured using the income method or the residual method or the comparative method;
 - loan receivables from clients and liabilities to clients under deposits;
 - options embedded in certificates of deposit issued by PZU Group companies and options concluded in the interbank market to hedge embedded option positions.

In a situation in which the measurement of an asset or liability is based on input data classified in different levels of the fair value hierarchy, the measured asset is assigned to the lowest level from which the input data are taken, provided that they have a significant impact on the overall measurement.

The value of the measurement of components of assets or liabilities qualified in level III is affected to significant extent by unobservable input data.

Measured assets	Unobservable data	Description	Impact on measurement
Loan receivables from clients (including finance lease receivables)	Liquidity margin and current margin from the sale of the product group	Fair values are estimated using valuation techniques, with an assumption that when the loan is granted, the fair value is equal to the carrying amount. The fair value of loans without recognized impairment is equal to the sum of future expected cash flows discounted at the balance sheet date less expected credit loss. The cash flow discounting rate is the appropriate risk-free market rate plus the liquidity margin and current sales margin for the loan's product group. The margin is determined by product group and by maturity. For the purpose of estimating the fair value of foreign currency loans, the liquidity margin for PLN loans is used, adjusted by quotations of FX swap and basis-swap transactions. The fair value of loans with recognized impairment is equal to the sum of future expected salvage discounted using the effective interest rate, since the average expected recoveries fully reflect the credit risk component. For loans that do not have a repayment schedule (current account loans, overdrafts and credit cards), the fair value is assumed to be equal to the carrying amount.	Negative correlation
Liabilities to clients under deposits	Sales margin	Fair values are estimated using valuation techniques, with an assumption that when the deposit is accepted, the fair value is equal to the carrying amount. The fair value of term deposits is equal to the sum of future expected cash flows discounted at the balance sheet date. The cash flow discounting rate is the appropriate risk-free market rate plus the current sales margin. The margin is determined on the basis of deposits accepted in the last quarter, by product group and by maturity. For short-term deposits (current deposits, overnight deposits and savings accounts), the carrying amount is taken as fair value.	Negative correlation
Options embedded in certificates of deposit issued by PZU Group companies and options concluded in the interbank market to hedge embedded option positions.	Model parameters	Embedded instruments are plain vanilla options and exotic options for individual shares, indices, commodities and other market indicators, including interest rate indices and exchange rates and their stages. All separated options are offset on an ongoing basis on the interbank market. Currency options are measured based on the Garman-Kohlhagen option pricing model (and in the case of barrier and Asian options based on the so-called extended Garman-Kohlhagen model). Exotic options embedded in deposit agreements and their offsets are measured using the Monte-Carlo technique, assuming a geometric Brownian motion model for risk factors.	
Non-liquid bonds and loans	Credit spreads	Spreads are observed on all bonds (their series) or loans of the same issuer or a similar issuer. These spreads are observed on the dates of issue of new bond series, dates of conclusion of new loan agreements and dates of market transactions on the receivables following from such bonds and loans.	Negative correlation

Measured assets	Unobservable data	Description	Impact on measurement
Investment property and property held for sale	Capitalization rate	Capitalization rate is determined through analysis of rates of return obtained in transactions for similar properties.	Negative correlation
	Construction costs	Construction costs are determined based on market construction costs less costs incurred as at the date of measurement.	Positive correlation
	Monthly rental rate per 1 m ² of relevant space or per parking space	Rental rates are observed for similar properties of similar quality, in similar locations and with a similar size of leased space.	Positive correlation
Derivatives	Model parameters	Currency options are measured based on the Garman-Kohlhagen option pricing model (and in the case of barrier and Asian options based on the so-called extended Garman-Kohlhagen model). Exotic options embedded in deposit agreements and their offsets are measured using the Monte-Carlo technique, assuming a geometric Brownian motion model for risk factors.	
Own issues and subordinated loans	Issue spread above the market curve	If the historical spread of issues above the market curve is used, these issues are classified at level III of the fair value hierarchy.	Negative correlation
Equity instruments not quoted on an active market		Quotations of financial services, current value of future forecast profit or loss of the company or measurement models based on available market data.	

10.28.3. Assets and liabilities measured at fair value

Assets and liabilities measured at fair value	30 September 2025				31 December 2024			
	Level I	Level II	Level III	Total	Level I	Level II	Level III	Total
Assets								
Investment financial assets and assets pledged as collateral for liabilities measured at fair value through other comprehensive income	39,275	15,005	4,156	58,436	32,911	15,853	5,384	54,148
Equity instruments	141	-	606	747	148	-	461	609
Debt securities	39,134	15,005	3,550	57,689	32,763	15,853	4,923	53,539
Investment financial assets and assets pledged as collateral for liabilities measured at fair value through profit or loss	6,640	7,660	391	14,691	4,872	5,735	414	11,021
Equity instruments	1,300	-	285	1,585	1,155	-	316	1,471
Participation units and investment certificates	391	6,465	11	6,867	331	4,891	12	5,234
Debt securities	4,930	1,195	95	6,220	3,386	844	86	4,316
Other investment financial assets	19	-	-	19	-	-	-	-
Loan receivables from clients (including finance lease receivables)	-	-	580	580	-	-	607	607
Measured at fair value through other comprehensive income	-	-	194	194	-	-	247	247
Measured at fair value through profit or loss	-	-	386	386	-	-	360	360
Financial derivatives	-	6,195	-	6,195	-	5,383	1	5,384
Investment property	-	-	3,043	3,043	-	-	3,159	3,159
Liabilities								
Derivatives	-	5,190	-	5,190	-	6,132	-	6,132
Liabilities to contributors of consolidated investment funds	-	944	-	944	-	845	-	845
Investment contracts for the client's account and risk (unit-linked)	-	370	-	370	-	554	-	554
Liabilities on borrowed securities (short sale)	897	-	-	897	1,399	-	-	1,399

Movement in assets and liabilities classified as Level III of the fair value hierarchy, in the period ended September 30, 2025	Investment financial assets and assets pledged as collateral for liabilities measured at fair value through other comprehensive income		Investment financial assets and assets pledged as collateral for liabilities measured at fair value through profit or loss			Derivatives – assets	Derivatives – liabilities	Loan receivables from clients measured at fair value		Investment property
	Equity	Debt	Equity	Investment certificates	Debt			through other comprehensive income	through profit or loss	
Beginning of the period	461	4,923	316	12	86	1	-	247	360	3,159
Purchase/opening of the position/granting	-	596	-	-	2,674	-	-	33	78	30
Reclassification from Level II ¹⁾	-	806	-	-	311	-	-	-	-	-
Reclassification from own properties	-	-	-	-	-	-	-	-	-	5
Profit or loss recognized in the profit and loss account:	-	13	28	(1)	2	1	-	2	(28)	(104)
- Interest income calculated using the effective interest rate, and equalized to them	-	11	-	(1)	2	1	-	2	(28)	-
- result from derecognition of financial instruments and investments not measured at fair value through profit or loss	-	2	3	-	-	-	-	-	-	-
- net movement in fair value of assets and liabilities measured at fair value	-	-	25	-	-	-	-	-	-	(104)
Profit or loss recognized in other comprehensive income	145	45	-	-	-	-	-	(6)	-	2
Reclassification to assets held for sale	-	-	-	-	-	-	-	-	-	(41)
Sales/settlements/repayments/conversions	-	(1,646)	(23)	-	(2,660)	(2)	-	(82)	(24)	(8)
Reclassification to Level II	-	(1,187)	-	-	(318)	-	-	-	-	-
Foreign exchange differences	-	-	(36)	-	-	-	-	-	-	-
End of the period	606	3,350	285	11	95	-	-	194	386	3,043

¹⁾ Information on reclassifications is presented in section 10.28.6.

Movement in assets and liabilities classified as Level III of the fair value hierarchy, in the period ended 30 September 2024	Investment financial assets and assets pledged as collateral for liabilities measured at fair value through other comprehensive income		Investment financial assets and assets pledged as collateral for liabilities measured at fair value through profit or loss			Derivatives – assets	Derivatives – liabilities	Loan receivables from clients measured at fair value		Investment property
	Equity	Debt	Equity	Investment certificates	Debt			through other comprehensive income	through profit or loss	
Beginning of the period	499	4,901	254	-	114	19	3	82	250	2,905
Purchase/opening of the position/granting	-	1,257	-	-	1,003	-	-	185	60	21
Reclassification from Level II ¹⁾	-	1,891	-	12	45	-	-	-	-	193
Reclassification from own properties	-	-	-	-	-	-	-	-	-	146
Profit or loss recognized in the profit and loss account:	-	103	4	-	6	2	-	5	12	(78)
- Interest income calculated using the effective interest rate, and equalized to them	-	98	-	-	4	3	1	5	12	-
- result from derecognition of financial instruments and investments not measured at fair value through profit or loss	-	5	-	-	1	-	-	-	-	-
- net movement in fair value of assets and liabilities measured at fair value	-	-	4	-	1	(1)	(1)	-	-	(78)
Profit or loss recognized in other comprehensive income	(11)	50	-	-	-	-	-	-	-	-
Sales/settlements/repayments/conversions	-	(2,121)	-	-	(790)	(17)	(2)	(6)	(29)	-
Reclassification to Level II	-	(1,194)	-	-	(51)	-	-	-	-	-
Foreign exchange differences	(1)	(1)	8	-	-	-	-	-	-	-
Change in the composition of the Group	-	-	-	-	20	-	-	-	-	-
End of the period	487	4,886	266	12	347	4	1	266	293	3,187

¹⁾ Information on reclassifications is presented in section 10.28.6.

10.28.4. Assets and liabilities other than those measured at fair value

Fair value of assets and liabilities for which it is only disclosed	30 September 2025					31 December 2024				
	Level I	Level II	Level III	Total fair value	Carrying amount	Level I	Level II	Level III	Total fair value	Carrying amount
Assets										
Loan receivables from clients measured at amortized cost	-	365	244,998	245,363	245,332	-	46	232,116	232,162	231,559
Investment financial assets measured at amortized cost	74,744	51,568	23,561	149,873	150,560	67,115	67,228	21,017	155,360	158,550
Debt securities	74,744	44,456	11,413	130,613	131,425	67,111	60,094	13,075	140,280	143,584
Buy-sell-back transactions	-	5,483	6,811	12,294	12,294	-	6,716	3,031	9,747	9,747
Term deposits with credit institutions	-	1,629	808	2,437	2,429	4	418	627	1,049	1,033
Loans	-	-	4,529	4,529	4,412	-	-	4,284	4,284	4,186
Cash	4,269	13,507	-	17,776	17,809	5,631	9,468	-	15,099	15,127
Liabilities										
Liabilities to banks	-	2,231	4,961	7,192	7,157	-	1,284	5,555	6,839	6,895
Liabilities to clients under deposits	-	371	338,324	338,695	338,850	-	369	333,748	334,117	334,193
Liabilities on the issue of own debt securities ¹⁾	-	18,753	1,889	20,642	20,484	-	16,222	2,087	18,309	18,086
Subordinated liabilities ¹⁾	-	3,604	2,318	5,922	5,875	-	2,781	2,362	5,143	5,099
Liabilities on account of repurchase transactions	-	941	170	1,111	1,111	-	1,346	41	1,387	1,387

¹⁾ The liabilities classified to level II are those whose measurement was not affected by unobservable parameters. They are primarily liabilities from bonds issued by Pekao.

10.28.5. Changes in the method of measurement of fair value of financial instruments measured at fair value

During 9 months ended 30 September 2025 and in 2024, there were no changes in the method of measurement of fair value of financial instruments measured at fair value whose value would be important from the point of view of consolidated financial statements.

10.28.6. Reclassification between fair value hierarchy levels

If the method of measurement of assets or liabilities changes because of e.g. losing (or obtaining) access to quotations observed on an active market, such assets or liabilities are reclassified between levels I and II.

Assets or liabilities are reclassified between levels II and III (or accordingly between levels III and II) when:

- there is a change in the measurement model resulting from the application of new unobservable factors (or accordingly observable ones) or
- previously used factors that had a significant impact on the measurement are no longer observable (or accordingly become observable) on the active market.

Reclassifications between different levels of the fair value hierarchy are effected on the date ending each quarter according to the value as at that date.

During 9 months ended 30 September 2025 the following reclassifications of assets between fair value levels were made:

- Corporate bonds measured using market price information for comparable financial instruments, corporate and municipal bonds and capital market derivatives, for which the impact of estimated credit parameters did not significantly affect the valuation were reclassified from level III to level II;
- corporate, municipal and government bonds and derivatives of the FX market for which the impact exerted by the estimated credit parameters on the measurement was significant were reclassified from level II to level III;
- government and corporate bonds with the value of PLN 1,330 million which were measured using market quotations were reclassified from level II to level I due to an increase in market activity.

During 9 months ended 30 September 2024 the following reclassifications of assets between fair value levels were made:

- Corporate and municipal bonds measured using market price information for comparable financial instruments and corporate and Treasury bonds for which the estimated credit parameters did not significantly affect the valuation were reclassified from level III to level II;
- corporate and municipal bonds and for which the impact exerted by the estimated credit parameters on the measurement and investment certificates was significant were reclassified from level II to level III;
- government and corporate bonds with the value of PLN 354 million which were measured using market quotations were reclassified from level II to level I due to an increase in market activity;
- government and corporate bonds with the value of PLN 31 million were measured using market price information for comparable financial instruments were reclassified from level I to level II.

10.29 Reclassification of financial assets as a result of changes in the purpose or use of those assets

During 9 months ended 30 September 2025 the classification of financial assets was not changed as a result of changes in the purpose or use of those assets.

10.30 Share capital

Share capital is recognized at the amount stated in the parent company's articles of association and registered in the National Court Register.

The nominal value of one share is PLN 0.10. All the shares have been fully paid up.

As at 30 September 2025 and 31 December 2024

Series /issue	Type of shares	Type of preference	Type of limitation in the rights to shares	Number of shares	Value of series/issue at nominal value (PLN)	Capital coverage	Date of registration	Right to dividend (from the date)
A	bearer	none	none	604,463,200	60,446,320	cash	23.01.1997	27.12.1991
B	bearer	none	none	259,059,800	25,905,980	in-kind	31.03.1999	01.01.1999
Total number of shares				863,523,000				
Total share capital					86,352,300			

10.31 Distribution of the parent company's profit

Information about the distribution of the parent company's profit is presented in Section 22.

10.32 Subordinated liabilities

	Par value (in millions)	Currency	Interest rate	Issue date/Maturity date	Carrying amount 30 September 2025 (in PLN m)	Carrying amount 31 December 2024 (in PLN m)
Liabilities classified as PZU's own funds						
Subordinated bonds – PZU	2,250	PLN	WIBOR 6M + margin	30 June 2017 / 29 July 2027	2,271	2,317
Liabilities classified as Pekao's own funds						
A series bonds	1,250	PLN	WIBOR 6M + margin	30 October 2017 / 29 October 2027	1,285	1,266
B series bonds	550	PLN	WIBOR 6M + margin	15 October 2018 / 16 October 2028	567	559
C series bonds	200	PLN	WIBOR 6M + margin	15 October 2018 / 14 October 2033	207	203
D series bonds	350	PLN	WIBOR 6M + margin	4 June 2019 / 4 June 2031	358	352
D1 series bonds	400	PLN	WIBOR 6M + margin	4 December 2019 / 4 June 2031	409	402
Series E bonds	750	PLN	WIBOR 6M + margin	4 April 2025/4 April 2035	778	-
Subordinated liabilities					5,875	5,099

10.33 Liabilities on the issue of own debt securities

Liabilities on the issue of own debt securities	30 September 2025	31 December 2024
Bonds	18,962	16,362
Certificates of deposit	45	278
Covered bonds	1,477	1,446
Liabilities on the issue of own debt securities, total	20,484	18,086

10.34 Liabilities to banks

Liabilities to banks	30 September 2025	31 December 2024
Current deposits	1,349	609
One-day deposits	736	511
Term deposits	271	149
Loans received	3,613	5,500
Other liabilities	1,188	126
Liabilities to banks, total	7,157	6,895

10.35 Liabilities to clients under deposits

Liabilities to clients under deposits	30 September 2025	31 December 2024
Current deposits	250,916	240,247
Term deposits	86,826	92,734
Other liabilities	1,108	1,212
Liabilities to clients under deposits, total	338,850	334,193

10.36 Other liabilities

Other liabilities	30 September 2025	31 December 2024
Liabilities measured at fair value	2,211	2,798
Liabilities on borrowed securities (short sale)	897	1,399
Investment contracts for the client's account and risk (unit-linked)	370	554
Liabilities to contributors of consolidated investment funds	944	845
Accrued expenses	1,596	1,727
Accrued payroll expenses	935	971
Other	661	756
Deferred revenue	429	386
Other liabilities	15,669	11,035
Liabilities on account of repurchase transactions	1,111	1,387
Lease liabilities	1,637	1,658
Liabilities due under transactions on financial instruments	1,910	1,316
Liabilities to banks for payment documents cleared in interbank clearing systems	2,360	1,356
Liabilities to insurance intermediaries	250	279
Liabilities for overpayments not allocated to policies	125	131
Liabilities on account of payment card settlements	561	1,146
Regulatory settlements	399	555
Liabilities for contributions to the Bank Guarantee Fund	958	822
Liabilities to employees	174	175
Estimated refunds of compensation in connection with banks' clients lapsing or withdrawing from insurance purchased during the sale of credit products	20	22
Trade liabilities	439	714
Liabilities on account of employee leaves	232	174
Liabilities to the state budget other than for income tax	162	162
Liabilities on account of donations	7	7
The PZU Group banks' liabilities for insurance of bank products offered to the bank's clients	20	14
Insurance Guarantee Fund	16	16
Liability for the refund of loan costs	73	15
Liabilities for direct claims handling	39	39
Co-insurance obligations on the part of the co-insurer	29	52
Investment contracts with guaranteed and fixed terms – measured at amortized cost	848	608
Liabilities to PZU shareholders for dividends	3,862	3
Other	437	384
Other liabilities, total	19,905	15,946

10.37 Provisions

Movement in provisions in the period ended 30 September 2025	Beginning of the period	Increase	Utilization	Reversal	Other changes	End of the period
Provisions for guarantees and sureties given	522	320	-	(475)	(2)	365
Provision for retirement severance pays	350	52	(40)	(1)	-	361
Provision for disputed claims and potential liabilities	204	71	(19)	(6)	-	250
Provision for potential refunds of borrowing costs	59	2	(16)	-	-	45
Provision for legal risk pertaining to mortgage loans in Swiss francs	1,366	459	(247)	(4)	2	1,576
Provisions for refunds to clients of increased mortgage loan margins before the mortgage is established	57	-	(1)	(22)	-	34
Provision for penalties imposed by the Office of Competition and Consumer Protection	113	114	-	-	-	227
Provision for restructuring costs	6	-	(3)	-	-	3
Provision for post-mortem benefits	29	1	-	-	-	30
Other	50	3	(5)	(11)	-	37
Total provisions	2,756	1,022	(331)	(519)	-	2,928

Movement in provisions in the period ended 30 September 2024	Beginning of the period	Increase	Utilization	Reversal	Other changes	End of the period
Provisions for guarantees and sureties given	578	372	-	(457)	(5)	488
Provision for retirement severance pays	323	31	(20)	(1)	3	336
Provision for disputed claims and potential liabilities	140	58	(14)	(20)	-	164
Provision for potential refunds of borrowing costs	81	2	(19)	(5)	-	59
Provision for legal risk pertaining to mortgage loans in Swiss francs	926	495	(235)	(79)	3	1,110
Provisions for refunds to clients of increased mortgage loan margins before the mortgage is established	92	-	(3)	(39)	(4)	46
Provision for penalties imposed by the Office of Competition and Consumer Protection	51	11	-	-	-	62
Provision for restructuring costs	17	3	(4)	(9)	-	7
Provision for post-mortem benefits	28	1	-	-	-	29
Other	50	14	(10)	-	3	57
Total provisions	2,286	987	(305)	(610)	-	2,358

Provision for potential refunds of borrowing costs

The PZU Group monitors on an ongoing basis estimated amounts of consumer loan prepayments made before 11 September 2019, i.e. before the publication of the CJEU judgment in case C-383/18.

The amount of the provision represents the best possible estimate based on the historically observed trend of the amount of loan cost refunds resulting from incoming complaints and takes into account the scenario of possible evolution of the market practice or the position of the regulator.

The estimates require adoption of expert assumptions and involve uncertainty. For this reason the provision amount will be subject to updates in the next periods, depending on the trend regarding the amounts to be refunded.

Provision for legal risk pertaining to FX mortgage loans in Swiss francs

The accounting policy and line of jurisprudence have not changed from 31 December 2024, and are described in the 2024 consolidated financial statements.

Until 30 September 2025, there were 9,600 individual lawsuits pending against the PZU Group relating to foreign currency mortgage loans that were granted in previous years with the total litigation value of PLN 3,499 million (as at 31 December 2024: 9,000 cases with the litigation value of PLN 3,260 million). The main cause of the litigation specified by plaintiffs pertains to challenging the provisions of the loan agreement as regards the application by the PZU Group of the exchange rates and results in claims to declare the loan agreements partially or fully invalid.

During 9 months ended 30 September 2025, in cases instituted by borrowers, 2,054 court judgments against the PZU Group were issued, including 370 valid judgments, as well as 44 court judgments rewards for the PZU Group, including 3 final judgments (2024: 2,486 court judgments against the PZU Group were issued, including 533 final and non-appealable judgments, and 52 court judgments favorable for the PZU Group, including 5 final and non-appealable judgments).

In April 2025, Pekao expanded its out-of-court settlement program “secure 2% settlement” with new settlement options. The program applies to borrowers who had an active Swiss-franc denominated mortgage loan agreement as at 31 March 2023 or were in litigation with Pekao.

As part of the settlement, a new debt balance is determined, expressed in PLN and calculated as the loan amount disbursed by Pekao, minus all repayments made by the borrower up to the time of the settlement. Under the existing program, the resulting amount was increased by contractual interest calculated at a fixed rate of 2% per year. The new options are more favorable to the borrower, and in particular include charging contractual interest at a lower rate. If the new debt balance turns out to be negative (i.e., there is an overpayment), Pekao reimburses the overpaid amount to the borrower. A potential amount of debt remaining after the settlement bears interest at a fixed rate of 2% per year for the first 60 months, and thereafter as per Pekao’s current offering.

By 30 September 2025, Pekao had sent nearly 11,000 offers under the new edition of the program. Pekao analyzes the response from customers and reflects their effect accordingly when calculating the level of the legal risk provision.

The calculation of the provision as at 30 September 2025 was based on an estimate of the expected loss resulting from the possible materialization of legal risks of Swiss franc mortgage loans. The estimate performed includes the following key elements, for which possible changes in the assumptions and methodology for calculating the provision were indicated compared to what was presented in the 2024 consolidated financial statements of the PZU Group:

- litigation forecast – the entire forecast of future lawsuits relates to denominated loans, active or fully repaid in the last 10 years;

The PZU Group estimates that in total, i.e. counting the lawsuits that have been and will be filed by borrowers against the PZU Group, about 60% (increase of approximately 55% at the end of 2024) of the total amount of such loans granted, amounting to about CHF 1.4 billion, may be subject to litigation (including about 85% for active contracts and about 45% for repaid ones – compared to 30% at the end of 2024), and the phenomenon of an influx of lawsuits may remain significant until the end of 2028;

- the probability of losing a court case – the probability of declaring contractual provisions abusive was estimated at 99% (no change versus the end of 2024);
- financial impact of litigation – PZU Group assumes that if the court finds the contractual provisions abusive, the settlement of the litigation will be the cancellation of the loan agreement;

In addition, the additional costs associated with the settlement of litigation, incurred for the entire portfolio covered by the reserve calculation: statutory default interest and attorney fees are recognized;

- inclusion of Pekao’s settlement program – if a settlement is reached, Pekao no longer expects a lawsuit on the contract in question, which is included in the forecast of future lawsuits. Otherwise, the probability and distribution of litigation decisions are the same as described above.

The process of determining the level of impact of legal risks requires expert assumptions in each case, based on professional judgment.

New rulings and the possible sectoral solutions which will appear in the Polish market for mortgage loans may have impact on the amount of the provision established by PZU Group and necessitate a change of individual assumptions adopted in the calculations. In connection with this uncertainty it is possible that the provision amount will change in the future.

The tables below present the amounts of the provisions for individual court cases in which the PZU Group is a party and a portfolio provision for the remaining FX mortgage loans which are exposed to legal risk associated with the nature of these agreements.

Cumulative legal risk costs of foreign currency mortgage loans	30 September 2025	31 December 2024
Loans receivable from clients (adjustment to reduce carrying value of mortgage loans)	1,076	1,326
Other provisions	1,573	1,366
Total	2,649	2,692

The main reason for the change in the level of accumulated costs was to update the forecast of the future influx of litigation cases and the cost of settlements.

The following table presents a forecast of the impact of a change in the parameters taken into account in calculating the provision:

Parameter	30 September 2025	31 December 2024
Forecast of lawsuit volume on active portfolio		
+1 p.p.	20	24
-1 p.p.	(20)	(24)
Forecast of the volume of lawsuits on the repaid portfolio		
+1 p.p.	18	17
-1 p.p.	(18)	(17)
Average length of litigation		
+1 month	6	7
-1 month	(7)	(5)

Provision for refunds to clients of increased mortgage loan margins before the mortgage is established

The provision was established in connection with the entry into force of the Act of 5 August 2022 amending the Act on Mortgage Loan and Supervision of Mortgage Loan Intermediaries and Agents and the Act amending the Act on Personal Income Tax, the Act on Corporate Income Tax and Certain Other Acts.

Provision for guarantees and sureties given

This item includes provisions recognized by banks for the potential loss of economic benefits resulting from off-balance sheet exposures (e.g. granted guarantees or credit exposures).

Provision for penalties imposed by the Office of Competition and Consumer Protection

Additional information on the provisions established by Pekao in connection with the proceedings of the President of the UOKiK is presented in section 26.5.2:

- on irregularities regarding complaints (PLN 98 million);
- on unauthorized payment transactions (PLN 49 million);
- on irregularities regarding so-called loan repayment holidays (PLN 26 million).

In addition, the amount of provisions includes:

- PLN 28 million pertains to a penalty returned by UOKiK to Pekao. Due to the potential risk of the outflow of resources in connection with this case, the PZU Group maintains a provision to cover this risk;
- PLN 11 million pertains to the penalty imposed by the President of the UOKiK as a result of the decision in which the President deemed that a clause used by Pekao in amendments to agreements on the rules for setting foreign exchange rates is an impermissible contractual clause. Pekao appealed the decision of the UOKiK President to the Court of Competition and

Consumer Protection and received a response from the UOKiK President, in which he requested that the appeal be dismissed in its entirety;

- PLN 15 million relates to a provision set up by Alior Bank in connection with proceedings to declare the provisions of a model contract to be illegal. Additional information on this issue is presented in item 26.5.1.

10.38 Notes to the consolidated cash flow statement

Movement in liabilities attributable to financial activities in the period ended 30 September 2025	Beginning of the period	Changes resulting from cash flows	Interest accruals and payments as well as settlements of discount and premium	Foreign exchange differences	Other changes	End of the period
Loans received	5,500	(1,863)	3	(5)	(22)	3,613
Liabilities on the issue of debt securities	18,086	2,012	407	11	(32)	20,484
Bonds	16,362	2,207	405	15	(27)	18,962
Certificates of deposit	278	(223)	2	(4)	(8)	45
Covered bonds	1,446	28	-	-	3	1,477
Subordinated liabilities	5,099	650	125	-	1	5,875
Liabilities on account of repurchase transactions	1,387	(291)	2	-	13	1,111
Lease liabilities	1,658	(269)	42	1	205	1,637
Total	31,730	239	579	7	165	32,720

Movement in liabilities attributable to financial activities in the period ended 30 September 2024	Beginning of the period	Changes resulting from cash flows	Interest accruals and payments as well as settlements of discount and premium	Foreign exchange differences	Other changes	End of the period
Loans received	5,424	433	8	(53)	(71)	5,741
Liabilities on the issue of debt securities	12,003	5,117	426	(45)	(38)	17,463
Bonds	9,691	5,797	401	(43)	(2)	15,844
Certificates of deposit	1,257	(841)	25	(1)	(24)	416
Covered bonds	1,055	161	-	(1)	(12)	1,203
Subordinated liabilities	6,166	(460)	180	-	(3)	5,883
Liabilities on account of repurchase transactions	1,623	384	-	-	-	2,007
Lease liabilities	1,594	(165)	3	-	261	1,693
Total	26,810	5,309	617	(98)	149	32,787

11. Financial assets pledged as collateral for liabilities and contingent liabilities

The table presents the carrying amount of collaterals by type of liabilities.

Financial assets pledged as collateral for liabilities and contingent liabilities	30 September 2025	31 December 2024
Carrying amount of financial assets pledged as collateral for liabilities	15,235	12,584
Repurchase transaction	1,110	1,387
Coverage of the Guaranteed Funds Protection Fund for the Bank Guarantee Fund	-	881
Coverage of liabilities to be paid to the guarantee fund at the Bank Guarantee Fund	417	408
Coverage of liabilities to be paid to the resolution fund (BFG)	795	769
Lombard and technical credit	10,172	6,516
Other loans	58	67
Issue of covered bonds	1,997	1,758
Coverage of the Settlement Guarantee Fund for the National Depository for Securities	49	44
Derivative transactions	610	726
Blockage of assets in connection with the agreement on the technical credit limit in the Clearing House	27	28
Carrying amount of financial assets pledged as collateral for contingent liabilities	-	-
Financial assets pledged as collateral for liabilities and contingent liabilities, total	15,235	12,584

12. Contingent assets and liabilities

Contingent assets and liabilities	30 September 2025	31 December 2024
Contingent assets, including:	4	4
- guarantees and sureties received	4	4
Contingent liabilities	91,192	86,863
- for renewable limits in settlement accounts and credit cards	5,813	5,614
- for loans in tranches	58,340	57,043
- guarantees and sureties given	11,036	10,359
- disputed insurance claims	1,113	1,011
- other disputed claims	407	406
- other, including:	14,483	12,430
- guaranteeing securities issues	1,782	1,401
- factoring	11,178	9,352
- intra-day limit	433	440
- letters of credit and commitment letters	1,082	1,086
- other	8	151

Off-balance sheet liabilities granted	1 January – 30 September 2025					1 January – 30 September 2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Nominal value										
Beginning of the period	78,293	6,317	827	9	85,446	72,350	5,653	756	18	78,777
Newly created/acquired off-balance sheet liabilities	21,424	-	-	-	21,424	23,323	197	5	1	23,526
Changes due to expiration of off-balance sheet liability	(8,537)	(1,426)	(160)	(5)	(10,128)	(13,072)	(1,270)	(241)	(1)	(14,584)
Reclassification to stage 1	2,188	(2,181)	(7)	-	-	1,599	(1,543)	(56)	-	-
Reclassification to stage 2	(4,954)	5,165	(211)	-	-	(2,603)	2,609	(6)	-	-
Reclassification to stage 3	(95)	(167)	262	-	-	(130)	(406)	536	-	-
Change in commitment	(6,483)	(266)	(107)	(1)	(6,857)	(6,206)	(370)	(44)	(1)	(6,621)
Other changes, including foreign exchange differences	(206)	(5)	(2)	-	(213)	(204)	54	(2)	-	(152)
End of the period	81,630	7,437	602	3	89,672	75,057	4,924	948	17	80,946
Allowance for off-balance sheet liabilities										
Beginning of the period	142	130	246	4	522	190	114	269	4	577
Newly created/acquired off-balance sheet liabilities	100	-	-	-	100	101	6	-	-	107
Changes due to expiration of off-balance sheet liability	(22)	(33)	(66)	(2)	(123)	(20)	(31)	(87)	-	(138)
Reclassification to stage 1	39	(38)	(1)	-	-	16	(14)	(2)	-	-
Reclassification to stage 2	(44)	134	(90)	-	-	(31)	32	(1)	-	-
Reclassification to stage 3	(1)	(14)	15	-	-	(36)	(87)	123	-	-
Change in commitment	(65)	(35)	(32)	-	(132)	(86)	92	(60)	-	(54)
Other changes, including foreign exchange differences	3	4	(9)	-	(2)	9	4	(17)	-	(4)
End of the period	152	148	63	2	365	143	116	225	4	488

Granting of sureties or guarantees for loans or borrowings by PZU or its subsidiaries

In the 9-month period ended 30 September 2025, neither PZU nor its subsidiaries granted any surety for a loan or borrowing or any guarantee to any single entity or any subsidiary of such an entity, with regard to which the total amount of outstanding sureties or guarantees would be significant.

13. Commentary to the condensed interim consolidated financial statements

In the 9-month period ended 30 September 2025, insurance revenue was PLN 23,129 million, as compared to PLN 21,836 million in the corresponding period of the preceding year – an increase by PLN 1,293 million, i.e.: +5.9% (+PLN +1,165 million after reinsurance premium allocation). The increase concerned primarily:

- revenues in the mass non-life insurance segment (+PLN 605 million y/y insurance revenues, +PLN 583 million y/y after accounting for reinsurance premium allocations), including an increase in the amortization of liabilities for remaining coverage (LRC) as a consequence of higher non-motor insurance sales dynamics (mainly PZU Dom insurance and PZU Firma product offered to small and medium-sized enterprises) and motor insurance the impact of high premium dynamics from the second half of 2024 and the first half of 2025 (average premium growth responding to the rising cost of claims) with a deceleration in the third quarter of 2025;
- revenues in the corporate non-life insurance segment (+PLN 333 million y/y in insurance revenues, +PLN 224 million y/y after reinsurance premium allocations) as a result of higher sales growth in motor insurance (average premium growth and good current year sales) and non-motor insurance (impact of 2024 premium earning, including a contract with a power generation customer and several larger contracts). A higher level of insurance revenue is also the result of a y/y increase in the premium allocated to cover acquisition costs, driven by portfolio growth and changes in the product mix;

- insurance products in the Baltic countries segment (+PLN 146 million y/y of policyholder revenue, +PLN 148 million y/y after reinsurance premium allocation) as a result of higher sales in non-life insurance segment, mainly due to an increase in sales of motor TPL, non-life insurance, and health insurance;
- revenues in the group and individually continued life insurance segment (+PLN 114 million y/y in insurance revenues) as a result of higher contractual margin release (+PLN 138 million y/y), mainly in the portfolios of individually continued, group and health insurance, and a lower level of premiums needed to cover expected claims and benefits (lower assumed utilization of benefits in health insurance). Higher revenues are also the result of rising acquisition expenses;
- insurance revenues in the individual protection insurance segment (up by PLN 80 million y/y) as a result of higher contractual margin releases mainly in bancassurance (including the impact of higher y/y sales of mortgage insurance) and J and term life insurance. The effect was strengthened by a higher level of premiums written to cover costs and expected claims and benefits.

Insurance service expenses were PLN 18,794 million, i.e. increase by PLN 37 million, as compared to the corresponding period of the previous year. Expenses adjusted for the amounts recoverable from reinsurers decreased by PLN 202 million, i.e. 1.1%, and this resulted from:

- in the mass non-life insurance segment, lower y/y claims liabilities of the current year, mainly in non-motor insurance (in the corresponding period of 2024, an above-normal number of mass claims caused by atmospheric events, mainly flooding), the recognition of a loss component, mainly on the motor third-party liability portfolio (including, on the portfolio of active reinsurance with PZU Group companies) as a consequence of high claims inflation, but in an amount that does not exceed the value of depreciation from the opening balance. The total excess of depreciation over the creation of the loss component amounted to PLN 111 million (y/y change of +PLN 249 million); In addition, the change in the level of insurance service costs was influenced by the increase in amortization of acquisition costs as a result of the growing insurance portfolio and the increase in the share of non-motor insurance in the portfolio;
- in the corporate non-life insurance segment, an increase in current year claims liabilities and higher acquisition expenses partially offset by a positive y/y development of prior years' claims reserves mainly in non-motor insurance;
- higher claims and benefits with the development of the loss reserve from previous years in the group and individually continued life insurance segment in both group and individually continued life insurance, an increase in acquisition expenses, a change in the value of the loss component with a positive impact on the result (deceleration of the component in health insurance (the impact of the premium retarification process with a still high level of benefit utilization) and the creation of a loss component to the portfolio of group insurance with low premiums and individually continued life insurance in an amount lower than the amortization from the opening balance);
- higher liabilities for current year claims, costs including amortization of insurance acquisition cash flows in the individual protection life insurance segment;
- higher liabilities for current year damages and acquisition expenses in the Baltic states segment.

The finance revenue and expenses on the insurance activities in the first three quarters of 2025 were -PLN 1,484 million, as compared to -PLN 1,248 million in the corresponding period of 2024 (and together with the finance revenue and expenses on the reinsurance activities, respectively, -PLN 494 million in the first three quarters of 2025 and -PLN 1,212 million in the corresponding period of 2024). The increase in the costs was influenced in particular by increases in the value of investments at policyholder risk in the investment insurance segment.

Investment result together with interest expense in the 9 months ended 30 September 2025 and in the analogous period in 2025 was, respectively, PLN 16,536 million and PLN 14,869 million. The main driver of this increase was higher net interest income from banking activities, resulting from higher loan volumes and an increase in the interest margin at Pekao.

Investment results also increased excluding banking activities¹. They were higher than in the same period in 2024 mainly due to:

- an increase in income from debt portfolios as a result of purchasing instruments at high yields as well as last year's impact of impairment charges on exposures from the corporate debt portfolio;
- higher performance of equity instruments in particular due to favorable market conditions as well as the gain from the sale of some of the stocks in the portfolio and stronger increases in the valuation of private equity funds;
- higher swap point income from foreign currency derivatives in particular in the field of commercial real estate.

At the same time, the investment result on the asset portfolio that constitute investment insurance coverage was higher than in the comparable period of the previous year as a result of an increase in the valuation of liabilities under investment insurance, but this does not affect the total net result of the PZU Group.

In the first three quarters of 2025, the balance of other operating income and expenses was positive and stood at PLN 703 million, compared to PLN 801 million in the corresponding period of 2024. The change was mainly due to higher costs due to the creation of provisions for consumer protection issues at Pekao in the amount of PLN 109 million. The increase in costs was partially offset by higher revenues from the sale of medical services.

The PZU Group's non-insurance operating expenses amounted to PLN 8,252 million in the first three quarters of 2025, compared to PLN 7,842 million in the comparable period in 2024. The balance change was caused by the following factors:

- 2.6% higher employee costs, including in particular on banking operations;
- higher fees to the Bank Guarantee Fund by PLN 176 million, the total burden on banks in the first three quarters of 2025 rose to PLN 455 million;
- lower charge of the tax levy on financial institutions (insurance and banking activities combined) increased from PLN 1,172 million in the first three quarters of 2024 to PLN 1,166 million in the first three quarters of 2025, due to movement in taxable assets (the rate of the bank levy did not change).

Legal risk costs of foreign currency mortgage loans increased in the first three quarters of 2025 to PLN 479 million, compared to PLN 340 million in the comparable period of 2024 at both Bank and Alior Bank partly due to an updated forecast of future claims from borrowers.

The operating profit for the first three quarters of 2025 was PLN 13,636 million and was higher by PLN 2,256 million (+19.8%) compared to the result in the corresponding period of the previous year. This was caused in particular by the following factors:

- Higher profitability in the mass non-life insurance segment (+PLN 1,107 million y/y) – driven by an increase in insurance service results in both non-motor and motor insurance, as well as higher investment income allocated to the segment;
- higher results in the banking segment (+PLN 450 million y/y), mainly due to an increase in net interest income from higher loan volumes and a higher interest margin at Pekao, partially offset by higher legal risk costs related to foreign currency mortgage loans and increased operating expenses;
- higher profitability on the operating activities of the and higher investment income allocated to the segment. corporate non-life insurance business (+211 million y/y), mainly as a result of an improved y/y insurance service result especially in motor insurance, and higher investment income allocated to the segment;
- an increase in operating profit in the investment segment (+PLN 191 million y/y), mainly due to higher earnings from equity instruments in particular due to favorable market conditions, as well as gains from the sale of some of the stocks in the portfolio and stronger increases in the valuation of Private Equity funds, higher swap point income from foreign currency derivatives and increased income from debt portfolios;
- higher operating profit in the group and individually continued life insurance segment (+PLN 99 million y/y), in particular as a result of an increase in the insurance service result as well , as the higher result from investments allocated to the segment.

The net profit was lower by PLN 1,773 million (+20.1%) than that for the first three quarters of 2024 and amounted to PLN 10,580 million. The net profit attributable to the parent company's shareholders was PLN 5,225 million compared to PLN 3,661 million in the corresponding period in 2024 (an increase by 42.7%).

¹ Banking activity: data of Bank Pekao and Alior Bank.

The consolidated equity according to IFRS at 30 September 2025 was PLN 68,848 million, as compared to PLN 62,151 million at 30 September 2024. The increase resulted from an increase in equity attributable to equity shareholders of the parent company and an increase in non-controlling interests. The return on equity (ROE²) attributable to the parent company for the period from 1 January 2025 to 30 September 2025 was 21.1% and was higher by 4.9 p.p. than that for the previous year. The adjusted return on equity attributable to the parent company (aROE³) for the period from 1 January 2025 to 30 September 2025 was 22.1% and was higher by 5.3 p.p. than a year ago. The consolidated equity increased by PLN 3,591 million, as compared to the consolidated equity at 31 December 2024. The value of the non-controlling interests increased by PLN 1,756 million compared with the end of last year, reaching PLN 34,902 million. This was a result of the profit attributable to non-controlling shareholders of PLN 5,355 million (earned by Alior Bank and Bank Pekao), the allocation of PLN 4,819 million and PLN 1,200 million to dividends by Pekao and Alior Bank (including a total of PLN 4,671 million to minority shareholders), and an increase in the valuation of debt and cash flow hedging instruments measured at fair value through other comprehensive income.

The equity attributable to equity holders of the parent company increased by PLN 1,835 million as compared to the end of the previous year – as the effect of :

- an increase in the net profit attributable to the parent company in the first three quarters of 2025 in the amount of PLN 5,225 million;
- an increase in the valuation of debt instruments and an increase in the valuation of cash flow hedging instruments measured at fair value through other comprehensive income as well as the positive effect of changes in discount rates for the valuation of insurance liabilities;
- allocating PLN 3,860 million (distribution of PZU's profit for 2024 of PLN 3,877 million, plus PLN 1,080 million transferred from the supplementary capital created from net profit for 2023);
- a negative effect of a change in discount rates for the valuation of insurance liabilities due to a decrease in the level of risk-free interest rates from the end of 2024;

The total of equity and liabilities at 30 September 2025 was higher by PLN 16,205 million than at 31 December 2024 and amounted to PLN 519,462 million. The increase resulted primarily from an increase in the liabilities towards clients from deposits (+PLN +4,657 million), other liabilities (+PLN +3,959 million), and liabilities from insurance contracts (+PLN +2,030 million).

The investment portfolio (investment financial assets, assets pledged as collateral for liabilities, investment properties and financial derivatives) at 30 September 2025 totaled PLN 232,925 million and was higher by PLN 663 million, as compared to the end of 2024. The increase in deposits was related to non-banking activities and was associated with the inflow of premium funds due to business growth, as well as the investment result generated. On the banking business, the deposit portfolio declined y/y and the decline was in debt instruments at Pekao. At 30 September 2025 loan receivables from clients were PLN 245,912 million, as compared to PLN 232,166 million at 31 December 2024.

The largest liabilities at 30 September 2025 were liabilities to clients under deposits. The increase in their balance by PLN 4,657 million compared to the balance at the end of 2024 to PLN 338,850 million concerned current deposits.

The liabilities from insurance contracts at the end of the first three quarters of 2025 were PLN 45,672 million and constituted 8.8% of the total equity and liabilities. Compared to the liabilities as at 31 December 2024, they increased by PLN 2,030 million.

² Annual ratio used as Alternative Performance Measures (APM) within the meaning of the ESMA's Guidelines on Alternative Performance Measures (ESMA 2015/1415).

³ aROE – adjusted return on equity, calculated on a capital basis excluding cumulative other comprehensive income relating to insurance and reinsurance financial income and expenses. Annual ratio used as Alternative Performance Measurement (APM) within the meaning of ESMA's Alternative Performance Measurement Guidelines (ESMA 2015/1415).

14. Equity management

On 2 December 2024, the PZU Supervisory Board adopted a resolution to approve the PZU Group's Capital and Dividend Policy for 2021–2027 ("Policy").

In accordance with the Policy, the PZU Group endeavors to do the following:

- manage capital effectively by optimizing the use of capital from the PZU Group's perspective;
- maximize the rate of return on equity for the parent company's shareholders, in particular, by maintaining the level of security and retaining capital resources for strategic growth objectives through the organic growth and acquisitions;
- ensure sufficient financial means to cover the PZU Group's liabilities towards its clients.

The capital management policy rests on the following principles:

- manage the PZU Group's capital (including excess capital) at the level of PZU;
- sustain target solvency ratios at the level of 200% for the PZU Group, PZU and PZU Życie (according to Solvency II) in the period up to the effective date of the Solvency II amendments and at 180% for the PZU Group and 200% for PZU and PZU Życie in the period after the Solvency II amendments come into effect;
- The PZU Group's financial leverage ratio shall not be higher than 25%;
- ensure funds for growth and acquisitions;
- maintain the financial conglomerate's surplus own funds above the pertinent requirements for solvency;
- PZU will not issue any new shares for the duration of this Policy.

It is assumed that certain temporary deviations in the actual solvency ratio may occur from time to time above or below the target level.

The PZU and PZU Group's Dividend Policy is based on the following principles:

- The PZU Group endeavors to manage capital effectively and maximize the rate of return on equity for PZU's shareholders, in particular by maintaining the level of security and retaining capital resources for strategic growth objectives through acquisitions;
- the dividend amount proposed by the PZU Management Board paid for the financial year is determined on the basis of the PZU Group's consolidated financial result attributable to equity holders of the parent company, where:
 - not more than 20% will increase retained earnings (supplementary capital) for purposes of organic development and innovations, and implementation of development initiatives;
 - no less than 50% is subject to payment as an annual dividend;
 - the remaining part will be paid in the form of annual dividend or will increase retained earnings (supplementary capital) if significant expenditures are incurred in connection with execution of the PZU Group Strategy, including in particular, mergers and acquisitions;

subject to the following:

- according to the PZU Management Board's plans and risk and solvency self-assessment of the parent company, the own funds of the parent company and the PZU Group following the declaration of payment or payment of a dividend will remain at a level that will ensure fulfilment of the conditions specified in the capital policy;

when determining the dividend the regulatory authority's recommendations concerning dividends will be taken into consideration.

External capital requirements

According to the Insurance Activity Act, the calculation of the capital requirement is based on market, actuarial (insurance), counterparty insolvency, catastrophic and operational risks. Assets, liabilities and as a consequence own funds covering the capital requirement are measured at fair value. The capital requirement is calculated in accordance with the standard formula at the level of the entire PZU Group.

Pursuant to Article 412(1) of the Insurance Activity Act, the PZU Group is obligated to prepare and disclose an annual solvency and financial condition report at the group level drafted in accordance with the principles of Solvency II. The 2024 report, published on 14 May 2025, is available on <https://www.pzu.pl/files/server/item/1560294>. Pursuant to Article 290 sec. 1 of the Insurance Activity Act, a solvency and financial condition report of an insurance undertaking shall be audited by an audit firm.

The PZU Group's solvency ratio as at 31 December 2024, published in the PZU Group's 2024 solvency and financial condition report, was 226%.

Irrespective of the foregoing, some PZU Group companies are required to comply with their own capital requirements imposed by the relevant legal regulations.

The maintained levels of solvency ratio comply with those assumed in the capital and dividend policy of the PZU Group.

Notwithstanding the above, PZU Group units that were required by the relevant regulations to meet the relevant capital requirements, in accordance with the relevant sector regulations, met these requirements, both during the 9-month period ended 30 September 2025, and throughout 2024.

15. Segment reporting

15.1 Reporting segments

15.1.1. Key classification criterion

Operating segments are components of an entity for which separate financial information is available and is subject to regular assessment by CODM (in practice this is the PZU Management Board), related to allocating resources and assessing operating results.

The key segment classification of PZU Group is based on such criteria as a nature of business activities, product groups, client groups and regulatory environment. Individual segments have been described in the table below.

Segment	Segment description	Aggregation criteria
Corporate insurance (non-life insurance)	Broad scope of non-life insurance products, TPL and motor insurance customized to a customer's needs entailing individual underwriting offered to large economic entities by PZU and TUW PZUW.	Aggregation by similarity of products offered, similar client groups to which they are offered, distribution channels and operation in the same regulatory environment.
Mass insurance (non-life insurance)	Broad scope of non-life, accident, TPL and motor insurance products offered to retail clients and entities in the small and medium-sized enterprise sector by PZU and Link4.	As above.
Group insurance and individually continued insurance (life insurance)	Group insurance products offered by PZU Życie to groups of employees and other formal groups (e.g. trade unions), under which persons with a legal relationship with the policyholder (e.g. employer, trade union) accede to the insurance product granted and individually continued insurance products under which the policyholder acquires the right to individual continuation during the group phase. PZU Życie's offer covers a wide range of protection and health insurance.	No aggregation.
Individual protective insurance products (life insurance)	Insurance offered by PZU Życie to individual clients under which the insurance contract applies to a specific insured, and this insured is subject to individual underwriting. PZU Życie's offer covers a wide range of protection and health insurance.	No aggregation.

Segment	Segment description	Aggregation criteria
Unit-linked life insurance	Unit-linked insurance, where there is significant insurance risk, and single premium-life and endowment insurance agreements with guaranteed sums assured (investment agreements that are not investment contracts).	No aggregation.
Investments	The segment includes investments of free funds, i.e. the surplus of the investment portfolio over the level allocated to pay insurance liabilities of PZU and PZU Życie and the operating result of TFI PZU.	The aggregation was effected because of the similar surplus-based nature of the revenues.
Banking activity	Broad range of banking products offered both to corporate and retail clients by the Pekao Group and the Alior Bank Group.	The aggregation was carried out due to the similarity of products and services offered by the companies and the identical regulatory environment of their operations.
Pension insurance	2nd pillar pension insurance.	No aggregation.
Baltic States	Non-life and life insurance products offered by LD and its branch in Estonia, Balta and PZU LT GD.	The aggregation was carried out due to similarity of products and services offered by the companies and similarity of the regulatory environment of their operations.
Ukraine	Non-life and life insurance products offered by PZU Ukraine and PZU Ukraine Life Insurance.	The aggregation was carried out due to the similarity of the regulatory environment of their operations.
Investment contracts	PZU Życie products that do not transfer any significant insurance risk within the meaning of IFRS 17 and that do not meet the definition of an insurance contract (i.e. some products with a guaranteed return and some unit-linked products).	No aggregation.
Other	Other products and services not classified into any of the above segments.	

15.1.2. Information relating to geographical areas

The PZU Group applies additional segmentation by geographic location, according to which the following geographic areas were identified:

- Poland;
- Baltic countries (covering Lithuania – LD, PZU LT GD, Latvia – Balta and Estonia – LD branch);
- Ukraine.

15.2 Measure of the segment's profit

The PZU Group's fundamental measure of the segment's profit is IFRS-based profit from operating activities.

For all segments, with the exception of banking operations, the segment's result is reduced by intragroup transactions.

When reviewing the performance of PZU Group banks (Pekao and Alior Bank), CODM makes analyzes and decisions based on the consolidated result of the Pekao Group and Alior Bank Group. For this reason, the result of the "Banking Activity" segment is determined as the sum of the unadjusted consolidated results of the Pekao Group and Alior Bank Group. Intragroup transactions included in the results of the Pekao Group and Alior Bank Group, as well as adjustments due to the purchase price allocation, are reported under the "Other" segment.

15.3 Simplifications in the segment note

The segment note applies certain simplifications applicable for in accordance with IFRS 8 Operating Segments:

- withdrawing from presenting data related to the allocation of all assets and liabilities to various segments – resulting from not preparing and not presenting such tables to the PZU Management Board. The main information delivered to the PZU Management Board consists of data regarding the results of given segments and managerial decisions are made on this basis, including decisions on resource allocation. The analysis of the segmental allocation of assets and liabilities is limited to a large extent to monitoring the fulfillment of the regulatory requirements;
- presenting the net result on investments as a single amount as the difference between the realized and unrealized revenue and the costs of investments – stemming from the internal assessment of the segmental results based on such a combined measure of investment results.

15.4 Quantitative data

1 July – 30 September 2025	Corporate insurance	Mass insurance	Group and individually continued insurance	Individual protective insurance	Life investment insurance	Baltic States	Ukraine	Investment contracts	Investments	Banking activities	Pension	Other	Total
Insurance service result before reinsurance	362	596	450	117	46	115	6	-	-	-	-	-	1,692
Insurance revenue	1,293	3,552	1,995	224	28	736	75	-	-	-	-	-	7,903
Amortization of liabilities for remaining coverage (PAA)	1,117	2,783	-	-	-	593	54	-	-	-	-	-	4,547
Expected claims and benefits (GMM, VFA)	-	-	1,253	49	4	4	1	-	-	-	-	-	1,311
Expected expenses (GMM, VFA)	-	-	236	31	3	2	1	-	-	-	-	-	273
Release of the contractual service margin (GMM, VFA)	-	-	390	95	16	3	-	-	-	-	-	-	504
Release of risk adjustment for non-financial risks (GMM, VFA)	-	-	29	6	2	1	-	-	-	-	-	-	38
Recovery of insurance acquisition cash flows	176	769	123	44	5	133	19	-	-	-	-	-	1,269
Other revenue	-	-	(36)	(1)	(2)	-	-	-	-	-	-	-	(39)
Insurance service expenses	(931)	(2,956)	(1,545)	(107)	18	(621)	(69)	-	-	-	-	-	(6,211)
Claims incurred in the period (without the investment component)	(752)	(2,075)	(1,224)	(39)	(2)	(441)	(35)	-	-	-	-	-	(4,568)
Administrative expenses	(65)	(220)	(206)	(28)	(2)	(69)	(10)	-	-	-	-	-	(600)
Run-off of claim reserves from prior years	59	69	(4)	(2)	(3)	23	(4)	-	-	-	-	-	138
Amortization of loss component	19	105	56	5	2	38	3	-	-	-	-	-	228
Recognition of and movement in the loss recovery component	(16)	(66)	(44)	1	28	(39)	(4)	-	-	-	-	-	(140)
Amortization of insurance acquisition cash flows	(176)	(769)	(123)	(44)	(5)	(133)	(19)	-	-	-	-	-	(1,269)

1 July – 30 September 2025	Corporate insurance	Mass insurance	Group and individually continued insurance	Individual protective insurance	Life investment insurance	Baltic States	Ukraine	Investment contracts	Investments	Banking activities	Pension	Other	Total
Net income or expenses from reinsurance contracts held	(145)	(22)	-	-	-	(19)	(1)	-	-	-	-	-	(187)
Reinsurance premium allocation	(439)	(53)	-	-	-	(20)	(1)	-	-	-	-	-	(513)
Amounts recoverable from reinsurers, including:	294	31	-	-	-	1	-	-	-	-	-	-	326
Incurred claims	322	3	-	-	-	3	-	-	-	-	-	-	328
Incurred expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Run-off of claim reserves from prior years	(30)	28	-	-	-	(2)	-	-	-	-	-	-	(4)
Recognition of and movement in the loss recovery component	2	-	-	-	-	-	-	-	-	-	-	-	2
Insurance service result	217	574	450	117	46	96	5	-	-	-	-	-	1,505
Financial income and expenses from insurance	(60)	(90)	(131)	(29)	(217)	(18)	(4)	-	-	-	-	-	(549)
Finance income or expenses from reinsurance	33	3	-	-	-	-	-	-	-	-	-	-	36
Investment profit or loss ¹⁾	119	228	231	33	222	32	8	2	194	6,277 ^{2) 3)}	5	(5)	7,346
Revenue from commissions and fees	-	-	-	-	-	1	-	1	45	1,315 ⁴⁾	53	(68)	1,347
Fee and commission expenses	-	-	-	-	-	-	-	-	-	(327)	-	6	(321)
PZU Group's non-insurance operating expenses	-	-	-	-	-	-	-	-	(36)	(2,239)	(10)	(362)	(2,647)
Interest expenses	-	-	-	-	-	-	-	-	(52)	(1,800)	-	21	(1,831)
Legal risk costs of foreign currency mortgage loans	-	-	-	-	-	-	-	-	-	(59)	-	-	(59)
Other operating income	-	-	-	-	-	-	-	-	4	90	-	359	453
Other operating expenses	-	-	-	-	-	-	-	-	(1)	(78)	-	(82)	(161)
Operating profit	309	715	550	121	51	111	9	3	154	3,179	48	(131)	5,119

¹⁾ The sum of the following line items in the consolidated profit and loss account: "Interest income calculated using the effective interest rate and equalized to them", "Other net investment income", "Result on derecognition of financial instruments and investments not measured at fair value through profit or loss", "Result from allowances for expected credit losses" and "Net movement in fair value of assets and liabilities measured at fair value".

²⁾ Including: interest income calculated using the effective interest rate and equalized to them – PLN 6,514 million, other net investment income – PLN 89 million, result on derecognition of financial instruments and investments not measured at fair value through profit or loss – PLN 14 million, result from allowances for expected credit losses – PLN 376 million, net movement in fair value of assets and liabilities measured at fair value – PLN 36 million.

³⁾ Including revenue from other segments of PLN 104 million.

⁴⁾ Including revenue from other segments of PLN 65 million.

1 January – 30 September 2025	Corporate insurance	Mass insurance	Group and individually continued insurance	Individual protective insurance	Life investment insurance	Baltic States	Ukraine	Investment contracts	Investments	Banking activities	Pension	Other	Total
Insurance service result before reinsurance	1,153	1,273	1,153	304	74	362	16	-	-	-	-	-	4,335
Insurance revenue	3,827	10,334	5,932	631	82	2,130	193	-	-	-	-	-	23,129
Amortization of liabilities for remaining coverage (PAA)	3,320	8,092	-	-	-	1,717	133	-	-	-	-	-	13,262
Expected claims and benefits (GMM, VFA)	-	-	3,801	139	12	10	4	-	-	-	-	-	3,966
Expected expenses (GMM, VFA)	-	-	682	89	11	7	2	-	-	-	-	-	791
Release of the contractual service margin (GMM, VFA)	-	-	1,062	259	42	10	3	-	-	-	-	-	1,376
Release of risk adjustment for non-financial risks (GMM, VFA)	-	-	92	19	5	2	-	-	-	-	-	-	118
Recovery of insurance acquisition cash flows	507	2,242	376	137	18	385	51	-	-	-	-	-	3,716
Other revenue	-	-	(81)	(12)	(6)	(1)	-	-	-	-	-	-	(100)
Insurance service expenses	(2,674)	(9,061)	(4,779)	(327)	(8)	(1,768)	(177)	-	-	-	-	-	(18,794)
Claims incurred in the period (without the investment component)	(1,992)	(6,271)	(3,817)	(117)	(4)	(1,274)	(96)	-	-	-	-	-	(13,571)
Administrative expenses	(209)	(675)	(637)	(82)	(6)	(211)	(33)	-	-	-	-	-	(1,853)
Run-off of claim reserves from prior years	28	16	30	9	(8)	103	1	-	-	-	-	-	179
Amortization of loss component	55	354	197	13	9	105	6	-	-	-	-	-	739
Recognition of and movement in the loss recovery component	(49)	(243)	(176)	(13)	19	(106)	(4)	-	-	-	-	-	(572)
Amortization of insurance acquisition cash flows	(507)	(2,242)	(376)	(137)	(18)	(385)	(51)	-	-	-	-	-	(3,716)

1 January – 30 September 2025	Corporate insurance	Mass insurance	Group and individually continued insurance	Individual protective insurance	Life investment insurance	Baltic States	Ukraine	Investment contracts	Investments	Banking activities	Pension	Other	Total
Net income or expenses from reinsurance contracts held	(555)	(65)	-	-	-	(55)	-	-	-	-	-	-	(675)
Reinsurance premium allocation	(1,314)	(137)	-	-	-	(54)	(2)	-	-	-	-	-	(1,507)
Amounts recoverable from reinsurers, including:	759	72	-	-	-	(1)	2	-	-	-	-	-	832
Incurred claims	666	10	-	-	-	16	-	-	-	-	-	-	692
Incurred expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Run-off of claim reserves from prior years	88	62	-	-	-	(17)	2	-	-	-	-	-	135
Recognition of and movement in the loss recovery component	5	-	-	-	-	-	-	-	-	-	-	-	5
Insurance service result	598	1,208	1,153	304	74	307	16	-	-	-	-	-	3,660
Financial income and expenses from insurance	(20)	(267)	(383)	(84)	(686)	(26)	(18)	-	-	-	-	-	(1,484)
Finance income or expenses from reinsurance	(59)	11	-	-	-	1	2	-	-	-	-	-	(45)
Investment profit or loss ¹⁾	317	633	700	94	698	72	33	11	497	19,333 ^{2) 3)}	13	(63)	22,338
Revenue from commissions and fees	-	-	-	-	-	2	-	2	120	3,815 ⁴⁾	148	(182)	3,905
Fee and commission expenses	-	-	-	-	-	-	-	-	-	(922)	-	14	(908)
PZU Group's non-insurance operating expenses	-	-	-	-	-	-	-	-	(103)	(7,016)	(43)	(1,090)	(8,252)
Interest expenses	-	-	-	-	-	-	-	-	(159)	(5,691)	-	48	(5,802)
Legal risk costs of foreign currency mortgage loans	-	-	-	-	-	-	-	-	-	(479)	-	-	(479)
Other operating income	-	-	-	-	-	-	-	-	17	252	-	1,031	1,300
Other operating expenses	-	-	-	-	-	-	-	-	(2)	(353)	-	(242)	(597)
Operating profit	836	1,585	1,470	314	86	356	33	13	370	8,939	118	(484)	13,636

¹⁾ The sum of the following line items in the consolidated profit and loss account: "Interest income calculated using the effective interest rate and equalized to them", "Other net investment income", "Result on derecognition of financial instruments and investments not measured at fair value through profit or loss", "Result from allowances for expected credit losses" and "Net movement in fair value of assets and liabilities measured at fair value".

²⁾ Including: interest income calculated using the effective interest rate and equalized to them – PLN 19,790 million, other net investment income – PLN 295 million, result on derecognition of financial instruments and investments not measured at fair value through profit or loss – PLN 83 million, result from allowances for expected credit losses – PLN (937) million, net movement in fair value of assets and liabilities measured at fair value – PLN 102 million.

³⁾ Including revenue from other segments of PLN 214 million.

⁴⁾ Including revenue from other segments of PLN 181 million.

1 July – 30 September 2024 (restated)	Corporate insurance	Mass insurance	Group and individually continued insurance	Individual protective insurance	Life investment insurance	Baltic States	Ukraine	Investment contracts	Investments	Banking activities	Pension	Other	Total
Insurance service result before reinsurance	309	(207)	431	106	17	73	-	-	-	-	-	-	729
Insurance revenue	1,196	3,421	1,968	189	27	678	62	-	-	-	-	-	7,541
Amortization of liabilities for remaining coverage (PAA)	1,038	2,660	-	-	-	547	39	-	-	-	-	-	4,284
Expected claims and benefits (GMM, VFA)	-	-	1,317	39	6	3	(6)	-	-	-	-	-	1,359
Expected expenses (GMM, VFA)	-	-	232	27	2	2	2	-	-	-	-	-	265
Release of the contractual service margin (GMM, VFA)	-	-	308	78	9	4	2	-	-	-	-	-	401
Release of risk adjustment for non-financial risks (GMM, VFA)	-	-	33	5	4	1	6	-	-	-	-	-	49
Recovery of insurance acquisition cash flows	158	761	119	40	7	121	19	-	-	-	-	-	1,225
Other revenue	-	-	(41)	-	(1)	-	-	-	-	-	-	-	(42)
Insurance service expenses	(887)	(3,628)	(1,537)	(83)	(10)	(605)	(62)	-	-	-	-	-	(6,812)
Claims incurred in the period (without the investment component)	(668)	(2,616)	(1,231)	(25)	-	(436)	(30)	-	-	-	-	-	(5,006)
Administrative expenses	(64)	(223)	(207)	(23)	(1)	(64)	(13)	-	-	-	-	-	(595)
Run-off of claim reserves from prior years	5	(21)	(1)	(1)	(2)	17	3	-	-	-	-	-	-
Amortization of loss component	23	149	86	2	2	38	5	-	-	-	-	-	305
Recognition of and movement in the loss recovery component	(25)	(156)	(65)	4	(2)	(39)	(8)	-	-	-	-	-	(291)
Amortization of insurance acquisition cash flows	(158)	(761)	(119)	(40)	(7)	(121)	(19)	-	-	-	-	-	(1,225)

1 July – 30 September 2024 (restated)	Corporate insurance	Mass insurance	Group and individually continued insurance	Individual protective insurance	Life investment insurance	Baltic States	Ukraine	Invest- ment contracts	Invest- ments	Banking activities	Pension	Other	Total
Net income or expenses from reinsurance contracts held	(214)	169	-	-	-	12	(3)	-	-	-	-	-	(36)
Reinsurance premium allocation	(419)	(39)	-	-	-	(20)	(3)	-	-	-	-	-	(481)
Amounts recoverable from reinsurers, including:	205	208	-	-	-	32	-	-	-	-	-	-	445
Incurred claims	187	180	-	-	-	29	-	-	-	-	-	-	396
Incurred expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Run-off of claim reserves from prior years	18	28	-	-	-	3	-	-	-	-	-	-	49
Recognition of and movement in the loss recovery component	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance service result	95	(38)	431	106	17	85	(3)	-	-	-	-	-	693
Financial income and expenses from insurance	29	(77)	(130)	(27)	(101)	(8)	(6)	-	-	-	-	-	(320)
Finance income or expenses from reinsurance	(56)	2	-	-	-	-	-	-	-	-	-	-	(54)
Investment profit or loss ¹⁾	70	154	218	31	101	25	22	(1)	126	6,372 ^{2) 3)}	5	29	7,152
Revenue from commissions and fees	-	-	-	-	-	-	-	1	40	1,226 ⁴⁾	48	(51)	1,264
Fee and commission expenses	-	-	-	-	-	-	-	-	-	(312)	-	8	(304)
PZU Group's non-insurance operating expenses	-	-	-	-	-	-	-	-	(35)	(2,002)	(7)	(448)	(2,492)
Interest expenses	-	-	-	-	-	-	-	-	(52)	(2,033)	-	13	(2,072)
Legal risk costs of foreign currency mortgage loans	-	-	-	-	-	-	-	-	-	(70)	-	-	(70)
Other operating income	-	-	-	-	-	-	-	-	5	38	-	339	382
Other operating expenses	-	-	-	-	-	-	-	-	(7)	(45)	-	(66)	(118)
Operating profit	138	41	519	110	17	102	13	-	77	3,174	46	(176)	4,061

¹⁾ The sum of the following line items in the consolidated profit and loss account: "Interest income calculated using the effective interest rate and equalized to them", "Other net investment income", "Result on derecognition of financial instruments and investments not measured at fair value through profit or loss", "Result from allowances for expected credit losses" and "Net movement in fair value of assets and liabilities measured at fair value".

²⁾ Including: interest income calculated using the effective interest rate and equalized to them – PLN 6,632 million, other net investment income – PLN 92 million, result on derecognition of financial instruments and investments not measured at fair value through profit or loss – PLN 127 million, result from allowances for expected credit losses – PLN (349) million, net movement in fair value of assets and liabilities measured at fair value – PLN 124 million.

³⁾ Including revenue from other segments of PLN 54 million.

⁴⁾ Including revenue from other segments of PLN 52 million.

1 January – 30 September 2024 (restated)	Corporate insurance	Mass insurance	Group and individually continued insurance	Individual protective insurance	Life investment insurance	Baltic States	Ukraine	Invest- ment contracts	Invest- ments	Banking activities	Pension	Other	Total
Insurance service result before reinsurance	1,332	56	1,098	269	42	271	11	-	-	-	-	-	3,079
Insurance revenue	3,494	9,729	5,818	551	78	1,984	182	-	-	-	-	-	21,836
Amortization of liabilities for remaining coverage (PAA)	3,032	7,540	-	-	-	1,604	117	-	-	-	-	-	12,293
Expected claims and benefits (GMM, VFA)	-	-	3,854	109	8	9	-	-	-	-	-	-	3,980
Expected expenses (GMM, VFA)	-	-	683	78	-	6	2	-	-	-	-	-	769
Release of the contractual service margin (GMM, VFA)	-	-	924	215	35	10	8	-	-	-	-	-	1,192
Release of risk adjustment for non-financial risks (GMM, VFA)	-	-	98	15	14	2	6	-	-	-	-	-	135
Recovery of insurance acquisition cash flows	462	2,189	350	126	24	353	52	-	-	-	-	-	3,556
Other revenue	-	-	(91)	8	(3)	-	(3)	-	-	-	-	-	(89)
Insurance service expenses	(2,162)	(9,673)	(4,720)	(282)	(36)	(1,713)	(171)	-	-	-	-	-	(18,757)
Claims incurred in the period (without the investment component)	(1,616)	(6,733)	(3,786)	(98)	(3)	(1,252)	(93)	-	-	-	-	-	(13,581)
Administrative expenses	(185)	(679)	(634)	(69)	(3)	(202)	(37)	-	-	-	-	-	(1,809)
Run-off of claim reserves from prior years	97	66	56	9	(13)	89	17	-	-	-	-	-	321
Amortization of loss component	71	384	251	8	5	110	8	-	-	-	-	-	837
Recognition of and movement in the loss recovery component	(67)	(522)	(257)	(6)	2	(105)	(14)	-	-	-	-	-	(969)
Amortization of insurance acquisition cash flows	(462)	(2,189)	(350)	(126)	(24)	(353)	(52)	-	-	-	-	-	(3,556)

1 January – 30 September 2024 (restated)	Corporate insurance	Mass insurance	Group and individually continued insurance	Individual protective insurance	Life investment insurance	Baltic States	Ukraine	Invest- ment contracts	Invest- ments	Banking activities	Pension	Other	Total
Net income or expenses from reinsurance contracts held	(894)	141	-	-	-	(23)	(10)	-	-	-	-	-	(786)
Reinsurance premium allocation	(1,205)	(115)	-	-	-	(56)	(3)	-	-	-	-	-	(1,379)
Amounts recoverable from reinsurers, including:	311	256	-	-	-	33	(7)	-	-	-	-	-	593
Incurred claims	353	244	-	-	-	43	-	-	-	-	-	-	640
Incurred expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Run-off of claim reserves from prior years	(42)	12	-	-	-	(10)	(7)	-	-	-	-	-	(47)
Recognition of and movement in the loss recovery component	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance service result	438	197	1,098	269	42	248	1	-	-	-	-	-	2,293
Financial income and expenses from insurance	(95)	(255)	(386)	(79)	(383)	(34)	(16)	-	-	-	-	-	(1,248)
Finance income or expenses from reinsurance	27	8	-	-	-	1	-	-	-	-	-	-	36
Investment profit or loss ¹⁾	255	528	659	89	381	75	42	(1)	346	18,583 ^{2) 3)}	12	57	21,026
Revenue from commissions and fees	-	-	-	-	-	1	-	2	107	3,740 ⁴⁾	134	(142)	3,842
Fee and commission expenses	-	-	-	-	-	-	-	-	-	(1,051)	-	20	(1,031)
PZU Group's non-insurance operating expenses	-	-	-	-	-	-	-	-	(106)	(6,465)	(27)	(1,244)	(7,842)
Interest expenses	-	-	-	-	-	-	-	-	(156)	(6,031)	-	30	(6,157)
Legal risk costs of foreign currency mortgage loans	-	-	-	-	-	-	-	-	-	(340)	-	-	(340)
Other operating income	-	-	-	-	-	-	-	-	11	269	-	891	1,171
Other operating expenses	-	-	-	-	-	-	-	-	(23)	(216)	-	(131)	(370)
Operating profit	625	478	1,371	279	40	291	27	1	179	8,489	119	(519)	11,380

¹⁾ The sum of the following line items in the consolidated profit and loss account: "Interest income calculated using the effective interest rate and equalized to them", "Other net investment income", "Result on derecognition of financial instruments and investments not measured at fair value through profit or loss", "Result from allowances for expected credit losses" and "Net movement in fair value of assets and liabilities measured at fair value".

²⁾ Including: interest income calculated using the effective interest rate and equalized to them – PLN 19,114 million, other net investment income – PLN 149 million, result on derecognition of financial instruments and investments not measured at fair value through profit or loss – PLN 43 million, result from allowances for expected credit losses – PLN 942 million, net movement in fair value of assets and liabilities measured at fair value – PLN 219 million.

³⁾ Including revenue from other segments of PLN 155 million.

⁴⁾ Including revenue from other segments of PLN 143 million.

Geographic breakdown	1 January – 30 September 2025					1 January – 30 September 2024				
	Poland	Baltic States	Ukraine	Not allocated	Consolidated value	Poland	Baltic States	Ukraine	Not allocated	Consolidated value
Insurance revenue	20,806	2,130	193	-	23,129	19,670	1,984	182	-	21,836
Revenue from commissions and fees	3,903	2	-	-	3,905	3,841	1	-	-	3,842
Investment profit or loss ¹⁾	22,233	72	33	-	22,338	20,909	75	42	-	21,026

¹⁾ The sum of the following line items in the consolidated profit and loss account: "Interest income calculated using the effective interest rate and equalized to them", "Other net investment income", "Result on derecognition of financial instruments and investments not measured at fair value through profit or loss", "Result from allowances for expected credit losses" and "Net movement in fair value of assets and liabilities measured at fair value".

Geographic breakdown	30 September 2025					31 December 2024				
	Poland	Baltic States	Ukraine ¹⁾	Not allocated	Consolidated value	Poland	Baltic States	Ukraine ¹⁾	Not allocated	Consolidated value
Non-current assets other than financial assets ²⁾	7,571	278	3	-	7,852	7,714	283	4	-	8,001
Deferred tax assets	2,039	3	3	-	2,045	2,239	3	2	-	2,244
Assets	516,218	4,071	411	(1,238)	519,462	500,290	3,831	373	(1,237)	503,257

¹⁾ Assets of companies based in Ukraine, adjusted for mutual interests between them.

²⁾ The sum of the following items of the consolidated statement of financial position: "Intangible assets", "Property, plant and equipment".

15.5 Information on key customers

Due to the nature of operations undertaken by PZU Group companies, there are no customers that would provide 10% or more of total revenues of the PZU Group (defined as the sum of revenues from insurance contracts, interest income and fee and commission income).

16. Note on reporting by segment

16.1 Corporate insurance – non-life insurance

The profit in the corporate insurance segment after the first three quarters of 2025 was PLN 836 million, meaning it was up by PLN 211 million or +33.8% compared to the corresponding period in 2024. The increase in operating result is mainly due to an improvement in the net insurance services result (+PLN 160 million), as well as an increase in investment result, including financial income and expenses on insurance.

The profit was driven mainly by:

- **increase in revenues from insurance contracts** compared to the corresponding period of 2024 by PLN 333 million, i.e.: +9.5% y/y (+PLN +224 million y/y after reinsurance premium allocation). The increase resulted from an increase in the net amortization of liabilities for remaining coverage (+PLN 179 million y/y), largely as a consequence of a higher sales of both motor insurance (+PLN 104 million y/y) and non-motor insurance (+PLN 75 million y/y). In motor insurance, the increase resulted from higher average premiums and strong sales in the current year, particularly in lease insurance (an increase of 7.3% y/y in new passenger car registrations during the first three quarters of 2025). The increase in LRC amortization in non-motor insurance (+PLN 75 million y/y) resulted from the earning of premiums from 2024, including a contract with a client in the energy generation sector and several other large contracts. Higher y/y premiums allocated to recovery of insurance acquisition (+PLN 45 million; +9.7%) are the result of portfolio growth and a change in the product mix;
- **a level of insurance service expenses** adjusted for amounts due from reinsurers that is higher by PLN 64 million y/y (+3.5% y/y), which, together with a 9.8% y/y increase in net insurance revenues, means that profitability, as measured by the combined ratio (COR), improved by 4.7 p.p. to 76.2%. An increase in the net insurance service expenses is a product of:

- higher impact of the development of the loss reserve from previous years by PLN 61 million y/y, mainly in motor insurance (+PLN +37 million y/y) and to a lesser extent in non-motor insurance (+PLN 24 million y/y);
- higher net liabilities (y/y) for the current year's claims and higher expenses, including acquisition expenses and administrative expenses attributable to the insurance activities. The increase in administrative expenses is primarily the result of higher personnel costs, IT costs and higher marketing costs (increased advertising and sponsorship costs);
- a PLN 62 million (+24.3% y/y) increase in the **result on investments** compared to the comparable period of the previous year is the following particularly the effect of purchasing debt instruments for the portfolio at high market yields as well as an improvement in the result of the corporate debt portfolio;
- **insurance and reinsurance finance income or expenses** were -PLN 79 million, which is a deterioration of PLN 11 million compared with the same period in 2024.

Gross insurance service result (excluding the reinsurer's share) amounted to PLN 1,153 million, meaning a decrease by PLN 179 million y/y, largely resulting from higher insurance costs year-on-year. After taking into account the reinsurer's share, the net insurance service result reached 598 million, up 160 million from the comparable period in 2024.

16.2 Mass insurance – non-life insurance

Operating profit in the mass insurance segment for the first three quarters of 2025 amounted to PLN 1,585 million, which was three times higher compared to the same period in 2024. The movement in profit is the result of a significantly higher net insurance services result, up PLN 1,011 million y/y (+513.2% y/y), an increase in investment result (+PLN 105 million y/y), as well as lower net insurance finance income and expenses (-PLN 9 million y/y).

After the first three quarters of 2025, **gross revenues from insurance products** in the mass insurance segment increased versus the comparable period of 2024 by PLN 605 million, i.e.: +6.2% y/y (+PLN +583 million y/y after reinsurance premium allocation). The increase resulted from an increase in the net amortization of liabilities for remaining coverage (LRC), as a consequence of a high sales of non-motor insurance products (+PLN 312 million y/y, net), as well as motor insurance products (+PLN +218 million y/y net). The increase in non-motor insurance is a higher level of LRC amortization mainly as a consequence of the development of PZU DOM insurance, which is linked to the new release of the offer (extensive protection as a standard), and PZU Firma insurance offered to small and medium-sized enterprises (thanks to better matching of the offer to risk). In motor insurance (both TPL and Auto Casco), revenue growth was mainly driven by high premium growth in the second half of 2024 and the first half of 2025 (average premium growth responding to rising claims costs) with a deceleration in the third quarter of 2025.

The higher level of insurance revenue is also triggered by a higher level of premiums allocated to recovery of insurance acquisition cash flows (+2.4% y/y), being the cumulative effect of growing sales and a simultaneous change in the share of individual channels in the portfolio (a higher y/y share of dealer channel).

Insurance service expenses adjusted by amounts recoverable from reinsurers decreased by PLN 428 million y/y (-4.5% y/y), which together with an increase in the net revenues from insurance products by 6.1% y/y resulted in the profitability measured by the combined ratio (COR) increasing by 9.8 percentage points. A decrease in the net insurance service expenses is a product of:

- recognition of a loss component, mainly in the MTPL insurance portfolio, including on the inward reinsurance portfolio with PZU Group companies as a consequence of high claims inflation, though in an amount that does not exceed the amortization from the opening balance sheet. The total excess of depreciation over the creation of the loss component amounted to PLN 111 million (y/y change of +PLN 249 million);
- lower y/y claims liabilities of the current year, mainly in non-motor insurance – in the corresponding period of 2024, an above-normal number of mass claims caused by weather events, mainly flooding;
- higher y/y acquisition expenses mainly as a result of the expansion of the insurance portfolio and an increase in the share of non-motor insurance in the portfolio;
- a PLN 105 million (+19.9% y/y) increase in the **result on investments** compared to the comparable period of the previous year is particularly the effect of purchasing debt instruments for the portfolio at high market yields as well as an improvement in the result of the corporate debt portfolio;
- **the insurance finance income and expenses** net were PLN -256 million, which translates into a PLN 9 million y/y movement in expenses, triggered mainly by fluctuations in interest rates.

16.3 Group and individually continued insurance – life insurance

In the first three quarters of 2025, the PZU Group generated in the group insurance and individually continued insurance segment the amount of PLN 1,470 million in operating profit, an increase of PLN 99 million, or 7.2%, compared to the same period last year. The profit was driven mainly by:

- **increase in revenues from insurance contracts** compared to the corresponding period of 2024 by PLN 114 million, i.e.: +2.0% y/y. The higher level of revenues is the product of:
 - lower premiums needed to cover expected claims and benefits (-PLN 53 million y/y) which is mainly the result of the assumed lower utilization in health insurance (in the comparable period in 2024 (the assumed implementation of post-covid increase in claims frequency);
 - higher premiums (revenue) to cover acquisition expenses (+PLN +26 million y/y);
 - equalized y/y level of expected costs (down -PLN 1 million y/y);
 - an increase in contractual margin release (+PLN 138 million y/y), mainly in the portfolios of individually continued insurance (+PLN 75 million y/y) and the group insurance portfolio (+PLN 31 million y/y), and health insurance portfolio (+PLN 30 million y/y);
- **insurance service expenses higher** by PLN 59 million y/y (+1.3% y/y), which together with an increase in the insurance revenue by 2.0% y/y resulted in the profitability measured by the ratio of insurance service result to insurance revenue increasing by 0.5 percentage points. An increase in the insurance service expenses is a product of:
 - higher claims and benefits along with the development of the loss reserve from previous years both in group and individual continued insurance;
 - higher acquisition expenses (+ PLN +26 million y/y);
 - higher administrative expenses (+3 million y/y) as a consequence of higher salary costs, an increase in IT costs due to the development of the IT area and advertising costs;
 - changes in the value of the loss component with a positive impact on the result of +PLN 21 million (+PLN 27 million y/y) are the result of the deceleration of the loss component creation in health insurance (the impact of the premium retarification process with a still high level of benefit utilization) and the recognition of a new loss component to the portfolio of group insurance with low premiums and individually continued policies, in an amount lower than the amortization from the opening balance;
 - a PLN 41 million (+6.2% y/y) **increase** in the **result on investments** compared to the comparable period of the previous year is particularly the effect of purchasing treasury bonds for the portfolio at high market yields as well as higher results from the corporate debt portfolio and equity instruments.

The insurance finance income and expenses were -PLN 383 million, which translates into an increase in revenue by PLN 3 million y/y triggered, mainly by fluctuations in interest rates.

The increase y/y in the operating profit in the group and individually continued insurance segment by PLN 99 million (+7.2% y/y) was caused by both higher insurance service result (+PLN +55 million y/y), and investment result (+PLN +41 million y/y) allocated to the segment and to insurance finance income and expenses.

16.4 Individual protective insurance products – life insurance

In the individual protective insurance segment, the Group generated PLN 314 million in operating profit in the first three quarters of 2025, PLN 35 million (+12.5%) more than in the same period last year. This was mainly due to a change in the insurance service result (PLN +35 million y/y), with a higher level of the investment income allocated to the segment (+PLN 5 million y/y) and a negligible decrease of insurance finance income and expenses (-PLN 5 million).

During the first three quarters of 2025, revenues from insurance in the individual protective insurance segment increased as compared to the first three quarters of 2024 by PLN 80 million, i.e.: +14.5% y/y. The increase in individual insurance was mainly driven by higher contractual service margin release (+PLN 44 million y/y), including in bancassurance (+PLN 13 million y/y; mainly due to higher y/y sales of mortgage-related insurance in the year preceding the reporting year) as well as in unit-linked and term

life insurance (+PLN 23 million y/y in total). This effect was compounded by a higher level of premiums written to cover acquisition costs (+PLN 11 million y/y in total, mainly in term insurance) and expected claims and benefits (+PLN 30 million y/y), mainly in term life insurance and bancassurance. The increase in revenue was partially offset by a lower value of other income (–PLN 20 million y/y).

Insurance service expenses increased by PLN 45 million (+16.0% y/y), which together with an increase in the insurance revenue by 14.5% resulted in the profitability measured by the ratio of insurance service result to insurance revenue decreasing by 0.6 percentage points. An increase in the insurance service expenses is a product of:

- higher administrative expenses as a consequence of, among others, increases in personnel and IT costs;
- higher current period claims as a result of portfolio growth.

The level of **investment income** was slightly higher than in the comparable period last year (+PLN 5 million, or +5.6% y/y) as a result of the increase in the required level of assets to cover liabilities.

The insurance finance income and expenses were -PLN 84 million, which means an increase in expenses by PLN 5 million y/y.

16.5 Life investment insurance

Operating profit from life investment insurance amounted to PLN 86 million after the first three quarters of 2025, up PLN 46 million compared to the same period last year. The y/y change is the result of an increase in sales of unit-linked life insurance with an insurance capital fund, high sales of life and endowment insurance with a guaranteed sum assured and higher fees charged to customers as a consequence of the higher value of unit-linked funds.

Investment income increased by PLN 317 million (+83.2% y/y), particularly in the PPE product. However, the increase in the investment income had no effect on the PZU Group's total net profit, as it is offset by insurance finance income or expenses.

16.6 Baltic States

As part of the Baltic operations, PZU Group offers non-life insurance and life insurance products. Non-life insurance is provided by: Lietuvos Draudimas (LD) – leader of the Lithuanian market, Balta – leader in Latvia and the LD branch in Estonia. Life insurance is sold by PZU Lietuva Gyvybes Draudimas in Lithuania.

The Lithuanian non-life insurance market share measured by the gross written premium at the end of August 2025 was 29.5%, while the life insurance market share was 7.2%. PZU Group's share of the Estonian non-life insurance market reached 14.0% after three quarters of this year, and its share of the Latvian non-life insurance market stood at 29.3% at the end of the first half of the year.

On account of its activity in the Baltic states, PZU Group generated in the first three quarters of 2025 the operating profit of PLN 356 million compared with PLN 291 million in the same period the previous year.

Compared to Q3 2024, insurance revenue increased by PLN 146 million, i.e. +7.4% y/y (in functional currency up 9.1% y/y). Within revenues, there was an increase in the amortization of LRC as a consequence of a higher sales. Sales higher by PLN 104 million, i.e. +5.1% y/y (+6.7% y/y in functional currency), were generated in the non-life insurance segment chiefly as the effect of a growth in sales of property insurance (by 12.5% y/y in the functional currency) driven by an increase in the average premium and the number of insurance contracts, in health insurance (+13.0% y/y in functional currency) due to a higher number of policies, as well as in MTPL insurance (+3.9% y/y in functional currency) as a result of higher rates in corporate insurance and a larger number of policies in the mass segment.

In life insurance, sales increased by 7.1% y/y (8.8% y/y in functional currency). The higher level of insurance revenue was also triggered by a higher y/y level of premiums allocated to recovery of insurance acquisition cash flows as a consequence of growing sales.

Insurance service expenses adjusted by amounts due from reinsurers increased by PLN 89 million y/y (+5.3%). Non-life insurance business saw an increase by 5.1% y/y, which, with a 7.7% y/y increase in net insurance revenues, represents a 2.0 p.p. increase in profitability measured by the combined ratio (COR).

Within the framework of insurance service expenses, we noted:

- net compensation and benefits liabilities higher by PLN 49 million y/y;
- net run-off of prior years' claims reserves over the current projected value of payouts higher by PLN 7 million y/y;
- a change in the loss component with an impact of -PLN 1 million on the result from insurance services after three quarters of 2025, a y/y deterioration of PLN 6 million, as a result of the creation of a PLN 1 million higher new loss component and a PLN 5 million lower value of the loss component termination;
- a 4.5% y/y increase in administrative expenses, mainly due to higher personnel costs. At the same time, the segment's ratio of administrative expenses calculated to net insurance revenues decreased by 0.3 p.p. to 10.2%;
- PLN 32 million higher amortization of acquisition cash flow. The acquisition expense ratio was 18.5% recording a 0.2 p.p. y/y increase.

The net insurance finance income and expenses were -PLN 25 million, which means a change in expenses by +PLN 8 million y/y.

The result from investments stood at PLN 72 million, which means a decrease by PLN 3 million y/y.

16.7 Ukraine

As part of its operations in Ukraine, the PZU Group offers non-life insurance and life insurance products through the following companies: PZU Ukraina and PZU Ukraina Życie.

As a result of the outbreak of the war, operational activities since 24 February 2022, have been carried out by both companies on a very limited basis. In the areas affected by hostilities, all outlets are closed. Clients can buy selected groups of insurance remotely. Products available for sale include compulsory insurance: Green Card and motor TPL, as well as some voluntary insurance: motor MOD, non-life, health and travel. In the case of life insurance, there are sales of short-term products with limited risk.

The share in the Ukrainian non-life insurance market measured by the gross written premium stood at 4.3% at the end of condensed interim consolidated financial statements for the 6 months ended 2025, while the share in the life insurance market was 6.8%.

The Ukraine segment closed the first three quarters of 2025 with an operating profit of PLN 33 million, compared to a PLN 27 million profit at the end of September of the previous year.

Insurance revenue increased by PLN 11 million, i.e. 6.0% y/y and amounted to PLN 193 million (in the functional currency by an increase of +15.3% y/y). Year-on-year sales increased by PLN 51.2 million, or +26.7%, with an increase in functional currency of UAH 738.5 million, or 38.4% y/y. Non-life and other personal insurance sales declined by PLN 52.9 million, or +32.3%, with a 44.4% y/y increase in the functional currency, mainly as a result of increases in sales of motor TPL and MOD insurance (in total by 53.2% y/y), Green Card insurance (by 60.4% y/y) and accident insurance (in total by 51.5% y/y). Sales of life insurance products decreased by PLN 1.7 million, i.e. by 6.0% y/y (increase in the functional currency by 2.7% y/y).

Insurance service expenses adjusted by amounts due from reinsurers decreased by PLN 3 million y/y. Non-life insurance business saw an increase of PLN 3 million (1.9% y/y), which, with a 10.8% y/y increase in net insurance revenues, represents a 8.2 p.p. increase in profitability measured by the combined ratio (COR).

A decrease in the net insurance service expenses of the segment is a product of:

- net compensation and benefits liabilities higher by PLN 3 million y/y;
- the release of a PLN 7 million lower y/y net excess of prior years' claims reserves over the current projected value of payouts;
- a change in the loss component with an impact on the insurance service result of +PLN 2 million in the first three quarters of 2025, representing an improvement of PLN 8 million y/y, primarily due to the creation of a new loss component lower by PLN 10 million;
- a decrease in administrative expenses by 10.8% y/y (3.0% y/y in functional currency). The segment's ratio of administrative expenses calculated to net insurance revenues increased by 3.4 p.p. to 17.3%;
- 1 million lower amortization of acquisition cash flow (in functional currency, an increase of 7.5% y/y). The acquisition expense ratio was 26.7% recording a 2.3 p.p. y/y decrease.

Net insurance finance income and expenses remained at last year's level, amounting to -PLN 16 million.

The result from investments stood at PLN 33 million, down by PLN 9 million y/y.

16.8 Investment contracts

The segment includes PZU Życie products that do not transfer any significant insurance risk within the meaning of IFRS 17 and that do not meet the definition of an insurance contract, including some products with a guaranteed return and unit-linked. These products are recognized in accordance with the requirements of IFRS 9.

The PLN 12 million increase in operating profit was the impact of profit on sales of products with guaranteed sums insured.

16.9 Investments

The segment includes investments of free funds, i.e. the surplus of the investment portfolio over the level allocated to pay insurance liabilities of PZU and PZU Życie and the operating result of TFI PZU. In the first three quarters of 2025, the investment income increased, as compared to the corresponding period of 2024, by PLN 151 million (+43.6% y/y), which was mainly triggered by:

- higher performance of equity instruments in particular due to favorable market conditions as well as the gain from the sale of some of the stocks in the portfolio and stronger increases in the valuation of private equity funds;
- increase in income from debt portfolios in view of last year's sale of part of the portfolio and purchase of instruments at high yields in the market;
- higher swap point income from foreign currency derivatives in particular in the field of commercial real estate portfolio.

The impact of the above factors was partially offset by the negative effect of foreign exchange temporary differences on real estate.

Operating result in the investment segment amounted to PLN 370 million after the first three quarters of 2025, up by PLN 191 million y/y, particularly due to a higher result from investments in free funds.

16.10 Banking activity

The banking activity segment consists of the capital groups of Pekao and Alior Bank.

After the first three quarters of 2025, the banking activity segment generated PLN 8,939 million in operating profit (without amortization of intangible assets acquired as part of the transactions to take over the banks), which signifies an increase by PLN 450 million as compared to the corresponding period of 2024.

Pekao's contribution to the PZU Group's operating profit in the banking segment (net of the amortization of intangible assets acquired as part of the acquisition transaction) was PLN 6,742 million (+11.2% y/y), while Alior Bank's contribution was PLN 2,197 million (-9.5% y/y).

The y/y increase in Pekao's result was mainly due to higher interest income and commissions and fees result. The y/y decline in Alior Bank's result is mainly due to an increase in operating costs.

The key element of the segment's income is the investment income, which amounted to PLN 19,333 million in (+4.0% y/y). Investment income consists of: interest income, dividend income, trading result and result on impairment losses. Investment income after factoring in interest expense amounted to PLN 13,642 million (+8.7% y/y).

In the first three quarters of 2025, Pekao saw a y/y increase in interest income, mainly driven by higher volumes and a higher interest margin. At Alior Bank, interest income remained at a comparable level to that in the corresponding period of 2024. The first three quarters of 2024 results recognized costs related to the modification of agreements for PLN mortgage loans granted to consumers due to their suspension of loan repayments (the so-called moratorium periods) in Pekao and Alior Bank.

The total portfolio of loan receivables in both banks increased by PLN 13.7 billion (+5.9% y/y) at the end of three quarters of 2025 compared to the end of 2024. Growing accounts receivable from business clients contributed the most to the growth.

The value of allowances for expected credit losses and impairment losses on Pekao financial instruments totaled PLN 636 million, and was higher y/y by 25 million. The value of allowances for expected credit losses and impairment losses on financial instruments totaled PLN 301 million at Alior Bank, and was lower y/y by PLN 30 million.

Pekao's profitability achieved in the first three quarters of 2025, as measured by the net interest margin ratio, was 4.23%, an increase of 0.02 p.p. over the margin, excluding costs of recognition of the moratorium periods, achieved in the corresponding period of 2024. The value of Alior Bank's net interest margin in this period was 5.74%, down 0.34 p.p. compared to the corresponding period in 2024.

Net fee and commission income in the banking operations segment amounted to PLN 2,893 million, up 7.6% y/y in 2024, mainly due to an increase in commission income at Pekao thanks to higher commissions from mutual funds and brokerage activities, and as a result of improved sentiment in the capital markets.

The PZU Group's non-insurance operating expenses in the banking segment after the first three quarters of 2025 totaled PLN 7,016 million (+PLN 551 million y/y) and consisted of Bank Pekao's expenses of PLN 5,053 million (PLN 4,714 million after the first three quarters of 2024) and Alior Bank's expenses of PLN 1,963 million (PLN 1,751 million after the first three quarters of 2024). The 8.5% y/y increase in segment costs is mainly the result of an increase in fees to the Bank Guarantee Fund (BFG) (+PLN 176 million y/y, to PLN 455 million), rising third-party service costs and higher employee costs. At Pekao, the increase in BFG costs was due to the reinstatement of contributions to the bank guarantee fund, which had not been collected over the past two years, as well as an increase in the volume of guaranteed deposits. Tax on other financial institutions, which is one of the items of the PZU Group's non-insurance operating expenses, amounted to PLN 858 million (-PLN 22 million y/y) after the first three quarters of 2025 in the segment.

The cost of legal risk of foreign currency mortgage loans after the first three quarters of 2025 at Pekao was determined at PLN 376 million (up PLN 77 million y/y). The increase was mainly due to an updated forecast of a future influx of lawsuits from borrowers. At Alior Bank, legal provision costs for foreign currency mortgages amounted to PLN 103 million (up PLN 62 million y/y); the additional provision is related to an increase in the number of disputes and changes in model assumptions, in particular the change in assumptions regarding the target level of litigation cases.

In addition, other operating income and expenses with a negative balance of PLN -101 million contributed to the operating result (lower by PLN 154 million y/y), which was burdened, among other things, by the recognition of provisions for consumer protection issues at Pekao in the amount of PLN 109 million. The Cost/Income ratio was 35.5% for both banks (35% for Pekao and 38% for Alior Bank), or 1.1 p.p. more than in the corresponding period in 2024.

16.11 Pension insurance

The operating profit of the pension insurance segment after the first three quarters of 2025 amounted to PLN 118 million, which was 0.8% lower than in the same period of 2024, particularly as a result of an increase in PZU Group's non-insurance operating expenses by PLN 16 million due to a higher contribution to the Guarantee Fund. We also observed higher commission income by PLN 14 million, mainly in management fees, following higher average net asset value.

17. Impact of non-recurring events on operating results

In the first three quarters of 2025, PZU Group's result was burdened by non-recurring effects related to banking activities:

- legal risk costs of foreign currency mortgage loans at Bank Pekao in the amount of PLN 376 million;
- recognition of provisions for consumer protection issues at Pekao amounting to PLN 109 million.

In the first three quarters of 2024, the PZU Group's result was burdened by a one-time effect related to an above-normal number of mass damage caused by atmospheric events, mainly flooding, with a total impact on result from operating activities in the amount of -PLN 275 million.

Moreover, in the same period, the PZU Group's result was burdened by non-recurring effects related to banking activities:

- legal risk costs of foreign currency mortgage loans at Bank Pekao in the amount of PLN 299 million;
- costs related to the modification of agreements for PLN mortgage loans granted to consumers due to their suspension of loan repayments (the so-called loan repayment holidays), in the gross amount of PLN 234 million at Pekao Bank and PLN 62 million at Alior Bank.

18. Information on changes in economic circumstances and business conditions which have a material impact on the fair value of financial assets and liabilities

18.1 Macroeconomic environment

18.1.1. Gross domestic product

GDP growth rate in Q2 2025 accelerated to 3.3% y/y, compared to 3.2% y/y in Q1 2025.

Consumption remains the engine of growth. In Q2 2025, household consumption increased by 4.5% y/y (1.9 p.p. higher than in Q1 2025), and the contribution of private consumption to GDP growth amounted to 2.6 p.p. Consumption was supported by, among other factors, real income growth, declining inflation, lower interest rates and improving consumer sentiment. Public consumption also played a role, rising by 2.0% y/y in the second quarter and adding 0.5 p.p. to GDP growth. Investment, on the other hand, recorded a weaker result – in Q2 it was down by 0.7% y/y, compared to a 6.4% y/y increase a quarter earlier. As a result, this economic category subtracted 0.1 p.p. from GDP growth in the second quarter. The role of inventories declined slightly. The contribution of the changes in inventories to GDP growth was 1.0 p.p in Q2, down from 1.4 p.p. in Q1 2025. At the same time, the negative contribution to growth from net exports was reduced, amounting to -0.7 p.p. in Q2 compared to -0.9 p.p. in Q1 2025. This outcome was driven by a slowdown in the growth rate of imports (3.4% y/y, after 4.3% y/y in the first quarter) with a similar performance of exports (1.9% y/y and 2.1% y/y, respectively).

According to the initial, flash estimate by Statistics Poland (GUS), the pace of real GDP growth accelerated again in Q3 2025 to 3.7% y/y. We do not know the detailed structure of the growth, but the data published so far indicate that private consumption will remain the main driver of growth – although retail sales slowed slightly (to 4.3% y/y in Q3 after 5.8% y/y in Q2), the annual growth rate of private consumption will be supported by last year's relatively low base (just 0.2% on the upside). An improvement in investment compared to the second quarter is also expected. Although construction and assembly production in Q3 was disappointing, industrial production clearly accelerated, growing by 5.5% y/y in Q3, after 1.8% y/y in Q2, and detailed data show that this is largely due to the production of capital goods.

18.1.2. Labor market and consumption

The average wage in the enterprise sector in Q3 was PLN 8,854.61, nominally higher than a year ago by 7.1%, marking the lowest wage growth in this sector since the turn of 2020 and 2021. Although a temporary wage acceleration is evident in some months, among other things, due to calendar effects and shifts in the timing of variable components payments, the downward trend for wage growth persists. Weakening wage pressure is also confirmed by the NBP survey results, according to which the percentage of companies experiencing wage pressure fell to 61.5% in Q3 2025 (after 63.2% in Q2 and compared to a multi-year median of 66.5%).

Pressure on wages is also being eased by a cooling in labor demand, which is still evident in the statistics despite the rapidly growing economy. **Average employment in the enterprise sector** in Q3 2025 stood at 6,442 thousand full-time jobs, 1.3% lower than a year earlier. Relative to the second quarter, however, stabilization was observed. Although weaker labor demand also manifests itself in ongoing group layoffs, as well as less recruitment activity by companies, employment in the overall economy according to the latest available data for Q2 2025 still did not decline in year-on-year terms. This may indicate structural changes taking place, as well as shifts in the work forms and arrangements.

The weaker labor market conditions have not significantly affected **unemployment**. Admittedly, the registered unemployment rate in September 2025 had already reached 5.6%, 0.6 percentage points higher than a year ago, and the number of unemployed registered with labor offices at the end of September 2025 was 866,100, up 96,500 compared to September 2024. However, these figures do not indicate a worsening of the labor market situation; they are primarily the result of the implementation of a labor office reform, which has significantly reduced the number of de-registrations from unemployment, especially those resulting from failure to appear at the labor office on the scheduled date. Invariably, the situation in Poland remains relatively favorable compared to other EU countries – in September 2025, only the Czech Republic and Malta (3.0%) and Slovenia (3.1%) could boast a lower unemployment rate (seasonally adjusted, calculated according to a harmonized for the EU methodology).

The relatively stable labor market situation translates into consumer purchasing decisions. In the third quarter, retail sales at constant prices grew by 4.3% y/yr, following 5.8% y/y in the second quarter. Detailed data show a continued recovery in demand for durable goods, i.e. furniture and household appliances and consumer electronics or motor vehicles. Clothing and footwear sales also continue to perform very well.

18.1.3. Inflation, monetary policy, interest rates

Consumer goods and services prices growth rate slowed to 3.0% y/y in Q3 2025, compared to 4.1% y/y in Q2 2025 and 4.9% y/y in Q1 2025. The disinflation process was supported by, among other things, cheaper fuels (due to falling global oil prices and the weakening of the dollar) and continued intervention in electricity prices. The rate of growth in service prices is also gradually slowing, with September's rate of 5.8% y/y being the lowest since the end of 2019. Weakening price pressures were also confirmed by core inflation, the main measure of which slowed to 3.2% y/y in September 2025, reaching its lowest level in over five years. Despite the risks that still exist, inflation is expected to remain in the near term within an acceptable band for deviations from the NBP's inflation target (2.5% +/- 1 p.p.).

Favorable trends in inflationary processes have prompted the Monetary Policy Council to ease monetary policy. The MPC cut the reference rate three times – in May, July and September – by a total of 100 bps, bringing it down to 4.75%. Rate cuts also continued in the fourth quarter, by 25 bps in October and on the same scale in November 2025.

18.1.4. Public finance

According to the Statistics Poland's fiscal notification, **general government deficit** stood at 6.5% of GDP in 2024, after 5.2% of GDP in 2023, while according to preliminary data after the first half of 2025 it was 7.0% of GDP. On 26 July 2024, the EU Council decided to launch the excessive deficit procedure against Poland. The justification states that the general government deficit exceeding the reference value (3% of GDP) is not temporary, as confirmed by the 2024 figure. According to the EU Council Recommendation to Poland of 8 July 2025, the procedure was temporarily halted due to compliance with the Council's recommended rate of increase in net expenditures. The increase in the deficit last year was primarily due to an increase in defense spending and increases in salaries and benefits. According to the “Public Finance Sector Debt Management Strategy 2026–29”, the general government deficit is expected to gradually decrease from 2026 and reach 4.7% of GDP within the strategy's horizon.

The Budget Act for 2024 assumed a maximum **central government deficit** of PLN 184 billion, and after its October amendment, PLN 240.3 billion. In the end, the central government deficit at the end of 2024 amounted to PLN 210.9 billion, which was mainly the result of spending 32.1 billion less than planned. The central government deficit in 2025, according to the Budget Act for 2025, is expected to be PLN 288.8 billion, while the draft budget for 2026 assumes a value of PLN 271.7 billion.

According to the Statistics Poland's fiscal notification, **general government debt** increased to 55.1% of GDP in 2024, after 49.5% of GDP in 2023, while according to preliminary data after the first half of 2025 it was 58.1% of GDP. According to the “Public Finance Sector Debt Management Strategy 2026–29”, general government debt is expected to rise to 75.3% of GDP in 2029, while public debt is expected to exceed the threshold of 55% of GDP in 2028, which would mean triggering precautionary procedures in 2030 under the Public Finance Act.

18.1.5. Financial markets

On financial markets, the first three quarters of 2025 were driven by announcements and implementation of a new customs policy by Donald Trump's administration. Among the driving factors were also speculations regarding changes to interest rates and decisions of central banks on either side of the Atlantic as well as in Poland. As a result, the yields of German bonds fell in the short end of the curve owing to the ECB rates cuts, and rose in the long end amid fears of expenditure growth in Germany. At the same time, the yields of US bonds declined, thus discounting the September rates cut and expectations of their further cuts. The commodities market was highly volatile and ultimately appreciated in comparison with its position at the beginning of the year, chiefly driven by precious and industrial metals and by the livestock component of agricultural commodities. The stock markets rose, the Polish zloty strengthened against the US dollar and the euro, while the dollar weakened against the euro, in line with the intentions of US administration.

18.1.5.1. Bond market

Over the first three quarters of 2025, the yields of domestic bonds in the 5-10Y segment followed the comparable US bonds (in Q1 and Q2) and German bonds (in Q3), although for the latter less closely so. The 2Y segment responded in particular to NBP's rates cuts and its monetary policy narratives. In effect, between the end of 2024 and the end of the third quarter of 2025 the yields of the Treasuries declined as follows: 2Y from 5.17% to 4.26%, 5Y from 5.65% to 4.88%, and 10Y from 5.90% to 5.46%. The spread of domestic 10Y Treasuries against German 10Y bonds fell from 354 bps to 275 bps, and against US 10Y bonds fell from 132 bps to 130 bps (Macrobond data). The yields of Treasuries kept declining over the three quarters, with a short break in late April/early May; this decline was particularly marked in the 1Y-3Y segment. These developments occurred despite the deteriorating fiscal indicators and the anticipation of a downgrading of the outlook by rating agencies.

18.1.5.2. Equity market

In the first quarter of 2025, the stock markets rose on either side of the Atlantic. In Europe, the growth of market indices was fuelled by expectations of higher defence spending and rates cuts, while in the US by the still strong labor market. In the end of Q1/beginning of Q2 stock indices declined as markets discounted an expected deterioration of the US labor market and the implementation of new customs tariffs by Trump's administration. During the second and third quarters, the stock markets rebounded at uneven pace, in anticipation of rates cuts in the US and in response to decent outcomes from Europe, driven by increased industrial activity ahead of new tariffs. This process waned out towards the end of the third quarter, owing to negative news from the European industry and the US labor market. Poland followed the global trends but with changes of a larger scale. In effect, between the beginning of 2025 and the end of the third quarter, WIG gained 29% and WIG20 gained 33.7%, against the backdrop of hopes of an armistice in Ukraine.

18.1.5.3. Currency market

In the first quarter of 2025 the EUR/PLN and the USD/PLN exchange rates fell significantly, reflecting an improved stock sentiment, the announcement of a cessation of military activities in Ukraine and the weakening of US dollar against the euro. The second and third quarters of 2025 saw a reversal of the trend for the EUR/PLN rate and its continuation for the USD/PLN rate, against a backdrop of fears as to negative consequences of US administration's tariffs for the global economy as well as the weakening of US dollar against the euro. In consequence, between the end of 2024 and the end of Q3 2025 EUR/PLN shifted from 4,2730 to 4,2692, USD/PLN from 4,1012 to 3,6315, and EUR/USD from 1,0444 to 1,1741.

18.2 Risk factors which may affect the financial results in the subsequent quarters

Due to the scope of PZU Group's business (insurance sector in Poland, the Baltic States and Ukraine, mutual and pension funds sector and also banking sector), the key factors which will shape the environment in which the Group will operate and which may have a direct impact on the development and performance of the Group in the medium term, in particular in 2025, may be divided into the following three categories:

- macroeconomic and geopolitical factors;
- legal and regulatory factors;
- market factors, specific to individual sectors or businesses in which PZU Group operates.

Macroeconomic and geopolitical factors

The growth rate, level and structure of the key macroeconomic factors in Poland and abroad (GDP, inflation and interest rates) translate both into the growth rate of business in all sectors in which the PZU Group operates and into the profitability. They determine, directly or indirectly, albeit with a certain time lag, the dynamics of non-life insurance sales, as well as changes in demand for credit, accumulation of deposits and inflow of assets into funds. Moreover, they influence the claims ratio in non-life insurance and the investment result. They also determine the fund management results and key measures affecting the performance of the banking sector (net interest margin and costs of risk).

The key macroeconomic risk in 2025 now appears to be economic activity in Poland's external environment. Decisions by the Donald Trump administration regarding the American tariff policy could more strongly constrain global growth prospects, which given the competitiveness problems of the European economy and Chinese industrial expansion, could translate into the Old Continent's GDP performance. Weaker GDP growth rate in Poland's trading partners may in effect mean slower GDP growth than expected in Poland. In turn, increased infrastructure and armaments spending announced in Germany, as well as the loosening of fiscal rules by the EC to increase military spending in the EU, may work towards improving the country's growth prospects. Poland also still has a sizable amount of European funds to draw on, the growing inflow of which into the real economy should mitigate the negative effects of external shocks.

The economic situation in 2025 will continue to be largely shaped by geopolitical factors. The armed conflict between Russia and Ukraine, despite attempts to extinguish it, is still ongoing, with great uncertainty about the possibility and timing of a lasting peace agreement. In contrast, the conflict in the Middle East seems to have dimmed more strongly. Despite this, potential escalation in the aforementioned areas could generate price shocks in the hydrocarbon, food and commodity markets which are difficult to predict, along with risks associated with increased refugee flows. Geopolitical risks are also associated with the fragmentation of international economic cooperation and the ongoing erosion of multilateralism. These processes intensified after Donald Trump came to power in the US, including a drastic increase in tariffs by the US, to which China also responded. The potential consequences of these decisions on global trade flows and, as a result, the economic situation in individual economies, with a huge increase in uncertainty about the economic policies of major powers, are affecting the underlying financial markets, although recently to a lesser extent. This still has a significant impact on the situation on the Polish stock market, the exchange rate of the zloty or the profitability of Polish securities.

Nowadays, among the factors of macroeconomic risk, attention is increasingly drawn to the rapidly growing debt and government deficits that remain at relatively high levels, including in Poland and other EU countries. The debt increment comes at a time when large expenditures are needed for digital transformation and energy, as well as defense spending. Fiscal tensions may increase pressure on currency and bond valuations.

The risks associated with the development of artificial intelligence (AI) are also generating more and more discussion globally. While it is likely that the associated productivity benefits of AI to the global economy will be tangible, there is increasing talk about the low rate of return on investment in AI, especially when one considers the enormous costs that must be incurred in the infrastructure required to use it effectively (e.g., data centers, chips, energy). Research related to AI's impact on the labor market is also inconclusive. A sudden correction in the valuation of technology company stocks with a high concentration in this area could have wide-ranging implications, including for macroeconomic stability.

Market factors (specific to individual sectors)

In particular, in addition to chance events such as sudden floods, hail, torrential rain, hurricanes, cyclones, droughts, spring ground frosts, which due to the ongoing climate change are becoming more and more unpredictable and contribute to increasing loss rates in the property insurance sector, the following hazards also exist:

- in insurance:
 - higher growth of new car sales, mainly in the dealership channel and financed by leasing companies, may result in higher sales of motor insurance;
 - the greater number of cars and continued traffic may cause an increase in how often claims are made, and consequently an increase in the claims ratio, which will impact profitability of MTPL and MOD insurance;
 - strong price competition in motor insurance and deteriorating result in MTPL and MOD can be reflected in different pricing strategies, thus affecting the market share levels;
 - changes in trends and behavior of customers looking for personalized offerings and a fast, electronic way to conclude contracts and avail themselves of insurance service are forcing the need to adapt quickly to new expectations in order to maintain a competitive edge;
 - the development of non-motor insurance offerings by, among other things, providing customers with value beyond just insurance coverage will result in the further development of strategic partnerships between insurers and companies with large customer bases, as well as the creation of customer service ecosystems;
 - the growth of the construction industry, including the increase in infrastructure, mega-investments (nuclear power plant, wind farms in the Baltic Sea, Central Transport Port) and energy transition, in conjunction with the expected inflow of funds from with an expected influx of funds from the National Reconstruction Plan and EU funds for cohesion policy 2021-2027 may increase interest in contractual guarantees and construction insurance;
 - the increase in sums insured (due to inflation and the risk of underinsurance) for corporate as well as individual customers, so that these sums are updated and adjusted to the real value of the property insured might result in an increase in insurance premiums and claims payments that will ensure the full restoration of damaged or lost property;
 - climate change which result in, among other things, a greater range of crop species is grown by agricultural producers, which has a positive impact on crop rotation and biodiversity and may influence the development of subsidized agricultural insurance offerings;
 - the increase in the use of technology and artificial intelligence (AI) should result in the rapid growth of the cyber-insurance market – insurers focusing on offering comprehensive solutions that combine financial protection with prevention and incident response services;
 - better use of data due to technological developments and the use of artificial intelligence (AI) will allow the creation of more precise offerings and a better adjustment of price to risk, consequently, building a competitive edge;
 - an increase in mortality due to an aging population, and emergence of new epidemics or infectious diseases will contribute to an increase in claims and a reduction of the insurance portfolio (a decrease in the number of people insured);
 - demographic changes and the aging society as well as the ensuing changes in the current mortality and fertility levels lead to developing insurance offerings for senior citizens and higher demand for health and retirement insurance;
 - expansion of private health care as a consequence of the realization of health debt, demographic changes may translate into the rise in popularity of health insurance;
 - price pressure, in particular in group insurance, and the competition for client ownership (and client data) might cut the insurer's margins, reduces the scope (quality) of the product and fostering entry and exit obstacles for clients to overcome with independent intermediaries;
 - increasing insurance awareness, changes in client trends and behavior toward personalized life insurance offerings may result in the development of individual insurance, while limiting the potential for the development of group insurance in its current formula;

- the recommendations on insurance distribution implemented by the Financial Supervision Commission will translate into product value for the client;
- implementation of regulatory projects and higher insurance companies' operating costs may translate into higher insurance prices;
- increase in insurance fraud cases as a result of the more difficult situation in numerous industries causing growing unemployment;
- geopolitical tensions, particularly the ongoing Russia-Ukraine, which has a direct impact on insurance operations and results in Ukraine and on their results.
- in the area of health:
 - high demand for specialist physicians outstripping supply may slow the growth of health care facilities, as well as influence the margins they achieve;
 - inflationary pressures from affiliate medical networks and salary pressures exerted by doctors and other personnel serving patients in medical centers may directly affect the financial performance of PZU Zdrowie;
 - wage pressure combined with an increase in demand for medical services may result in limited ability of providing these services in selected medical centers – medical personnel may prefer/accept only facilities that meet higher employee compensation expectations;
 - changes in trends and expectations of clients, causing greater personalization of the offerings, may bring about the need to change processes and systems, which in turn may affect the bottom-line results achieved;
 - decrease in fertility rates, increase in mortality and morbidity rates, as well as the so-called “health debt” being the consequence of the fact that during the pandemic treatments for certain conditions (e.g., cardiovascular and oncology) were delayed, may translate into greater loss ratio in health products (e.g. in subscription plans or in health insurance);
 - the constant pressure on price in group insurance limits the ability to sell new health products that are add-ons to group insurance;
 - high competition in the health care services market in terms of both price and scope of the services affects the results;
 - high saturation of the market in larger cities and also staff shortages and lack of customer potential in smaller towns may slow down the development of the health offering;
 - potential modification of the valuation of outpatient specialist care services by the National Health Fund may cause significant changes in the financial results generated by medical centers;
 - social and economic consequences related to business restrictions due to the possible emergence of new epidemics could result in restrictions on the operation of medical facilities, which could significantly affect their performance;
 - stronger and/or more aggressive policy geared at the development of the network of own medical facilities by competitors may significantly affect the possibility of acquiring patients or the competitive position of PZU Życie medical operators in the long term.
- in the area of investments and retirement savings:
 - instability of the legal environment resulting in changes in laws, regulations and other legal acts and guidelines, as well as unforeseen changes in the regulations of the pension system, EPS, ECS;
 - Poland's economic growth dynamics and the performance of listed companies;
 - the economic situation of clients and their investment plans in the context of the high cost of servicing their debt associated with the persistently elevated inflation/interest rates;
 - potential reductions in interest rates, which could favorably affect the valuations of debt funds, which will become even more attractive to clients, not only corporate but also individual ones;
 - the climate on the capital market (in particular on the Warsaw Stock Exchange) which affects the value of the funds' assets, and the level of fees collected by pension fund companies for management;
 - work on enhancing the performance of the third pillar of the pension scheme, thus making it more attractive, and the influencing of the need in public awareness for accumulating additional savings for future retirement. Work on changes to the tax regulations on capital gains tax may also have a significant impact. The scale of the impact will depend on the introduced changes;

- the growing negative balance of cash flows between OFEs and ZUS resulting from the entry into the “zipper” mechanism of the vintages of fund members with the highest volume and those with the largest accumulated capital.
- in banking:
 - the economic situation in the European Union, which determines, among other things, the scale of exports of Polish companies;
 - the tax and regulatory environment, including in particular the change of the CIT rate, the existence of a tax on certain financial institutions, high equity requirements, contributions to Bank Guarantee Fund (BFG), costs of further adjustments to numerous regulatory solutions (e.g. MIFID II, GDPR, PSD II, MREL);
 - institutional environment and potential settlements by the Court of Justice of the European Union, the Supreme Court or other state institutions in particular on foreign currency mortgages, free credit sanctions, cash loans and consumers’ rights;
 - regulatory changes, in particular regarding the introduction of the Long-Term Financing Ratio, and an increase in the countercyclical buffer;
 - the scale of demand reported for banking services by clients;
 - ongoing consolidation and restructuring processes in the banking sector;
 - reform of the reference index, i.e., replacing the WIBOR index with a new index;
 - geopolitical events, including the ongoing armed conflict in Ukraine, conflicts in the Middle East and migratory movements of people;
 - development of banking services offered by non-regulated entities;
 - the pace of implementation of projects co-financed by EU funds, especially under the National Recovery Plan.

Legal and regulatory factors

Insurance

An important issue for PZU, from the point of view of a potential merger transaction with Pekao, is an amendment to the Act on Insurance and Reinsurance Activity and the Banking Law, a draft of which is currently at the stage of work in the Council of Ministers. The goals of the draft include: (i) allowing a bank to merge with a non-bank joint stock company belonging to the same group as the bank; (ii) allowing the division of an insurance company and a reinsurance company doing business in the form of a joint-stock company and specifying the rules for such division; (iii) regulating the transition of registration in the register of agents in the event of the division of an insurance company. If these solutions do not come into effect, it will not be possible to carry out the merger of PZU and Pekao as specified by the parties in the Term Sheet.

Insurance companies face a number of legal and regulatory challenges in 2025, especially in the context of EU regulations on the revision of Solvency II, the IRRD, the AI Act, as well as national regulations, in particular, KNF’s draft recommendation on insurance distribution. This will mean having to adapt practices to the new regulations and may involve necessary investment in advanced IT systems.

As of 17 January 2025, the Regulation on digital operational resilience for the financial sector (DORA) is in effect, which imposes ICT risk management obligations on insurance companies. Insurers face a number of challenges on adapting procedures and contracts to the extent required by these regulations, as well as new reporting obligations.

Also coming into force in 2025 is the Artificial Intelligence Act (AI Act), which was published on 1 August 2024, and introduces a comprehensive legal framework for AI systems to ensure their safe and ethical use. Insurance companies will have to carefully review the systems they use to ensure they meet the AI Act’s definition of AI. This requires identifying which technologies fall within the scope of the Regulation, which can be a challenge due to the variety of solutions in use and possible definition issues.

In insurance, what is also important is the Regulation of the Minister of Finance of 10 February 2025 on specific rules related to the investment by the insurance company of assets from life insurance contracts in which the investment risk is incurred by the policyholder; The regulation will have a significant impact on the operations of life insurance companies offering contracts with unit-linked products. In particular, it will require a detailed analysis and possible adjustment of the current unit-linked investment policies used by individual insurance companies. Such adjustment will require particular changes on the IT side, as

well as adjustments of the currently implemented investment strategies offered under life insurance contracts with unit-linked funds.

Insurance companies will also have to implement the requirements set forth in the Act on ensuring that businesses satisfy accessibility requirements for certain products and services. The challenges of preparing for the implementation of the Pay Transparency Directive and the Directive on improving the gender balance among directors of listed companies, will also be an important issue.

Although such EU regulations as the revision to Solvency II, AML or the IRRD, which were published on 8 January 2025, will be in force as of 2027, they are already analyzed and worked on to prepare for their application, which requires committing adequate resources and making preparations to implement changes in systems.

As regards the soft law, in February 2025, the KNF submitted a draft **recommendation on insurance distribution for public consultation**. The draft recommendation defines the issues that are most important from the view of the KNF, as related to insurance distribution by insurance companies. The recommendations are intended to replace the 24 June 2014 guidelines for insurance companies on insurance distribution. The recommendations will be applied to both individual and group insurance contracts.

Regarding case law, on 24 September 2025 the Supreme Court adopted a resolution (ref. III CZP 32/24) concerning the method of determining the amount of compensation under MTPL insurance based on hypothetical repair costs. According to this resolution, the injured party may receive compensation based on an estimate, even if the vehicle has not been repaired. However, the insurance company cannot automatically reduce the repair valuation by discounts on parts or paint materials negotiated with so-called partner networks. Such reductions are only permissible if the discounts are generally available and do not prejudice the interests of the injured party. This ruling strengthens the position of the injured party which may increase costs for insurance companies.

Investments and retirement

In 2025, the PZU Group faces a number of regulatory challenges in the areas of investments and pensions due to dynamic changes in the legal, economic and technological environment. In particular, an important issue is the changes in the national pension system, including the introduction of new regulations on Employee Capital Plans (PPK) and Employee Pension Plans (PPE).

Banking

Credit payment holidays, which allowed the suspension of mortgage payments, will not continue in 2025. Borrowers were able to take advantage of this support for the last time between 1 September and 31 December 2024.

The “Bezpieczny kredyt 2%” was discontinued in early 2024. Work on the support program intended to replace it (“First Keys”) has been discontinued. It is unclear whether any government support program aimed at facilitating home purchases will be launched.

The Sejm has passed an amendment to the Corporate Income Tax Act and the Act on the Tax on Certain Financial Institutions. According to the legislation, the CIT rate for banks, currently set at 19%, will be increased to 30% in 2026, 26% in 2027, and 23% from 2028 onwards. At the same time, the law reduces the so-called bank tax for banks. The government expects that the additional CIT revenue, after accounting for the reduction in the bank tax, will amount to PLN 14.8 billion over the next 10 years. If implemented, this measure is likely to have a negative impact on bank profits, including those within the PZU Group.

In H2 2025, rulings of the Court of Justice of the European Union (CJEU), the Supreme Court or other state institutions will continue to be key, particularly on foreign currency mortgages, free credit sanctions and cash loans. On 13 February 2025, the CJEU ruled in case number C-472/23 on aspects of the application of free credit sanctions, leaving a wide margin of discretion to national courts hearing individual cases.

Risk management and sustainable finance

Regulations on sustainable finance, climate change and environmental protection are contributing to the increased burden on financial institutions. Starting in 2025, PZU publishes ESG reports in accordance with the Corporate Sustainability Reporting Directive (CSRD). Companies subject to CSRD are required to report a range of ESG indicators in accordance with the uniform standards referred to as the European Sustainability Reporting Standards (ESRS). This means collecting and compiling a range of additional data for reporting purposes.

Based on the experience gained from applying the sustainable finance regulations, work is currently underway to amend these rules as part of the European Commission's package aimed at reducing administrative burdens for businesses in the European Union. The changes are intended, among other things, to limit the number of companies required to prepare sustainability reports and to reduce the scope of data to be reported.

19. Management Board's position on previously published forecasts

PZU did not publish standalone or consolidated forecasts.

20. Issues, redemptions and repayments of debt securities and equity securities

During 9 months ended 30 September 2025 PZU did not issue, redeem or repay any debt or equity securities.

20.1 Pekao

On 4 March 2025, Pekao Management Board passed a resolution on the early redemption of the series SN1 senior non-preference bonds issued on 3 April 2023 (SNP Series SN1 Bonds). The early redemption took place on 3 April 2025 and covered all issued SNP Series SN1 Bonds (1,500 units with a total nominal value of PLN 750 million).

On 4 April 2025, Pekao Management Board adopted a resolution to issue series E subordinated capital bonds, referred to in Article 27a(1)(b) of the Bond Law of 15 January 2015, with a nominal value of PLN 0.5 million each and a total nominal value of PLN 750 million. The issuance was carried out pursuant to a resolution of Pekao Management Board of 19 March 2025.

The bond offer was produced on the basis of exception to prepare prospectus under Article 1(4)(a) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published in connection with a public offering of securities or their admission to trading on a regulated market and repealing Directive 2003/71/EC by addressing the offer to qualified investors only within the meaning of the Article 2(e) of the Regulation.

On 23 April 2025, Pekao received approval from the KNF to classify the bonds as Tier II instruments. The interest rate on the bonds will be variable, based on WIBOR 6M as a benchmark plus a margin of 1.85%. The redemption date will be 4 April 2035, subject to possible early redemption, provided that the prerequisites for such redemption are met, including in particular those set forth in Articles 77 and 78 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012. The bonds were introduced into the Catalyst alternative trading system operated by the GPW.

On 4 June 2025, Pekao issued 6-year senior non-preferred eurobonds with the total nominal value of PLN 500 million. The eurobonds have an option giving Pekao the right to redeem them early within 5 years from the date of issue, subject to approval by the BGF. The eurobonds, in accordance with Art. 97A.1.2 of the BGF Act, are Pekao's eligible liabilities. The SNP eurobonds were issued under the EMTN Program and were admitted to trading on the regulated market of the Luxembourg Stock Exchange and on the regulated market of the WSE.

On 23 September 2025, Pekao issued 7-year senior preferred green bonds with the total nominal value of PLN 500 million. The SP eurobonds have an option giving Pekao the right to redeem them early within 6 years from the date of issue, subject to approval by the BGF. SP eurobonds, in accordance with Art. 97A.1.2 of the BGF Act, are Pekao's eligible liabilities. The SP eurobonds were issued under the EMTN Program and were admitted to trading on the regulated market of the Luxembourg Stock Exchange and on the regulated market of the WSE.

20.2 Alior Bank

On 17 June 2025, Alior Bank issued 800 series R bearer bonds (Senior Non-Preferred bonds, i.e., obligations of the sixth category referred to in Article 440(2)(6) of the Bankruptcy Law) with a nominal value of PLN 500 thousand each and a total nominal value of PLN 400 million. The issuance was carried out pursuant to a resolution of Alior Bank Management Board of 28 May 2025.

R series bonds bear interest at a variable rate that is the sum of WIBOR 6M and a margin of 1.95% per year. The redemption date for these bonds is 17 April 2029, with Alior Bank having the right to redeem them early starting 17 April 2028. The bonds were introduced into the Catalyst alternative trading system operated by the GPW.

Series R bonds, pursuant to Article 97a(1)(2) of the BFG Act, constitute eligible liabilities of Alior Bank (so-called MREL bonds).

On 26 June 2025, Alior Bank carried out early redemption of 1,000 series M bonds with a total nominal value of PLN 400 million, issued on 26 June 2023.

On 30 October 2025, Alior Bank issued 900 series S bearer bonds. (eligible liabilities within the meaning of Article 97a(1)(2) of the Bankruptcy Law and liabilities from which the face value of the bonds will constitute liabilities belonging to category three, subcategory four, referred to in Article 440(2)(3)(d) of the Bankruptcy Law, and of which the interest on the bonds will constitute liabilities belonging to category four, subcategory one, as referred to in Article 440(2)(4)(a) of the Bankruptcy Law, with a nominal value of PLN 500 thousand each and a total nominal value of PLN 450 million. The issuance was carried out pursuant to a resolution of Alior Bank Management Board of 15 October 2025.

S series bonds bear interest at a variable rate that is the sum of WIBOR 6M and a margin of 1.50% per year. The redemption date for these bonds is 19 October 2029, with Alior Bank having the right to redeem them early starting 19 October 2028 and after complying with the regulatory requirements. Alior Bank will apply for introducing bonds to the alternative trading system operated by the WSE.

21. Payment default or violation of material regulations of the loan agreement

During 9 months ended 30 September 2025 neither PZU nor PZU subsidiaries failed to repay any loans or borrowings or violated any material regulations of loan agreements without remedy actions taken till the end of the reporting period.

22. Distribution of the parent company's profit and dividends

Only the profit recognized in the individual financial statements of the parent company prepared in accordance with the PAS is subject to distribution.

On 25 June 2025 the PZU Ordinary Shareholder Meeting distributed PZU's net profit for the year ended 31 December 2024 in the amount of PLN 3,877 million, increased by PLN 1,080 million moved from supplementary capital created from the net profit for the year ended 31 December 2023, i.e. in total PLN 4,957 million, by allocating:

- PLN 3,860 million (i.e. PLN 4.47 per share) to dividends;
- PLN 1,089 million to the supplementary capital;
- PLN 8 million to the Company Social Benefit Fund.

The dividend record date was 25 September 2025 and the dividend was paid out on 16 October 2025.

The profit distribution was consistent with the PZU Group's Capital and Dividend Policy for 2025–2027, as adopted on 2 December 2024, and took into account the recommendations contained in the Polish Financial Supervision Authority's (KNF) position on the dividend policy in 2025 issued on 10 December 2024.

23. Disputes

The PZU Group entities participate in a number of litigations, arbitration disputes and administrative proceedings. Typical litigations involving the PZU Group companies include disputes pertaining to concluded insurance contracts, foreign currency loan agreements, disputes concerning labor relationships and disputes relating to contractual obligations. Typical administrative

proceedings involving the PZU Group companies include proceedings related to the possession of real properties. Such proceedings and litigation are usually of a typical and repetitive nature and usually no particular case is of material importance to the PZU Group.

The majority of disputes involving the PZU Group companies are carried out with participation of the following four companies: PZU, PZU Życie, Pekao and Alior Bank.

Estimates of the provision amounts for individual cases take into account all information available on the date of signing the condensed interim financial statements, however their value may change in the future. The insurance company takes disputed claims into account in the process of establishing technical provisions for known losses, considering the probability of an unfavorable outcome of the dispute and estimating the probable awarded amount.

As at 30 September 2025, the total value of disputes in all 230,240 cases (31 December 2024: 246,667 cases) pending before courts, arbitration bodies and public administration authorities in which PZU Group entities take part, was PLN 17,987 million (as at 31 December 2024: PLN 17,088 million). This amount included PLN 13,234 million (as at 31 December 2024: PLN 12,346 million) relating to liabilities, and PLN 4,753 million (as at 31 December 2024: PLN 4,742 million) relating to receivables of PZU Group companies.

During 9 months ended 30 September 2025 and till the date of the abridged mid-year consolidated financial statements, PZU Group companies were no parties to any pending proceedings before courts, competent arbitration authorities or public authority authorities concerning liabilities or receivables of PZU or PZU's direct or indirect subsidiaries whose unit value would be material, except for issues described above.

23.1 Resolutions of the Ordinary Shareholder Meeting of PZU to distribute the profit earned in the financial year 2006

On 30 July 2007, an action was brought by Manchester Securities Corporation ("MSC") with its registered office in New York against PZU to repeal Resolution No. 8/2007 adopted by the Company's Ordinary Shareholder Meeting on 30 June 2007 to distribute PZU's profit for the financial year 2006 as contradicting good practices and aimed at harming the plaintiff as a shareholder of PZU.

The challenged resolution of the PZU Ordinary Shareholder Meeting distributed the 2006 net profit of PLN 3,281 million as follows:

- PLN 3,261 million was transferred to the supplementary capital;
- PLN 20 million was transferred to the Social Benefit Fund.

In its judgment of 22 January 2010, the Regional Court in Warsaw repealed the aforementioned resolution adopted by PZU Ordinary Shareholder Meeting in its entirety. PZU has used all the available appeal measures, including a cassation appeal to the Supreme Court which, on 27 March 2013, dismissed the cassation appeal. The judgment is final and non-appealable.

PZU believes that repealing the aforementioned resolution of the PZU's Ordinary Shareholder Meeting will not give rise to shareholders' claim for a dividend payout by PZU.

As the judgment repealing resolution no. 8/2007 became final, on 30 May 2012, Ordinary Shareholder Meeting of PZU adopted a resolution to distribute the profit for the financial year 2006 in a manner that reflects the distribution of profit in the repealed resolution no. 8/2007. MSC filed an objection against the resolution of 30 May 2012 and the objection was recorded in the minutes.

On 20 August 2012, a copy of a statement of claim filed by MSC with the Regional Court in Warsaw was delivered to PZU. In the statement of claim, the Manchester Securities Corporation demanded that the resolution on the distribution of profit for the financial year 2006 adopted on 30 May 2012 by the PZU Annual Meeting be repealed. According to the plaintiff, the value of the litigation is PLN 5 million. PZU then submitted a statement of defense requesting to dismiss the statement of claim in its entirety.

On 17 December 2013, the Regional Court passed a judgment in which it accepted the claim in its entirety and awarded the costs of proceedings from PZU to MSC. On 4 March 2014, PZU filed an appeal against the above judgment, contesting it in its entirety. On 11 February 2015, the Appellate Court in Warsaw handed down a judgment that changed the judgment of the Regional Court of 17 December 2013 in its entirety, dismissed MSC's claim and charged MSC with the court expenses. The Appellate Court's judgment is final and non-appealable. MSC challenged the Appellate Court's judgment in its entirety in a cassation appeal of 9 June 2015. PZU filed its reply to the cassation appeal. By decision of 19 April 2016, the Supreme Court refused to review MSC's cassation appeal. According to the provisions of the Code of Civil Procedure, the Supreme Court's ruling is final non-appealable and ends the proceedings in the case.

In the meantime, on 16 December 2014, MSC requested PZU to pay PLN 265 million as compensation in connection with repealing Resolution No. 8/2007 adopted by the PZU Ordinary Shareholder Meeting on 30 June 2007 to distribute PZU's profit for the financial year 2006. PZU refused to carry out the performance on account of its groundlessness.

On 23 September 2015, a copy of the statement of claim with attachments was delivered to PZU in the case launched by MSC against PZU for payment of PLN 169 million with statutory interest from 2 January 2015 to the date of payment and the costs of the trial. The lawsuit includes a claim for damages for depriving MSC and J.P. Morgan (MSC acquired the claim from J.P. Morgan) as minority shareholders of PZU of their share in profits for the financial year 2006 in connection with the adoption of Resolution No. 8/2007 on 30 June 2007 by the PZU Ordinary Shareholder Meeting. The case is pending before the Regional Court in Warsaw. On 18 December 2015, PZU's attorney submitted a statement of defence, requesting to dismiss the claim in its entirety. On 1 April 2016, MSC filed a pleading in which it responded to PZU's assertions, allegations and requests, and raised new arguments in the case. On 30 June 2016, PZU filed a response to MSC's most recent pleading along with requests for evidence. In its decision of 21 July 2016, the Court referred the case to a mediation procedure, to which PZU did not agree. In subsequent court sessions, evidentiary hearings have taken place.

On 6 April 2022, the Regional Court in Warsaw issued a ruling admitting evidence in the form of an opinion to determine the amount of the damage sustained by MSC and J.P. Morgan, in the form of loss of profit, as a result of the adoption of Resolution No. 8/2007 by the PZU Shareholder Meeting on 30 June 2007, excluding from distribution the profit for the 2006 financial year and the non-payment of this profit in 2007. On 4 September 2025, PZU received an expert opinion. In this opinion, the expert stated that MSC and JP Morgan did not suffer any economic loss in connection with the retention of PZU's profit by the Shareholder Meeting under resolution 8/2007. MSC submitted a letter disagreeing with the expert's opinion and requested, among other things, that the Court appoint another expert or team of experts to issue an opinion on the same circumstances. PZU submitted a letter supporting the expert's opinion and requested that most of the requests made in MSC's letter be dismissed.

The Management Board of PZU believes that MSC's claims are groundless. As a result, as at 30 September 2025, no changes were made to the presentation of PZU's equity that could potentially stem from the repeal of the resolution 8/2007 adopted by PZU's Ordinary Shareholder Meeting on distribution of profit for the financial year 2006, including the line items "Supplementary capital" and "Retained earnings (losses)", and the funds in the Company Social Benefit Fund were not adjusted.

Other demands for payment pertaining to the distribution of PZU's profit for the 2006 financial year

On 13 November 2018 the Regional Court in Warsaw served a copy of the statement of claim lodged by Wspólna Reprezentacja SA in restructuring, which pertained to a claim against PZU for payment of PLN 34 million with statutory interest from 1 October 2015 to the payment date with court expenses. The claim comprises a claim for payment of damages for depriving the shareholders of their share of profits for the 2006 financial year. The plaintiff claims that the claims for damages were transferred by the shareholders to the plaintiff based on mandate agreements together with a fiduciary transfer of receivables and the claim pursued by the statement of claim is the total damage caused to the shareholders. PZU does not accept the claims as unjustified, and submitted its statement of defense, requesting the action to be dismissed in its entirety. PZU did not consent to mediation. In subsequent court sessions, evidentiary hearings have taken place.

23.2 Court proceedings on the free credit sanction

On 13 February 2025, the CJEU issued a ruling on aspects of the application of free credit sanctions. The CJEU has left a wide margin of discretion to national courts hearing individual cases.

As at 30 September 2025, 5,238 (as at 31 December 2024: 3,394) court proceedings were pending against the PZU Group with a total litigation value of PLN 212 million (as at 31 December 2024: PLN 134 million).

The PZU Group disputes the validity of the claims raised in these cases and will monitor the development of CJEU case law and national courts on matters of free credit sanctions and analyze the impact of these rulings on the PZU Group's position in pending litigation.

The value of the provision on this account as at 30 September 2025 is PLN 91 million (as at 31 December 2024: PLN 51 million).

23.3 Lawsuits against Alior Bank

23.3.1. Class action

Alior Bank is a defendant in one class action case (suit was filed on 5 March 2018) brought by an individual representing a group of 320 natural and legal persons and 3 individual cases to rule Alior Bank's liability for a loss caused by the improper performance of Alior Bank's disclosure obligations to clients and improper performance of agreements to provide services of accepting and forwarding purchase or sale orders of investment certificates of mutual funds managed previously by Fincrea TFI SA and currently by Raiffeisen Bank International AG (Spółka Akcyjna) Branch in Poland (Funds). On 8 March 2023 the Regional Court in Warsaw decided to define the composition of the group. This ruling was not final as at the date of these condensed interim consolidated statements. The value of the subject matter of the extended lawsuit is around PLN 104 million.

The lawsuits were filed to establish liability (not for payment, i.e. damages), so the PZU Group does not expect any cash outflow from these proceedings other than litigation costs, which it estimates at PLN 600,000.

23.3.2. Other lawsuits

Alior Bank is also a defendant in 169 cases brought by purchasers of the Funds' investment certificates for payment (damages). The total value of disputes in those cases is PLN 55 million.

In the PZU Group's opinion, each payment case requires an individual approach. After analysis and selection of cases, those were singled out in which certain risk factors justify the establishment of a provision. The total value of the provision as at 30 September 2025 was PLN 68 million (as at 31 December 2024: PLN 72 million).

24. Evaluation of the PZU Group companies' standing by rating agencies

Issuer rating

Since 2004, PZU and PZU Życie have been subject to regular reviews by the rating agency of S&P Global Ratings (S&P). The rating assigned to PZU and PZU Życie results from an analysis of financial data, competitive position, management and corporate strategy of both companies as well as the sovereign rating. It also includes a ratings outlook, or an assessment of the Company's future position in the event that specific circumstances occur.

Current rating

A- /Positive/

Last affirmation and outlook

On 28 May 2024, the rating agency of S&P Global Ratings (S&P) raised the rating outlook of PZU from "stable" to "positive". The financial strength and credit ratings of PZU have remained at A- since 21 January 2016.

On 23 May 2025, S&P affirmed the financial strength and credit strength ratings for PZU and its main subsidiaries at "A-". The outlook remained unchanged (positive).

The table below depicts the most recent change to the S&P rating outlook for PZU and PZU Życie.

Company name	Rating and outlook	Last change	Previous rating and outlook	Last change
PZU				
Financial strength rating	A- /Positive/	28 May 2024	A- /Stable/	6 April 2020
Credit rating	A- /Positive/	28 May 2024	A- /Stable/	6 April 2020
PZU Życie				
Financial strength rating	A- /Positive/	28 May 2024	A- /Stable/	6 April 2020
Credit rating	A- /Positive/	28 May 2024	A- /Stable/	6 April 2020

Poland's rating

On November 7, 2025, the S&P rating agency decided to affirm the rating at A- and A-2 for long- and short-term liabilities in foreign currencies, respectively, and at A and A-1 for long- and short-term liabilities in the domestic currency, respectively. The rating outlook remained stable.

Poland	Rating and outlook	Last change	Previous rating and outlook	Last change
Credit reliability rating (long-term, local currency)	A /stable/	12 October 2018	A- /positive/	13 April 2018
Credit reliability rating (long-term, foreign currency)	A- /stable/	12 October 2018	BBB+ /positive/	13 April 2018
Credit reliability rating (short-term, local currency)	A-1	12 October 2018	A-2	13 April 2018
Credit reliability rating (short-term, foreign currency)	A-2	13 April 2018	A-2	13 April 2018

Source: S&P Global Ratings

25. Related party transactions

25.1 Transactions made by PZU or PZU's subsidiaries with related parties otherwise than on an arm's length basis

During the 9-month period ended 30 September 2025, neither PZU nor its subsidiaries entered into material transactions with related parties on terms other than at arm's length.

25.2 Transactions with State Treasury and State Treasury's related parties

The PZU Group's transactions with the State Treasury and State Treasury's related entities were primarily related to non-life insurance, treasury securities operations and banking services. Such transactions are concluded and settled on terms and conditions available to customers, who are not related parties. In terms of disclosing transactions with related parties, the PZU Group applies the exemption from the provisions of IAS 24, item 25.

Under the decision of KNF, PZU Group was identified as a financial conglomerate within the meaning of the Act of 15 April 2005 on Supplementary Oversight over Credit Institutions, Insurance Undertakings, and Investment Firms Comprising a Financial Conglomerate.

Also under a decision of the KNF, PZU, as the leading entity in the financial conglomerate, was required to report periodically to the supervisory authority on significant concentration of risk in the financial conglomerate, with concentration exceeding the level of 4.5% of the financial conglomerate's own funds considered significant in the counterparty area by the supervisory authority. In order to fulfill its reporting obligation, the PZU Group obtains information from the regulated entities of the financial

conglomerate, in particular Pekao and Alior Bank. Information analyzed by PZU for the purpose of preparing the report on significant concentration of risk was used to prepare the following disclosure on transactions with Treasury affiliates regarding gross credit exposure and off-balance sheet commitments granted in the banking business.

The value of State Treasury or Treasury-guaranteed bonds held by PZU Group units was PLN 142,381 million as at 30 September 2025 (as at 31 December 2024: PLN 123,133 million).

The value of liabilities (less receivables) to the State Treasury under corporate income tax amounted to PLN 622 million as at 30 September 2025 (as at 31 December 2024: PLN 1,806 million).

The balance of cash in accounts with the National Bank of Poland amounted to PLN 11,457 million as at 30 September 2025 (as at 31 December 2024: PLN 8,970 million).

The tables below present information on balances resulting from the largest transactions with Treasury-related parties. The exposure is presented to the extent reportable under financial conglomerate concentration risk.

Information on balances resulting from the most significant transactions with Treasury-related parties	Receivables from loans, borrowings and debt financial instruments 30 September 2025
Client 1	1,285
Client 2	911
Client 3	863
Client 4	850
Client 5	462
Client 6	307
Client 7	233
Client 8	221
Client 9	180
Client 10	177

Information on balances resulting from the most significant transactions with Treasury-related parties	Receivables from loans, borrowings and debt financial instruments 31 December 2024
Client 1	1,866
Client 2	1,262
Client 3	1,156
Client 4	1,151
Client 5	934
Client 6	538
Client 7	254
Client 8	229
Client 9	203
Client 10	58

Information on balances resulting from the most significant transactions with Treasury-related parties	Off-balance sheet liabilities granted 30 September 2025
Client 1	3,334
Client 2	2,537
Client 3	2,302
Client 4	1,597
Client 5	1,400
Client 6	851
Client 7	476
Client 8	241
Client 9	178
Client 10	107

Information on balances resulting from the most significant transactions with Treasury-related parties	Off-balance sheet liabilities granted 31 December 2024
Client 1	2,762
Client 2	2,489
Client 3	1,866
Client 4	1,366
Client 5	1,151
Client 6	848
Client 7	205
Client 8	189
Client 9	125
Client 10	101

Premiums from the most significant insurance contracts concluded with Treasury-related parties	Premium 1 January – 30 September 2025
Client 1	157
Client 2	112
Client 3	71
Client 4	54
Client 5	53
Client 6	49
Client 7	48
Client 8	33
Client 9	22
Client 10	21

Premiums from the most significant insurance contracts concluded with Treasury-related parties	Premium 1 January – 30 September 2024
Client 1	120
Client 2	105
Client 3	103
Client 4	98
Client 5	49
Client 6	48
Client 7	40
Client 8	38
Client 9	37
Client 10	19

25.3 Other related party transactions

Balances and turnovers resulting from commercial transactions between the PZU Group and related parties	1 January – 30 September 2025		1 January – 30 September 2024	
	Key management	Other related parties ¹⁾	Key management	Other related parties ¹⁾
Insurance revenue	-	-	-	-
Other revenue	-	2	-	1
Costs	-	15	-	27

Balances and turnovers resulting from commercial transactions between the PZU Group and related parties	30 September 2025		31 December 2024	
	Key management	Other related parties ¹⁾	Key management	Other related parties ¹⁾
Loan receivables from clients (including finance lease receivables)	-	-	-	-
Other receivables	-	1	-	1
Liabilities under deposits	-	132	2	39
Other liabilities	-	5	-	7
Contingent assets	-	-	-	-
Contingent liabilities	-	2	-	2

¹⁾ Associates accounted for using the equity method.

At the stage of acquisition of the shares in Alior Bank and Pekao, respectively (“banks”), PZU filed with KNF the Representations on Liabilities referred to in Article 25h(3) of the Banking Law, according to which, acting as a strategic investor, it should ensure, without limitation, that:

- the banks will be managed in such a way as to maintain at all times liquidity, own funds and solvency ratios on a stable level as required by the law, guaranteeing the Banks’ ability to satisfy their liabilities;
- appropriate capital support without undue delay in the event of a decline or threat of decline of capital adequacy ratios or liquidity of the Banks below the level required by the law and regulations and recommendations of Polish banking regulatory authorities. Each support for the Banks, however, requires PZU’s analysis aimed to maintain the trust to PZU, through maintaining, even in a crisis situation, a high level of solvency of PZU and the PZU Group as a whole;
- as part of the powers vested in PZU as a shareholder, all decisions pertaining to dividend payout and reinvestment of the Banks’ profits will take into account the Banks’ development needs and stability and safety of the funds deposited in the Banks by their clients. In particular, in a situation when the banks’ liquidity or capital position required by law or recommendations of competent banking regulatory authorities for the banking sector in Poland are at threat, no dividend will be paid out, and retained earnings will be allocated for increasing the Banks’ own funds.

26. Other information

26.1 PZU and Pekao Group reorganization

On 2 June 2025, PZU and Pekao (PZU together with Pekao hereinafter referred to as the Parties) signed a memorandum of cooperation (the "Memorandum of Cooperation") providing for the establishment of a joint project to prepare, subject to appropriate legislative changes, a transaction consisting in:

- conducting a demerger of PZU, leading to the separation of operations into a fully owned subsidiary of PZU, resulting in PZU becoming a holding company, and then
- the merger of PZU, as the acquired company, with Pekao, as the acquiring company (the "Potential Transaction").

According to the Memorandum of Cooperation, it is the intention of the Parties to complete the Potential Transaction, i.e. the merger of Pekao and PZU, following the spin-off of its operations, by 30 June 2026, with the signing of the Memorandum of Cooperation being part of the initial stage of work on the preparation of the Potential Transaction, which the Parties expect to result in:

- ultimately, simplification of the group's ownership structure, and simplification of its corporate governance;
- increasing the efficiency of the bancassurance model;
- ultimately, reorganization of the group with one listed entity remaining (i.e., Pekao, with the inclusion of PZU after it becomes a holding company);
- achieving revenue synergies;
- creating a financial group with a highly diversified revenue structure and strong and stable dividend potential, and
- the possibility of applying regulations under Article 49 of the CRR Regulation, which was confirmed by the entry into force of on 1 January 2025 of the provisions of Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 (the "CRR 3 Regulation"), at the group level (generating a significant capital surplus), as well as optimization of solvency requirements modified by the provisions of Directive (EU) 2025/2 of the European Parliament and of the Council of 27 November 2024 amending Directive 2009/138/EC (i.e., amending the Solvency II Directive).

The parties anticipate that the potential implementation of the Potential Transaction could result in the release of the group's excess capital, compared to the capital adequacy and solvency requirements that would have to be applied starting in 2027 (in connection with the amendment of the Solvency II Directive) under the group's current structure. The parties also agreed that in the course of work on the Potential Transaction they will work out the optimal strategy in relation to the future of Alior Bank.

On 26 June 2025, the Parties signed a document tentatively setting forth the terms of cooperation between the Parties (the "Term Sheet") establishing a joint project (the "Project") to prepare and carry out, subject to appropriate legislative changes, the Potential Transaction.

The signing of the Term Sheet initiated the Parties' cooperation in the preparation of the Potential Transaction. Its implementation depends on a number of factors beyond the Parties' control, including the entry into force of relevant legislative changes enabling the Potential Transaction to be carried out in the manner envisaged in the Term Sheet, the Parties' agreement and conclusion of the relevant transaction documentation (within 120 days from the date of entry into force of the aforementioned legislative changes), obtaining approvals from the Council of Ministers and a number of regulatory approvals (in particular, approvals from the FSC), and the granting of relevant corporate approvals, including at the level of the shareholder meetings of PZU and Pekao.

As agreed in the Term Sheet, the Parties will establish a joint Steering Committee (composed of the Presidents of PZU and Pekao) and joint working groups to jointly carry out work aimed at implementing the Potential Transaction. PZU has taken and will continue to pursue a spin-off of the company to separate its holding and operating businesses. Dates for key Project milestones will be determined by the Steering Committee.

The Parties, as part of the arrangements for transaction documentation, will determine, in particular, the rules for determining the parity of exchange of PZU shares for Pekao shares that would be issued to PZU shareholders in the process of the merger of these companies. The parity will be recommended to the shareholders of the Parties, in accordance with the law and good practices regarding transactions between related parties, guided by the interests of all shareholders, including minority shareholders of each Party (valuations of PZU and the Bank in connection with the Potential Transaction will be made by reputable entities selected by PZU and Pekao, respectively).

The Term Sheet confirms that it is the intention of the Parties to complete the Potential Transaction by 30 June 2026. The Term Sheet will cease to be effective, in particular, if the work on legislative changes enabling the Potential Transaction to be carried out in the form set forth in the Term Sheet is not advanced in the manner specified by the Parties by the end of 2025, or if the publication of such legislative changes does not take place by the end of February 2026 and their entry into force does not take place by 31 March 2026. Work on the demerger of PZU and the aforementioned merger will be carried out as concurrently as possible, with the implementation of the merger not taking place without first carrying out the demerger of PZU. On the other hand, potential obstacles to the feasibility of a merger between PZU and Pekao will not affect PZU's implementation of the demerger, which PZU considers desirable to carry out by the end of 2026 due to the effects on the PZU Group of the entry into force of the Solvency II Directive amendments, starting in January 2027.

26.2 Inspections by the Office of the Polish Financial Supervision Authority (UKNF)

26.2.1. PZU

In the period from 12 June to 10 August 2023, the PFSA carried out an inspection of claim handling procedures at PZU. On 2 February 2024, KNF issued 8 post-inspection recommendations with the implementation deadline of 31 March 2024. Throughout 2024, PZU informed the regulator of the implementation of all recommendations made. With respect to one of them, there was additional correspondence with KNF; finally, on 22 April 2025, PZU reported on how it had implemented the latest recommendation.

In the period 1 July – 29 August 2024, KNF inspected PZU operations and assets in terms of valuing technical provisions for solvency purposes. On 19 November 2024, PZU received an inspection report and submitted its related comments. On 31 March 2025, KNF issued 12 post-audit recommendations with a deadline for implementation being the date of reporting quarterly figures and information for supervision purposes made on 30 June 2025. PZU informed about implementing the recommendations within the required timeframe.

During the period from 13 January to 13 March 2025, KNF conducted an audit of reporting for accounting purposes, for statistical purposes and for solvency purposes. On 29 April 2025, PZU received an inspection report, to which it raised objections. On 4 July 2025, the KNF issued 2 recommendations with a deadline for implementation until the reporting date of the quarterly statistical report on the insurance business of insurance companies prepared as at 30 September 2025. PZU timely implemented the recommendations, as reported to the supervisory authority on 17 November 2025.

26.2.2. PZU Życie

In the period from 2 September to 31 October 2025, the KNF carried out an inspection at PZU Życie regarding the organization, management, and provision of benefits. Until the date of signing the consolidated interim financial statements, PZU Życie did not receive an inspection report.

26.3 Tax liabilities in Sweden

In 2014–2015, PZU Finance AB, a subsidiary of PZU, issued 5-year bonds of a nominal amount of EUR 850 million, which matured in July 2019. Inflows from the issue were transferred to PZU in the form of two borrowings of EUR 850 million in total. Payment due dates and amounts of the borrowings were adjusted to payments related to the bonds. PZU repaid the borrowings to PZU Finance AB on 28 June 2019.

In 2018, due to doubts concerning the taxation of foreign exchange gains and losses under the Swedish Conversion Act (2000:46) if a reporting currency is EUR, PZU Finance AB applied for an individual interpretation to the Swedish Council for Tax Interpretation (Skatterättsnämnden). On 13 March 2019 PZU Finance AB received the interpretation, based on which foreign exchange gains and losses resulting from the repayment of the borrowing are subject, while foreign exchange gains and losses resulting from the repayment of bonds, are not subject to taxation. In the opinion of the PZU Group, the Council's interpretation means that a different approach would be applied in the territory of Sweden in relation to companies reporting in EUR than to companies

reporting in Swedish crowns, which would be contrary to the assumptions of the above act and Art. 63 of the Treaty on the Functioning of the European Union (TFEU) concerning a need to ensure free capital flow in the EU or Art. 49 and 54 of the TFEU concerning the freedom of establishment).

On 3 April 2019 PZU Finance AB started the judicial procedures challenging the individual tax interpretation of the Swedish Council for Tax Interpretation before the Supreme Administrative Court (Högsta förvaltningsdomstolen).

On 23 June 2021 PZU Finance AB received a preliminary, and on 21 December 2021 a binding negative, decision concerning the correction of its tax obligations for 2019 from the tax office. As a result, on 21 January 2022 PZU paid SEK 159 million (SEK 155 million of the principal amount + SEK 4 million of interest) directly to the tax office in Sweden. On 10 November 2022, PZU Finance AB began its tax appeal. Throughout the appellate proceedings, on 18 December 2024, PZU Finance AB received an opinion from the Swedish Tax Authority upholding the Authority's previous findings and decisions.

26.4 Proceedings instituted by the KNF against Alior Bank

On 11 August 2025, Alior Bank received a notice from the KNF on the ex officio initiation of administrative proceedings regarding the imposition of an administrative penalty on Alior Bank, in connection with violations relating to four areas that occurred in the treasury business:

- failure to perform activities in a reliable and professional manner, in connection with Alior Bank's cooperation with unauthorized third parties in the period from March 2017 to July 2021;
- acting dishonestly and in violation of the client's best interests by failing to apply the laws under MiFID II, including failing to provide clients with full information regarding the costs, risks and adequacy arising from FX SWAP transactions between January 2022 and November 2023;
- failure to apply adequate solutions related to the process of acquiring financial instruments to ensure that the financial instrument and distribution strategy are appropriate for the target group during the period from January 2022 to November 2023;
- failure to establish a negative target group for products on offer from Alior Bank in the period from January 2022 to November 2023.

The proceedings follow an inspection completed on 1 July 2024, for which the KNF issued a warning covering 52 violations. Thus, of the identified irregularities that were the subject of a warning, only a small portion of them, in the assessment of the relevant KNF sanctioning unit, warranted the initiation of formal sanction proceedings.

At this stage of the proceedings, it is not possible to reliably estimate the amount of the potential penalty.

On 5 September 2025, the KNF initiated administrative proceedings to impose an administrative penalty on Alior Bank pursuant to Article 147(4)(a) and (b) and (13) of the Anti-Money Laundering and Countering the Financing of Terrorism Act regarding the conduct resulting from the inspection.

At this stage of the proceedings, it is not possible to reliably estimate the amount of the potential penalty.

26.5 UOKiK proceedings

26.5.1 Alior Bank

On 27 September 2019 the UOKiK President decided to initiate proceedings against Alior Bank in order to recognize regulations of a contract form as impermissible. That included 11 (modification) clauses incorporated by Alior Bank into contract forms based on which Alior Bank unilaterally amended its contracts with consumers. The UOKiK President questioned those regulations and claimed that they were, among others, imprecise and made it impossible for consumers to verify the premises for an amendment. Alior Bank exchanged correspondence concerning that case with the UOKiK President and presented a schedule based on which pending consequences of the violation would be removed from contracts entered into with customers. In a letter dated 20 March 2024, Alior Bank presented the UOKiK with a proposal for new content of the modification clauses. By letter dated 1 July 2024, Alior Bank, at the request of the President of UOKiK, updated the facts of the case. In a letter of 2 July 2025, the President of UOKiK decided to extend the deadline for completion of the proceedings until 31 December 2025.

As at 30 September 2025, the PZU Group did not identify any reasons to create provisions for the above case as the PZU Group believes that a cash outflow on this account is unlikely. Further, the PZU Group is unable to reliably estimate the value of the contingent liability due to the impossibility of estimating potential effects of the violation and the amount of the potential fine that may be imposed by the UOKiK. The maximum amount of a fine is 10% of Alior Bank's turnover achieved in the fiscal year preceding the year in which the fine was imposed.

On 13 February 2024, the UOKiK initiated proceedings (signature: RWR.610.3.2024.KŚ) for practices that violate the collective interests of consumers and involve:

- failure to – after the client has reported the transaction as unauthorized – reimburse the amount of the unauthorized payment transaction or restore the debited payment account to the state it would have been in had the unauthorized payment transaction not taken place, in the manner and within the time limit as specified in Article 46(1) of the Payment Services Act, despite the absence of reasons authorizing Alior Bank not perform the above actions;
- providing a consumer who is an Alior Bank's client with conditional reimbursement of the amount of the payment transaction reported by the consumer as unauthorized, only for the time of Alior Bank's consideration of the complaint, and then, if Alior Bank finds in the complaint procedure that the transaction was authorized by the consumer or that the consumer is responsible for the unauthorized payment transaction, withdrawing the conditional reimbursement and taking that amount from the consumer's savings and checking account or credit card account, except in situations where there was a simultaneous reimbursement of that amount to the consumer under chargeback or withdrawal of the complaint by the consumer;
- providing consumers – in responses to their reports of unauthorized payment transactions – with information that the transaction was authorized correctly when this was determined only after the payment service provider had verified the correct use of the payment instrument with individual credentials, with the manner of providing such information suggesting that Alior Bank's demonstration of correct authentication excludes Alior Bank's obligation to reimburse the amount of the unauthorized transaction, which may mislead consumers regarding Alior Bank's obligations under Article 46(1) of the Payment Services Act and regarding apportionment of the burden of proving that the payment transaction was authorized;
- providing consumers – in responses to their reports of unauthorized payment transactions – with information that the transaction was authenticated correctly by the user and that Alior Bank bears no responsibility for that transaction as it was made as a result of the consumer's violation of the terms of the agreement with Alior Bank, which may mislead consumers regarding Alior Bank's obligations under Article 46(1) of the Payment Services Act and regarding apportionment of the burden of proof to the extent that Alior Bank should prove that the consumer led to the transaction in question by the intentional or grossly negligent violation of one or more obligations referred to in Article 42 of the Payment Service Act;
- providing consumers – in responses to their reports of unauthorized payment transactions – with information that card transactions reported after 120 days from the transaction date may not be considered unauthorized payment transactions and that no more than 15 transactions may be complaint about;

which, in the opinion of the President of UOKiK, may go against the collective interests of consumers, and consequently, constitute practices that violate the collective interests of consumers, as referred to in the Competition and Consumer Protection Act. The maximum amount of a fine for it is 10% of Alior Bank's turnover achieved in the year preceding the year in which the fine was imposed. As at 30 September 2025, the PZU Group has not created a provision on this account.

Currently, proceedings for practices that violate the collective interests of consumers are ongoing for 15 banks, whose practices were verified in investigations similar to the one conducted against Alior Bank. On 29 March 2024, Alior Bank responded by letter to UOKiK President's allegations. Alior Bank submitted a preliminary proposal for a commitment to take certain actions to end the alleged Alior Bank violation and remedy its consequences.

The total value of the provision on this account as at 30 September 2025 is PLN 15 million (as at 31 December 2024: PLN 10 million). Due to Alior Bank's unfinished discussions with the UOKiK, the amount of the provision might change.

26.5.2. Pekao

Proceedings of the President of UOKiK on irregularities in the complaint area at Pekao

Through its letter dated 10 November 2023, the President of UOKiK initiated proceedings against Pekao for using practices that violate the collective interests of consumers regarding the complaint-handling process.

Pekao submitted a request to the President of UOKiK for a so-called commitment decision. As at 30 September 2025, the PZU Group maintains a provision of PLN 98 million for the implementation of the commitment proposed to the President of UOKiK by Pekao.

Investigation of the President of UOKiK into unauthorized payment transactions

On 8 February 2024, the President of UOKiK initiated proceedings against Pekao for practices that violate collective consumer interests with regard to unauthorized payment transactions and the failure to reimburse them within D+1.

As at 30 September 2025, the PZU Group maintains a provision of PLN 49 million for the implementation of the commitment proposed to the President of UOKiK by Pekao. Due to Pekao's ongoing investigation and discussions with the UOKiK, the amount of the provision may change in the future.

UOKiK proceedings investigating irregularities in the use of so-called loan repayment holidays

In a letter of 21 January 2025, the UOKiK initiated proceedings against Pekao over Pekao's use of practices that violate the collective interests of consumers with regard to the suspension of loan repayment (so-called loan repayment holidays).

As at 30 September 2025, Pekao maintains a provision in the amount of PLN 26 million for the fulfillment of the commitment.

26.6 Issues concerning Alior Leasing sp. z o.o.

In December 2021, Alior Bank and Alior Leasing sp. z o.o. received summons to the *ad hoc* arbitration court from former members of the Management Board of Alior Leasing sp. z o.o. On 1 March 2024, Alior Bank received a partial judgment dismissing the claims under the management program in full. The partial judgment ends the proceedings on the merits.

The final judgment, ordering Alior Bank and Alior Leasing sp. z o.o. to reimburse the plaintiffs, came on 29 April 2024. On 10 June 2024, Alior Bank and Alior Leasing sp. z o.o. received information from the Court of Appeals in Warsaw that a complaint for revocation of an arbitration court verdict, filed by former members of the Alior Leasing sp. z o.o.'s Management Board, had been registered. On 14 July 2025, the Court of Appeals in Warsaw dismissed in full the plaintiffs' complaint to set aside the preliminary judgment and final judgment of the arbitration court. The verdict is non-appealable. The plaintiffs are entitled to an extraordinary remedy against it in the form of a cassation complaint.

Alior Leasing sp. z o.o. identified the risk of third party claims likely to be made against Alior Leasing sp. z o.o. as a result of actions taken by certain of its employees and partners. As at the date of signing the condensed interim financial statements, no claims have been filed on this account. In the opinion of the PZU Group, there are no reasons for establishing a provision for that purpose.

26.7 Conflict in Ukraine

Due to the Russian Federation's invasion of Ukraine and the armed conflict lasting since 24 February 2022, PZU's Management Board assessed the impact of this situation on the PZU Group's operations, business continuity, financial position and going concern.

As at 30 September 2025, total net assets (assets deducted by liabilities and adjusted by mutual shares between PZU Ukraina and PZU Ukraina Życie) of three companies operating in Ukraine (PZU Ukraina, PZU Ukraina Życie and LLC SOS Services Ukraine) amounted to PLN 44 million (as of 31 December 2024: PLN 57 million).

The assets (net of the shares held mutually between PZU Ukraina and PZU Ukraina Życie) of these companies subject to consolidation totaled PLN 411 million (as at 31 December 2024: PLN 435 million), and liabilities – 367 million (31 December 2024: PLN 378 million).

Due to the martial law in force on the territory of the whole of Ukraine as of 24 February 2022 (now extended until 3 February 2026), Ukrainian companies in the PZU Group are working with war restrictions and legal considerations arising from the so-called “war regulations”.

As of the date of signing the condensed interim consolidated financial statements, the valuation of the assets and liabilities of the Ukrainian companies of the PZU Group requires a number of assumptions and is subject to significant uncertainty, as is the statement about the ability to maintain business continuity (materialization of the risk of full loss of operational capacity), due to the persistence of hostilities and the resulting consequences.

The PZU Group monitors geopolitical risks resulting from the war in Ukraine and reviews future scenarios on an ongoing basis.

PZU's quarterly standalone financial information (in compliance with PAS)

1. Interim balance sheet

ASSETS	30 September 2025	30 June 2025	31 December 2024	30 September 2024
I. Intangible assets, including:	325,075	327,702	342,921	313,246
- goodwill	-	-	-	-
II. Investments	53,632,055	51,245,496	49,239,744	49,908,159
1. Real property	251,723	254,672	268,721	270,770
2. Investments in related parties, including:	19,447,672	18,359,789	19,471,444	18,383,780
- investments in related parties accounted for using the equity method	18,960,608	17,857,117	18,848,317	17,868,424
3. Other financial investments	33,932,660	32,631,035	29,499,579	31,253,609
4. Deposits with ceding enterprises	-	-	-	-
III. Net assets of a life insurance company if the investment risk is borne by the policyholder	-	-	-	-
IV. Receivables	4,309,265	5,467,631	3,123,751	4,174,778
1. Receivables from direct insurance	2,021,978	2,437,499	2,585,453	1,908,901
1.1. From subordinated entities	798	1,426	1,791	1,519
1.2. From other entities	2,021,180	2,436,073	2,583,662	1,907,382
2. Reinsurance receivables	224,874	346,384	238,951	369,155
2.1. From subordinated entities	160,716	264,444	185,899	310,686
2.2. From other entities	64,158	81,940	53,052	58,469
3. Other receivables	2,062,413	2,683,748	299,347	1,896,722
3.1. Receivables from the state budget	7,879	7,771	7,848	16,758
3.2. Other receivables	2,054,534	2,675,977	291,499	1,879,964
a) from subordinated entities	1,927,396	2,450,299	100,174	1,743,479
b) from other entities	127,138	225,678	191,325	136,485
V. Other assets	312,053	375,309	311,122	327,014
1. Property, plant and equipment	103,466	107,877	116,944	115,507
2. Cash	208,587	267,432	194,178	211,507
3. Other assets	-	-	-	-
VI. Prepayments and accruals	2,734,365	2,850,127	3,075,999	2,961,710
1. Deferred income tax assets	-	-	-	-
2. Deferred acquisition costs	2,022,545	2,087,015	2,043,777	2,019,092
3. Accrued interest and rents	-	-	-	-
4. Other prepayments and accruals	711,820	763,112	1,032,222	942,618
VII. Unpaid share capital	-	-	-	-
VIII. Treasury shares	-	-	-	-
Total assets	61,312,813	60,266,265	56,093,537	57,684,907

Interim balance sheet (continued)

EQUITY AND LIABILITIES	30 September 2025	30 June 2025	31 December 2024	30 September 2024
I. Equity	24,443,198	22,566,734	22,729,360	21,497,301
1. Share capital	86,352	86,352	86,352	86,352
2. Supplementary capital	7,488,045	7,488,038	7,479,463	7,479,463
3. Revaluation reserve	12,077,148	10,662,510	11,286,526	10,366,543
4. Other reserve capital	-	-	-	-
5. Retained earnings (losses)	-	-	-	-
6. Net profit (loss)	4,791,653	4,329,834	3,877,019	3,564,943
7. Charges to net profit during the financial year (negative figure)	-	-	-	-
II. Subordinated liabilities	2,273,952	2,319,507	2,321,146	2,277,320
III. Technical provisions	31,215,090	31,453,167	31,545,929	30,779,189
IV. Reinsurers' share in technical provisions (negative figure)	(4,489,614)	(4,454,638)	(5,154,082)	(4,551,692)
V. Estimated salvage and subrogation (negative figure)	(105,897)	(101,680)	(123,123)	(103,235)
1. Gross estimated salvage and subrogation	(107,319)	(103,147)	(124,904)	(105,371)
2. Reinsurers' share in estimated salvage and subrogation	1,422	1,467	1,781	2,136
VI. Other provisions	1,442,221	1,419,679	1,118,940	1,155,683
1. Provisions for pension benefits and other compulsory employee benefits	180,458	235,459	195,816	51,027
2. Deferred income tax liabilities	1,239,127	1,161,129	901,393	1,088,511
3. Other provisions	22,636	23,091	21,731	16,145
VII. Liabilities for reinsurers' deposits	-	-	-	-
VIII. Other liabilities and special-purpose funds	5,336,683	5,861,554	1,554,655	5,268,490
1. Liabilities on direct insurance	493,030	525,569	524,821	482,488
1.1. To subordinated entities	11,572	13,167	23,553	9,805
1.2. To other entities	481,458	512,402	501,268	472,683
2. Reinsurance liabilities	257,803	704,445	305,584	446,504
2.1. To subordinated entities	7,983	99,038	13,380	23,455
2.2. To other entities	249,820	605,407	292,204	423,049
3. Liabilities on the issue of own debt securities and drawn loans	-	-	-	-
4. Liabilities to credit institutions	-	-	-	-
5. Other liabilities	4,449,155	4,483,562	605,845	4,197,154
5.1. Liabilities to the state budget	122,748	86,672	176,962	43,700
5.2. Other liabilities	4,326,407	4,396,890	428,883	4,153,454
a) to related entities	41,630	48,291	72,729	71,475
b) to other entities	4,284,777	4,348,599	356,154	4,081,979
6. Special-purpose funds	136,695	147,978	118,405	142,344
IX. Prepayments and accruals	1,197,180	1,201,942	2,100,712	1,361,851
1. Accrued expenses	987,782	971,141	1,830,557	1,095,886
2. Negative goodwill	-	-	-	-
3. Prepayments	209,398	230,801	270,155	265,965
Total equity and liabilities	61,312,813	60,266,265	56,093,537	57,684,907

Interim balance sheet (continued)

	30 September 2025	30 June 2025	31 December 2024	30 September 2024
Carrying amount	24,443,198	22,566,734	22,729,360	21,497,301
Number of shares	863,523,000	863,523,000	863,523,000	863,523,000
Book value per share (in PLN)	28.31	26.13	26.32	24.89
Diluted number of shares	863,523,000	863,523,000	863,523,000	863,523,000
Diluted book value per share (in PLN)	28.31	26.13	26.32	24.89

2. Interim statement of off-balance sheet line items

Off-balance sheet line items	30 September 2025	30 June 2025	31 December 2024	30 September 2024
1. Contingent receivables, including:	4,239,506	4,007,499	3,999,930	3,965,961
1.1. Guarantees and sureties received	2,470	2,460	2,625	2,785
1.2. Other ¹⁾	4,237,036	4,005,039	3,997,305	3,963,176
2. Contingent liabilities, including:	1,554,660	1,707,315	1,477,120	1,661,720
2.1. Guarantees and sureties given	6,098	5,780	8,507	6,203
2.2. Accepted and endorsed bills of exchange	-	-	-	-
2.3. Assets subject to the obligation of resale	-	-	-	-
2.4. Other liabilities secured on assets or income	-	-	-	-
3. Reinsurance collateral instituted in favor of the insurance company	-	-	-	-
4. Reinsurance collateral instituted by the insurance company in favor of ceding companies	-	-	-	-
5. Third party assets not recognized in assets	149,973	152,779	158,949	158,184
6. Other off-balance sheet line items	-	-	-	-
Total off-balance sheet line items	5,944,139	5,867,593	5,635,999	5,785,865

¹⁾ This item includes chiefly: security received in the form of a transfer of the debtor's assets, a mortgage on the debtor's assets, other contingent receivables, etc.

3. Interim revenue account of non-life insurance

Revenue account of non-life insurance	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
I. Premiums (1-2-3+4)	4,159,789	12,123,339	3,956,241	11,290,827
1. Gross written premium	4,055,531	12,763,699	3,740,758	12,745,651
2. Reinsurers' share in written premium	231,998	670,178	189,943	769,188
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	(568,270)	(727,918)	(671,922)	170,950
4. Reinsurers' share in the movement in provision for unearned premiums	(232,014)	(698,100)	(266,496)	(514,686)
II. Net investment income (including costs) transferred from the general profit and loss account	63,545	187,479	59,421	176,645
III. Other net technical income	25,749	162,739	26,863	102,498
IV. Claims and benefits (1+2)	2,497,797	7,522,699	2,873,191	7,468,986
1. Net claims and benefits paid	2,449,405	7,150,868	2,566,677	7,064,091
1.1. Gross claims and benefits paid	2,541,665	7,799,995	2,633,802	7,565,886
1.2. Reinsurers' share in claims and benefits paid	92,260	649,127	67,125	501,795
2. Movement in provision for outstanding claims and benefits, net of reinsurance	48,392	371,831	306,514	404,895
2.1. Movement in provision for outstanding claims and benefits, gross	237,976	327,185	637,768	549,297
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	189,584	(44,646)	331,254	144,402
V. Movement in other technical provisions, net of reinsurance	-	-	-	-
1. Movement in other technical provisions, gross	-	-	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-	-	-
VI. Net bonuses and discounts with the movement in provisions	(60)	(1,301)	(403)	1,679
VII. Insurance activity expenses	1,153,176	3,342,679	1,098,901	3,192,507
1. Acquisition expenses, including:	946,315	2,728,910	894,508	2,597,915
- movement in capitalized acquisition costs	64,555	21,317	63,362	(125,147)
2. Administrative expenses	240,339	723,283	240,497	699,420
3. Reinsurance commissions and profit participation	33,478	109,514	36,104	104,828
VIII. Other net technical charges	71,046	315,536	86,142	292,395
IX. Movement in loss ratio (risk) equalization provisions	-	-	-	-
X. Technical result of non-life insurance	527,124	1,293,944	(15,306)	614,403

4. Interim general profit and loss account

General profit and loss account	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
I. Technical result of non-life insurance or life insurance	527,124	1,293,944	(15,306)	614,403
II. Investment income	330,699	4,548,049	254,591	3,880,947
1. Investment income on real property	1,390	3,978	1,124	3,507
2. Investment income from related parties	15,861	3,588,386	8,872	3,147,399
2.1. On ownership interests or shares	1,426	3,563,281	-	3,121,588
2.2. On borrowings and debt securities	13,634	28,704	8,228	21,924
2.3. On other investments	801	(3,599)	644	3,887
3. Other financial investment income	240,879	680,260	226,601	643,206
3.1. On ownership interests, shares, other variable income securities, participation units and investment certificates in mutual funds	349	553	30	620
3.2. On debt securities and other fixed income securities	200,261	575,394	181,572	526,503
3.3. On term deposits with credit institutions	9	(62)	-	234
3.4. On other investments	40,260	104,375	44,999	115,849
4. Gain on revaluation of investments	(266)	1,044	103	103
5. Gain on realization of investments	72,835	274,381	17,891	86,732
III. Unrealized investment gains	(49,070)	242,814	91,399	189,731
IV. Net investment income after including costs transferred from the technical life insurance account	-	-	-	-
V. Investment activity expenses	55,068	159,534	42,292	217,292
1. Real property maintenance expenses	3,922	14,062	3,163	10,492
2. Other investment activity expenses	11,739	33,718	10,260	31,901
3. Loss on revaluation of investments	2,446	11,019	20,157	109,519
4. Loss on realization of investments	36,961	100,735	8,712	65,380
VI. Unrealized investment losses	(30,402)	262,708	57,303	131,732
VII. Net investment income after including costs transferred to the revenue account of non-life insurance	63,545	187,479	59,421	176,645
VIII. Other operating income	49,427	161,137	59,886	170,293
IX. Other operating expenses	175,838	494,026	160,359	470,007
X. Operating profit (loss)	594,131	5,142,197	71,195	3,859,698
XI. Extraordinary gains	-	-	-	-
XII. Extraordinary losses	-	-	-	-
XIII. Share of the net profit (loss) of related parties measured by the equity method	(1,852)	3,153	(13,312)	(93,083)
XIV. Profit (loss) before tax	592,279	5,145,350	57,883	3,766,615
XV. Income tax	130,460	353,697	27,273	201,672
a) current part	123,954	173,086	25,233	(44,297)
b) deferred part	6,506	180,611	2,040	245,969
XVI. Other compulsory reductions in profit (increases in losses)	-	-	-	-
XVII. Net profit (loss)	461,819	4,791,653	30,610	3,564,943

	1 July – 30 September 2025	1 January – 30 September 2025	1 July – 30 September 2024	1 January – 30 September 2024
Net profit (loss) (annualized) ¹⁾	1,832,217	6,406,423	121,775	4,761,931
Weighted average number of common shares	863,523,000	863,523,000	863,523,000	863,523,000
Profit (loss) per common share (in PLN)	0.53	5.55	0.04	4.13
Weighted average diluted number of common shares	863,523,000	863,523,000	863,523,000	863,523,000
Diluted profit (loss) per common share (in PLN)	0.53	5.55	0.04	4.13

¹⁾ Calculation based on the number of calendar days in the period.

5. Interim statement of changes in equity

Statement of changes in equity	1 January – 30 September 2025	1 January – 31 December 2024	1 January – 30 September 2024
I. Equity at the beginning of the period (opening balance)	22,729,360	20,884,235	20,884,235
a) changes in the accepted accounting policies	-	-	-
I.a. Equity at the beginning of the period (opening balance), after adjustments to ensure comparability	22,729,360	20,884,235	20,884,235
1. Share capital at the beginning of the period	86,352	86,352	86,352
1.1. Change in share capital	-	-	-
a) increases	-	-	-
b) reductions	-	-	-
1.2. Share capital at the end of the period	86,352	86,352	86,352
2. Supplementary capital at the beginning of the period	7,479,463	7,252,581	7,252,581
2.1. Change in supplementary capital	8,582	226,882	226,882
a) increases (by virtue of):	1,089,075	1,080,494	1,080,494
- distribution of profit (above the statutorily required amount)	1,089,021	1,080,493	1,080,493
- from revaluation reserve – by sale and liquidation of fixed assets	54	1	1
b) reductions	1,080,493	853,612	853,612
2.2. Supplementary capital at the end of the period	7,488,045	7,479,463	7,479,463
3. Revaluation reserve at the beginning of the period	11,286,526	9,562,115	9,562,115
- changes in the accepted accounting principles (policy)	-	-	-
3.a. Revaluation reserve at the beginning of the period (opening balance), after adjustments to ensure comparability	11,286,526	9,562,115	9,562,115
3.1. Change in the revaluation reserve	790,622	1,724,411	804,428
a) increases (by virtue of):	1,227,047	1,900,287	1,096,688
- valuation of financial investments accounted for using the equity method	444,626	1,363,356	658,803
- valuation of financial investments classified to the portfolio of financial assets held for sale	767,976	526,940	428,509
- valuation of financial investments held for hedge accounting	12,481	4,772	4,204
- disposal of instruments held for sale	1,964	5,219	5,172
b) reductions (by virtue of)	436,425	175,876	292,260
- valuation of financial investments accounted for using the equity method	337,225	19,715	262,829
- valuation of financial investments classified to the portfolio of financial assets held for sale	79,397	136,038	11,630
- valuation of financial investments held for hedge accounting	-	-	-
- disposal of instruments held for sale	19,749	20,122	17,800
- disposal of fixed assets	54	1	1
3.2. Revaluation reserve at the end of the period	12,077,148	11,286,526	10,366,543

Interim statement of changes in equity (continued)

Statement of changes in equity	1 January – 30 September 2025	1 January – 31 December 2024	1 January – 30 September 2024
4. Other reserve capital at the beginning of the period	-	-	-
4.1. Change in other reserve capital	-	-	-
a) increases	-	-	-
b) reductions	-	-	-
4.2. Other reserve capital at the end of the period	-	-	-
5. Retained earnings (losses) at the beginning of the period	3,877,019	3,983,187	3,983,187
5.1. Retained earnings at the beginning of the period	3,877,019	3,983,187	3,983,187
a) changes in the accepted accounting policies	-	-	-
5.2. Retained earnings at the beginning of the period, after adjustments to ensure comparability	3,877,019	3,983,187	3,983,187
a) increases	1,080,493	853,612	853,612
b) reductions	4,957,512	4,836,799	4,836,799
- transfers to supplementary capital	1,089,021	1,080,493	1,080,493
- disbursement of dividends	3,859,948	3,747,690	3,747,690
- transfers/charges to the Company Social Benefit Fund	8,543	8,616	8,616
5.3. Retained earnings at the end of the period	-	-	-
5.4. Retained losses at the beginning of the period	-	-	-
a) changes in the accepted accounting policies	-	-	-
b) corrections of errors	-	-	-
5.5. Retained losses at the beginning of the period, after adjustments to ensure comparability	-	-	-
a) increases	-	-	-
b) reductions	-	-	-
5.6. Retained losses at the end of the period	-	-	-
5.7. Retained earnings (losses) at the end of the period	-	-	-
6. Net profit or loss	4,791,653	3,877,019	3,564,943
a) net profit	4,791,653	3,877,019	3,564,943
b) net loss	-	-	-
c) charges to profit	-	-	-
II. Equity at the end of the period (closing balance)	24,443,198	22,729,360	21,497,301

6. Interim cash flow statement

Cash flow statement	1 January – 30 September 2025	1 January – 31 December 2024	1 January – 30 September 2024 (restated)
A. Cash flows from operating activities			
I. Proceeds	15,942,295	20,392,787	15,041,497
1. Proceeds on direct activity and inward reinsurance	14,103,756	18,300,149	13,634,343
1.1. Proceeds on gross premiums	13,809,982	18,004,588	13,410,701
1.2. Proceeds on subrogation, salvage and claim refunds	208,568	224,752	174,017
1.3. Other proceeds on direct activity	85,206	70,809	49,625
2. Proceeds from outward reinsurance	830,105	986,440	627,986
2.1. Payments received from reinsurers for their share of claims paid	706,339	808,877	489,855
2.2. Proceeds on reinsurance commissions and profit participation	112,071	174,095	135,072
2.3. Other proceeds from outward reinsurance	11,695	3,468	3,059
3. Proceeds from other operating activity	1,008,434	1,106,198	779,168
3.1. Proceeds for acting as an emergency adjuster	377,852	513,370	376,452
3.2. Disposal of intangible assets and property, plant and equipment other than investments	1,467	2,469	1,317
3.3. Other proceeds	629,115	590,359	401,399
II. Expenditures	14,933,949	19,263,029	14,337,737
1. Expenditures on direct activity and inward reinsurance	11,968,029	15,444,215	11,484,480
1.1. Gross premium refunds	340,499	383,349	268,484
1.2. Gross claims and benefits paid	7,382,089	9,655,162	7,109,055
1.3. Acquisition expenditures	2,153,017	2,720,687	2,047,264
1.4. Administrative expenditures	1,518,060	1,968,672	1,490,517
1.5. Expenditures for claims handling and pursuit of subrogation	248,588	303,147	225,678
1.6. Commissions paid and profit-sharing on inward reinsurance	138,294	215,196	174,669
1.7. Other expenditures on direct activity and inward reinsurance	187,482	198,002	168,813
2. Expenditures on outward reinsurance	1,464,368	1,905,899	1,585,425
2.1. Premiums paid for reinsurance	1,425,962	1,870,726	1,561,781
2.2. Other expenditures on outward reinsurance	38,406	35,173	23,644
3. Expenditures on other operating activity	1,501,552	1,912,915	1,267,832
3.1. Expenditures for acting as an emergency adjuster	223,161	358,377	262,421
3.2. Purchase of intangible assets and property, plant and equipment other than investments	81,199	122,536	86,995
3.3. Other operating expenditures	1,197,192	1,432,002	918,416
III. Net cash flows from operating activities (I-II)	1,008,346	1,129,758	703,760

Interim cash flow statement (continued)

Cash flow statement	1 January – 30 September 2025	1 January – 31 December 2024	1 January – 30 September 2024 (restated)
B. Cash flows from investing activity			
I. Proceeds	122,784,618	156,338,227	123,898,745
1. Sale of real property	21,857	-	-
2. Sale of ownership interests and shares in related parties	-	-	-
3. Sale of ownership interests and shares in other entities and participation units and investment certificates in mutual funds	164,266	180,654	174,247
4. Realization of debt securities issued by related parties and amortization of the loans granted to these parties	5,899	-	-
5. Realization of debt securities issued by other entities	1,382,046	2,840,681	1,730,371
6. Liquidation of term deposits with credit institutions	19,231,260	35,079,825	25,517,632
7. Realization of other investments	99,737,183	114,411,551	94,543,635
8. Proceeds from real property	4,856	5,559	560
9. Interest received	566,790	695,768	486,450
10. Dividends received	1,669,958	3,121,588	1,439,875
11. Other investment proceeds	503	2,601	5,975
II. Expenditures	123,602,334	153,500,604	124,367,475
1. Purchase of real property	118	839	513
2. Purchase of ownership interests and shares in related parties	5,106	144,807	59,807
3. Purchase of ownership interests and shares in other entities and participation units and investment certificates in mutual funds	779,887	101,591	63,923
4. Purchase of debt securities issued by related parties and extension of loans to these parties	-	28,115	28,115
5. Purchase of debt securities issued by other entities	2,436,793	4,672,744	4,360,076
6. Purchase of term deposits with credit institutions	18,998,236	35,123,868	25,457,080
7. Purchase of other investments	101,315,921	113,337,943	94,329,172
8. Real property maintenance expenses	42,776	59,435	45,165
9. Other expenditures for investments	23,497	31,262	23,624
III. Net cash flows from investing activities (I-II)	(817,716)	2,837,623	(468,730)

Interim cash flow statement (continued)

Cash flow statement	1 January – 30 September 2025	1 January – 31 December 2024	1 January – 30 September 2024 (restated)
C. Cash flows from financing activities			
I. Proceeds	13,099	630,087	260,209
1. Net proceeds from issuing shares and additional capital contributions	-	-	-
2. Loans, borrowings and issues of debt securities	13,099	630,087	260,209
3. Other financial proceeds	-	-	-
II. Expenditures	185,007	4,560,220	441,856
1. Dividends	-	3,747,690	-
2. Other expenditures for distribution of profits besides disbursement of dividends	-	-	-
3. Purchase of treasury shares	-	-	-
4. Amortization of loans and borrowings and redemption of own debt securities	13,101	630,973	260,299
5. Interest on loans and borrowings and issued debt securities	171,906	181,557	181,557
6. Other financial expenditures	-	-	-
III. Net cash flows from financing activities (I-II)	(171,908)	(3,930,133)	(181,647)
D. Total net cash flows (A.III+/-B.III+/-C.III)	18,722	37,248	53,383
E. Balance sheet change in cash, including:	14,410	34,121	51,450
- movement in cash due to foreign exchange differences	(4,312)	(3,127)	(1,933)
F. Cash at the beginning of the period	194,177	160,057	160,057
G. Cash at the end of the period (F+/-E), including:	208,587	194,178	211,507
- restricted cash	66,827	33,143	66,264

7. Introduction

This quarterly standalone financial information on PZU has been prepared in accordance with PAS for the reasons described in the Introduction and supplemented with the definition of PAS.

8. Key accounting principles (accounting policy)

Detailed accounting principles (policy) are presented in the standalone financial statements of PZU for 2024.

9. Changes in accounting policies

In the 9-month period ended 30 September 2025, no changes were made to the accounting principles (policy).

10. Changes in the preparation of financial statements and data comparability

During the 9 months ended 30 September 2025, there were no changes in the preparation of the financial statements other than that described below.

In accordance with market practice, all receipts and expenditures related to property maintenance were presented in cash flow from investment activities. The comparative figures in the Cash Flow Statement were restated, as shown in the table below.

Cash flow statement	1 January – 30 September 2024 (before restating)	Change	1 January – 30 September 2024 (restated)
I. Proceeds	15,045,099	(3,602)	15,041,497
3. Proceeds from other operating activity	782,770	(3,602)	779,168
3.3. Other proceeds	405,001	(3,602)	401,399
II. Expenditures	14,376,106	(38,369)	14,337,737
3. Expenditures on other operating activity	1,306,201	(38,369)	1,267,832
3.2. Purchase of intangible assets and property, plant and equipment other than investments	87,507	(512)	86,995
3.3. Other operating expenditures	956,273	(37,857)	918,416
III. Net cash flows from operating activities (I-II)	668,993	34,767	703,760
I. Proceeds	123,895,143	3,602	123,898,745
11. Other investment proceeds	2,373	3,602	5,975
II. Expenditures	124,329,106	38,369	124,367,475
1. Purchase of real property	1	512	513
9. Other expenditures for investments	7,308	37,857	45,165
III. Net cash flows from investing activities (I-II)	(433,963)	(34,767)	(468,730)

Signatures of the Management Board Members of PZU:

First name and last name	Position / Title	
Bogdan Benczak	Member of the PZU Management Board directing the work of the PZU Management Board pending approval of the Polish Financial Supervision Authority (signature)
Maciej Fedyna	Member of the PZU Management Board (signature)
Bartosz Grześkowiak	Member of the PZU Management Board (signature)
Elżbieta Häuser-Schöneich	Member of the PZU Management Board (signature)
Tomasz Kulik	Member of the PZU Management Board (signature)
Tomasz Tarkowski	Member of the PZU Management Board (signature)
Jan Zimowicz	Member of the PZU Management Board (signature)

Person responsible for drawing up the condensed interim consolidated financial statements:

Katarzyna Łubkowska	Director of the Accounting Department (signature)
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Warsaw, 19 November 2025