Powszechny Zakład Ubezpieczeń Spółka Akcyjna Group

Condensed Interim
Consolidated Financial Statements
for the 6 months ended
30 June 2026

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(in millions of PLN)

Interim consolidated profit and loss account

Consolidated profit and loss account	Note	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Insurance service result before reinsurance		1,018	2,468	1,189	2,643
Insurance revenue	10.1.2 10.1.4	7,876	15,652	7,693	15,226
Insurance service expenses	10.1.4	(6,858)	(13,184)	(6,504)	(12,583)
Net income or expenses from reinsurance contracts held		135	(178)	(285)	(488)
Reinsurance premium allocation	10.1.3	(490)	(947)	(494)	(994)
Amounts recoverable from reinsurers	10.1.5	625	769	209	506
Insurance service result		1,153	2,290	904	2,155
Insurance finance income or expenses		(641)	(1,040)	(490)	(935)
Finance income or expenses from reinsurance		25	98	(32)	(81)
Interest income calculated using the effective interest rate and equalized to them	10.2	6,453	13,116	7,243	14,496
Interest income calculated using the effective interest rate		6,177	12,566	6,936	13,875
Income of a nature similar to interest		276	550	307	621
Other net investment income	10.3	177	367	101	(15)
Result from derecognition of financial instruments and investments not measured at fair value through profit or loss	10.4	59	61	47	61
Result from allowances for expected credit losses	10.5	(431)	(766)	(329)	(609)
Net movement in fair value of assets and liabilities measured at fair value	10.6	824	809	387	1,059
Revenue from commissions and fees	10.7	1,413	2,830	1,314	2,558
Fee and commission expenses	10.8	(305)	(627)	(307)	(587)
PZU Group’s non-insurance operating expenses	10.9	(2,851)	(6,183)	(2,602)	(5,605)
Interest expenses	10.10	(1,475)	(3,049)	(1,961)	(3,971)
Legal risk costs of foreign currency mortgage loans	10.11	(83)	(143)	(354)	(420)
Other operating income	10.12	438	933	421	847
Other operating expenses	10.13	(165)	(360)	(281)	(436)
Operating profit		**4,591**	**8,336**	**4,061**	**8,517**
Share of the net financial results of entities accounted for using the equity method		1	2	(3)	(5)
Profit before tax		**4,592**	**8,338**	**4,058**	**8,512**
Income tax	10.14	(1,474)	(2,603)	(869)	(1,887)
Net profit, of which:		**3,118**	**5,735**	**3,189**	**6,625**
- profit attributable to the equity holders of the Parent Company		1,647	3,009	1,470	3,230
- profit attributable to holders of non-controlling interests		1,471	2,726	1,719	3,395
Weighted average basic and diluted number of common shares	10.15	863,303,268	863,314,801	863,343,839	863,331,613
Basic and diluted earnings (loss) per ordinary share (in PLN)	10.15	1.91	3.49	1.70	3.74

(in millions of PLN)

Interim consolidated statement of other comprehensive income

Consolidated statement of other comprehensive income	Note	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Net profit		3,118	5,735	3,189	6,625
Net other comprehensive income		614	41	743	1,349
Items that will be reclassified to profit or loss		606	65	681	1,221
Valuation of debt instruments		994	1	451	719
Reclassification of debt instruments valuation for the profit and loss account		(21)	(26)	(31)	(40)
Measurement of loan receivables from clients		-	-	1	1
Insurance finance income or expenses		(718)	173	(127)	(120)
Finance income or expenses from reinsurance		25	(26)	22	32
Foreign exchange translation differences		1	32	25	(19)
Cash flow hedging		522	(66)	489	933
Gains and losses on fair value measurement of financial instruments hedging cash flows in the portion constituting an effective hedge		518	(109)	303	561
Gains and losses on cash flow hedging financial instruments reclassified to profit or loss		4	43	186	372
Income tax on items that will be reclassified to profit or loss	10.14	(197)	(23)	(149)	(285)
Items that will not be reclassified to profit or loss		8	(24)	62	128
Valuation of equity instruments		13	(32)	88	168
Reclassification of real property from property, plant and equipment to investment property		-	3	-	1
Actuarial gains and losses related to provisions for employee benefits		(1)	(1)	(5)	(5)
Income tax on items that will not be reclassified to profit or loss	10.14	(4)	6	(21)	(36)
Total net comprehensive income		**3,732**	**5,776**	**3,932**	**7,974**
- comprehensive income attributable to equity holders of the Parent Company		1,716	3,116	1,761	3,706
- comprehensive income attributable to holders of non-controlling interests		2,016	2,660	2,171	4,268

(in millions of PLN)

Interim consolidated statement of financial position

Assets	Note	30 June 2026	31 December 2025
Goodwill	10.16	2,861	2,816
Intangible assets	10.17	3,781	3,824
Property, plant and equipment	10.18	4,559	4,588
Investment property		2,943	3,103
Entities accounted for using the equity method	10.19	62	61
Insurance contract assets	10.1.4	121	124
Reinsurance contract assets	10.1.5	4,389	3,990
Assets pledged as collateral for liabilities	10.23	2,725	1,558
Assets held for sale	10.20	879	585
Loan receivables from clients (including finance lease receivables)	10.21	259,961	249,098
Financial derivatives	10.22	6,420	7,540
Investment financial assets	10.24	240,764	234,515
Measured at amortized cost		163,862	148,960
Measured at fair value through other comprehensive income		61,105	68,848
Measured at fair value through profit or loss		15,797	16,707
Deferred tax assets		2,009	2,134
Current income tax receivables		57	54
Other receivables	10.25	4,855	4,626
Other assets	10.26	766	634
Cash and cash equivalents		23,978	16,233
Total assets		**561,130**	**535,483**

(in millions of PLN)

Interim consolidated statement of financial position (continued)

Equity and liabilities	Note	30 June 2026	31 December 2025
Equity			
Equity attributable to equity holders of the parent company		34,446	35,471
Share capital	10.30	86	86
Other capital		29,565	25,419
Treasury shares		(2)	(6)
Supplementary capital		20,973	18,668
Other reserve capital		7,313	5,574
Accumulated other comprehensive income		1,281	1,183
Retained earnings		4,795	9,966
Retained profit or loss		1,786	3,267
Net profit		3,009	6,699
Non-controlling interest		34,906	37,182
Total equity		**69,352**	**72,653**
Liabilities			
Insurance contract liabilities	10.1.4	47,149	45,872
Reinsurance contract liabilities	10.1.5	21	38
Subordinated liabilities	10.32	7,251	7,951
Liabilities on the issue of own securities	10.33	25,461	22,449
Liabilities to banks	10.34	8,316	6,024
Liabilities to clients under deposits	10.35	367,198	348,642
Financial derivatives	10.22	5,285	6,148
Current income tax liabilities		405	895
Other liabilities	10.36	23,805	17,872
Provisions	10.37	3,088	3,171
Deferred income tax liabilities		3,798	3,767
Liabilities directly associated with assets classified as held for sale	10.20	1	1
Total liabilities		**491,778**	**462,830**
Total equity and liabilities		**561,130**	**535,483**

(in millions of PLN)

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								Undistributed profit	Total		
		Treasury shares	Supplementary capital	Other reserve capital	Accumulated other comprehensive income								
					Revaluation reserve	Insurance finance income or expenses	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 2026	**86**	**(6)**	**18,668**	**5,574**	**176**	**1,141**	**(15)**	**(7)**	**(112)**	**9,966**	**35,471**	**37,182**	**72,653**
Total comprehensive income	**-**	**-**	**-**	**-**	**(43)**	**139**	**(21)**	**-**	**32**	**3,009**	**3,116**	**2,660**	**5,776**
Net profit	-	-	-	-	-	-	-	-	-	3,009	3,009	2,726	5,735
Net other comprehensive income	-	-	-	-	(43)	139	(21)	-	32	-	107	(66)	41
Transaction with the shareholders of the parent company	**-**	**-**	**2,303**	**1,739**	**-**	**-**	**-**	**-**	**-**	**(8,187)**	**(4,145)**	**(4,945)**	**(9,090)**
Distribution of financial result	-	-	3,392	1,739	-	-	-	-	-	(5,131)	-	(4,945)	(4,945)
PZU dividend	-	-	(1,089)	-	-	-	-	-	-	(3,056)	(4,145)	-	(4,145)
Other changes, including:	**-**	**4**	**2**	**-**	**(9)**	**-**	**-**	**-**	**-**	**7**	**4**	**9**	**13**
Transactions in treasury shares	-	4	-	-	-	-	-	-	-	5	9	-	9
Transactions with holders of non-controlling interests	-	-	(7)	-	-	-	-	-	-	2	(5)	9	4
Other	-	-	9	-	(9)	-	-	-	-	-	-	-	-
As at 30 June 2026	**86**	**(2)**	**20,973**	**7,313**	**124**	**1,280**	**(36)**	**(7)**	**(80)**	**4,795**	**34,446**	**34,906**	**69,352**

(in millions of PLN)

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	Accumulated other comprehensive income								
					Revaluation reserve	Insurance finance income or expenses	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	**-**	**-**	**-**	**-**	**567**	**(97)**	**26**	**(1)**	**(19)**	**3,230**	**3,706**	**4,268**	**7,974**
Net profit	-	-	-	-	-	-	-	-	-	3,230	3,230	3,395	6,625
Net other comprehensive income	-	-	-	-	567	(97)	26	(1)	(19)	-	476	873	1,349
Transaction with the shareholders of the parent company	**-**	**-**	**1,252**	**1,599**	**-**	**-**	**-**	**-**	**-**	**(6,711)**	**(3,860)**	**(4,671)**	**(8,531)**
Distribution of financial result	-	-	2,332	1,599	-	-	-	-	-	(3,931)	-	(4,671)	(4,671)
PZU dividend	-	-	(1,080)	-	-	-	-	-	-	(2,780)	(3,860)	-	(3,860)
Other changes, including:	**-**	**1**	**2**	**1**	**(3)**	**-**	**-**	**-**	**-**	**-**	**1**	**3**	**4**
Transactions in treasury shares	-	1	1	-	-	-	-	-	-	-	2	-	2
Transactions with holders of non-controlling interests	-	-	(2)	-	-	-	-	-	-	-	(2)	3	1
Other	-	-	3	1	(3)	-	-	-	-	-	1	-	1
As at 30 June 2025	**86**	**(6)**	**18,745**	**5,523**	**(270)**	**1,560**	**(35)**	**(10)**	**(103)**	**6,468**	**31,958**	**32,746**	**64,704**

(in millions of PLN)

Interim consolidated cash flow statement

Consolidated cash flow statement	Note	1 January – 30 June 2026	1 January – 30 June 2025
Profit before tax		8,338	8,512
Adjustments		(3,464)	(4,343)
Amortization of intangible assets and depreciation of property, plant and equipment		783	655
Net movement in fair value of assets and liabilities measured at fair value		(809)	(1,059)
Realized gains/losses from investing activities and result from allowances for expected credit losses		753	593
Net foreign exchange differences		(200)	136
Interest income and expenses		(3,991)	(4,668)
Movement		13,740	10,069
Change in loans receivable from clients (including finance lease receivables)		(11,573)	(8,128)
Movement in liabilities under deposits		20,711	8,430
Movement in insurance contract assets and liabilities		1,453	1,166
Movement in reinsurance contract assets and liabilities		(442)	82
Movement in receivables		274	354
Movement in liabilities		21	1,314
Movement in liabilities under investment contracts		(79)	235
Movement in participation units and investment certificates of investment funds		370	137
Other adjustments		3,005	6,479
Income tax paid		(2,956)	(3,098)
Net cash flows from operating activities		**15,658**	**11,140**
Cash flow from investing activities			
Inflows		585,979	806,750
- sale of investment property		26	16
- sale of intangible assets and property, plant and equipment		74	60
- sale of ownership interests and shares		629	624
- realization of debt securities		286,389	459,710
- closing of buy-sell-back transactions		253,913	259,549
- closing of term deposits with credit institutions		21,713	64,967
- realization of other investments		18,688	19,571
- interest received		4,478	2,192
- dividends received		49	46
- increase in cash due to purchase of entities and change in the scope of consolidation		5	2
- other investment proceeds		15	13

(in millions of PLN)

Interim consolidated cash flow statement (continued)

Consolidated cash flow statement	Note	1 January – 30 June 2026	1 January – 30 June 2025
Expenditures		(591,981)	(807,484)
- purchase of investment properties		(9)	(4)
- purchase of intangible assets and property, plant and equipment		(649)	(490)
- purchase of ownership interests and shares		(847)	(595)
- purchase of ownership interests and shares in subsidiaries		(42)	-
- decrease in cash due to the change in the scope of consolidation		(9)	(10)
- purchase of debt securities		(293,079)	(460,254)
- opening of buy-sell-back transactions		(255,875)	(260,260)
- purchase of term deposits with credit institutions		(22,179)	(65,664)
- purchase of other investments		(19,277)	(20,190)
- other expenditures for investments		(15)	(17)
Net cash flows from investing activities		**(6,002)**	**(734)**
Cash flows from financing activities			
Inflows		240,496	173,528
- proceeds on the issue of own debt securities	10.38	18,356	21,624
- opening of repurchase transactions	10.38	222,140	151,904
Expenditures		(242,469)	(175,916)
- dividends to owners of non-controlling interests		(4,945)	(3,855)
- repayment of loans and borrowings	10.38	(304)	(480)
- redemption of own debt securities	10.38	(16,416)	(21,274)
- closure of repurchase transactions	10.38	(219,889)	(149,895)
- interest on loans and borrowings	10.38	-	(3)
- interest on outstanding debt securities	10.38	(704)	(248)
- expenditures on leases – capital part	10.38	(171)	(139)
- expenditures on leases – interest part	10.38	(40)	(22)
Net cash flows from financing activities		**(1,973)**	**(2,388)**
Total net cash flows		**7,683**	**8,018**
Cash and cash equivalents at the beginning of the period		16,233	15,127
Movement in cash due to foreign exchange differences		62	(117)
Cash and cash equivalents at the end of the period, including:		23,978	23,028
- restricted cash		9	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 2025.

Period covered by the condensed interim consolidated financial statements

These condensed interim consolidated financial statements cover the period of 6 months from 1 January to 30 June 2026.

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.

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 June 2026	1 January – 30 June 2025	30 June 2026	31 December 2025
EUR	4.2522	4.2208	4.2963	4.2267
UAH	0.0833	0.0925	0.0841	0.0851

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 6-month period ended 30 June 2026, the 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.

PZU, parent company – Powszechny Zakład Ubezpieczeń Spółka Akcyjna.

PZU Finance AB – PZU Finance AB (publ.) i likvidation.

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 terms

BFG – Bank Guarantee Fund.

CIRS – Cross-currency interest rate swap.

CSM – contractual service margin.

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.

GUS – Statistics Poland.

IRS – Interest rate swap.

PZU's standalone financial statements for 2025 – annual standalone financial statements of Powszechny Zakład Ubezpieczeń Spółka Akcyjna for 2025, 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 June 2026.

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.

PLET – Polish Life Expectancy Tables published annually by the Statistics Poland.

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

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 2025.

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.

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.

Act on Trading in Financial Instruments – Act on Trading in Financial Instruments of 29 July 2005.

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.

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

(in millions of PLN)

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 June 2026	31 December 2025	
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%	100.00%	Life insurance. https://pzugd.lt/
10	Polski Gaz Towarzystwo Ubezpieczeń Wzajemnych w likwidacji [1)]	Warsaw	25.01.2024	100.00%	100.00%	Non-life insurance. https://www.link4.pl/
11	Polski Gaz Towarzystwo Ubezpieczeń Wzajemnych na Życie w likwidacji [1)]	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	20.00%	20.02%	Banking services. https://www.pekao.com.pl/
13	Pekao Bank Hipoteczny SA	Warsaw	7.06.2017	20.00%	20.02%	Banking services. http://www.pekaobh.pl/
14	Pekao Leasing sp. z o.o.	Warsaw	7.06.2017	20.00%	20.02%	Lease services. http://www.pekaoleasing.com.pl/
15	Pekao Investment Banking SA	Warsaw	7.06.2017	20.00%	20.02%	Brokerage services. http://pekaoib.pl/
16	Pekao Inwestycje Dłużne sp. z o.o.	Warsaw	15.12.2025	20.00%	20.02%	Auxiliary financial activities.
17	Pekao Faktoring sp. z o.o.	Lublin	7.06.2017	20.00%	20.02%	Factoring services. https://www.pekaofaktoring.pl/
18	Pekao Towarzystwo Funduszy Inwestycyjnych SA	Warsaw	11.12.2017	20.00%	20.02%	Creation, representing and management of mutual funds. https://pekaotfi.pl/
19	Centrum Kart SA	Warsaw	7.06.2017	20.00%	20.02%	Auxiliary financial services.

(in millions of PLN)

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 June 2026	31 December 2025	
Consolidated companies – Pekao Group – continued						
20	Pekao Financial Services sp. z o.o.	Warsaw	7.06.2017	46.80% [2)]	46.82% [2)]	Transfer agent. http://www.pekao-fs.com.pl/pl/
21	Pekao CoNext sp. z o.o. (formerly: Pekao Direct sp. z o.o.) [3)]	Warsaw	7.06.2017	20.00%	20.02%	Body leasing.
22	Pekao Fundusz Kapitałowy sp. z o.o.	Warsaw	7.06.2017	20.00%	20.02%	Business consulting.
23	Pekao Investment Management SA	Warsaw	11.12.2017	20.00%	20.02%	Holding activities. https://pekaotfi.pl/o-nas/pekao-investment-management
24	PeUF sp. z o.o.	Warsaw	20.07.2021	20.00%	20.02%	Auxiliary financial activities.
Consolidated companies – Alior Bank Group						
25	Alior Bank SA	Warsaw	18.12.2015	31.91%	31.93%	Banking services. https://www.aliorbank.pl/
26	Alior Services sp. z o.o.	Warsaw	18.12.2015	31.91%	31.93%	Other activity supporting financial services, excluding insurance and pension funds.
27	Alior Leasing sp. z o.o.	Warsaw	18.12.2015	31.91%	31.93%	Lease services. https://www.aliorbank.pl/wlasna-dzialalnosc/alior-leasing.html
28	Meritum Services ICB SA	Gdańsk	18.12.2015	31.91%	31.93%	IT services.
29	Alior Towarzystwo Funduszy Inwestycyjnych SA	Warsaw	18.12.2015	31.91%	31.93%	Asset management services and management of Alior SFIO subfunds. https://www.aliortfi.com/
30	AL Finance sp. z o.o.	Katowice	30.01.2017	31.91%	31.93%	Agency activities.
31	Corsham sp. z o.o.	Warsaw	4.02.2019	31.91%	31.93%	No business conducted.
32	RBL_VC sp. z o.o.	Warsaw	7.11.2019	31.91%	31.93%	Venture capital fund management activities.
33	RBL_VC sp. z o.o. ASI SKA	Warsaw	17.04.2020	31.91%	31.93%	Venture capital fund management activities.
34	Alior Leasing Individual sp. z o.o.	Warsaw	23.10.2023	31.91%	31.93%	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 Uzdrowiskowe “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/

(in millions of PLN)

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 June 2026	31 December 2025	
Consolidated companies – PZU Zdrowie Group – continued						
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/
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/
44	Humana Medica Omeda sp. z o.o.	Białystok	28.11.2025	100.00%	100.00%	Medical services. https://omeda.pl/#
45	Osteodex Centrum Medyczne sp. z o.o. 4)	Nowy Sącz	8.06.2026	100.00%	n/a	Medical services. https://www.osteodex.pl/
46	CM Babka Medica sp. z o.o. 4)	Warsaw	30.06.2026	100.00%	n/a	Medical services. https://babkamedica.pl/
Consolidated companies – other companies						
47	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
48	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
49	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
50	PZU Pomoc SA	Warsaw	18.03.2009	100.00%	100.00%	Provision of assistance services. https://www.pzu.pl/grupa-pzu/spolki/pzu-pomoc
51	PZU Finance AB (publ.) i likvidation	Stockholm (Sweden)	2.06.2014	100.00%	100.00%	Financial services.
52	PZU Finanse sp. z o.o.	Warsaw	8.11.2013	100.00%	100.00%	Financial and accounting services.
53	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
54	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/
55	Arm Property sp. z o.o.	Kraków	26.11.2014	100.00%	100.00%	Purchase and sale of real estate.
56	Ipsilon sp. z o.o.	Warsaw	2.04.2009	100.00%	100.00%	No business conducted.

(in millions of PLN)

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 June 2026	31 December 2025	
Consolidated companies – other companies – continued						
57	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
58	Omicron BIS SA	Warsaw	28.08.2014	100.00%	100.00%	No business conducted.
59	LLC SOS Services Ukraine	Kiev (Ukraine)	1.07.2005	100.00%	100.00%	Assistance services.
60	PZU TECH SA	Warsaw	15.09.2017	100.00%	100.00%	Other service activities in the field of information technology and computer technology.
61	Tulare Investments sp. z o.o.	Warsaw	15.09.2017	100.00%	100.00%	No business conducted.
62	PZU Projekt 01 SA	Warsaw	1.09.2020	100.00%	100.00%	No business conducted.
63	UAB "B10 biurai"	Vilnius (Lithuania)	14.03.2023	100.00%	100.00%	Property management.
64	UAB "B10 apartamentai"	Vilnius (Lithuania)	14.03.2023	100.00%	100.00%	Property management.
Consolidated companies – Armatura Group						
65	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/
66	Aquaform Ukraine TOW w likwidacji	Zhytomyr (Ukraine)	15.01.2015	100.00%	100.00%	No business conducted.
Consolidated companies – mutual funds						
67	PZU SFIO Universum	Warsaw	15.12.2009	n/a	n/a	Investment of funds collected from fund members.
68	PZU FIZ Aktywów Niepublicznych Sektora Nieruchomości 2	Warsaw	21.11.2011	n/a	n/a	As above.
69	PZU FIZ Aktywów Niepublicznych BIS 1	Warsaw	12.12.2012	n/a	n/a	As above.
70	PZU FIZ Aktywów Niepublicznych BIS 2	Warsaw	19.11.2012	n/a	n/a	As above.
71	inPZU Obligacje Rynków Wschodzących	Warsaw	10.05.2018	n/a	n/a	As above.
72	inPZU Akcje Polskie Małych i Średnich Spółek	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 Sektora Zielonej Energii	Warsaw	15.12.2021	n/a	n/a	As above.
76	inPZU Akcje Sektora Nieruchomości	Warsaw	15.12.2021	n/a	n/a	As above.
77	inPZU Akcje Europejskie	Warsaw	15.12.2021	n/a	n/a	As above.

(in millions of PLN)

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 June 2026	31 December 2025	
Consolidated companies – mutual funds – continued						
78	inPZU Obligacje Skarbowe Amerykańskie	Warsaw	15.12.2021	n/a	n/a	Investment of funds collected from fund members.
79	PZU Dłużny Korporacyjny	Warsaw	12.04.2023	n/a	n/a	As above.
80	inPZU Złoto	Warsaw	7.09.2023	n/a	n/a	As above.
81	inPZU Akcje Sektora Cyberbezpieczeństwa	Warsaw	7.09.2023	n/a	n/a	As above.
82	inPZU Akcje Sektora Technologii Kosmicznych	Warsaw	7.09.2023	n/a	n/a	As above.
83	inPZU Zielone Obligacje	Warsaw	7.09.2023	n/a	n/a	As above.
84	inPZU Obligacje Korporacyjne High Yield	Warsaw	7.09.2023	n/a	n/a	As above.
85	inPZU Puls Życia 2070	Warsaw	4.01.2024	n/a	n/a	As above.
86	PZU FIZ Forte Absolutnej Stopy Zwrotu	Warsaw	28.01.2025	n/a	n/a	As above.
87	PZU FIZ Obligacji Korporacyjnych	Warsaw	1.04.2025	n/a	n/a	As above.
88	PZU FIZ Private Debt	Warsaw	25.09.2025	n/a	n/a	As above.
89	PZU ETF WIG20 TR + mWIG40 TR Portfelowy Fundusz Inwestycyjny Zamknięty	Warsaw	17.03.2026	n/a	n/a	As above.
90	PZU ETF MSCI World Portfelowy Fundusz Inwestycyjny Zamknięty	Warsaw	17.04.2026	n/a	n/a	As above.
91	PZU ETF Gold Portfelowy Fundusz Inwestycyjny Zamknięty	Warsaw	11.05.2026	n/a	n/a	As above.
92	inPZU Obligacje Skarbowe Rynków Rozwiniętych	Warsaw	17.06.2026	n/a	n/a	As above.
Consolidated companies – special purpose vehicles of PZU FIZ Aktywów Niepublicznych Sektora Nieruchomości 2						
93	PH 3 sp. z o.o.	Warsaw	28.01.2011	100.00%	100.00%	Real property management.
94	PH 3 sp. z o.o. SKA	Warsaw	28.01.2011	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 PB 1 sp. z o.o.	Warsaw	3.10.2012	100.00%	100.00%	As above.
99	Portfel PB 2 sp. z o.o.	Warsaw	8.10.2012	100.00%	100.00%	As above.
100	Portfel PH 1 sp. z o.o.	Warsaw	2.10.2012	100.00%	100.00%	As above.
101	Portfel PH 2 sp. z o.o.	Warsaw	8.10.2012	100.00%	100.00%	As above.
102	EBP 1 sp. z o.o.	Warsaw	28.09.2018	100.00%	100.00%	As above.

(in millions of PLN)

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 June 2026	31 December 2025	
Consolidated companies – special purpose vehicles of PZU FIZ Aktywów Niepublicznych Sektora Nieruchomości 2 – continued						
103	EBP 2 sp. z o.o.	Warsaw	11.07.2012	100.00%	100.00%	Real property management.
104	EBP 3 Sp. z o.o.	Warsaw	13.07.2012	100.00%	100.00%	As above.
105	Ogrody Lubicz sp. z o.o.	Kraków	25.07.2012	100.00%	100.00%	As above.
106	3 PB 1 sp. z o.o.	Warsaw	22.03.2012	100.00%	100.00%	As above.
107	3 PB 1 sp. z o.o. SKA	Warsaw	22.03.2012	100.00%	100.00%	As above.
108	Portfel2 PH5 sp. z o.o.	Warsaw	28.11.2014	100.00%	100.00%	As above.
109	2 PB 1 sp. z o.o.	Warsaw	13.12.2011	100.00%	100.00%	As above.
110	2 PB1 sp. z o.o. SKA	Warsaw	13.12.2011	100.00%	100.00%	As above.
111	2 PB 2 sp. z o.o.	Warsaw	8.02.2012	100.00%	100.00%	As above.
112	2PB3 sp. z o.o.	Warsaw	12.07.2012	100.00%	100.00%	As above.
113	2PB4 sp. z o.o.	Warsaw	11.07.2012	100.00%	100.00%	As above.
114	2PB5 sp. z o.o.	Warsaw	25.07.2012	100.00%	100.00%	As above.
115	2 PM 1 sp. z o.o.	Warsaw	28.03.2014	100.00%	100.00%	As above.
116	2PM2 sp. z o.o.	Warsaw	4.12.2012	100.00%	100.00%	As above.
117	2 PM 3 sp. z o.o.	Warsaw	13.08.2014	100.00%	100.00%	As above.
118	2PM4 sp. z o.o.	Warsaw	7.11.2014	100.00%	100.00%	As above.
119	2 PM 5 sp. z o.o.	Warsaw	7.11.2014	100.00%	100.00%	As above.
Associates						
120	re58 SA	Warsaw	3.10.2019	34.00%	34.00%	Advertising activity. https://www.re58.pl/
121	Usługi Logistyczne SA w likwidacji	Warsaw	23.12.2020	30.91%	30.92%	Retail sale of newspapers and stationery in specialized stores.
122	Krajowy Integrator Płatności SA [5]	Poznań	31.03.2021	7.67%	7.67%	Other monetary intermediation. https://tpay.com/

[1] By decision of 17 October 2025, the KNF revoked the license to conduct insurance activity of Polski Gaz Towarzystwo Ubezpieczeń Wzajemnych w likwidacji, and by decision of 16 January 2026, the license of Polski Gaz Towarzystwo Ubezpieczeń Wzajemnych na Życie w likwidacji.

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

[3] The company's name change was registered on 29 April 2026.

[4] Information on the company's acquisition is presented in section 2.3.1.

[5] 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.

(in millions of PLN)

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 2025.

The changes in the scope of consolidation and in the PZU Group's structure that occurred in the 6-month period ended 30 June 2026 are presented in the following sections.

2.3.1. Acquisition of subsidiaries

On 8 June 2026, PZU Zdrowie acquired 240 shares representing 100% of the share capital of Osteodex Centrum Medyczne sp. z o.o. ("Osteodex CM"), carrying 100% of the voting rights at the Shareholder Meeting of Osteodex CM. Osteodex CM has been consolidated since 8 June 2026.

On 30 June 2026, PZU Zdrowie acquired 6,100 shares representing 100% of the share capital of CM Babka Medica sp. z o.o. ("Babka Medica"), carrying 100% of the voting rights at the Shareholder Meeting of Babka Medica. Babka Medica has been consolidated since 30 June 2026.

2.3.2. Changes to consolidation of mutual funds

During the six-month period ended 30 June 2026, the following funds were included in the consolidation: PZU ETF WIG20 TR + mWIG40 TR Portfelowy Fundusz Inwestycyjny Zamknięty (since 17 March 2026), PZU ETF MSCI World Portfelowy Fundusz Inwestycyjny Zamknięty (since 17 April 2026), PZU ETF Gold Portfelowy Fundusz Inwestycyjny Zamknięty (since 11 May 2026), inPZU Obligacje Skarbowe Rynków Rozwiniętych (since 17 June 2026).

As a result of the loss of control, the following funds ceased to be consolidated during the six-month period ended 30 June 2026: inPZU Akcje Rynków Rozwiniętych (from 31 March 2026), inPZU Akcje Rynku Złota (from 31 May 2026), inPZU Akcje Polskie (from 30 June 2026), inPZU Akcje Rynków Wschodzących (from 30 June 2026), inPZU Akcje Sektora Informatycznego (from 30 June 2026).

2.3.3. Liquidation of PZU Group companies

On 27 January 2026, the shareholders' meetings of Portfel Alliance Silesia VII sp. z o.o. w likwidacji and Portfel PM1 sp. z o.o. w likwidacji, and on 26 February 2026, the shareholders' meeting of Portfel Alliance Silesia I BIS sp. z o.o. w likwidacji resolved to complete the liquidation of the companies.

On 28 May 2026, Pekao Property SA w likwidacji was removed from the National Court Register.

The liquidations 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 June 2026	31 December 2025
Pekao [1]	80.00%	79.98%
Alior Bank [2]	68.09%	68.07%
Przedsiębiorstwo Usług Medycznych PROELMED sp. z o.o.	43.00%	43.00%
Sanatorium Uzdrowiskowe "Krystynka" sp. z o.o.	0.91%	0.91%

[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.

(in millions of PLN)

Carrying amount of non-controlling interests	30 June 2026	31 December 2025
Pekao Group	26,390	28,348
Alior Bank Group	8,515	8,833
Other	1	1
Total	**34,906**	**37,182**

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 June 2026	31 December 2025	30 June 2026	31 December 2025
Goodwill	693	693	-	-
Intangible assets	2,179	2,202	682	660
Property, plant and equipment	2,347	2,276	745	829
Entities accounted for using the equity method	158	152	-	-
Assets pledged as collateral for liabilities	1,364	1,080	510	-
Assets held for sale	7	21	58	-
Loan receivables from clients (including finance lease receivables)	192,738	183,817	66,932	64,878
Financial derivatives	5,472	6,234	928	908
Investment financial assets	139,431	140,375	30,414	28,003
Measured at amortized cost	119,521	109,763	8,173	5,337
Measured at fair value through other comprehensive income	17,945	27,889	22,141	22,543
Measured at fair value through profit or loss	1,965	2,723	100	123
Deferred tax assets	1,381	1,384	617	682
Current income tax receivables	-	1	51	46
Other receivables	2,483	2,551	1,635	1,556
Other assets	313	257	119	105
Cash and cash equivalents	19,333	11,287	3,890	4,063
Total assets	**367,899**	**352,330**	**106,581**	**101,730**

(in millions of PLN)

Equity and liabilities	Pekao Group		Alior Bank Group	
	30 June 2026	31 December 2025	30 June 2026	31 December 2025
Equity				
Equity attributable to equity holders of the parent company	32,988	35,444	12,506	12,976
Share capital	263	263	1,306	1,306
Other capital	28,065	26,403	10,398	9,225
Retained earnings	4,660	8,778	802	2,445
Non-controlling interest	12	14	-	-
Total equity	**33,000**	**35,458**	**12,506**	**12,976**
Liabilities				
Subordinated liabilities	4,951	5,642	-	-
Liabilities on the issue of own securities	22,889	20,265	2,694	2,322
Liabilities to banks	7,412	5,436	904	589
Liabilities to clients under deposits	281,220	267,259	86,814	82,557
Financial derivatives	4,816	5,805	320	337
Current income tax liabilities	197	440	15	217
Other liabilities	10,914	9,370	2,836	2,304
Provisions	2,481	2,634	490	426
Deferred income tax liabilities	19	21	2	2
Total liabilities	**334,899**	**316,872**	**94,075**	**88,754**
Total equity and liabilities	**367,899**	**352,330**	**106,581**	**101,730**

(in millions of PLN)

Consolidated profit and loss account for the period from 1 January to 30 June 2026	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	2,468	-	-	-	2,468
Insurance revenue	15,652	-	-	-	15,652
Insurance service expenses	(13,184)	-	-	-	(13,184)
Net income or expenses from reinsurance contracts held	(178)	-	-	-	(178)
Reinsurance premium allocation	(947)	-	-	-	(947)
Amounts recoverable from reinsurers	769	-	-	-	769
Insurance service result	2,290	-	-	-	2,290
Insurance finance income or expenses	(1,040)	-	-	-	(1,040)
Finance income or expenses from reinsurance	98	-	-	-	98
Interest income calculated using the effective interest rate, and equalized to them	13,116	(8,836)	(3,109)	131	1,302
Other net investment income	367	(134)	17	(1)	249
Result from derecognition of financial instruments and investments not measured at fair value through profit or loss	61	(17)	(40)	-	4
Result from allowances for expected credit losses	(766)	455	280	-	(31)
Net movement in fair value of assets and liabilities measured at fair value	809	(210)	(113)	(3)	483
Revenue from commissions and fees	2,830	(2,144)	(593)	141	234
Fee and commission expenses	(627)	495	144	(13)	(1)
PZU Group's non-insurance operating expenses	(6,183)	3,764	1,356	(263)	(1,326)
Interest expenses	(3,049)	2,232	739	(26)	(104)
Legal risk costs of foreign currency mortgage loans	(143)	90	53	-	-
Other operating income	933	(72)	(103)	40	798
Other operating expenses	(360)	115	129	(10)	(126)
Operating profit	**8,336**	**(4,262)**	**(1,240)**	**(4)**	**2,830**
Share of the net financial results of entities accounted for using the equity method	2	(7)	-	4	(1)
Profit before tax	**8,338**	**(4,269)**	**(1,240)**	**-**	**2,829**
Income tax	(2,603)	1,512	470	-	(621)
Net profit	**5,735**	**(2,757)**	**(770)**	**-**	**2,208**
- profit attributable to the equity holders of the Parent Company	3,009	(555)	(246)	-	2,208
- profit attributable to holders of non-controlling interests	2,726	(2,202)	(524)	-	-

(in millions of PLN)

Consolidated profit and loss account for the period from 1 January to 31 March 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	2,643	-	-	-	2,643
Insurance revenue	15,226	-	-	-	15,226
Insurance service expenses	(12,583)	-	-	-	(12,583)
Net income or expenses from reinsurance contracts held	(488)	-	-	-	(488)
Reinsurance premium allocation	(994)	-	-	-	(994)
Amounts recoverable from reinsurers	506	-	-	-	506
Insurance service result	2,155	-	-	-	2,155
Insurance finance income or expenses	(935)	-	-	-	(935)
Finance income or expenses from reinsurance	(81)	-	-	-	(81)
Interest income calculated using the effective interest rate, and equalized to them	14,496	(9,811)	(3,511)	139	1,313
Other net investment income	(15)	(160)	(46)	(11)	(232)
Result from derecognition of financial instruments and investments not measured at fair value through profit or loss	61	(43)	(24)	-	(6)
Result from allowances for expected credit losses	(609)	391	176	-	(42)
Net movement in fair value of assets and liabilities measured at fair value	1,059	(89)	21	-	991
Revenue from commissions and fees	2,558	(1,941)	(559)	116	174
Fee and commission expenses	(587)	454	141	(10)	(2)
PZU Group's non-insurance operating expenses	(5,605)	3,476	1,320	(228)	(1,037)
Interest expenses	(3,971)	2,960	931	(36)	(116)
Legal risk costs of foreign currency mortgage loans	(420)	358	62	-	-
Other operating income	847	(94)	(68)	38	723
Other operating expenses	(436)	209	75	(8)	(160)
Operating profit	**8,517**	**(4,290)**	**(1,482)**	**-**	**2,745**
Share of the net financial results of entities accounted for using the equity method	(5)	4	-	-	(1)
Profit before tax	**8,512**	**(4,286)**	**(1,482)**	**-**	**2,744**
Income tax	(1,887)	998	356	-	(533)
Net profit	**6,625**	**(3,288)**	**(1,126)**	**-**	**2,211**
- profit attributable to the equity holders of the Parent Company	3,230	(658)	(361)	-	2,211
- profit attributable to holders of non-controlling interests	3,395	(2,630)	(765)	-	-

(in millions of PLN)

Statement of comprehensive income	Pekao Group		Alior Bank Group	
	1 January – 30 June 2026	1 January – 30 June 2025	1 January – 30 June 2026	1 January – 30 June 2025
Net profit	2,757	3,288	770	1,126
Net other comprehensive income	(20)	779	(72)	366
Items that will be reclassified to profit or loss	11	704	(75)	339
Valuation of debt instruments	69	272	(56)	135
Reclassification of debt instruments valuation for the profit and loss account	(9)	(44)	(11)	(3)
Valuation of loan receivables from clients (including finance lease receivables)	-	2	-	-
Foreign exchange translation differences	-	-	-	-
Cash flow hedging	(36)	639	(29)	284
Income tax on items that will be reclassified to profit or loss	(13)	(165)	21	(77)
Items that will not be reclassified to profit or loss	(31)	75	3	27
Valuation of equity instruments	(39)	98	4	36
Actuarial gains and losses related to provisions for employee benefits	(1)	(5)	-	-
Income tax on items that will not be reclassified to profit or loss	9	(18)	(1)	(9)
Total net comprehensive income	**2,737**	**4,067**	**698**	**1,492**

Cash flow statement	Pekao Group		Alior Bank Group	
	1 January – 30 June 2026	1 January – 30 June 2025	1 January – 30 June 2026	1 January – 30 June 2025
Net cash flows from operating activities	10,578	7,859	2,974	3,243
Net cash flows from investing activities	608	1,832	(2,771)	(1,472)
Net cash flows from financing activities	(3,200)	(5,196)	(391)	1,666
Total net cash flows	**7,986**	**4,495**	**(188)**	**3,437**

Dividend-related information	Pekao		Alior Bank	
	1 January – 30 June 2026	1 January – 30 June 2025	1 January – 30 June 2026	1 January – 30 June 2025
Date of ratifying the dividend	28 May 2026	24 April 2025	29 April 2026	16 June 2025
Record date	15 June 2026	5 May 2025	13 May 2026	30 June 2025
Dividend payment date	29 June 2026	23 May 2025	27 May 2026	14 July 2025
Dividend per share (PLN)	19.77	18.36	8.93	9.19
Dividend attributable to PZU Group	1,038	965	372	383
Dividend attributable to non-controlling interest	4,151	3,854	794	817

(in millions of PLN)

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)]	43,206 518	5.0035%
3	Other shareholders	525,099,182	60.8090%
Total		**863,523,000**	**100%**

[1)] Based on the current report No. 21/2026 dated 16 July 2026.

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

During the six-month period ended 30 June 2026, the following transactions in PZU shares were performed by BlackRock, Inc., resulting in exceeding the threshold of 5% of the share capital and the total number of votes at the Shareholder Meeting of PZU:

- 9 March 2026 – disposal of PZU shares (decrease below 5%);
- 9 June 2026 – acquisition of PZU shares (increase above 5%);
- 9 July 2026 – disposal of PZU shares (decrease);
- 13 July 2026 – acquisition of PZU shares (increase).

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 August 2026	13 May 2026
PZU Management Board Members		
Maciej Fedyna	300	300
Tomasz Tarkowski	830	830
Jan Zimowicz	1,520	1,520
PZU Supervisory Board Members		
Jarosław Antonik	150	150

Other members of the Management Board and Members of the Supervisory Board did not hold PZU shares or rights to them either at the date of conveying this interim report or at the date of conveying the annual report for 2025.

4. Key management

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 at PZU and PZU Życie and Members of the Management Boards of Pekao and Alior Bank.

The positions of PZU Group Directors at PZU and PZU Życie are entrusted to persons who simultaneously hold positions as Management Board Members at PZU Życie or PZU, or to persons who are not simultaneously Management Board Members of PZU Życie or PZU.

The Management Boards of PZU and PZU Życie, as well as the Directors of the PZU Group within PZU and PZU Życie, ensure a consistent and efficient governance model, based on a functional division of responsibilities for the respective areas of the companies' operations. PZU Group Directors at PZU generally oversee areas similar to those they oversee at PZU Życie as either Board Members or PZU Group Directors.

Members of the Management Boards of Pekao and Alior Bank are responsible for planning, managing and controlling processes that affect the balance sheet total and financial results of these banks. Due to the significant share of these values in the balance sheet total and consolidated financial result of the PZU Group, a decision was made to recognize Members of the Management Boards of Pekao and Alior Bank as key management personnel of the PZU Group.

4.1 Management Board of the Parent Company

From 1 January 2026, the composition of the Management Board of PZU was as follows:

- Bogdan Benczak – 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.

In connection with the expiry, on 31 December 2025, of the term of office covering three full financial years 2023–2025, on 14 April 2026 the Supervisory Board of PZU adopted a resolution to dismiss the Management Board of PZU composed of: Bogdan Benczak, Maciej Fedyna, Bartosz Grześkowiak, Elżbieta Häuser Schöneich, Tomasz Kulik, Tomasz Tarkowski and Jan Zimowicz and declared the expiration of their existing mandate. The dismissal resolution came into force upon its adoption.

On 14 April 2026, the Supervisory Board of PZU adopted a resolution to appoint Bogdan Benczak to the Management Board of PZU for a new term of office, entrusting him with the function of President of the Management Board of PZU.

On 14 April 2026, the Supervisory Board of PZU adopted resolutions regarding the appointment of Maciej Fedyna, Elżbieta Häuser–Schöneich, Tomasz Tarkowski, Jan Zimowicz, Kazimierz Karolczak, and Rafał Kiliński to the Management Board of PZU for the new term.

The appointment of all of the above-mentioned individuals is for the joint term commencing upon the entry into force of the resolution regarding the appointment of the President of the Management Board of PZU and covering three full financial years, 2027–2029.

In the case of Kazimierz Karolczak, the appointment resolution entered into force on 22 April 2026, and in the case of Rafał Kiliński, it was to enter into force on 18 May 2026. For the remaining individuals, the appointment resolutions entered into force upon their adoption.

On 13 May 2026, PZU received Rafał Kiliński's resignation from his position as a Member of the Management Board of PZU. The resignation became effective upon its submission.

From 22 April 2026 to the date of signing the condensed interim consolidated financial statements, the PZU Management Board consisted of the following persons:

- Bogdan Benczak – President of the PZU Management Board;
- Maciej Fedyna – Member of the PZU Management Board;
- Elżbieta Häuser–Schöneich - Member of the PZU Management Board;
- Kazimierz Karolczak – 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

As of 1 January 2026, the positions of PZU Group Directors were held by:

- at PZU – who are members of the Management Board of PZU Życie:
  - Artur Fromberg;
  - Michał Kopyt;
  - Katarzyna Majewska;
  - Michał Świtalski;
  - Iwona Wróbel;
- at PZU Życie – who are members of the PZU Management Board:
  - Bartosz Grześkowiak;
  - Elżbieta Häuser–Schöneich;
  - Jan Zimowicz;
- at PZU and PZU Życie – who are not simultaneously members of the Management Board of PZU or PZU Życie:
  - Andrzej Mikosz;
  - Rafał Cegieła (only at PZU).

On 14 April 2026, due to the expiration of his mandate as a Member of the Management Board of PZU (following dismissal by the Supervisory Board of PZU – the end of the PZU Management Board's term), Bartosz Grześkowiak ceased to hold the position of PZU Group Director at PZU Życie.

On 21 April 2026, due to the expiry of the mandate of the President of the Management Board of PZU Życie (following the dismissal by the Supervisory Board of PZU Życie – the end of the term of office of the Management Board of PZU Życie), Katarzyna Majewska ceased to hold the position of PZU Group Director at PZU, while simultaneously serving as a Member of the Management Board of PZU Życie.

From 22 April 2026, Katarzyna Majewska assumed the position of PZU Group Director at PZU and PZU Życie.

On 23 April 2026, the Management Board of PZU adopted resolutions on the appointment of Agnieszka Gocałek and Marcin Mikos to the positions of PZU Group Directors at PZU (in connection with their appointment as Members of the Management Board of PZU Życie). In the case of Agnieszka Gocałek, the resolution entered into force with effect from 21 April 2026, and in the case of Marcin Mikos, with effect from 27 April 2026.

On 24 April 2026, the Management Board of PZU Życie adopted a resolution on the appointment of Kazimierz Karolczak to the position of PZU Group Director at PZU Życie (in connection with his appointment as a Member of the Management Board of PZU). The resolution entered into force with effect from 22 April 2026.

On 26 May 2026, the Management Board of PZU adopted a resolution on the appointment of Jakub Sajkowski to the position of PZU Group Director at PZU. The resolution entered into force with effect from 18 May 2026.

On 30 June 2026, the Management Board of PZU adopted a resolution on the appointment of Robert Tomaszewski to the position of PZU Group Director at PZU. The resolution entered into force with effect from 1 July 2026.

From 1 July 2026 until the date of signing the interim condensed consolidated financial statements, the positions of PZU Group Directors were held by:

- at PZU – who are members of the Management Board of PZU Życie:
  - Artur Fromberg;
  - Agnieszka Gocałek;
  - Michał Kopyt;
  - Marcin Mikos;
  - Michał Świtalski;
  - Iwona Wróbel;

- at PZU Życie – who are members of the PZU Management Board:
  - Elżbieta Häuser–Schöneich;
  - Kazimierz Karolczak;
  - Jan Zimowicz;
- at PZU and PZU Życie – who are not simultaneously members of the Management Board of PZU or PZU Życie:
  - Katarzyna Majewska;
  - Andrzej Mikosz;
  - Rafał Cegieła (only at PZU);
  - Jakub Sajkowski (only at PZU);
  - Robert Tomaszewski (only at PZU).

4.3 Pekao Management Board

On June 30, 2026, the composition of the Pekao Management Board was as follows: Cezary Stypułkowski, Marcin Gadomski, Łukasz Januszewski, Michał Panowicz, Robert Sochacki, Błażej Szczecki, Dagmara Wojnar, Marcin Zygmanowski.

4.4 Alior Bank Management Board

On June 30, 2026, the composition of the Alior Bank Management Board was as follows: Piotr Żabski, Marcin Ciszewski, Jacek Iljin, Wojciech Przybył, Beata Stawiarska, Zdzisław Wojtera.

5. Parent Company’s Supervisory Board

From January 1, 2026, 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;
- Jarosław Antonik – Member 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.

Kazimierz Karolczak submitted his resignation from the position of Member of the Supervisory Board of PZU, effective 14 April 2026.

Adam Uszpolewicz resigned from his position as a Member of the Supervisory Board of PZU effective as of 7 May 2026.

On 18 June 2026, the Shareholder Meeting of PZU appointed Marta Currit to the Supervisory Board of PZU.

(in millions of PLN)

From 18 June 2026 until the date of signing the condensed interim consolidated financial statements, composition of the Supervisory Board of PZU was as follows:

- Marcin Kubicza – Chairman of the Supervisory Board;
- Małgorzata Kurzynoga – Vice Chairman of the Supervisory Board;
- Anna Machnikowska – Secretary of the Supervisory Board;
- Jaroslaw Antonik – Member of the Supervisory Board;
- Marta Currit – Member 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;
- Beata Stelmach – Member of the Supervisory Board;
- Maciej Szwarc – 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 2025.

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 2025, except for the change related to hedge accounting described in section 6.2.

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 2026

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

Name of standard/ interpretation	Comment
Amendments to IFRS 9 and IFRS 7 – changes in classification and measurement of financial instruments	Approved by Commission Regulation (EU) 2025/1047, taking into account the amendments introduced by Commission Regulation (EU) 2025/1266. The amendments are in response to emerging concerns in the application of the standards and include, among others: • 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: ○ 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;

(in millions of PLN)

Name of standard/ interpretation	Comment
	◦ 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: ◦ 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. Amendments to standards had no significant effect on the consolidated financial statements. The PZU Group did not elect the accounting policy choice to derecognize financial liabilities at the date earlier than the settlement date of the transaction.
Annual updates – 11th edition	Approved by Commission Regulation (EU) 2025/1331. The updates include changes to 5 standards: • 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: ◦ 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: ◦ 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. Amendments to standards had no significant effect on the consolidated financial statements.

(in millions of PLN)

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 2027

Name of standard/ interpretation	Comment
IFRS 18 – Presentation and disclosures in financial statements	Approved by Commission Regulation (EU) 2026/338. IFRS 18 to replace IAS 1 – Presentation of Financial Statements IFRS 18 introduces changes to the presentation and disclosures in financial statements aimed at improving information about entities' financial performance. Key changes include, among others: • requirements regarding the presentation of the statement of profit or loss, in particular the classification of all income and expenses in the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations; • the requirement to report two newly defined subtotals: operating profit and profit before financing and income taxes; • the requirement to disclose management-defined performance measures used by the entity in external communications outside the financial statements. These measures present management's view of the entity's performance and, in accordance with IFRS 18 requirements, will have to be disclosed in one dedicated note containing the calculation method, the reason why the measure provides useful information and a reconciliation to the most directly comparable amount specified by IFRS 18; • the addition of guidance on the aggregation and disaggregation of financial information. The PZU Group is currently analyzing the impact of applying IFRS 18 on the consolidated financial statements. The analysis includes, among others, the issues described below. Determination of the main business activity The implementation of IFRS 18 requires judgments regarding, among others, whether an entity conducts a specified main business activity consisting of investing in specified assets or providing financing to customers. Taking into account the activities in the insurance segment, within which the PZU Group invests its own assets as well as customers' assets, and in the banking segment, within which it provides financing to customers, the PZU Group conducts specified main business activities both in the area of: • providing financing to customers, and • investing in financial assets and non-financial assets. As a result, this will have a direct impact on the classification of certain income and expenses in the consolidated statement of profit or loss. IFRS 18 introduces general principles of allocation to the relevant categories applicable to all entities; however, for certain selected types of activities – investing in assets and providing financing to customers – it provides exceptions resulting in certain income and expenses that would be presented in the investing or financing category under the general principles being presented in the operating category. For example, interest from debt instruments, income from investment property rentals, dividends from equity instruments, impairment losses and reversals thereof, as well as gains and losses from fair value measurement of these assets, which under the general allocation principles would be presented in investing activities, will be presented by the PZU Group in operating activities in the consolidated financial statements. Similarly, income and expenses from liabilities arising from transactions that exclusively involve obtaining financing and are related to providing financing to customers, which under the general allocation principles would be presented in financing activities, will be presented by the PZU Group in operating activities. These will include, among others, interest, gains or losses from fair value measurement of loans, borrowings, bonds, obligations to repurchase own shares, and costs directly related to the issuance or expiry/settlement of these liabilities, such as transaction costs. Requirement for new categories and subtotals in the statement of profit or loss The PZU Group currently presents operating profit as a subtotal. In order to ensure that operating profit complies with the requirements of IFRS 18, the PZU Group is currently analyzing individual items of the consolidated statement of profit or loss in order to classify them appropriately. As a result of the analysis, certain expense items (such as interest expenses on lease liabilities) may be reclassified to the new financing category. Refined requirements for the grouping (aggregation and disaggregation) and description (labeling) of items in the financial statements The PZU Group is analyzing the nature of income and expenses, as well as receivables and liabilities disclosed under "Other" items in the notes to the consolidated financial statements.

(in millions of PLN)

Name of standard/ interpretation	Comment
	IFRS 18 requires that the description of an item faithfully reflects its characteristics and nature. The PZU Group is analyzing the currently applied method of aggregating balances presented under “Other” items. As a result of applying IFRS 18 requirements, the PZU Group expects that it will be necessary to refine the descriptions of certain items or disclose new lines in certain notes to the consolidated financial statements. Key changes related to other standards – IAS 7 The PZU Group expects changes to the statement of cash flows, including changes regarding the presentation of cash flows related to interest and dividends received and interest paid, which may be reclassified to operating activities. MPMs – management-defined performance measures IFRS 18 requires an entity to disclose, in a note to the consolidated financial statements, management-defined performance measures. The PZU Group is currently analyzing measures that are presented in public communications outside the consolidated financial statements in order to determine whether they meet the definition of MPMs. The PZU Group has identified one such measure – net profit adjusted for one-off events. This measure: • is a subtotal of income and expenses; • is communicated publicly by the PZU Group, outside the consolidated financial statements, in order to present management’s view on a selected aspect of the financial performance of the entire PZU Group; • is not explicitly required to be presented or disclosed under IFRS accounting standards and, therefore, may not necessarily be comparable with measures with similar names or descriptions reported by other companies. In management’s opinion, net profit adjusted for one-off events provides significant additional information about the financial position of the PZU Group, as it eliminates the impact of incidental, non-recurring factors that do not reflect the PZU Group’s sustainable ability to generate results. Net profit adjusted for one-off events enables a better understanding of trends related to the recurring profitability of the PZU Group and provides improved comparability of results between periods by eliminating events of a different nature and scale. In subsequent reporting periods, the Group will provide updates on the progress of work related to the implementation of IFRS 18.

Not approved by the European Commission

Name of standard/ interpretation	Comment
IFRS 19 – Subsidiaries not accountable to the public – Disclosures	Date of issue by the IASB: 9 May 2024 as amended on 21 August 2025. Planned effective date according to IASB: 1 January 2027. 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: • 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. The application of IFRS 19 is optional. 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. The new standard will not affect the PZU Group’s consolidated statements.

(in millions of PLN)

Name of standard/ interpretation	Comment
Amendments to IAS 21 – The effects of changes in foreign exchange rates – Conversion into a hyperinflationary presentation currency	Date of issue by the IASB: 13 November 2025. Planned effective date according to IASB: 1 January 2027. The amendment provides guidance on converting financial statements from a non-hyperinflationary currency to a hyperinflationary currency. The amendment aims to reduce the diversity of practices and provide clear foundations for reporting in a hyperinflationary currency. The amendment will not affect the PZU Group's consolidated financial statements.
IFRS 20 – Regulatory Assets and Regulatory Liabilities	Date of issue by the IASB: 27 May 2026. Planned effective date according to IASB: 1 January 2029. The new standard is intended to enable investors to better understand how rate regulation affects an entity's financial performance, financial position, and prospects for future cash flows. The standard will apply to entities subject to rate regulation that determines how much and when an entity may charge its customers, such as electricity, water, or gas providers. If there is a difference between the timing of the provision of regulated goods and services and the timing of charging customers for those goods and services, reported revenue may not fully reflect the entity's performance in a given period. IFRS 20 defines this situation as a "difference in timing." The new standard requires the effects of such timing differences to be recognized in the financial statements. It is also expected that IFRS 20 will reduce diversity in accounting practices and improve comparability between entities operating in regulated sectors. The application of the new standard is not expected to have a significant impact on the PZU Group's consolidated financial statements.
Amendments to IAS 28 – Investments in Associates and Joint Ventures	Date of issue by the IASB: 26 June 2026. Planned effective date according to IASB: 1 January 2027. The amendment clarifies the scope of entities eligible to apply the option of measuring investments in associates and joint ventures at fair value through profit or loss. Entities exempt from applying the equity method to investments in associates and joint ventures, which will be able to apply the fair value measurement option to such investments, include entities whose main business activity is investing in specified types of assets as defined in IFRS 18. This option is not limited only to entities that invest in associates or joint ventures as their specified main business activity, but is available more broadly to entities whose main business activity is investing in other assets. The amendment will not affect the PZU Group's consolidated financial statements.

6.2 Change in accounting policies regarding hedge accounting

The PZU Group decided to apply, starting from 1 April 2026, the hedge accounting requirements arising from IFRS 9 "Financial Instruments" . The decision applies to all hedging relationships, except for hedging relationships for the fair value hedge of a portfolio of financial assets or liabilities against interest rate risk, where the hedged item is designated as a specified amount layer of non-interest-bearing current accounts with a defined hedging horizon, for which the requirements of IAS 39 continue to apply.

For hedging relationships accounted for in accordance with IFRS 9 from 1 April 2026, the Group applies hedge accounting if:

- the hedging relationship consists only of eligible hedging instruments and eligible hedged items;
- at inception of the hedging relationship, the hedging relationship, as well as the entity's risk management objective and strategy for undertaking the hedge, are formally designated and documented. This documentation includes identification of the hedging instrument, the hedged item, the nature of the hedged risk, and how the entity will assess whether the hedging relationship meets the hedge effectiveness requirements;

- the hedging relationship meets all of the following hedge effectiveness requirements:
  - there is an economic relationship between the hedged item and the hedging instrument;
  - credit risk does not dominate the value changes resulting from that economic relationship, and
  - the hedge ratio of the hedging relationship is the same as the hedge ratio actually used by the PZU Group for hedging purposes, based on the quantities of the hedged item that the Group actually hedges and the quantities of the hedging instrument that the Group actually uses to hedge those quantities of the hedged item.

In accordance with IFRS 9, if a hedging relationship no longer meets the hedge effectiveness requirement relating to the hedge ratio, but the risk management objective for that designated hedging relationship remains unchanged, the PZU Group adjusts the hedge ratio of the hedging relationship so that it meets the qualifying criteria again.

IFRS 9 also provides the option of recognizing, in a separate component of equity, the portion of the valuation of a derivative instrument arising from the time value of an option, the forward element of a forward contract, or a foreign currency basis spread, and reclassifying it to profit or loss in the periods in which the hedged cash flows occur. With regard to hedging relationships existing as of 30 June 2026, the PZU Group did not use the above-mentioned option; however, it does not exclude using this option in the future when establishing new hedging relationships, if these components of the derivative instrument valuation are not designated as part of the hedging relationship.

IFRS 9 also permits hedging of a group of items. In particular, a layered component of a general group of items may be designated as the hedged item if:

- it can be separately identified and reliably measured;
- the risk management objective is to hedge the layered component;
- the items in the general group from which the layer is identified are exposed to the same hedged risk;
- for the purpose of hedging existing items, the entity can identify and track the general group of items within which the hedged layer is designated;
- all items in the group that contain prepayment options meet the requirements relating to nominal amount components.

The above change in accounting policies, in accordance with IFRS 9 requirements, was introduced prospectively from 1 April 2026, does not require restatement of comparative period data, and does not result in the recognition of any amounts charged to the PZU Group's profit or loss or equity on a one-off basis as a result of the transition to IFRS 9 itself.

The PZU Group applies fair value hedge accounting and cash flow hedge accounting.

All hedging relationships established at the level of individual PZU Group entities were also designated as hedging relationships for hedge accounting purposes at the PZU Group level.

6.2.1. Fair value hedge accounting

Accounting principles for fair value hedge accounting

In hedge accounting of fair value, financial instruments measured at amortized cost or at fair value through other comprehensive income may be designated as the hedged item. Changes in the fair value measurement of these instruments are recognized in the portion attributable to the hedged risk – in the profit or loss account. The remaining part of changes in the carrying amount are recognized in accordance with the general rules applicable to a given class of financial instruments.

From the moment a hedging relationship is established, changes in the fair value measurement of derivative financial instruments designated as hedging instruments in fair value hedge accounting are recorded in the profit or loss account in accordance with the hedged items. In particular, interest accrued on derivative hedging instruments related to interest-bearing hedged items is presented in interest income/expenses. The remaining part of the change in the fair value measurement of hedging instruments is presented in the same line item in which the effects of changes in the fair value of the hedged item attributable to the hedged risk are presented, i.e., in the line item "Net change in the fair value of assets and liabilities measured at fair value."

The PZU Group discontinues hedge accounting if the hedging instrument expires, is sold, terminated, or exercised (the replacement of one hedging instrument with another or the extension of the maturity of a hedging instrument is not considered an expiry or termination if such replacement or extension is part of the documented and adopted hedging strategy), the hedge no longer meets the hedge accounting criteria, or the PZU Group revokes the hedging relationship (applicable only to hedging relationshipsfor which the requirements of IAS 39 continue to apply).

The adjustment for the hedged risk on an interest-bearing hedged item is amortized to profit or loss from the date on which hedge accounting is discontinued.

Characteristics of fair value hedge accounting

Starting from 1 April 2026, the PZU Group continues to apply fair value hedge accounting in accordance with the accounting requirements arising from IFRS 9 "Financial Instruments" in relation to previously existing hedging relationships:

- "FVH IRS obligacje_P," in which Pekao uses interest rate swaps (IRS) to hedge exposure to interest rate risk generated by fixed-rate debt securities denominated in PLN and EUR. Pekao designates only interest rate risk arising from changes in forward rates as the hedged component. Historically, this component accounted for a significant portion of changes in the fair value of the hedged item;
- "FVH IRS emisje", in which Pekao uses interest rate swaps (IRS) to hedge exposure to interest rate risk arising from fixed-rate bonds issued by the PZU Group and denominated in PLN and EUR;
- "FVH IRS obligacje_A", in which Alior Bank uses interest rate swaps (IRS) to hedge exposure to changes in the fair value of fixed-rate debt securities with fixed interest rates, classified as financial assets measured at fair value through other comprehensive income, resulting from changes in the swap interest rate curve. Alior Bank hedges the risk following from changes in the interest rate swap curve (risk of volatility of market swap interest rates) excluding other effects changing the valuation (including asset swap spread).

The PZU Group continues to apply hedge accounting principles in accordance with IAS 39 with respect to the following fair value hedges of a portfolio of financial assets or liabilities against interest rate risk, where the hedged item is designated as a specified amount layer of non-interest-bearing current accounts with a defined hedging horizon:

- "FVH IRS rachunki", in which Pekao uses interest rate swaps (IRS) to hedge exposure to interest rate risk generated by current accounts denominated in PLN, EUR and USD, modeled as insensitive to changes in interest rates;
- "FVH IRS kredyty", in which Pekao uses interest rate swaps (IRS) to hedge exposure to interest rate risk generated by a portfolio of fixed-rate and periodically fixed-rate loans denominated in PLN, EUR and USD. This hedging relationship was established by Pekao in 2026;
- "FVH IRS depozyty", in which Alior Bank uses float-to-fixed IRS/OIS transactions to hedge changes in the fair value of deposits (current accounts and savings accounts without an explicitly specified repricing date) arising from risks resulting from changes in the interest rate curve (market interest rate volatility risk), excluding other effects affecting valuation changes (including the asset swap spread).

6.2.2. Cash flow hedge accounting

Accounting principles for cash flow hedge accounting

Changes in the fair value measurement of derivative financial instruments designated as cash flow hedging instruments are recognized:

- directly in other comprehensive income, in the line item "Gains and losses from the fair value measurement of financial instruments hedging cash flows in the effective hedge portion", to the extent that the hedge is effective;
- in the statement of profit or loss line item "Net change in the fair value of assets and liabilities measured at fair value", to the extent that the hedge is ineffective.

Amounts recognized in the line item "Gains and losses from the fair value measurement of financial instruments hedging cash flows in the effective hedge portion" are transferred to profit or loss in the period in which the hedged item affects profit or loss and are presented in the same line items as the respective components of the hedged item's valuation.

The PZU Group discontinues hedge accounting when the hedging instrument expires or is sold, when it revokes hedging relationships, or when the hedge no longer meets the hedge accounting criteria. In such cases, the cumulative gains or losses on the hedging instrument, initially recognized in the line item "Gains and losses from the fair value measurement of financial instruments hedging cash flows in the effective hedge portion", if the hedge was effective, continue to be recognized in equity until the forecast transaction occurs and is recognized in profit or loss.

If the forecast transaction is no longer considered probable, the cumulative gains or losses recognized in the line item "Gains and losses from the fair value measurement of financial instruments hedging cash flows in the effective hedge portion" are transferred to profit or loss for the period.

Characteristics of cash flow hedge accounting

Starting from 1 April 2026, the PZU Group continues to apply cash flow hedge accounting in accordance with the accounting requirements arising from IFRS 9 "Financial Instruments" with respect to previously existing hedging relationships:

- "CFH IRS kredyty_P", in which Pekao uses interest rate swaps (IRS) to hedge exposure to interest rate risk related to the volatility of market reference rates (WIBOR, EURIBOR) generated by a portfolio of floating-rate loans and securities denominated in PLN and EUR;
- "CFH swapy walutowe", in which Pekao uses foreign exchange swaps (FX swaps) to hedge exposure to foreign currency risk generated by portfolios of loans denominated in EUR, bonds issued and denominated in EUR, and term deposits denominated in EUR and USD;
- "CFH IRS kredyty_A", in which Alior Bank uses IRS and FRA transactions to hedge exposure to interest rate risk arising from the volatility of cash flows related to floating-rate assets.

In connection with the transition to IFRS 9, on 1 April 2026 the PZU Group discontinued the hedging relationship "CFH IRS depozyty", in which it used interest rate swaps (IRS) to hedge a portfolio of PLN- and EUR-denominated deposits that economically constituted a long-term floating-rate liability.

6.3 Use of estimates and assumptions

The PZU Group has evaluated the estimates and assumptions made that affect the value of its individual assets and liabilities, as well as income and expenses presented in the condensed interim financial statements. Given the uncertainty of further economic developments, in particular due to the ongoing armed conflicts in Ukraine and the Middle East, 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.

(in millions of PLN)

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	20.00%	31.91%
Shareholder agreements	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. An annex of 30 March 2023 added a new area of cooperation to the scope of the Agreement regarding non-financial sustainability reporting requirements. On 14 May 2025, an annex was signed extending the Shareholder Agreement until 7 June 2030, with the possibility of further extensions. The Management Board of PZU does not have any information about any agreements that may have been concluded between Pekao's other shareholders.	The PZU Group has not entered into agreements with other shareholders of Alior Bank. 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.

(in millions of PLN)

Criterion	Pekao	Alior Bank
Other shareholders	Two shareholders hold a stake of more than 5%, accounting in total for 11% 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. 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. 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. 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. 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.	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. 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. 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. 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. 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.
PZU representatives in governing bodies	Supervisory Board members include persons fulfilling key management functions at PZU. Most members of the Supervisory Board were proposed by PZU or PFR.	Supervisory Board members include persons fulfilling key management functions at PZU. Most of the Supervisory Board members were nominated by the PZU Group.

In the light of the above evidence, it has been determined that the PZU Group exercises control both over Pekao (since 7 June 2017) and over Alior Bank (since 18 December 2015) and over their subsidiaries and therefore they were consolidated. The above conclusion is based on a cyclical analysis of the audit, taking into account changing facts and circumstances, and contains significant judgment.

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 6-month period ended June 30, 2026.

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 foreign currencies

As at June 30, 2026, the PZU Group assessed the probability of an impact of a legal risk of foreign currency mortgages on future expected cash flows from credit exposures and the probability of cash outflows.

The key elements of the estimate for active and repaid loans include: the forecast of the total scale of incoming litigation cases for the active and repaid loan portfolios, the expected financial impact of legal disputes, including the duration of such disputes, and the consideration of the settlement program with borrowers.

For more information thereon please see section 10.37.

6.3.7. Estimated change in cash flows from consumer loans resulting from the CJEU judgment

On 23 April 2026, the CJEU issued a judgment in case C-744/24 concerning a consumer loan granted by Pekao ("CJEU judgment"). In this judgment, the CJEU ruled that banks may not charge interest on amounts allocated to cover non-interest costs of consumer loans.

As a result, as of 30 June 2026, the PZU Group estimated the change in expected future cash flows relating to the consumer loan portfolio and recognized the effect of these estimates (amounting to PLN 279 million) in the consolidated statement of profit or loss (section 10.2).

The estimate prepared by the PZU Group required assumptions based on professional judgment, in particular regarding the expected probabilities of reductions in interest charged attributable to non-interest costs of consumer loans.

Due to the lack of uniform interpretations of the CJEU judgment, further rulings and potential sector-wide solutions may arise in this area in the future, which may result in the need to revise the assumptions adopted by the PZU Group.

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

In the 6-month period ended June 30, 2026, there were no events that resulted in any significant change to the structure of financial statement line items.

8. Corrections of errors from previous years

In the 6-month period from January 1 to June 30, 2026, no corrections of errors from previous years were made.

9. Significant events after the end of the reporting period

On 7 July 2026, the Management Board of Pekao adopted a resolution on the early redemption of senior non-preferred bonds, series SN2. The early redemption took place on 28 July 2026 and covered all issued series SN2 bonds, i.e., 700 bonds at their nominal value with a total amount of PLN 350 million.

On 13 July 2026, Pekao issued 5,000 subordinated Tier 2 sustainable eurobonds, series 7, with a total nominal value of EUR 500 million and a maturity date of 13 July 2037 (Eurobonds). The Eurobonds were issued under the medium-term eurobond issuance program (EMTN Program). The Eurobonds were admitted to trading on the regulated market of the Luxembourg Stock Exchange and the Warsaw Stock Exchange (WSE) and are listed on the Official List of the Luxembourg Stock Exchange.

The issue price amounted to 100% of the nominal value, and the margin used to determine the interest rate amounted to 145 bps. The Eurobonds were issued for a period of 11 years, with an option for early redemption after 6 years from the issue date. On 11 August 2026, Pekao received approval from the Polish Financial Supervision Authority to classify the Eurobonds as Tier 2 instruments within the meaning of Article 63 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012.

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 Statistics Poland, 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 expenses includes 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 NBP’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 of the annuity. 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 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 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.

(in millions of PLN)

Mortality assumptions for long-term products were made using the relative mortality method, based on the 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 89% 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 June 2026					31 December 2025				
	1 year	5 years	10 years	20 years	40 years	1 year	5 years	10 years	20 years	40 years
No premium										
PLN	3.69%	4.57%	5.26%	5.16%	4.43%	3.34%	4.46%	5.16%	5.08%	4.39%
EUR	2.59%	2.63%	2.85%	3.10%	3.15%	2.08%	2.48%	2.86%	3.21%	3.30%
USD	4.02%	3.92%	4.04%	4.31%	4.04%	3.43%	3.47%	3.84%	4.28%	4.07%
GBP	3.99%	4.07%	4.38%	4.86%	4.71%	3.54%	3.67%	4.05%	4.54%	4.43%
NOK	4.86%	4.36%	4.13%	3.91%	3.67%	4.04%	3.98%	4.06%	3.95%	3.71%
Annuities										
PLN	4.01%	4.89%	5.58%	5.48%	4.75%	3.58%	4.70%	5.41%	5.33%	4.63%
EUR	2.65%	2.69%	2.91%	3.16%	3.21%	2.16%	2.56%	2.94%	3.29%	3.39%
IK										
PLN	3.90%	4.79%	5.48%	5.37%	4.64%	3.50%	4.62%	5.33%	5.25%	4.55%

Risk adjustment for non-financial risk

Confidence level for the risk adjustment was 81.6% as at June 30, 2026 (as at December 31, 2025: 81.2%).

(in millions of PLN)

10.1.2. Insurance revenue

Insurance revenue	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Contracts not measured under the PAA	2,326	4,757	2,173	4,433
Amounts relating to changes in liabilities for the remaining coverage	2,134	4,376	1,987	4,064
Expected incurred claims and other insurance service expenses	1,608	3,321	1,539	3,173
Release of the risk adjustment for non-financial risk for the period	46	97	39	80
Contractual service margin recognized in profit or loss for services provided	505	991	446	872
Other (including experience adjustments for premium receipts)	(25)	(33)	(37)	(61)
Recovery of insurance acquisition cash flows	192	381	186	369
Contracts measured under the PAA	5,550	10,895	5,520	10,793
Total insurance revenue	**7,876**	**15,652**	**7,693**	**15,226**

10.1.3. Reinsurance premium allocation

Reinsurance premium allocation	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Contracts not measured under the PAA	-	-	-	-
Contracts measured under the PAA	(490)	(947)	(494)	(994)
Allocation of reinsurance premiums, total	**(490)**	**(947)**	**(494)**	**(994)**

(in millions of PLN)

10.1.4. Movement in insurance contract assets and liabilities

Movement in insurance contract assets and liabilities 1 January – 30 June 2026	Assets Concerning cash flows for acquisitions	LRC		LIC			Total
		excluding the loss component	loss component	Non-PAA contracts	Contracts under PAA: estimated present value of the future cash flows	Contracts under PAA: risk adjustment for non-financial risk	
Beginning of the period	**(2)**	**26,982**	**533**	**884**	**15,729**	**1,622**	**45,748**
Assets	-	(143)	2	10	7	-	(124)
Liabilities	(2)	27,125	531	874	15,722	1,622	45,872
Changes in the consolidated profit or loss or in the consolidated other comprehensive income	**-**	**(13,401)**	**100**	**4,138**	**7,446**	**116**	**(1,601)**
Insurance service result before reinsurance	-	(14,021)	93	4,132	7,233	95	(2,468)
Insurance revenue	-	(15,652)	-	-	-	-	(15,652)
Measured under the modified retrospective approach	-	(1,097)	-	-	-	-	(1,097)
Measured under the fair value	-	(18)	-	-	-	-	(18)
Other contracts	-	(14,537)	-	-	-	-	(14,537)
Insurance service expenses	-	2,525	93	3,249	7,222	95	13,184
Incurred claims and other insurance service expenses	-	-	(512)	3,249	7,222	95	10,054
Incurred in the period	-	-	(512)	3,280	7,329	276	10,373
Incurred in the past	-	-	-	(31)	(107)	(181)	(319)
Amortization of insurance acquisition cash flows	-	2,525	-	-	-	-	2,525
Losses and loss reversals on onerous contracts	-	-	605	-	-	-	605
Investment component	-	(894)	-	883	11	-	-
Net finance expenses from insurance contracts	-	619	7	6	162	12	806
Effect of movements in exchange rates	-	1	-	-	51	9	61
Cash flows	**(3)**	**13,992**	**-**	**(4,101)**	**(7,037)**	**-**	**2,851**
Premiums received	-	16,584	-	-	-	-	16,584
Insurance service expenses paid, including investment components	-	-	-	(4,101)	(7,037)	-	(11,138)
Insurance acquisition cash flows	(3)	(2,592)	-	-	-	-	(2,595)
Other changes:	3	10	1	-	15	1	30
End of the period	**(2)**	**27,583**	**634**	**921**	**16,153**	**1,739**	**47,028**
Assets	-	(137)	-	7	9	-	(121)
Liabilities	(2)	27,720	634	914	16,144	1,739	47,149

(in millions of PLN)

Movement in insurance contract assets and liabilities 1 January – 30 June 2025	**Assets Concerning cash flows for acquisitions**	**LRC**		**LIC**			**Total**
					Contracts under PAA		
		excluding the loss component	**loss component**	**Non-PAA contracts**	**estimated present value of the future cash flows**	**risk adjustment 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	**-**	**(12,672)**	**(70)**	**3,840**	**7,245**	**69**	**(1,588)**
Insurance service result before reinsurance	-	(13,482)	(79)	3,830	7,042	46	(2,643)
Insurance revenue	-	(15,226)	-	-	-	-	(15,226)
Measured under the modified retrospective approach	-	(1,077)	-	-	-	-	(1,077)
Measured under the fair value	-	(20)	-	-	-	-	(20)
Other contracts	-	(14,129)	-	-	-	-	(14,129)
Insurance service expenses	-	2,447	(79)	3,138	7,031	46	12,583
Incurred claims and other insurance service expenses	-	-	(511)	3,138	7,031	46	9,704
Incurred in the period	-	-	(511)	3,178	6,824	254	9,745
Incurred in the past	-	-	-	(40)	207	(208)	(41)
Amortization of insurance acquisition cash flows	-	2,447	-	-	-	-	2,447
Losses and loss reversals on onerous contracts	-	-	432	-	-	-	432
Investment component	-	(703)	-	692	11	-	-
Net finance expenses from insurance contracts	-	807	9	10	343	31	1,200
Effect of movements in exchange rates	-	3	-	-	(140)	(8)	(145)
Cash flows	**(2)**	**13,708**	**-**	**(3,836)**	**(6,946)**	**-**	**2,924**
Premiums received	-	16,214	-	-	-	-	16,214
Insurance service expenses paid, including investment components	-	-	-	(3,836)	(6,946)	-	(10,782)
Insurance acquisition cash flows	(2)	(2,506)	-	-	-	-	(2,508)
Other changes:	3	(34)	(3)	-	(15)	(1)	(50)
End of the period	**(1)**	**26,403**	**562**	**841**	**15,682**	**1,333**	**44,820**
Assets	-	(142)	2	10	7	-	(123)
Liabilities	(1)	26,545	560	831	15,675	1,333	44,943

(in millions of PLN)

Movement in insurance contract assets and liabilities – Non-PAA insurance contracts 1 January – 30 June 2026	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	**9,254**	**1,681**	**4,658**	**22**	**5,504**	**10,184**	**21,119**
Assets	(598)	88	23	-	388	411	(99)
Liabilities	9,852	1,593	4,635	22	5,116	9,773	21,218
Changes in the consolidated profit or loss or in the consolidated other comprehensive income	**(819)**	**41**	**(73)**	**-**	**359**	**286**	**(492)**
Insurance service result before reinsurance	(1,206)	20	(175)	-	237	62	(1,124)
Changes that relate to future services	(1,014)	113	136	1	916	1,053	152
Contracts initially recognized in the period	(723)	88	-	-	797	797	162
Changes that adjust the CSM	(270)	22	133	1	118	252	4
Changes on onerous contracts	(21)	3	3	-	1	4	(14)
Changes that relate to current services	(177)	(77)	(311)	(1)	(679)	(991)	(1,245)
CSM recognized for services provided	-	-	(311)	(1)	(679)	(991)	(991)
Changes in risk adjustments for non-financial risks for the period	-	(77)	-	-	-	-	(77)
Experience adjustment for current service	(177)	-	-	-	-	-	(177)
Changes that relate to past services – changes for claims and other insurance service expenses	(15)	(16)	-	-	-	-	(31)
Net finance expenses from insurance contracts	387	21	102	-	122	224	632
Effect of movements in exchange rates	-	-	-	-	-	-	-
Cash flows	**914**	**-**	**-**	**-**	**-**	**-**	**914**
Premiums received	5,414	-	-	-	-	-	5,414
Insurance service expenses paid, including investment component	(4,101)	-	-	-	-	-	(4,101)
Insurance acquisition cash flows	(399)	-	-	-	-	-	(399)
Other changes:	2	1	1	-	1	2	5
End of the period	**9,351**	**1,723**	**4,586**	**22**	**5,864**	**10,472**	**21,546**
Assets	(602)	104	14	-	392	406	(92)
Liabilities	9,953	1,619	4,572	22	5,472	10,066	21,638

(in millions of PLN)

Movement in insurance contract assets and liabilities – Non-PAA insurance contracts 1 January – 30 June 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	**(534)**	**71**	**41**	**-**	**321**	**362**	**(101)**
Insurance service result before reinsurance	(1,099)	14	(55)	-	213	158	(927)
Changes that relate to future services	(976)	100	235	1	794	1,030	154
Contracts initially recognized in the period	(673)	85	-	-	761	761	173
Changes that adjust the CSM	(274)	10	235	1	33	269	5
Changes on onerous contracts	(29)	5	-	-	-	-	(24)
Changes that relate to current services	(99)	(70)	(290)	(1)	(581)	(872)	(1,041)
CSM recognized for services provided	-	-	(290)	(1)	(581)	(872)	(872)
Changes in risk adjustments for non-financial risks for the period	-	(70)	-	-	-	-	(70)
Experience adjustment for current service	(99)	-	-	-	-	-	(99)
Changes that relate to past services – changes for claims and other insurance service expenses	(24)	(16)	-	-	-	-	(40)
Net finance expenses from insurance contracts	565	57	96	-	108	204	826
Effect of movements in exchange rates	-	-	-	-	-	-	-
Cash flows	**924**	**-**	**-**	**-**	**-**	**-**	**924**
Premiums received	5,150	-	-	-	-	-	5,150
Insurance service expenses paid, including investment component	(3,836)	-	-	-	-	-	(3,836)
Insurance acquisition cash flows	(390)	-	-	-	-	-	(390)
Other changes:	(16)	(2)	(3)	-	(1)	(4)	(22)
End of the period	**9,136**	**1,646**	**4,352**	**22**	**5,068**	**9,442**	**20,224**
Assets	(619)	106	22	-	397	419	(94)
Liabilities	9,755	1,540	4,330	22	4,671	9,023	20,318

(in millions of PLN)

10.1.5. Movement in reinsurance contract assets and liabilities

Movement in reinsurance contract assets and liabilities 1 January – 30 June 2026	LRC		Non-PAA contracts	LIC		Total
				Contracts under PAA		
	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	**(129)**	**(4)**	**-**	**(3,251)**	**(568)**	**(3,952)**
Assets	(178)	(4)	-	(3,240)	(568)	(3,990)
Liabilities	49	-	-	(11)	-	38
Changes in the consolidated profit or loss or in the consolidated other comprehensive income	**948**	**3**	**-**	**(762)**	**(83)**	**106**
Net income or expenses from reinsurance contracts held	950	3	-	(704)	(71)	178
Reinsurance premium allocation	947	-	-	-	-	947
Amounts recoverable from reinsurers for:	-	3	-	(701)	(71)	(769)
Claims and other expenses incurred in the period	-	2	-	(383)	(74)	(455)
Changes for recoveries of incurred claims and other expenses incurred in the past	-	-	-	(318)	3	(315)
Recognition and movement in the loss recovery component	-	1	-	-	-	1
Investment component	3	-	-	(3)	-	-
Change in the risk of non-performance risk by the reinsurer	-	-	-	-	-	-
Net finance income from reinsurance contracts	-	-	-	(29)	(5)	(34)
Effect of movements in exchange rates	(2)	-	-	(29)	(7)	(38)
Cash flows	**(956)**	**-**	**-**	**434**	**-**	**(522)**
Premiums paid	(956)	-	-	-	-	(956)
Claims recovered and expenses paid	-	-	-	434	-	434
Other changes:	-	-	-	-	-	-
End of the period	**(137)**	**(1)**	**-**	**(3,579)**	**(651)**	**(4,368)**
Assets	(166)	(1)	-	(3,571)	(651)	(4,389)
Liabilities	29	-	-	(8)	-	21

(in millions of PLN)

Movement in reinsurance contract assets and liabilities **1 January – 30 June 2025**	**LRC**		**Non-PAA contracts**	**LIC**		**Total**
				Contracts under PAA		
	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	**996**	**(3)**	**-**	**(443)**	**(13)**	**537**
Net income or expenses from reinsurance contracts held	998	(3)	-	(494)	(13)	488
Reinsurance premium allocation	994	-	-	-	-	994
Amounts recoverable from reinsurers for:	-	(3)	-	(490)	(13)	(506)
Claims and other expenses incurred in the period	-	-	-	(334)	(30)	(364)
Changes for recoveries of incurred claims and other expenses incurred in the past	-	-	-	(156)	17	(139)
Recognition and movement in the loss recovery component	-	(3)	-	-	-	(3)
Investment component	4	-	-	(4)	-	-
Change in the risk of non-performance risk by the reinsurer	-	-	-	-	-	-
Net finance income from reinsurance contracts	-	-	-	(81)	(6)	(87)
Effect of movements in exchange rates	(2)	-	-	132	6	136
Cash flows	**(1,096)**	**-**	**-**	**609**	**-**	**(487)**
Premiums paid	(1,096)	-	-	-	-	(1,096)
Claims recovered and expenses paid	-	-	-	609	-	609
Other changes:	-	-	-	-	-	-
End of the period	**(299)**	**(3)**	**-**	**(3,412)**	**(243)**	**(3,957)**
Assets	(336)	(3)	-	(3,404)	(243)	(3,986)
Liabilities	37	-	-	(8)	-	29

(in millions of PLN)

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

Non-PAA insurance contracts	Contracts issued 1 April – 30 June 2026			Contracts issued 1 April – 30 June 2025		
	Other than burden-bearing	Onerous	Total	Other than burden-bearing	Onerous	Total
Insurance contracts						
Present value of cash outflows	1,380	798	2,178	1,327	774	2,101
Present value of claims and insurance service expenses	1,204	733	1,937	1,174	709	1,883
Present value of insurance acquisition cash flows	176	65	241	153	65	218
Present value of cash inflows	(1,824)	(725)	(2,549)	(1,745)	(691)	(2,436)
Risk adjustment for non-financial risk	34	9	43	34	7	41
CSM	410	-	410	384	-	384
Losses recognized on initial recognition	-	(82)	(82)	-	(90)	(90)
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 January – 30 June 2026			Contracts issued 1 January – 30 June 2025		
	Other than burden-bearing	Onerous	Total	Other than burden-bearing	Onerous	Total
Insurance contracts						
Present value of cash outflows	2,780	1,556	4,336	2,669	1,515	4,184
Present value of claims and insurance service expenses	2,441	1,430	3,871	2,367	1,392	3,759
Present value of insurance acquisition cash flows	339	126	465	302	123	425
Present value of cash inflows	(3,648)	(1,411)	(5,059)	(3,501)	(1,356)	(4,857)
Risk adjustment for non-financial risk	71	17	88	71	14	85
CSM	797	-	797	761	-	761
Losses recognized on initial recognition	-	(162)	(162)	-	(173)	(173)
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 June 2026, and in the period from 1 January to 30 June 2025, the PZU Group did not buy any insurance or reinsurance contracts, not measured under PAA.

(in millions of PLN)

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 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Loan receivables from clients	3,367 [1)]	7,015 [1)]	3,882	7,996
Debt securities measured at fair value through other comprehensive income	712	1,424	720	1,527
Debt securities measured at amortized cost	1,546	3,059	1,529	3,001
Buy-sell-back transactions	153	295	209	403
Term deposits with credit institutions	49	84	288	349
Loans	66	133	82	169
Receivables purchased	115	229	153	293
Hedge derivatives	36	59	(110)	(242)
Receivables	3	6	3	7
Cash and cash equivalents	130	262	180	372
Income of a nature similar to interest	276	550	307	621
Interest income calculated using the effective interest rate and equalized to them, total	**6,453**	**13,116**	**7,243**	**14,496**

[1)] including PLN 279 million relating to the estimated changes in expected future cash flows from consumer loans resulting from the CJEU judgment and recognized as a reduction of interest income (additional information in section 6.3.7).

10.3 Other net investment income

Other net investment income	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Dividend income, including:	94	97	46	48
Investment financial assets measured at fair value through profit or loss	17	20	15	17
Investment financial assets measured at fair value through other comprehensive income	77	77	31	31
Effect of movements in exchange rates	44	200	21	(136)
Income on investment property	54	83	41	87
Other	(15)	(13)	(7)	(14)
Total other net investment income	**177**	**367**	**101**	**(15)**

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 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Investment financial assets	31	37	33	44
Debt instruments measured at fair value through other comprehensive income	21	26	31	40
Instruments measured at amortized cost	10	11	2	4
Loan receivables from clients measured at amortized cost (including finance lease receivables)	30	26	14	17
Receivables	(2)	(2)	-	-
Result from derecognition of financial instruments and investments not measured at fair value through profit or loss, total	**59**	**61**	**47**	**61**

(in millions of PLN)

10.5 Result from allowances for expected credit losses

Result from allowances for expected credit losses	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Investment financial assets	(14)	(40)	(44)	(53)
Debt instruments measured at fair value through other comprehensive income	(7)	(7)	(1)	(4)
Instruments measured at amortized cost	(7)	(33)	(43)	(49)
- debt instruments	(5)	(10)	-	(9)
- term deposits with credit institutions	(1)	-	(2)	(2)
- loans	(1)	(23)	(41)	(38)
Loan receivables from clients (including finance lease receivables)	(422)	(727)	(279)	(581)
Measured at amortized cost	(355)	(631)	(249)	(517)
Receivables from financial leasing	(29)	(56)	(29)	(55)
Measured at fair value through other comprehensive income	(38)	(40)	(1)	(9)
Off-balance sheet liabilities granted	26	29	(5)	30
Receivables	(17)	(23)	(1)	(3)
Cash and cash equivalents	(4)	(5)	-	(2)
Result from allowances for expected credit losses, total	**(431)**	**(766)**	**(329)**	**(609)**

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 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Investment financial instruments measured at fair value through profit or loss	709	806	345	698
Equity instruments	157	155	90	240
Debt securities	191	215	96	166
Participation units and investment certificates	361	436	159	292
Derivatives	187	71	221	599
Measurement of liabilities to members of consolidated mutual funds	(87)	(76)	(62)	(86)
Investment contracts for the client’s account and risk (unit-linked)	(35)	(38)	(23)	(46)
Investment property	36	29	(93)	(94)
Loan receivables from clients (including finance lease receivables)	14	17	(1)	(12)
Net movement in fair value of assets and liabilities measured at fair value, total	**824**	**809**	**387**	**1,059**

(in millions of PLN)

10.7 Revenue from commissions and fees

Revenue from commissions and fees	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Banking activity	1,142	2,297	1,106	2,152
Margin on foreign exchange transactions with clients	276	536	270	518
Brokerage fees	86	175	87	157
Fiduciary activity	29	57	24	46
Payment card and credit card services	265	546	268	515
Fees on account of insurance intermediacy activities	(8)	(2)	7	13
Loans and borrowings	134	262	137	261
Bank account-related services	102	211	83	183
Transfers	91	179	83	163
Cash operations	29	56	28	55
Receivables purchased	28	53	22	41
Guarantees, letters of credit, collections, promises	29	57	19	48
Commissions on leasing activity	29	58	26	50
Other commission	52	109	52	102
Revenue and payments received from funds and mutual fund management companies	202	402	157	308
Pension insurance	69	129	49	95
Other	-	2	2	3
Total revenue from commissions and fees	**1,413**	**2,830**	**1,314**	**2,558**

10.8 Fee and commission expenses

Fee and commission expenses	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Costs of card and ATM transactions, including card issue costs	150	325	158	310
Commissions on acquisition of banking clients	39	77	34	60
Fees for the provision of ATMs	15	27	12	23
Costs of awards to banking clients	8	16	9	17
Costs of bank transfers and remittances	14	28	13	26
Additional services attached to banking products	3	5	11	21
Brokerage fees	9	18	10	18
Costs of administration of bank accounts	2	4	2	4
Fiduciary activity expenses	12	23	10	18
Other commission	53	104	48	90
Total fee and commission expenses	**305**	**627**	**307**	**587**

(in millions of PLN)

10.9 PZU Group's non-insurance operating expenses

PZU Group's non-insurance operating expenses	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Consumption of materials and energy	68	147	72	150
Third party services	451	896	279	616
Taxes and charges, including:	439	872	418	843
– levy on financial institutions	404	804	386	773
Employee expenses	1,428	2,841	1,357	2,709
Depreciation of property, plant and equipment	162	322	155	307
Amortization of intangible assets, including:	136	272	133	264
- amortization of intangible assets purchased in company acquisition transactions	12	23	11	24
Other:	167	833	188	716
– advertising	110	175	102	155
- compulsory payments to banking market institutions	-	52	-	60
- fees to the Bank Guarantee Fund	-	504	37	418
– other	57	102	49	83
Total PZU Group operating expenses not related to insurance services	**2,851**	**6,183**	**2,602**	**5,605**

10.10 Interest expenses

Interest expenses	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Term deposits	609	1,228	852	1,737
Current deposits	340	752	515	1,023
Own debt securities issued	344	690	337	695
Hedge derivatives	41	99	81	172
Loans	11	22	20	36
Repurchase transaction	79	151	76	145
Bank loans contracted by PZU Group companies	24	48	44	95
Leases	17	34	17	34
Other	10	25	19	34
Total interest expenses	**1,475**	**3,049**	**1,961**	**3,971**

10.11 Legal risk costs of foreign currency mortgage loans

Legal risk costs of foreign currency mortgage loans	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Loans receivable from customers - adjustment to reduce gross carrying amount	(19)	(13)	23	22
Provisions	102	156	331	398
Total legal risk costs of foreign currency mortgage loans	**83**	**143**	**354**	**420**

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

(in millions of PLN)

10.12 Other operating income

Other operating income	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Revenues on the sales of products, merchandise and services by non-insurance companies	370	737	342	669
Sales of medical services	305	609	279	548
Sales of products and goods	39	78	40	78
Other	26	50	23	43
Gain from sale of property, plant and equipment	4	30	1	28
Reversal of provisions	6	42	23	26
Other	58	124	55	124
Other operating income, total	**438**	**933**	**421**	**847**

10.13 Other operating expenses

Other operating expenses	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Expenditures for prevention activity	13	40	10	39
Establishment of provisions	64	146 [1)]	146	154
Recognition of impairment losses for non-financial assets	2	3	2	3
Loss from sale of property, plant and equipment	3	5	1	8
Donations	4	4	-	5
Costs of pursuit of claims	10	21	14	34
Other	69	141	108	193
Other operating expenses, total	**165**	**360**	**281**	**436**

[1)] item primarily relates to the creation of provisions totaling PLN 69 million for potential liabilities arising from ongoing UOKiK proceedings against PZU Group companies (Pekao – PLN 30 million and Alior Bank – PLN 39 million) as well as the creation of provisions for disputed claims and potential liabilities amounting to PLN 39 million. Additional information regarding the UOKiK proceedings is presented in sections 20.6.2 and 20.6.1, respectively.

10.14 Income tax

Total amount of current and deferred tax	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Included in the profit and loss account:	1,474	2,603	869	1,887
– current tax	1,231	2,463	1,046	1,677
– deferred tax	243	140	(177)	210
Recognized in other comprehensive income	201	17	170	321
– deferred tax	201	17	170	321
Total	**1,675**	**2,620**	**1,039**	**2,208**

(in millions of PLN)

Income tax on other comprehensive income items	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Other comprehensive income, gross	815	58	913	1,670
Income tax	(201)	(17)	(170)	(321)
Valuation of debt instruments	(209)	(7)	(79)	(131)
Reclassification of debt instruments valuation for the profit and loss account	5	6	5	7
Insurance finance income or expenses	136	(34)	23	23
Finance income or expenses from reinsurance	(4)	5	(4)	(6)
Cash flow hedging	(125)	11	(94)	(178)
Gains and losses on fair value measurement of financial instruments hedging cash flows in the portion constituting an effective hedge	(124)	21	(58)	(107)
Gains and losses on cash flow hedging financial instruments reclassified to profit or loss	(1)	(10)	(36)	(71)
Equity instruments measured at fair value through other comprehensive income	(4)	7	(19)	(34)
Actuarial gains and losses related to provisions for employee benefits	-	-	1	1
Reclassification of real property from property, plant and equipment to investment property	-	(1)	(3)	(3)
Loan receivables from clients (including finance lease receivables)	-	(4)	-	-
Net other comprehensive income	**614**	**41**	**743**	**1,349**

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.

From 1 January 2026, the corporate income tax rate for banks is 30% in 2026 (26% in 2027 and 23% in 2028 and subsequent years). The PZU Group calculates deferred tax assets and liabilities related to banking operations using tax rates that will be applicable at the expected timing of reversal of individual temporary differences. For some of the temporary differences, the exact determination of the realization period is difficult because their realization or reversal depends not only on the actions of the PZU Group but also on external conditions, including market conditions.

10.15 Earnings per share

Earnings per share	1 April – 30 June 2026	1 January – 30 June 2026	1 April – 30 June 2025	1 January – 30 June 2025
Net earnings attributable to owners of the parent company	1,647	3,009	1,470	3,230
Weighted average basic and diluted number of common shares	863,303,268	863,314,801	863,343,839	863,331,613
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)	(219,732)	(208,199)	(179,161)	(191,387)
Basic and diluted earnings (loss) per ordinary share (in PLN)	1.91	3.49	1.70	3.74

In 6 months ended respectively June 30, 2026, and June 30, 2025, there were no transactions or events resulting in the dilution of earnings per share.

(in millions of PLN)

10.16 Goodwill

Goodwill	30 June 2026	31 December 2025
Pekao [1] (Banking Operations segment)	1,715	1,715
LD [2] (Baltic countries segment)	475	466
Medical companies (Other segment)	406	371
Link4 (Mass insurance in non-life insurance segment)	221	221
Balta (Baltic countries segment)	39	38
Other	5	5
Goodwill, total	**2,861**	**2,816**

[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 June 2026	31 December 2025
Software, licenses and similar assets	1,442	1,517
Trademarks	612	610
– Pekao	340	340
– Alior Bank	100	100
– other	172	170
Customer relations	154	176
– Pekao	118	133
– other	36	43
Intangible assets under development	1,026	1,020
Other intangible assets	547	501
Intangible assets, total	**3,781**	**3,824**

10.18 Property, plant and equipment

Property, plant and equipment by group	30 June 2026	31 December 2025
Equipment and machinery	734	697
Means of transport	386	360
Property, plant and equipment under construction	515	581
Real property	2,493	2,491
Other property, plant and equipment	431	459
Total property, plant and equipment	**4,559**	**4,588**

10.19 Entities accounted for using the equity method

Associates	30 June 2026	31 December 2025
Krajowy Integrator Płatności SA	54	52
re58 SA	8	9
Associates, total	**62**	**61**

(in millions of PLN)

10.20 Assets and liabilities held for sale

Assets held for sale by classification before transfer	30 June 2026	31 December 2025
Assets held for sale	**879**	**585**
Property, plant and equipment	68	21
Investment property	811	564
Liabilities directly associated with assets classified as held for sale	**1**	**1**

The "Investment property" line item mainly includes 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 June 2026	31 December 2025
Measured at amortized cost	239,348	229,683
Measured at fair value through other comprehensive income	113	143
Measured at fair value through profit or loss	554	465
Receivables from financial leasing	19,946	18,807
Total loan receivables from clients (including finance lease receivables)	**259,961**	**249,098**

Loan receivables from clients (including finance lease receivables)	30 June 2026	31 December 2025
Retail segment	**132,777**	**129,574**
Loans for real estate	96,681	93,917
Other	36,096	35,657
Business segment	**127,184**	**119,524**
Finance lease	19,946	18,807
Other	107,238	100,717
Total loan receivables from clients (including finance lease receivables)	**259,961**	**249,098**

(in millions of PLN)

10.22 Financial derivatives

Derivatives	30 June 2026		31 December 2025	
	Assets	Liabilities	Assets	Liabilities
Related to interest rates	**5,426**	**4,303**	**6,250**	**5,302**
Fair value hedging instruments – swap transactions	541	194	307	26
Cash flow hedging instruments, including:	1,156	146	1,588	714
- forward contracts	8	-	-	-
- swap transactions	1,148	146	1,588	714
Instruments carried as held for trading, including:	3,729	3,963	4,355	4,562
- forward contracts	93	30	63	59
- swap transactions	3,568	3,910	4,275	4,481
- call options (purchase)	17	9	13	6
- put options (sale)	-	2	-	3
- cap floor options	51	12	4	13
Related to exchange rates	**516**	**565**	**748**	**343**
Cash flow hedging instruments – swap transactions	26	-	-	10
Instruments carried as held for trading, including:	490	565	748	333
- forward contracts	184	163	206	143
- swap transactions	290	383	520	150
- call options (purchase)	11	8	5	4
- put options (sale)	5	11	17	36
Related to prices of securities	**9**	**1**	**1**	**-**
- forward contracts	8	-	1	-
- call options (purchase)	1	1	-	-
Related to commodity prices	**469**	**416**	**541**	**503**
- forward contracts	-	2	-	-
- swap transactions	**384**	**329**	**499**	**463**
- call options (purchase)	20	18	5	4
- put options (sale)	-	1	5	6
– other	65	66	32	30
Total	**6,420**	**5,285**	**7,540**	**6,148**

(in millions of PLN)

10.23 Assets pledged as collateral for liabilities

Assets pledged as collateral for liabilities	30 June 2026 at amortized cost	30 June 2026 at fair value through other compre-hensive income	30 June 2026 at fair value through profit or loss	30 June 2026 Total	31 December 2025 at amortized cost	31 December 2025 at fair value through other compre-hensive income	31 December 2025 at fair value through profit or loss	31 December 2025 Total
Debt securities	-	1,836	889	2,725	1,079	1	447	1,527
Government securities	-	1,836	889	2,725	1,079	1	447	1,527
Domestic	-	1,836	889	2,725	1,079	1	447	1,527
Fixed rate	-	1,428	114	1,542	-	1	101	102
Floating rate	-	408	775	1,183	1,079	-	346	1,425
Buy-sell-back transactions	-	-	-	-	31	-	-	31
Assets pledged as collateral for liabilities, total	-	**1,836**	**889**	**2,725**	**1,110**	**1**	**447**	**1,558**

10.24 Investment financial assets

Investment financial assets	30 June 2026 at amortized cost	30 June 2026 at fair value through other compre-hensive income	30 June 2026 at fair value through profit or loss	30 June 2026 Total	31 December 2025 at amortized cost	31 December 2025 at fair value through other compre-hensive income	31 December 2025 at fair value through profit or loss	31 December 2025 Total
Equity instruments	n/a	796	1,219	2,015	n/a	809	1,629	2,438
Participation units and investment certificates	n/a	n/a	7,862	7,862	n/a	n/a	7,085	7,085
Debt securities	147,151	60,309	6,685	214,145	134,807	68,039	7,974	210,820
Government securities	110,807	52,500	5,761	169,068	104,623	49,174	6,994	160,791
Domestic	108,341	46,088	5,294	159,723	99,959	41,235	6,668	147,862
Fixed rate	84,775	36,762	2,385	123,922	79,244	31,534	2,993	113,771
Floating rate	23,566	9,326	2,909	35,801	20,715	9,701	3,675	34,091
Foreign	2,466	6,412	467	9,345	4,664	7,939	326	12,929
Fixed rate	2,466	6,412	459	9,337	4,664	7,939	323	12,926
Floating rate	-	-	8	8	-	-	3	3
Other	36,344	7,809	924	45,077	30,184	18,865	980	50,029
Fixed rate	25,264	4,399	424	30,087	19,210	15,286	462	34,958
Floating rate	11,080	3,410	500	14,990	10,974	3,579	518	15,071
Other, including:	16,711	-	31	16,742	14,153	-	19	14,172
Buy-sell-back transactions	10,835	-	-	10,835	8,743	-	-	8,743
Term deposits with credit institutions	1,909	-	-	1,909	1,409	-	-	1,409
Loans	3,967	-	-	3,967	4,001	-	-	4,001
Other investment financial assets	n/a	n/a	31	31	-	-	19	19
Investment financial assets, total	**163,862**	**61,105**	**15,797**	**240,764**	**148,960**	**68,848**	**16,707**	**234,515**

(in millions of PLN)

Equity instruments measured at fair value through other comprehensive income	30 June 2026	31 December 2025
Biuro Informacji Kredytowej SA	343	368
PSP SA	201	197
Grupa Azoty SA	138	135
Krajowa Izba Rozliczeniowa SA	43	44
Webuild SpA	16	23
Other	55	42
Equity instruments measured at fair value through other comprehensive income, total	**796**	**809**

Exposure to debt securities issued by governments other than that of the Republic of Poland

Carrying amount of debt securities issued by governments other than the Polish government	30 June 2026	31 December 2025
USA	3,811	6,187
France	1,183	1,783
Lithuania	1,110	1,101
Austria	388	611
Romania	311	308
Hungary	277	271
United Kingdom	239	224
European Union	220	212
Latvia	219	221
Mexico	215	213
Spain	122	119
Ukraine	113	112
Italy	111	104
Bulgaria	98	97
Chile	98	130
Croatia	88	104
Colombia	83	112
Saudi Arabia	55	66
Serbia	54	69
Other	550 [1)]	885 [2)]
Total	**9,345**	**12,929**

[1)] The item “Other” comprises bonds issued by 57 countries towards which the balance sheet liability per country does not exceed PLN 50 million.
[2)] The item “Other” comprises bonds issued by 52 countries.

(in millions of PLN)

Exposure to debt securities issued by corporations, local government units and the NBP

Carrying amount of debt securities issued by corporations, local government units and the NBP	30 June 2026	31 December 2025
Financial and insurance activities, including:	29,942	35,161
Foreign banks	19,580	17,869
NBP	6,018	13,131
Companies from the WIG-Banks Index	1,464	1,541
Public administration and defense, compulsory social security, of which:	6,407	6,544
Domestic local governments	6,407	6,544
Extra-territorial organizations and teams	1,628	1,605
Manufacturing, including:	1,670	1,602
Production and processing of crude oil refining products (including WIG-Fuels)	882	929
Water supply; sewerage, waste management and remediation activities	1,511	1,523
Electricity, gas, steam, hot water and air conditioning production and supply, including:	1,375	1,156
Companies from the WIG-Energy Index	779	784
Transportation and storage	599	457
Mining and quarrying	570	556
Information and communication	541	470
Construction	259	222
Accommodation and food service activities (including: WIG - hotels and restaurants), and arts, entertainment and recreation activities	212	220
Real property activities	191	207
Professional, scientific and technical activity	126	148
Administrative and support service activities	33	143
Wholesale and retail trade services; repair services of motor vehicles and motorcycles	13	14
Total	**45,077**	**50,028**

10.25 Other receivables

Other receivables – carrying amount	30 June 2026	31 December 2025
Receivables from insurance intermediaries	108	102
Receivables from sale of securities and security deposits [1)]	1,876	1,314
Receivables on account of payment card settlements	819	1,490
Trade receivables	716	578
Receivables from the state budget, other than corporate income tax receivables	250	137
Receivables from commissions on off-balance sheet products	285	418
Prevention settlements	23	36
Receivables from security and bid deposits	77	79
Interbank and interbranch receivables	82	42
Disputed settlements	21	30
Co-insurance receivables on co-insurer's share	36	18
Receivables from customers related to insurance premium tax (IPT)	30	-
Other	532	382
Other receivables, total	**4,855**	**4,626**

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

As at June 30, 2026, and December 31, 2025, 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.

(in millions of PLN)

10.26 Other assets

Other assets	30 June 2026	31 December 2025
IT costs settled over time	344	329
Accrued direct claims handling receivables	59	60
Costs settled over time	169	133
Inventories	58	54
Tax settlements on real properties, means of transport and land	36	-
Settlements of payments made to the Company Social Benefit Fund	55	-
Other assets	45	58
Total other assets	**766**	**634**

10.27 Expected credit losses

Loan receivables from clients Business segment – finance leasing	1 January – 30 June 2026					1 January – 30 June 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	17,073	843	1,300	-	19,216	15,613	738	1,461	-	17,812
Recognition of instruments at the time of acquisition, creation, granting	4,534	-	-	-	4,534	3,906	-	-	-	3,906
Changes attributable to sale, exclusion or expiration of the instrument	(2,010)	(58)	(211)	-	(2,279)	(2,023)	(39)	(201)	-	(2,263)
Assets from the statement of financial position	-	-	(1)	-	(1)	-	-	(32)	-	(32)
Reclassification to stage 1	255	(167)	(88)	-	-	250	(150)	(100)	-	-
Reclassification to stage 2	(484)	504	(20)	-	-	(489)	519	(30)	-	-
Reclassification to stage 3	(248)	(133)	381	-	-	(282)	(183)	465	-	-
Other changes, including foreign exchange differences	(855)	(146)	(76)	-	(1,077)	(685)	(114)	(107)	-	(906)
End of the period	**18,265**	**843**	**1,285**	**-**	**20,393**	**16,290**	**771**	**1,456**	**-**	**18,517**
Expected credit losses										
Beginning of the period	(52)	(36)	(321)	-	(409)	(47)	(31)	(401)	-	(479)
Establishment of allowances for newly acquired, created, granted instruments	(21)	-	-	-	(21)	(19)	(1)	(1)	-	(21)
Changes attributable to sale, exclusion or expiration of the instrument (excluding reclassification)	2	1	11	-	14	3	1	18	-	22
Assets from the statement of financial position	-	-	1	-	1	-	-	32	-	32
Reclassification to stage 1	(9)	3	6	-	-	(6)	2	4	-	-
Reclassification to stage 2	7	(12)	5	-	-	3	(5)	2	-	-
Reclassification to stage 3	3	11	(14)	-	-	2	9	(11)	-	-
Other changes, including foreign exchange differences	7	-	(39)	-	(32)	8	(3)	(59)	-	(54)
End of the period	**(63)**	**(33)**	**(351)**	**-**	**(447)**	**(56)**	**(28)**	**(416)**	**-**	**(500)**
Net carrying amount at the end of the period	**18,202**	**810**	**934**	**-**	**19,946**	**16,234**	**743**	**1,040**	**-**	**18,017**

(in millions of PLN)

Loan receivables from clients measured at amortized cost Business segment – other	1 January – 30 June 2026					1 January – 30 June 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	83,604	14,014	6,818	1,909	106,345	75,513	13,899	6,302	1,897	97,611
Recognition of instruments at the time of acquisition, creation, granting	27,857	-	-	113	27,970	22,438	-	-	327	22,765
Change attributable to modification of cash flows concerning the given instrument	(3)	-	-	-	(3)	(2)	-	-	-	(2)
Changes attributable to sale, exclusion or expiration of the instrument	(18,519)	(1,018)	(459)	(97)	(20,093)	(16,210)	(1,572)	(558)	(328)	(18,668)
Assets from the statement of financial position	-	-	(434)	(4)	(438)	-	-	(435)	(18)	(453)
Reclassification to stage 1	3,722	(3,693)	(29)	-	-	2,859	(2,827)	(32)	-	-
Reclassification to stage 2	(6,396)	6,427	(31)	-	-	(5,644)	5,738	(94)	-	-
Reclassification to stage 3	(562)	(402)	964	-	-	(329)	(726)	1,055	-	-
Other changes, including foreign exchange differences	(559)	100	167	(24)	(316)	14	(269)	173	56	(26)
End of the period	**89,144**	**15,428**	**6,996**	**1,897**	**113,465**	**78,639**	**14,243**	**6,411**	**1,934**	**101,227**
Expected credit losses										
Beginning of the period	(588)	(526)	(3,695)	(965)	(5,774)	(572)	(578)	(3,073)	(1,062)	(5,285)
Establishment of allowances for newly acquired, created, granted instruments	(158)	-	-	(41)	(199)	(158)	-	-	(63)	(221)
Changes attributable to sale, exclusion or expiration of the instrument (excluding reclassification)	52	44	101	5	202	39	37	171	25	272
Assets from the statement of financial position	-	-	434	4	438	-	-	435	18	453
Reclassification to stage 1	(97)	94	3	-	-	(78)	75	3	-	-
Reclassification to stage 2	65	(70)	5	-	-	90	(104)	14	-	-
Reclassification to stage 3	44	34	(78)	-	-	23	68	(91)	-	-
Other changes, including foreign exchange differences	46	(222)	(699)	(135)	(1,010)	119	(135)	(726)	46	(696)
End of the period	**(636)**	**(646)**	**(3,929)**	**(1,132)**	**(6,343)**	**(537)**	**(637)**	**(3,267)**	**(1,036)**	**(5,477)**
Net carrying amount at the end of the period	**88,508**	**14,782**	**3,067**	**765**	**107,122**	**78,102**	**13,606**	**3,144**	**898**	**95,750**

(in millions of PLN)

Loan receivables from clients measured at amortized cost Retail segment – real estate loans	1 January – 30 June 2026					1 January – 30 June 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	87,660	5,926	958	323	94,867	82,200	6,623	989	301	90,113
Recognition of instruments at the time of acquisition, creation, granting	9,763	-	-	22	9,785	7,712	-	-	20	7,732
Changes attributable to sale, exclusion or expiration of the instrument	(6,363)	(462)	(101)	(21)	(6,947)	(4,752)	(492)	(137)	(14)	(5,395)
Assets from the statement of financial position	-	-	(54)	(3)	(57)	-	-	(90)	-	(90)
Reclassification to stage 1	1,500	(1,491)	(9)	-	-	2,082	(2,075)	(7)	-	-
Reclassification to stage 2	(1,819)	1,868	(49)	-	-	(1,688)	1,742	(54)	-	-
Reclassification to stage 3	(34)	(112)	146	-	-	(41)	(131)	172	-	-
Costs of legal risk of mortgage loans in foreign currencies	(19)	140	34	3	158	(22)	28	57	-	63
Other changes, including foreign exchange differences	(244)	(4)	46	(6)	(208)	(541)	241	52	15	(233)
End of the period	**90,444**	**5,865**	**971**	**318**	**97,598**	**84,950**	**5,936**	**982**	**322**	**92,190**
Expected credit losses										
Beginning of the period	(39)	(350)	(507)	(55)	(951)	(46)	(476)	(487)	(86)	(1,095)
Establishment of allowances for newly acquired, created, granted instruments	(3)	-	-	(2)	(5)	(2)	-	-	(1)	(3)
Changes attributable to sale, exclusion or expiration of the instrument (excluding reclassification)	3	9	21	1	34	3	10	41	4	58
Assets from the statement of financial position	-	-	54	3	57	-	-	90	-	90
Reclassification to stage 1	(62)	60	2	-	-	(102)	100	2	-	-
Reclassification to stage 2	1	(17)	16	-	-	3	(23)	20	-	-
Reclassification to stage 3	1	11	(12)	-	-	1	18	(19)	-	-
Other changes, including foreign exchange differences	65	(29)	(99)	11	(52)	98	(51)	(160)	7	(106)
End of the period	**(34)**	**(316)**	**(525)**	**(42)**	**(917)**	**(45)**	**(422)**	**(513)**	**(76)**	**(1,056)**
Net carrying amount at the end of the period	**90,410**	**5,549**	**446**	**276**	**96,681**	**84,905**	**5,514**	**469**	**246**	**91,134**

(in millions of PLN)

Loan receivables from clients measured at amortized cost Retail segment – other loans	1 January – 30 June 2026					1 January – 30 June 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	31,650	3,817	1,568	205	37,240	29,828	3,277	1,832	286	35,223
Recognition of instruments at the time of acquisition, creation, granting	11,498	-	-	11	11,509	10,515	-	-	8	10,523
Changes attributable to sale, exclusion or expiration of the instrument	(7,323)	(530)	(316)	(21)	(8,190)	(5,920)	(403)	(360)	(22)	(6,705)
Assets from the statement of financial position	-	-	(154)	-	(154)	-	-	(180)	(2)	(182)
Reclassification to stage 1	579	(570)	(9)	-	-	551	(536)	(15)	-	-
Reclassification to stage 2	(1,542)	1,600	(58)	-	-	(1,282)	1,346	(64)	-	-
Reclassification to stage 3	(162)	(257)	419	-	-	(180)	(260)	440	-	-
Other changes, including foreign exchange differences	(2,682)	(221)	56	(21)	(2,868)	(2,371)	(107)	83	(34)	(2,429)
End of the period	**32,018**	**3,839**	**1,506**	**174**	**37,537**	**31,141**	**3,317**	**1,736**	**236**	**36,430**
Expected credit losses										
Beginning of the period	(343)	(484)	(1,098)	(119)	(2,044)	(419)	(460)	(1,253)	(209)	(2,341)
Establishment of allowances for newly acquired, created, granted instruments	(88)	-	-	(9)	(97)	(93)	-	-	(4)	(97)
Changes attributable to sale, exclusion or expiration of the instrument (excluding reclassification)	55	36	110	3	204	53	24	96	3	176
Assets from the statement of financial position	-	-	154	-	154	-	-	180	2	182
Reclassification to stage 1	(78)	74	4	-	-	(78)	72	6	-	-
Reclassification to stage 2	35	(59)	24	-	-	41	(69)	28	-	-
Reclassification to stage 3	10	66	(76)	-	-	15	68	(83)	-	-
Other changes, including foreign exchange differences	62	(128)	(178)	35	(209)	87	(88)	(186)	57	(130)
End of the period	**(347)**	**(495)**	**(1,060)**	**(90)**	**(1,992)**	**(394)**	**(453)**	**(1,212)**	**(151)**	**(2,210)**
Net carrying amount at the end of the period	**31,671**	**3,344**	**446**	**84**	**35,545**	**30,747**	**2,864**	**524**	**85**	**34,220**

(in millions of PLN)

Loan receivables from clients measured at fair value through other comprehensive income	1 January – 30 June 2026					1 January – 30 June 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Carrying amount										
Beginning of the period	-	-	143	-	143	247	-	-	-	247
Recognition of instruments at the time of acquisition, creation, granting	43	-	-	-	43	93	-	-	-	93
Changes attributable to sale, exclusion or expiration of the instrument	-	-	(66)	-	(66)	(141)	-	-	-	(141)
Reclassification to stage 2	-	-	-	-	-	(191)	191	-	-	-
Reclassification to stage 3	(43)	-	43	-	-	-	-	-	-	-
Other changes	-	-	(7)	-	(7)	(8)	-	-	-	(8)
End of the period	**-**	**-**	**113**	**-**	**113**	**-**	**191**	**-**	**-**	**191**
Expected credit losses										
Beginning of the period	(1)	-	(36)	-	(37)	(3)	-	-	-	(3)
Establishment of allowances for newly acquired, created, granted instruments	(28)	-	-	-	(28)	(4)	-	-	-	(4)
Changes attributable to sale, exclusion or expiration of the instrument (excluding reclassification)	-	-	-	-	-	-	(4)	-	-	(4)
Reclassification to stage 2	-	-	-	-	-	7	(7)	-	-	-
Reclassification to stage 3	28	-	(28)	-	-	-	-	-	-	-
Other changes	-	-	(12)	-	(12)	-	-	-	-	-
End of the period	**(1)**	**-**	**(76)**	**-**	**(77)**	**-**	**(11)**	**-**	**-**	**(11)**

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

Debt investment financial assets measured at amortized cost	1 January – 30 June 2026					1 January – 30 June 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	135,741	226	-	56	136,023	143,288	367	-	64	143,719
Recognition of instruments at the time of acquisition, creation, granting	36,030	-	-	-	36,030	84,665	-	-	-	84,665
Changes attributable to sale, exclusion or expiration of the instrument	(25,980)	(165)	-	(6)	(26,151)	(91,918)	(34)	-	(6)	(91,958)
Reclassification to stage 1	3	(3)	-	-	-	4	(4)	-	-	-
Reclassification to stage 2	(133)	133	-	-	-	(241)	241	-	-	-
Other changes	1,395	(1)	-	10	1,404	(95)	(7)	-	(1)	(103)
End of the period	**147,056**	**190**	**-**	**60**	**147,306**	**135,703**	**563**	**-**	**57**	**136,323**
Expected credit losses										
Beginning of the period	(94)	(4)	-	(39)	(137)	(82)	(11)	-	(42)	(135)
Establishment of allowances for newly acquired, created, granted instruments	(16)	-	-	-	(16)	(16)	-	-	-	(16)
Changes attributable to sale, exclusion or expiration of the instrument	4	3	-	-	7	9	(4)	-	-	5
Reclassification to stage 2	4	(4)	-	-	-	7	(7)	-	-	-
Other changes, including foreign exchange differences	(2)	-	-	(7)	(9)	(4)	7	-	(3)	-
End of the period	**(104)**	**(5)**	**-**	**(46)**	**(155)**	**(86)**	**(15)**	**-**	**(45)**	**(146)**
Net carrying amount at the end of the period	**146,952**	**185**	**-**	**14**	**147,151**	**135,617**	**548**	**-**	**12**	**136,177**

(in millions of PLN)

Debt investment financial assets measured at fair value through other comprehensive income	1 January – 30 June 2026					1 January – 30 June 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Carrying amount										
Beginning of the period	67,871	169	-	-	68,040	53,383	156	-	-	53,539
Recognition of instruments at the time of acquisition, creation, granting	256,118	-	-	-	256,118	374,886	-	-	-	374,886
Changes attributable to sale, exclusion or expiration of the instrument	(262,484)	(96)	-	-	(262,580)	(371,027)	(3)	-	-	(371,030)
Reclassification to stage 1	8	(8)	-	-	-	1	(1)	-	-	-
Reclassification to stage 2	(63)	63	-	-	-	(1)	1	-	-	-
Other changes, including foreign exchange differences	558	9	-	-	567	430	(11)	-	-	419
End of the period	**62,008**	**137**	**-**	**-**	**62,145**	**57,672**	**142**	**-**	**-**	**57,814**
Expected credit losses										
Beginning of the period	(33)	(6)	-	-	(39)	(28)	-	-	-	(28)
Establishment of allowances for newly acquired, created, granted instruments	(12)	-	-	-	(12)	(6)	-	-	-	(6)
Changes attributable to sale, exclusion or expiration of the instrument	2	2	-	-	4	2	-	-	-	2
Reclassification to stage 2	2	(2)	-	-	-	-	-	-	-	-
Other changes, including foreign exchange differences	1	1	-	-	2	2	(2)	-	-	-
End of the period	**(40)**	**(5)**	**-**	**-**	**(45)**	**(30)**	**(2)**	**-**	**-**	**(32)**

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

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

Term deposits with credit institutions	1 January – 30 June 2026					1 January – 30 June 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	1,382	-	45	-	1,427	987	6	56	-	1,049
Recognition of instruments at the time of acquisition, creation, granting	20,561	-	-	-	20,561	32,372	-	-	-	32,372
Changes attributable to sale, exclusion or expiration of the instrument	(20,053)	-	(5)	-	(20,058)	(31,493)	(6)	(5)	-	(31,504)
Other changes, including foreign exchange differences	(3)	1	(1)	-	(3)	(22)	-	(2)	-	(24)
End of the period	**1,887**	**1**	**39**	**-**	**1,927**	**1,844**	**-**	**49**	**-**	**1,893**
Expected credit losses										
Beginning of the period	(12)	-	(6)	-	(18)	(8)	(1)	(7)	-	(16)
Establishment of allowances for newly acquired, created, granted instruments	(12)	-	-	-	(12)	(17)	-	-	-	(17)
Changes attributable to sale, exclusion or expiration of the instrument	12	-	-	-	12	10	-	-	-	10
Other changes, including foreign exchange differences	-	-	-	-	-	6	1	1	-	8
End of the period	**(12)**	**-**	**(6)**	**-**	**(18)**	**(9)**	**-**	**(6)**	**-**	**(15)**
Net carrying amount at the end of the period	**1,875**	**1**	**33**	**-**	**1,909**	**1,835**	**-**	**43**	**-**	**1,878**

(in millions of PLN)

Loans	1 January – 30 June 2026					1 January – 30 June 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount										
Beginning of the period	3,394	510	359	-	4,263	3,520	512	328	-	4,360
Recognition of instruments at the time of acquisition, creation, granting	152	-	-	-	152	430	20	-	-	450
Changes attributable to sale, exclusion or expiration of the instrument	(208)	-	(7)	-	(215)	(520)	(1)	-	-	(521)
Reclassification to stage 2	(178)	178	-	-	-	(58)	58	-	-	-
Other changes	38	2	8	-	48	21	(2)	(9)	-	10
End of the period	**3,198**	**690**	**360**	**-**	**4,248**	**3,393**	**587**	**319**	**-**	**4,299**
Expected credit losses										
Beginning of the period	(14)	(6)	(242)	-	(262)	(10)	(3)	(161)	-	(174)
Establishment of allowances for newly acquired, created, granted instruments	(1)	-	-	-	(1)	(2)	-	-	-	(2)
Changes attributable to sale, exclusion or expiration of the instrument	-	-	-	-	-	1	-	-	-	1
Reclassification to stage 2	2	(2)	-	-	-	2	(2)	-	-	-
Other changes	7	(17)	(8)	-	(18)	-	(3)	(34)	-	(37)
End of the period	**(6)**	**(25)**	**(250)**	**-**	**(281)**	**(9)**	**(8)**	**(195)**	**-**	**(212)**
Net carrying amount at the end of the period	**3,192**	**665**	**110**	**-**	**3,967**	**3,384**	**579**	**124**	**-**	**4,087**

Other receivables	1 January – 30 June 2026	1 January – 30 June 2025
Gross carrying amount		
Beginning of the period	5,070	5,661
Changes in the period	233	(716)
End of the period	**5,303**	**4,945**
Expected credit losses		
Beginning of the period	(444)	(403)
Changes in the period	(4)	2
End of the period	**(448)**	**(401)**
Net carrying amount at the end of the period	**4,855**	**4,544**

Cash	1 January – 30 June 2026	1 January – 30 June 2025
Gross carrying amount		
Beginning of the period	16,237	15,132
Changes in the period	7,750	7,904
End of the period	**23,987**	**23,036**
Expected credit losses		
Beginning of the period	(4)	(5)
Changes in the period	(5)	(3)
End of the period	**(9)**	**(8)**
Net carrying amount at the end of the period	**23,978**	**23,028**

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. The rates from OIS curves (overnight indexed swaps), taking into account the currency of the security deposit provided for the instrument, 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 measurement date (Asian or basket options). The expected value of the payoff function is calculated using the Monte Carlo modeling 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, neighbourhood (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.

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

During 6 months ended 30 June 2026, the classification of financial assets was not changed as a result of changes in the purpose or use of those assets.

10.29.1. 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;
  - exchange traded commodities;
  - 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 and investment certificates 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, 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) and loans, measured using models based on discounted cash flows;
  — unlisted equity instruments;
  — investment properties or properties held for sale measured using the income method or the residual method or the comparative method;
  — loan receivables from customers (including finance lease receivables) and liabilities to customers arising from 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 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 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. The valuation techniques for options are described below in the line relating to derivative instruments.	

(in millions of PLN)

Measured assets	Unobservable data	Description	Impact on measurement
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
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.	

10.29.2. Assets and liabilities measured at fair value

Assets and liabilities measured at fair value	30 June 2026				31 December 2025			
	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	43,061	15,226	4,654	62,941	39,375	25,313	4,161	68,849
Equity instruments	149	-	647	796	145	-	664	809
Debt securities	42,912	15,226	4,007	62,145	39,230	25,313	3,497	68,040
Investment financial assets and assets pledged as collateral for liabilities measured at fair value through profit or loss	6,944	8,757	985	16,686	8,201	8,301	652	17,154
Equity instruments	917	6	296	1,219	1,340	-	289	1,629
Participation units and investment certificates	603	7,251	8	7,862	501	6,576	8	7,085
Debt securities	5,395	1,498	681	7,574	6,341	1,725	355	8,421
Other investment financial assets	29	2	-	31	19	-	-	19
Loan receivables from clients (including finance lease receivables)	-	-	667	667	-	-	608	608
Measured at fair value through other comprehensive income	-	-	113	113	-	-	143	143
Measured at fair value through profit or loss	-	-	554	554	-	-	465	465
Financial derivatives	-	6,420	-	6,420	-	7,540	-	7,540
Investment property	-	-	2,943	2,943	-	-	3,103	3,103
Investment property held for sale	-	-	811	811	-	-	564	564
Liabilities								
Derivatives	-	5,285	-	5,285	-	6,148	-	6,148
Liabilities to contributors of consolidated investment funds	-	1,099	-	1,099	-	1,226	-	1,226
Investment contracts for the client's account and risk (unit-linked)	-	425	-	425	-	392	-	392
Liabilities on borrowed securities (short sale)	843	-	-	843	950	-	-	950

(in millions of PLN)

Movement in assets and liabilities classified as Level III of the fair value hierarchy, in the period ended 30 June 2026	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			Loan receivables from clients measured at fair value		Investment properties	Investment properties held for sale
	Equity	Debt	Equity	Investment certificates	Debt	through other comprehensive income	through profit or loss		
Beginning of the period	664	3,497	289	8	355	143	465	3,103	564
Purchase/opening of the position/granting	17	-	-	-	123	7	99	70	6
Reclassification from level II [1]	-	1,540	-	-	429	-	-	-	-
Reclassification from own properties	-	-	-	-	-	-	-	3	-
Reclassification from investment property/ held for sale	-	-	-	-	-	-	-	62	302
Profit or loss recognized in the profit and loss account:	-	79	6	-	9	(35)	17	17	12
- Interest income calculated using the effective interest rate, and equalized to them	-	79	-	-	11	5	17	-	-
- net movement in fair value of assets and liabilities measured at fair value	-	-	6	-	(2)	-	-	17	12
- result from allowances for expected credit losses	-	-	-	-	-	(40)	-	-	-
Profit or loss recognized in other comprehensive income	(35)	(25)	-	-	-	-	-	3	-
Sales/settlements/repayments/conversions	-	(151)	-	-	(148)	(2)	(27)	(14)	(11)
Reclassification to properties held for sale/investment properties	-	-	-	-	-	-	-	(302)	(62)
Reclassification to level II [1]	-	(934)	-	-	(87)	-	-	-	-
Effect of movements in exchange rates	1	1	1	-	-	-	-	1	-
End of the period	**647**	**4,007**	**296**	**8**	**681**	**113**	**554**	**2,943**	**811**

[1] Information on reclassifications is presented in section 10.29.5.

(in millions of PLN)

Movement in assets and liabilities classified as Level III of the fair value hierarchy, in the period ended 30 June 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	Loan receivables from clients measured at fair value		Investment properties	Investment properties held for sale
	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	541
Purchase/opening of the position/granting	-	1,439	-	-	2,847	-	33	75	27	-
Reclassification from level II [1]	-	942	-	-	309	9	-	-	-	-
Reclassification from own properties	-	-	-	-	-	-	-	-	5	-
Reclassification from investment property/ held for sale	-	-	-	-	-	-	-		-	9
Profit or loss recognized in the profit and loss account:	-	28	34	(1)	1	1	-	(27)	(94)	-
- Interest income calculated using the effective interest rate, and equalized to them	-	25	-	(1)	1	-	-	(27)	-	-
- result from derecognition of financial instruments and investments not measured at fair value through profit or loss	-	3	1	-	-	-	-	-	-	-
- net movement in fair value of assets and liabilities measured at fair value	-	-	33	-	-	1	-	-	(94)	-
Profit or loss recognized in other comprehensive income	128	5	-	-	-	-	(6)	-	2	-
Reclassification to assets held for sale	-	-	-	-	-	-	-	-	(9)	-
Sales/settlements/repayments/conversions	-	(1,324)	(15)	-	(2,739)	(1)	(83)	(18)	(8)	(14)
Reclassification to level II [1]	-	(548)	-	-	(90)	-	-	-	-	-
Effect of movements in exchange rates	-	-	(38)	-	-	-	-	-	-	-
End of the period	**589**	**5,465**	**297**	**11**	**414**	**10**	**191**	**390**	**3,082**	**536**

[1] Information on reclassifications is presented in section 10.29.5.

(in millions of PLN)

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

Fair value of assets and liabilities for which it is only disclosed	30 June 2026					31 December 2025				
	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	-	226	262,815	263,041	259,294	-	76	249,561	249,637	248,490
Business segment	-	158	128,287	128,445	127,068	-	9	121,121	121,130	119,378
Receivables from financial leasing	-	-	20,011	20,011	19,946	-	-	18,797	18,797	18,807
Other loans and borrowings	-	158	108,276	108,434	107,122	-	9	102,324	102,333	100,571
Retail segment	-	68	134,528	134,596	132,226	-	67	128,440	128,507	129,112
Loans for real estate	-	-	98,251	98,251	96,681	-	-	93,091	93,091	93,916
Other	-	68	36,277	36,345	35,545	-	67	35,349	35,416	35,196
Investment financial assets measured at amortized cost	84,331	54,545	25,228	164,104	163,862	78,882	48,692	22,981	150,555	150,070
Debt securities	84,331	48,215	14,727	147,273	147,151	78,882	42,222	15,142	136,246	135,886
Buy-sell-back transactions	-	5,458	5,377	10,835	10,835	-	6,135	2,639	8,774	8,774
Term deposits with credit institutions	-	872	1,048	1,920	1,909	-	335	1,088	1,423	1,409
Loans	-	-	4,076	4,076	3,967	-	-	4,112	4,112	4,001
Cash	4,907	19,021	-	23,928	23,978	5,019	11,192	-	16,211	16,233
Liabilities										
Liabilities to banks	-	2,030	6,256	8,286	8,316	-	1,076	5,056	6,132	6,024
Liabilities to clients under deposits	-	662	366,127	366,789	367,198	-	322	347,956	348,278	348,642
Liabilities on the issue of own debt securities [1)]	-	22,812	2,693	25,505	25,461	-	20,240	2,322	22,562	22,449
Subordinated liabilities [1)]	-	4,950	2,332	7,282	7,251	-	5,644	2,351	7,995	7,951
Liabilities on account of repurchase transactions	-	2,982	852	3,834	3,829	-	1,089	478	1,567	1,567

[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.

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

During 6 months ended 30 June 2026 and in 2025 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.

10.29.5. 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

(in millions of PLN)

- 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.

In 6 months ended 30 June 2026, the following reclassifications of assets between fair value levels were made:

- Corporate bonds measured using market price information for comparable financial instruments and corporate and municipal bonds for which the impact of estimated credit parameters did not significantly affect the valuation were reclassified from level III to level II;
- corporate bonds for which the impact exerted by the estimated credit parameters on the measurement was significant were reclassified from level II to level III;
- government bonds with a value of PLN 43 million, for which quotes from an active market were available, were transferred from Level II to Level I.

In 6 months ended on 30 June 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 579 million which were measured using market quotations were reclassified from level II to level I due to an increase in market activity.

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.

All the shares have been fully paid up.

As at 30 June 2026 and 31 December 2025

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 contribution	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 17.

(in millions of PLN)

10.32 Subordinated liabilities

	Nominal value	Currency	Interest rate	Issue date/Maturity date	Carrying amount 30 June 2026	Carrying amount 31 December 2025
Liabilities classified as PZU's own funds						
Subordinated bonds – PZU	2,250	PLN	WIBOR 6M + margin	30 June 2017 / 29 July 2027	2,300	2,309
Liabilities classified as Pekao's own funds						
A series bonds	1,250	PLN	WIBOR 6M + margin	30 October 2017 / 29 October 2027	1,262	1,262
B series bonds	550	PLN	WIBOR 6M + margin	15 October 2018 / 16 October 2028	556	557
C series bonds	200	PLN	WIBOR 6M + margin	15 October 2018 / 14 October 2033	202	203
D series bonds	350	PLN	WIBOR 6M + margin	4 June 2019 / 4 June 2031	-	352
D1 series bonds	400	PLN	WIBOR 6M + margin	4 December 2019 / 4 June 2031	-	402
E series bonds	750	PLN	WIBOR 6M + margin	4 April 2025 / 4 April 2035	760	761
5 series bonds	500	EUR	fixed for 5 years and 3 months from the issuance date, then EURIBOR 3M + margin	27 November 2025 / 27 February 2036	2,171	2,105
Subordinated liabilities					**7,251**	**7,951**

10.33 Liabilities on the issue of own securities

Liabilities on the issue of own securities	30 June 2026	31 December 2025
Bonds	23,717	20,921
Certificates of deposit	77	53
Covered bonds	1,667	1,475
Liabilities on the issue of own debt securities, total	**25,461**	**22,449**

10.34 Liabilities to banks

Liabilities to banks	30 June 2026	31 December 2025
Current deposits	2,473	892
One-day deposits	839	251
Term deposits	390	163
Loans received	3,749	3,992
Other liabilities	865	726
Liabilities to banks, total	**8,316**	**6,024**

10.35 Liabilities to clients under deposits

Liabilities to clients under deposits	30 June 2026	31 December 2025
Current deposits	273,996	261,556
Term deposits	91,893	86,018
Other liabilities	1,309	1,068
Liabilities to clients under deposits, total	**367,198**	**348,642**

(in millions of PLN)

10.36 Other liabilities

Other liabilities	30 June 2026	31 December 2025
Liabilities measured at fair value	**2,367**	**2,568**
Liabilities on borrowed securities (short sale)	843	950
Investment contracts for the client's account and risk (unit-linked)	425	392
Liabilities to contributors of consolidated investment funds	1,099	1,226
Accrued expenses	**1,566**	**1,808**
Accrued payroll expenses	832	970
Other	734	838
Deferred revenue	**415**	**452**
Other liabilities	**19,457**	**13,044**
Liabilities on account of repurchase transactions	3,829	1,567
Lease liabilities	1,884	1,821
Liabilities due under transactions on financial instruments	1,902	2,022
Liabilities to banks for payment documents cleared in interbank clearing systems	1,862	1,609
Liabilities to insurance intermediaries	270	281
Liabilities for overpayments not allocated to policies	110	116
Liabilities on account of payment card settlements	641	1,043
Regulatory settlements	560	673
Liabilities for contributions to the Bank Guarantee Fund	1,473	969
Liabilities to employees	148	194
Estimated refunds of compensation in connection with banks' clients lapsing or withdrawing from insurance purchased during the sale of credit products	34	29
Trade liabilities	644	780
Liabilities on account of employee leaves	265	176
Liabilities to the state budget other than for income tax	172	176
The PZU Group banks' liabilities for insurance of bank products offered to the bank's clients	10	12
Insurance Guarantee Fund	18	17
Liability for the refund of loan costs	71	74
Liabilities for direct claims handling	40	41
Co-insurance obligations on the part of the co-insurer	39	18
Investment contracts with guaranteed and fixed terms – measured at amortized cost	819	894
Change in the fair value measurement of hedged items in the interest rate risk hedging portfolio	134	202
Liabilities to PZU shareholders for dividends	4,148	3
Other	384	327
Other liabilities, total	**23,805**	**17,872**

(in millions of PLN)

10.37 Provisions

Movement in provisions in the period ended 30 June 2026	Beginning of the period	Increase	Utilization	Reversal	Other changes	End of the period
Legal risk provision for mortgage loans in foreign currencies	1,674	158	(282)	(2)	7	1,555
Provision for off-balance sheet liabilities granted	388	248	-	(277)	3	362
Provision for retirement severance pays	365	35	(25)	-	1	376
Provision for penalties imposed by the Office of Competition and Consumer Protection	320	69	(23)	-	-	366
Provision for disputed claims and potential liabilities	158	39	(8)	(24)	-	165
Provision for court proceedings on the free credit sanction	104	31	(4)	(10)	1	122
Provisions for refunds to clients of increased mortgage loan margins before the mortgage is established	32	-	-	(1)	-	31
Provision for potential refunds of borrowing costs	41	2	(7)	(6)	-	30
Provision for post-mortem benefits	31	1	-	-	(2)	30
Provision for restructuring costs	11	-	(5)	-	1	7
Other	47	5	(5)	(1)	(2)	44
Total provisions	**3,171**	**588**	**(359)**	**(321)**	**9**	**3,088**

Movement in provisions in the period ended 30 June 2025	Beginning of the period	Increase	Utilization	Reversal	Other changes	End of the period
Legal risk provision for mortgage loans in foreign currencies	1,366	400	(100)	(2)	-	1,664
Provision for off-balance sheet liabilities granted	522	264	-	(294)	(4)	488
Provision for retirement severance pays	350	39	(31)	-	-	358
Provision for penalties imposed by the Office of Competition and Consumer Protection	113	113	-	-	-	226
Provision for disputed claims and potential liabilities	153	19	(8)	(5)	-	159
Provision for court proceedings on the free credit sanction	51	23	(2)	-	-	72
Provisions for refunds to clients of increased mortgage loan margins before the mortgage is established	57	2	(1)	(21)	-	37
Provision for potential refunds of borrowing costs	59	1	(12)	-	-	48
Provision for post-mortem benefits	29	1	-	-	-	30
Provision for restructuring costs	6	-	(3)	-	-	3
Other	50	1	(3)	-	-	48
Total provisions	**2,756**	**863**	**(160)**	**(322)**	**(4)**	**3,133**

10.37.1. Provision for potential refunds of borrowing costs

The provision relates to 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 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.

10.37.2. Provision for legal risk pertaining to foreign currency mortgage loans

The accounting policy and line of jurisprudence have not changed from 31 December 2025, and are described in the 2025 consolidated financial statements.

As of 30 June 2026, there were 7.3 thousand 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 2,702 million (as at 31 December 2025: 8.6 thousand cases with the litigation value of PLN 3,130 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 invalid.

During 6 months ended 30 June 2026, in cases instituted by borrowers, 925 court judgments against the PZU Group were issued, including 386 final and non-appealable judgments, as well as 29 court judgments favorable for the PZU Group, including 8 final and non-appealable judgments (2025: 2,386 unfavorable court judgments, including 627 final judgments, and 50 favorable judgments, including 4 final judgments).

Pekao continues its out-of-court settlement program for borrowers who, as of 31 March 2023, had an active Swiss franc-denominated mortgage loan agreement or were involved in legal proceedings against 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. The resulting amount is increased by contractual interest accrued at a fixed interest rate of no more than 2% per annum. 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.

As of 30 June 2026, Pekao had concluded 12.5 thousand settlements under the current phase 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 June 2026 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 2025 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. including lawsuits that have been and will be filed by borrowers against the PZU Group, approximately 65% (unchanged compared to the end of 2025) of the total amount of such loans granted, amounting to approximately CHF 1.1 billion, may be subject to litigation (including approximately 85% for active agreements – against approximately 90% at the end of 2025 – and approximately 50% for repaid agreements – unchanged compared to the end of 2025).

- expected 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. The estimated statutory interest amounts take into account the expected duration of litigation (estimated based on data from concluded court proceedings) and the application of the right of set-off, resulting in a prospective reduction of the basis for calculating interest.

- inclusion of a settlement program at Pekao – the PZU Group estimates the willingness of borrowers to reach a settlement. In the case of its acceptance, the PZU Group no longer expects a lawsuit on that particular agreement, which is reflected 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.

(in millions of PLN)

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 June 2026	31 December 2025
Loans receivable from clients (adjustment to reduce carrying value of mortgage loans)	834	1,002
Other provisions	1,555	1,673
Total	**2,389**	**2,675**

The main reason for the change in the cumulative legal risk costs related to foreign currency mortgage loans was the settlement of loan agreements as a result of concluded settlements and the execution of court judgments (decrease in provisions, with no significant impact on financial results).

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

Parameter	30 June 2026	31 December 2025
Forecast of lawsuit volume on active portfolio		
+1 p.p.	13	16
-1 p.p.	(13)	(16)
Forecast of the volume of lawsuits on the repaid portfolio		
+1 p.p.	14	16
-1 p.p.	(14)	(16)
Settlement probability		
+1 p.p.	(2)	(2)
-1 p.p.	2	2
Average length of litigation		
+1 month	1	6
-1 month	(1)	(7)

10.37.3. 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.

10.37.4. Provision for guarantees and sureties given

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

10.37.5. Provision for court proceedings on the free credit sanction

On 13 February 2025, the CJEU issued a judgment based on preliminary questions from a Polish court regarding the sanctions for free credit. The judgment did not determine that financing the costs of consumer loans, including commissions, automatically results in the application of the free credit sanction. In particular, the CJEU did not indicate that financing such costs, even if considered improper, leads in every case to the application of that sanction.

On 23 April 2026, the CJEU ruled that interest cannot be charged on financed costs; however, it did not confirm that charging such interest automatically leads to the application of the free loan sanction. The application of the free loan sanction will require national courts to assess the individual circumstances of each case, taking into account prior guidance and case law of the CJEU. Despite the above rulings, additional requests for preliminary rulings are still pending before the CJEU, which means that the case law in this area continues to evolve.

As at 30 June 2026, 7,178 (as at 31 December 2025: 5,714) court proceedings were pending against the PZU Group with a total litigation value of PLN 302 million (as at 31 December 2025: PLN 237 million).

The value of the provision on this account as at 30 June 2025 is PLN 122 million (as at 31 December 2025: PLN 104 million).

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

Additional information on provisions created in connection with proceedings of the President of UOKiK:

- in relation to Pekao (section 20.6.2) in the following cases:.
  - irregularities in the complaints process (PLN 75 million);
  - unauthorised payment transactions (PLN 79 million);
  - irregularities in the application of so-called irregularities in the application of so-called credit holidays (PLN 119 million);
- in relation to Alior Bank (section 20.6.1) in the following cases:
  - recognition of contractual template provisions as abusive (so-called modification clauses) (PLN 17 million);
  - unauthorised payment transactions (PLN 20 million);
  - recognition of the provisions of the standard agreement concerning changes to the interest rates applicable to bank accounts as unfair contractual terms (PLN 17 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 s 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.

(in millions of PLN)

10.38 Notes to the consolidated cash flow statement

Movement in liabilities attributable to financial activities in the period ended 30 June 2026	Beginning of the period	Changes resulting from cash flows	Inflows	Outflows	Interest accruals and settlements of discount and premium	Foreign exchange differences	Other changes	End of the period
Loans received	3,992	(304)	-	(304)	-	61	-	3,749
Liabilities on the issue of debt securities	22,449	2,061	18,356	(16,295)	762	166	23	25,461
Bonds	20,921	1,847	18,343	(16,496)	764	166	19	23,717
Certificates of deposit	53	23	23	-	1	-	-	77
Covered bonds	1,475	191	(10)	201	(3)	-	4	1,667
Subordinated liabilities	7,951	(825)	-	(825)	99	35	(9)	7,251
Liabilities on account of repurchase transactions	1,567	2,251	222,140	(219,889)	11	-	-	3,829
Lease liabilities	1,821	(211)	-	(211)	24	-	250	1,884
Total	**37,780**	**2,972**	**240,496**	**(237,524)**	**896**	**262**	**264**	**42,174**

Movement in liabilities attributable to financial activities in the period ended 30 June 2025	Beginning of the period	Changes resulting from cash flows	Inflows	Outflows	Interest accruals and settlements of discount and premium	Foreign exchange differences	Other changes	End of the period
Loans received	5,500	(483)	-	(483)	3	(27)	(23)	4,970
Liabilities on the issue of debt securities	18,086	(572)	20,863	(21,435)	356	(35)	(27)	17,808
Bonds	16,362	(387)	20,548	(20,935)	354	(31)	(21)	16,277
Certificates of deposit	278	(235)	35	(270)	2	(4)	(6)	35
Covered bonds	1,446	50	280	(230)	-	-	-	1,496
Subordinated liabilities	5,099	674	761	(87)	85	-	2	5,860
Liabilities on account of repurchase transactions	1,387	2,009	151,904	(149,895)	15	(2)	(1)	3,408
Lease liabilities	1,658	(161)	-	(161)	3	1	102	1,603
Total	**31,730**	**1,467**	**173,528**	**(172,061)**	**462**	**(63)**	**53**	**33,649**

(in millions of PLN)

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 June 2026	31 December 2025
Carrying amount of financial assets pledged as collateral for liabilities	14,200	11,643
Repurchase transaction	3,834	1,558
Coverage of liabilities to be paid to the guarantee fund at the Bank Guarantee Fund	398	419
Coverage of liabilities to be paid to the resolution fund (BFG)	794	797
Lombard and technical credit	6,177	6,157
Other loans	31	37
Issue of covered bonds	2,046	1,850
Coverage of the Settlement Guarantee Fund for the National Depository for Securities	53	44
Derivative transactions	839	754
Blockage of assets in connection with the agreement on the technical credit limit in the Clearing House	28	27
Carrying amount of financial assets pledged as collateral for contingent liabilities	-	-
Financial assets pledged as collateral for liabilities and contingent liabilities, total	**14,200**	**11,643**

12. Contingent assets and liabilities

Contingent assets and liabilities	30 June 2026	31 December 2025
Contingent assets, including:	4	4
- guarantees and sureties received	4	4
Contingent liabilities	97,590	94,701
- for renewable limits in settlement accounts and credit cards	5,984	5,875
- for loans in tranches	63,161	60,421
- guarantees and sureties given	12,248	12,135
- disputed insurance claims	999	1,128
- other disputed claims	225	239
- other, including:	14,973	14,903
- guaranteeing securities issues	934	2,279
- factoring	12,539	11,265
- intra-day limit	422	433
- letters of credit and commitment letters	1,039	892
– other	39	34

(in millions of PLN)

Off-balance sheet liabilities granted – guarantees	1 January – 30 June 2026					1 January – 30 June 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Nominal value										
Beginning of the period	12,914	1,479	101	-	14,494	10,368	1,167	243	4	11,782
Newly created/acquired off-balance sheet liabilities	2,923	-	-	-	2,923	2,792	-	-	-	2,792
Changes due to expiration of off-balance sheet liability	(2,649)	(233)	(39)	-	(2,921)	(1,809)	(72)	(68)	(4)	(1,953)
Reclassification to stage 1	608	(608)	-	-	-	393	(393)	-	-	-
Reclassification to stage 2	(821)	821	-	-	-	(530)	530	-	-	-
Reclassification to stage 3	(4)	(4)	8	-	-	(30)	(27)	57	-	-
Change in commitment	(1,163)	(85)	(4)	-	(1,252)	(304)	(17)	(19)	-	(340)
Other changes, including foreign exchange differences	25	3	-	-	28	(8)	(2)	-	-	(10)
End of the period	**11,833**	**1,373**	**66**	**-**	**13,272**	**10,872**	**1,186**	**213**	**-**	**12,271**
Allowance for off-balance sheet liabilities										
Beginning of the period	18	34	30	-	82	17	28	93	1	139
Newly created/acquired off-balance sheet liabilities	11	-	-	-	11	16	-	-	-	16
Changes due to expiration of off-balance sheet liability	(3)	(7)	(15)	-	(25)	(2)	(2)	(26)	(1)	(31)
Reclassification to stage 1	11	(11)	-	-	-	5	(5)	-	-	-
Reclassification to stage 2	(7)	7	-	-	-	(6)	6	-	-	-
Reclassification to stage 3	-	(1)	1	-	-	(7)	(1)	8	-	-
Changes in the level of credit risk	(12)	2	3	-	(7)	(8)	-	(1)	-	(9)
Other changes, including foreign exchange differences	-	-	-	-	-	-	-	-	-	-
End of the period	**18**	**24**	**19**	**-**	**61**	**15**	**26**	**74**	**-**	**115**

(in millions of PLN)

Off-balance sheet liabilities granted – commitments to provide financing	1 January – 30 June 2026					1 January – 30 June 2025				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Nominal value										
Beginning of the period	70,552	7,786	500	2	78,840	67,925	5,150	584	5	73,664
Newly created/acquired off-balance sheet liabilities	16,551	-	-	1	16,552	13,338	-	-	-	13,338
Changes due to expiration of off-balance sheet liability	(4,452)	(441)	(15)	-	(4,908)	(4,244)	(990)	(73)	(1)	(5,308)
Reclassification to stage 1	2,994	(2,990)	(4)	-	-	1,758	(1,749)	(9)	-	-
Reclassification to stage 2	(3,355)	3,357	(2)	-	-	(3,280)	3,281	(1)	-	-
Reclassification to stage 3	(225)	(30)	255	-	-	(50)	(30)	80	-	-
Change in commitment	(6,509)	(1,060)	(24)	-	(7,593)	(5,749)	(146)	(102)	(1)	(5,998)
Other changes, including foreign exchange differences	181	19	3	-	203	(255)	(6)	(3)	-	(264)
End of the period	**75,737**	**6,641**	**713**	**3**	**83,094**	**69,443**	**5,510**	**476**	**3**	**75,432**
Allowance for off-balance sheet liabilities										
Beginning of the period	143	111	50	2	306	125	102	153	3	383
Newly created/acquired off-balance sheet liabilities	63	-	-	-	63	80	-	-	-	80
Changes due to expiration of off-balance sheet liability	(7)	(6)	(7)	-	(20)	(11)	(18)	(27)	(1)	(57)
Reclassification to stage 1	25	(24)	(1)	-	-	32	(31)	(1)	-	-
Reclassification to stage 2	(19)	19	-	-	-	(24)	24	-	-	-
Reclassification to stage 3	(2)	(1)	3	-	-	(14)	(4)	18	-	-
Changes in the level of credit risk	(56)	(11)	16	-	(51)	(49)	43	(23)	-	(29)
Other changes, including foreign exchange differences	1	2	-	-	3	-	(1)	(3)	-	(4)
End of the period	**148**	**90**	**61**	**2**	**301**	**139**	**115**	**117**	**2**	**373**

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

In the 6-month period ended 30 June 2026, 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. 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 SA and PZU Życie SA (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 Life 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 report for 2025 published on 13 May 2026 is available on PZU's "Investor Relations" page. Pursuant to Article 290 sec. 1 of the Insurance Activity Act, a solvency and financial condition report of an insurance undertaking was subject to an audit by an audit firm.

The PZU Group's solvency ratio as at 31 December 2025, published in the PZU Group's 2025 solvency and financial condition report, was 239%.

Notwithstanding the above, 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 6-month period ended on 30 June 2026, and throughout 2025.

14. Segment reporting

14.1 Reporting segments

14.1.1. 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 and individually continued protective 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.
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 individual 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.

Segment	Segment description	Aggregation criteria
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.	

14.1.2. 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.

14.2 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.

14.3 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 fulfilment 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.

(in millions of PLN)

14.4 Quantitative data

1 April – 30 June 2026	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	(42)	370	431	127	16	110	6	-	-	-	-	-	1,018
Insurance revenue	1,298	3,430	2,021	262	25	754	86	-	-	-	-	-	7,876
Amortization of liabilities for remaining coverage (PAA)	1,117	2,665	-	-	-	609	64	-	-	-	-	-	4,455
Expected claims and benefits (GMM, VFA)	-	-	1,282	62	-	5	1	-	-	-	-	-	1,350
Expected expenses (GMM, VFA)	-	-	223	34	(1)	2	-	-	-	-	-	-	258
Release of the contractual service margin (GMM, VFA)	-	-	375	109	16	4	1	-	-	-	-	-	505
Release of risk adjustment for non-financial risks (GMM, VFA)	-	-	32	8	6	-	-	-	-	-	-	-	46
Recovery of insurance acquisition cash flows	181	765	125	56	5	134	21	-	-	-	-	-	1,287
Other income	-	-	(16)	(7)	(1)	-	(1)	-	-	-	-	-	(25)
Insurance service expenses	(1,340)	(3,060)	(1,590)	(135)	(9)	(644)	(80)	-	-	-	-	-	(6,858)
Claims incurred in the period (without the investment component)	(815)	(2,171)	(1,242)	(43)	(2)	(499)	(42)	-	-	-	-	-	(4,814)
Administrative expenses	(60)	(248)	(216)	(35)	(2)	(74)	(18)	-	-	-	-	-	(653)
Run-off of claim reserves from prior years	(284)	156	(7)	-	(2)	58	1	-	-	-	-	-	(78)
Amortization of the loss component	27	130	60	6	8	41	1	-	-	-	-	-	273
Recognition of and movement in the loss recovery component	(27)	(162)	(60)	(7)	(6)	(36)	(1)	-	-	-	-	-	(299)
Amortization of insurance acquisition cash flows	(181)	(765)	(125)	(56)	(5)	(134)	(21)	-	-	-	-	-	(1,287)

(in millions of PLN)

1 April – 30 June 2026	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	177	(35)	-	-	-	(4)	(3)	-	-	-	-	-	135
Reinsurance premium allocation	(430)	(38)	-	-	-	(19)	(3)	-	-	-	-	-	(490)
Amounts recoverable from reinsurers, including:	607	3	-	-	-	15	-	-	-	-	-	-	625
Incurred claims	280	3	-	-	-	18	-	-	-	-	-	-	301
Incurred expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Run-off of claim reserves from prior years	328	-	-	-	-	(3)	-	-	-	-	-	-	325
Recognition of and movement in the loss recovery component	(1)	-	-	-	-	-	-	-	-	-	-	-	(1)
Insurance service result	**135**	**335**	**431**	**127**	**16**	**106**	**3**	**-**	**-**	**-**	**-**	**-**	**1,153**
Insurance finance income or expenses	(46)	(94)	(127)	(30)	(286)	(52)	(6)	-	-	-	-	-	(641)
Finance income or expenses from reinsurance	21	3	-	-	-	1	-	-	-	-	-	-	25
Investment profit or loss[1]	110	222	205	46	290	80	12	4	265	5,852 [2) 3)]	4	(8)	7,082
Revenue from commissions and fees	-	-	-	-	-	-	-	-	53	1,367 [4)]	69	(76)	1,413
Fee and commission expenses	-	-	-	-	-	-	-	-	-	(311)	-	6	(305)
PZU Group's non-insurance operating expenses	-	-	-	-	-	-	-	-	(41)	(2,323)	(19)	(468)	(2,851)
Interest expenses	-	-	-	-	-	-	-	-	(44)	(1,438)	-	7	(1,475)
Legal risk costs of foreign currency mortgage loans	-	-	-	-	-	-	-	-	-	(83)	-	-	(83)
Other operating income	-	-	-	-	-	-	-	-	5	55	-	378	438
Other operating expenses	-	-	-	-	-	-	-	-	(1)	(116)	-	(48)	(165)
Operating profit	**220**	**466**	**509**	**143**	**20**	**135**	**9**	**4**	**237**	**3,003**	**54**	**(209)**	**4,591**

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 5,829 million, other net investment income – PLN 100 million, result on derecognition of financial instruments and investments not measured at fair value through profit or loss – PLN 58 million, result from allowances for expected credit losses – PLN (419) million, net movement in fair value of assets and liabilities measured at fair value – PLN 284 million.

3) Including revenue from other segments of PLN 58 million.

4) Including revenue from other segments of PLN 76 million.

(in millions of PLN)

1 January – 30 June 2026	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	469	706	843	244	31	166	9	-	-	-	-	-	2,468
Insurance revenue	2,562	6,722	4,148	517	55	1,483	165	-	-	-	-	-	15,652
Amortization of liabilities for remaining coverage (PAA)	2,206	5,231	-	-	-	1,195	119	-	-	-	-	-	8,751
Expected claims and benefits (GMM, VFA)	-	-	2,679	120	5	8	1	-	-	-	-	-	2,813
Expected expenses (GMM, VFA)	-	-	440	65	(4)	5	2	-	-	-	-	-	508
Release of the contractual service margin (GMM, VFA)	-	-	741	209	31	8	2	-	-	-	-	-	991
Release of risk adjustment for non-financial risks (GMM, VFA)	-	-	67	15	14	1	-	-	-	-	-	-	97
Recovery of insurance acquisition cash flows	356	1,491	250	109	11	267	41	-	-	-	-	-	2,525
Other income	-	-	(29)	(1)	(2)	(1)	-	-	-	-	-	-	(33)
Insurance service expenses	(2,093)	(6,016)	(3,305)	(273)	(24)	(1,317)	(156)	-	-	-	-	-	(13,184)
Claims incurred in the period (without the investment component)	(1,455)	(4,241)	(2,656)	(96)	(3)	(1,051)	(84)	-	-	-	-	-	(9,586)
Administrative expenses	(124)	(496)	(433)	(66)	(4)	(144)	(32)	-	-	-	-	-	(1,299)
Run-off of claim reserves from prior years	(142)	300	36	5	(11)	129	2	-	-	-	-	-	319
Amortization of the loss component	49	232	127	10	11	81	2	-	-	-	-	-	512
Recognition of and movement in the loss recovery component	(65)	(320)	(129)	(17)	(6)	(65)	(3)	-	-	-	-	-	(605)
Amortization of insurance acquisition cash flows	(356)	(1,491)	(250)	(109)	(11)	(267)	(41)	-	-	-	-	-	(2,525)

(in millions of PLN)

1 January – 30 June 2026	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	(125)	(38)	-	-	-	(11)	(4)	-	-	-	-	-	(178)
Reinsurance premium allocation	(833)	(74)	-	-	-	(36)	(4)	-	-	-	-	-	(947)
Amounts recoverable from reinsurers, including:	708	36	-	-	-	25	-	-	-	-	-	-	769
Incurred claims	415	7	-	-	-	33	-	-	-	-	-	-	455
Incurred expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Run-off of claim reserves from prior years	294	29	-	-	-	(8)	-	-	-	-	-	-	315
Recognition of and movement in the loss recovery component	(1)	-	-	-	-	-	-	-	-	-	-	-	(1)
Insurance service result	**344**	**668**	**843**	**244**	**31**	**155**	**5**	**-**	**-**	**-**	**-**	**-**	**2,290**
Insurance finance income or expenses	(143)	(212)	(253)	(58)	(309)	(51)	(14)	-	-	-	-	-	(1,040)
Finance income or expenses from reinsurance	86	8	-	-	-	2	2	-	-	-	-	-	98
Investment profit or loss[1]	220	446	380	85	319	99	27	7	376	11,672 [2] [3]	8	(52)	13,587
Revenue from commissions and fees	-	-	-	-	-	1	-	1	103	2,737 [4]	129	(141)	2,830
Fee and commission expenses	-	-	-	-	-	-	-	-	-	(639)	-	12	(627)
PZU Group's non-insurance operating expenses	-	-	-	-	-	-	-	-	(82)	(5,097)	(30)	(974)	(6,183)
Interest expenses	-	-	-	-	-	-	-	-	(91)	(2,971)	-	13	(3,049)
Legal risk costs of foreign currency mortgage loans	-	-	-	-	-	-	-	-	-	(143)	-	-	(143)
Other operating income	-	-	-	-	-	-	-	-	8	174	-	751	933
Other operating expenses	-	-	-	-	-	-	-	-	(1)	(243)	-	(116)	(360)
Operating profit	**507**	**910**	**970**	**271**	**41**	**206**	**20**	**8**	**313**	**5,490**	**107**	**(507)**	**8,336**

[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 11,899 million, other net investment income – PLN 117 million, result on derecognition of financial instruments and investments not measured at fair value through profit or loss – PLN 66 million, result from allowances for expected credit losses – PLN (732) million, net movement in fair value of assets and liabilities measured at fair value – PLN 322 million.

[3] Including revenue from other segments of PLN 113 million.

[4] Including revenue from other segments of PLN 141 million.

(in millions of PLN)

1 April – 30 June 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	364	199	387	94	13	127	5	-	-	-	-	-	1,189
Insurance revenue	1,287	3,476	1,921	208	27	714	60	-	-	-	-	-	7,693
Amortization of liabilities for remaining coverage (PAA)	1,117	2,733	-	-	-	578	41	-	-	-	-	-	4,469
Expected claims and benefits (GMM, VFA)	-	-	1,221	46	4	3	2	-	-	-	-	-	1,276
Expected expenses (GMM, VFA)	-	-	225	30	5	3	-	-	-	-	-	-	263
Release of the contractual service margin (GMM, VFA)	-	-	345	82	13	4	2	-	-	-	-	-	446
Release of risk adjustment for non-financial risks (GMM, VFA)	-	-	30	7	2	-	-	-	-	-	-	-	39
Recovery of insurance acquisition cash flows	170	743	127	48	6	127	16	-	-	-	-	-	1,237
Other income	-	-	(27)	(5)	(3)	(1)	(1)	-	-	-	-	-	(37)
Insurance service expenses	(923)	(3,277)	(1,534)	(114)	(14)	(587)	(55)	-	-	-	-	-	(6,504)
Claims incurred in the period (without the investment component)	(644)	(2,253)	(1,198)	(31)	(1)	(419)	(31)	-	-	-	-	-	(4,577)
Administrative expenses	(71)	(222)	(214)	(28)	(2)	(71)	(12)	-	-	-	-	-	(620)
Run-off of claim reserves from prior years	(40)	(73)	2	(2)	(6)	32	4	-	-	-	-	-	(83)
Amortization of the loss component	19	116	66	4	3	32	2	-	-	-	-	-	242
Recognition of and movement in the loss recovery component	(17)	(102)	(63)	(9)	(2)	(34)	(2)	-	-	-	-	-	(229)
Amortization of insurance acquisition cash flows	(170)	(743)	(127)	(48)	(6)	(127)	(16)	-	-	-	-	-	(1,237)

(in millions of PLN)

1 April – 30 June 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	(233)	(29)	-	-	-	(21)	(2)	-	-	-	-	-	(285)
Reinsurance premium allocation	(429)	(47)	-	-	-	(17)	(1)	-	-	-	-	-	(494)
Amounts recoverable from reinsurers, including:	196	18	-	-	-	(4)	(1)	-	-	-	-	-	209
Incurred claims	166	3	-	-	-	7	(1)	-	-	-	-	-	175
Incurred expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Run-off of claim reserves from prior years	27	15	-	-	-	(11)	-	-	-	-	-	-	31
Recognition of and movement in the loss recovery component	3	-	-	-	-	-	-	-	-	-	-	-	3
Insurance service result	**131**	**170**	**387**	**94**	**13**	**106**	**3**	**-**	**-**	**-**	**-**	**-**	**904**
Insurance finance income or expenses	10	(104)	(127)	(28)	(226)	(9)	(6)	-	-	-	-	-	(490)
Finance income or expenses from reinsurance	(38)	5	-	-	-	1	-	-	-	-	-	-	(32)
Investment profit or loss[1]	106	215	232	31	230	27	13	(2)	39	6,585 [2][3]	4	(31)	7,449
Revenue from commissions and fees	-	-	-	-	-	-	-	-	39	1,286 [4]	48	(59)	1,314
Fee and commission expenses	-	-	-	-	-	-	-	-	-	(310)	-	3	(307)
PZU Group’s non-insurance operating expenses	-	-	-	-	-	-	-	-	(34)	(2,234)	(13)	(321)	(2,602)
Interest expenses	-	-	-	-	-	-	-	-	(56)	(1,921)	-	16	(1,961)
Legal risk costs of foreign currency mortgage loans	-	-	-	-	-	-	-	-	-	(354)	-	-	(354)
Other operating income	-	-	-	-	-	-	-	-	6	78	-	337	421
Other operating expenses	-	-	-	-	-	-	-	-	-	(206)	-	(75)	(281)
Operating profit	**209**	**286**	**492**	**97**	**17**	**125**	**10**	**(2)**	**(6)**	**2,924**	**39**	**(130)**	**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 6,631 million, other net investment income – PLN 170 million, result on derecognition of financial instruments and investments not measured at fair value through profit or loss – PLN 55 million, result from allowances for expected credit losses – PLN (281) million, net movement in fair value of assets and liabilities measured at fair value – PLN 10 million.

[3] Including revenue from other segments of PLN 54 million.

[4] Including revenue from other segments of PLN 62 million.

(in millions of PLN)

1 January – 30 June 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	791	677	703	187	28	247	10	-	-	-	-	-	2,643
Insurance revenue	2,534	6,782	3,937	407	54	1,394	118	-	-	-	-	-	15,226
Amortization of liabilities for remaining coverage (PAA)	2,203	5,309	-	-	-	1,124	79	-	-	-	-	-	8,715
Expected claims and benefits (GMM, VFA)	-	-	2,548	90	8	6	3	-	-	-	-	-	2,655
Expected expenses (GMM, VFA)	-	-	446	58	8	5	1	-	-	-	-	-	518
Release of the contractual service margin (GMM, VFA)	-	-	672	164	26	7	3	-	-	-	-	-	872
Release of risk adjustment for non-financial risks (GMM, VFA)	-	-	63	13	3	1	-	-	-	-	-	-	80
Recovery of insurance acquisition cash flows	331	1,473	253	93	13	252	32	-	-	-	-	-	2,447
Other income	-	-	(45)	(11)	(4)	(1)	-	-	-	-	-	-	(61)
Insurance service expenses	(1,743)	(6,105)	(3,234)	(220)	(26)	(1,147)	(108)	-	-	-	-	-	(12,583)
Claims incurred in the period (without the investment component)	(1,240)	(4,196)	(2,593)	(78)	(2)	(833)	(61)	-	-	-	-	-	(9,003)
Administrative expenses	(144)	(455)	(431)	(54)	(4)	(142)	(23)	-	-	-	-	-	(1,253)
Run-off of claim reserves from prior years	(31)	(53)	34	11	(5)	80	5	-	-	-	-	-	41
Amortization of the loss component	36	249	141	8	7	67	3	-	-	-	-	-	511
Recognition of and movement in the loss recovery component	(33)	(177)	(132)	(14)	(9)	(67)	-	-	-	-	-	-	(432)
Amortization of insurance acquisition cash flows	(331)	(1,473)	(253)	(93)	(13)	(252)	(32)	-	-	-	-	-	(2,447)

(in millions of PLN)

1 January – 30 June 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	(410)	(43)	-	-	-	(36)	1	-	-	-	-	-	(488)
Reinsurance premium allocation	(875)	(84)	-	-	-	(34)	(1)	-	-	-	-	-	(994)
Amounts recoverable from reinsurers, including:	465	41	-	-	-	(2)	2	-	-	-	-	-	506
Incurred claims	344	7	-	-	-	13	-	-	-	-	-	-	364
Incurred expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Run-off of claim reserves from prior years	118	34	-	-	-	(15)	2	-	-	-	-	-	139
Recognition of and movement in the loss recovery component	3	-	-	-	-	-	-	-	-	-	-	-	3
Insurance service result	**381**	**634**	**703**	**187**	**28**	**211**	**11**	**-**	**-**	**-**	**-**	**-**	**2,155**
Insurance finance income or expenses	40	(177)	(252)	(55)	(469)	(8)	(14)	-	-	-	-	-	(935)
Finance income or expenses from reinsurance	(92)	8	-	-	-	1	2	-	-	-	-	-	(81)
Investment profit or loss[1]	198	405	469	61	476	40	25	9	303	13,056 [2] [3]	8	(58)	14,992
Revenue from commissions and fees	-	-	-	-	-	1	-	1	75	2,500 [4]	95	(114)	2,558
Fee and commission expenses	-	-	-	-	-	-	-	-	-	(595)	-	8	(587)
PZU Group's non-insurance operating expenses	-	-	-	-	-	-	-	-	(67)	(4,777)	(33)	(728)	(5,605)
Interest expenses	-	-	-	-	-	-	-	-	(107)	(3,891)	-	27	(3,971)
Legal risk costs of foreign currency mortgage loans	-	-	-	-	-	-	-	-	-	(420)	-	-	(420)
Other operating income	-	-	-	-	-	-	-	-	13	162	-	672	847
Other operating expenses	-	-	-	-	-	-	-	-	(1)	(275)	-	(160)	(436)
Operating profit	**527**	**870**	**920**	**193**	**35**	**245**	**24**	**10**	**216**	**5,760**	**70**	**(353)**	**8,517**

[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 13,276 million, other net investment income – PLN 206 million, result on derecognition of financial instruments and investments not measured at fair value through profit or loss – PLN 69 million, result from allowances for expected credit losses – PLN (561) million, net movement in fair value of assets and liabilities measured at fair value – PLN 66 million.

[3] Including revenue from other segments of PLN 110 million.

[4] Including revenue from other segments of PLN 116 million.

(in millions of PLN)

Geographic breakdown	1 January – 30 June 2026					1 January – 30 June 2025				
	Poland	Baltic States	Ukraine	Not allocated	Consolidated value	Poland	Baltic States	Ukraine	Not allocated	Consolidated value
Insurance revenue	14,004	1,483	165	-	15,652	13,714	1,394	118	-	15,226
Revenue from commissions and fees	2,829	1	-	-	2,830	2,557	1	-	-	2,558
Investment profit or loss[1]	13,461	99	27	-	13,587	14,927	40	25	-	14,992

[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 June 2026					31 December 2025				
	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]	8,056	280	4	-	8,340	8,132	276	4	-	8,412
Deferred tax assets	2,004	1	4	-	2,009	2,127	4	3	-	2,134
Assets	557,680	4,243	451	(1,244)	561,130	532,072	4,219	429	(1,237)	535,483

[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".

14.5 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).

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

15.1 PZU

During 6 months ended 30 June 2026, PZU did not issue, redeem or repay any debt or equity securities.

15.2 Pekao

On 7 January 2026, the Management Board of Pekao adopted a resolution regarding the exercise of the right to early redemption of senior preferred bonds, series SP2, issued on 30 July 2024, with a nominal value of PLN 600 million. The early redemption took place on 29 January 2026.

On 11 May 2026, the Management Board of Pekao adopted a resolution on the early redemption of subordinated bonds, series D and D1. The early redemption took place on 4 June 2026 and covered all issued bonds, i.e., 1,500 bonds at their nominal value with a total amount of PLN 750 million.

On 3 June 2026, Pekao issued 7,500 senior non-preferred eurobonds, series 6, with a total nominal value of EUR 750 million (SNP Eurobonds). The SNP Eurobonds were issued under the medium-term eurobond issuance program (EMTN Program). The Eurobonds were admitted to trading on the regulated market of the Luxembourg Stock Exchange and the Warsaw Stock Exchange (WSE) and are listed on the Official List of the Luxembourg Stock Exchange.

The issue price amounted to 99.844% of the nominal value. For a period of 3 years from the issue date, the interest rate will be fixed at 3.625% per annum (payable annually), and during the fourth year the interest rate will be variable, based on the 3-month

EURIBOR rate plus a margin of 92 bps. The Eurobonds were issued for a period of 4 years, with an option for early redemption after 3 years from the issue date.

15.3 Alior Bank

On 26 May 2026, the Management Board of Alior Bank adopted a resolution on the early redemption of series N bonds issued on 20 December 2023, with a nominal value of PLN 450 million. The early redemption took place on 15 June 2026.

On 30 June 2026, Alior Bank issued 1,600 series T bonds with a total nominal value of PLN 800 million. Alior Bank will apply for the admission of the bonds to trading in the alternative trading system operated by the WSE.

Bonds will bear interest at a variable rate that is the sum of WIBOR 6M and a margin of 1.60% per year; The maturity date of the bonds is 14 June 2030; however, Alior Bank will have the option of early redemption starting from 14 June 2029, subject to meeting regulatory requirements.

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

During 6 months ended 30 June 2026, 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.

17. 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 18 June 2026 the PZU Ordinary Shareholder Meeting distributed PZU's net profit for the year ended 31 December 2025 in the amount of PLN 5,062 million, increased by PLN 1,089 million moved from supplementary capital created from the net profit for the year ended 31 December 2024, i.e. in total PLN 6,151 million, by allocating:

- PLN 4,145 million (i.e. PLN 4.80 per share) to dividends;
- PLN 1,998 million to the supplementary capital;
- PLN 8 million to the Company Social Benefit Fund.

The record date was set for 17 September 2026 and the dividend payout date was set for 8 October 2026.

The profit distribution is consistent with the PZU Group's Capital and Dividend Policy for 2025–2027, as adopted on 2 December 2024, and takes into account the recommendations contained in the Polish Financial Supervision Authority's position on the dividend policy in 2026 issued on 17 December 2025.

18. 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 labour 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 consolidated 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 2026, the total value of disputes in all 221,549 cases (31 December 2025: 217,879 cases) pending before courts, arbitration bodies and public administration authorities in which PZU Group entities take part, was PLN 17,870 million (as at 31 December 2025: PLN 17,951 million). Of which PLN 12,718 million (as at 31 December 2025: PLN 13,066 million) relates to relates to liabilities, and PLN 5,152 million (as at December 31, 2025: PLN 4,885 million) relates to receivables of PZU Group companies.

During 6 months ended 30 June 2026 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.

18.1 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 Annual General Meeting of PZU 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 it 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 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 requesting, among other things, that the Court appoint another expert or team of experts to give 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 June 2026, 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 it in its entirety. PZU did not consent to mediation. In subsequent court sessions, evidentiary hearings have taken place.

18.2 Lawsuits against Alior Bank

18.2.1. 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 328 natural and legal persons and 2 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). In 2025, the District Court in Warsaw conducted evidentiary proceedings. 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 thousand.

18.2.2. Other lawsuits

Alior Bank is also a defendant in 172 cases brought by purchasers of the Funds' investment certificates for payment (damages). The total value of disputes in those cases is PLN 54 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 June 2026 was PLN 42 million (as at 31 December 2025: PLN 61 million).

19. Related party transactions

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

During 6 months ended 30 June 2026 neither PZU nor PZU's subsidiaries made any transactions with related parties which were of material significance individually or collectively and were executed on terms other than on an arm's length basis.

19.2 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 162,448 million as at 30 June 2026 (as at 31 December 2025: PLN 149,389 million).

The value of liabilities (less receivables) to the State Treasury under corporate income tax amounted to PLN 336 million as at 30 June 2026 (as at 31 December 2025: PLN 822 million).

The balance of cash in accounts with the NBP amounted to PLN 17,717 million as at 30 June 2026 (as at 31 December 2025: PLN 9,380 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.

(in millions of PLN)

Information on balances resulting from the most significant transactions with Treasury-related parties	Receivables from loans, borrowings and debt financial instruments 30 June 2026
Client 1	848
Client 2	843
Client 3	816
Client 4	718
Client 5	561
Client 6	311
Client 7	303
Client 8	220
Client 9	207
Client 10	113

Information on balances resulting from the most significant transactions with Treasury-related parties	Receivables from loans, borrowings and debt financial instruments 31 December 2025
Client 1	1,187
Client 2	1,039
Client 3	901
Client 4	710
Client 5	315
Client 6	218
Client 7	185
Client 8	183
Client 9	69
Client 10	26

Information on balances resulting from the most significant transactions with Treasury-related parties	Off-balance sheet liabilities granted 30 June 2026
Client 1	2,751
Client 2	2,651
Client 3	2,125
Client 4	1,908
Client 5	1,590
Client 6	1,100
Client 7	1,100
Client 8	823
Client 9	549
Client 10	178

(in millions of PLN)

Information on balances resulting from the most significant transactions with Treasury-related parties	Off-balance sheet liabilities granted 31 December 2025
Client 1	3,195
Client 2	2,668
Client 3	2,121
Client 4	1,860
Client 5	1,597
Client 6	858
Client 7	557
Client 8	178
Client 9	19
Client 10	-

Premiums from the most significant insurance contracts concluded with Treasury-related parties	Premium 1 January – 30 June 2026
Client 1	128
Client 2	50
Client 3	49
Client 4	43
Client 5	42
Client 6	39
Client 7	35
Client 8	25
Client 9	22
Client 10	16

Premiums from the most significant insurance contracts concluded with Treasury-related parties	Premium 1 January – 30 June 2025
Client 1	112
Client 2	93
Client 3	53
Client 4	37
Client 5	32
Client 6	22
Client 7	20
Client 8	17
Client 9	12
Client 10	11

19.3 Other related party transactions

Balances and turnovers resulting from commercial transactions between the PZU Group and related parties	1 January – 30 June 2026		1 January – 30 June 2025	
	Key management	Other related parties [1)]	Key management	Other related parties [1)]
Insurance revenue	-	-	-	-
Other income	-	1	-	1
Expenses	-	8	-	10

(in millions of PLN)

Balances and turnovers resulting from commercial transactions between the PZU Group and related parties	30 June 2026		31 December 2025	
	Key management	Other related parties [1]	Key management	Other related parties [1]
Loan receivables from clients (including finance lease receivables)	-	-	-	-
Other receivables	-	5	-	3
Liabilities under deposits	-	96	-	146
Insurance contract liabilities[2]	-	2	-	-
Other liabilities	-	6	-	10
Contingent assets	-	-	-	-
Contingent liabilities	-	3	-	3

[1] Associates accounted for using the equity method.
[2] This pertains to acquisition costs included in the valuation of insurance products.

At the stage of acquisition of the shares in Alior Bank and Pekao, respectively (“Pekao”), 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.

20. Other information

20.1 Planned merger of PZU and Link4

The PZU Group has started preparations for the merger process between PZU and Link4. The integration is a consequence of the PZU Group’s development and the implementation of its 2025–2027 strategy, focused on simplifying the structure, increasing operational efficiency, and developing a fully functional multi-brand model.

The process is expected to be completed by Q1 2027, subject to meeting all legal, regulatory, and corporate requirements, including obtaining the necessary approvals from the relevant authorities.

The planned merger will not have a material impact on the consolidated financial statements of the PZU Group.

20.2 Establishment of the VAT Group

On 3 March 2026, the Head of the First Mazovian Tax Office in Warsaw registered the PZU VAT Group, comprising: PZU, PZU Życie, PZU Zdrowie, TUW PZUW, TFI PZU, PZU CO, PZU Pomoc, and PZU Tech. The PZU VAT Group was established for a period of three years from the date of obtaining VAT taxpayer status, i.e. from 1 April 2026. PZU acts as the representative of the PZU VAT Group and is responsible for monthly VAT settlements with the Tax Office.

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

20.3.1. PZU

In the period from 19 January to 19 March 2026, the KNF conducted an inspection of PZU's operations and financial condition, covering its organization, management, and claims settlement activities. On 7 July 2026, PZU received 12 recommendations following the inspection, with a completion deadline of 31 August 2026. PZU applied to the Polish Financial Supervision Authority for approval to extend the deadline for the implementation of three recommendations until 31 December 2026.

20.3.2. 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. On 30 January 2026, KNF issued seven recommendations following an inspection, with a deadline for implementation of 6 March 2026. The recommendations were implemented within the specified deadline.

20.4 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 and 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.

On 14 April 2026, the Administrative Court of Appeal in Stockholm dismissed the appeal of PZU Finance AB. On 25 June 2026, PZU Finance AB filed an appeal against this judgment with the Supreme Administrative Court, which, before considering the case, must, in accordance with the procedure, grant permission to accept the appeal.

20.5 Proceedings instituted by the KNF against Alior Bank

On 8 August 2025, the KNF initiated an administrative proceeding against Alior Bank regarding the application of a sanction specified in the Banking Law, due to suspicion of violating the provisions of the Act on Trading in Financial Instruments and its implementing regulations, in connection with activities conducted under Article 70(2) of the Act on Trading in Financial

Instruments, related to cooperation with third parties, providing information to clients, the adequacy of solutions related to the acquisition of financial instruments, and the designation of a negative target group.

As at 30 June 2026, the PZU Group maintained a provision of PLN 5 million in this respect (as at 31 December 2025 – no provision).

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.

As at 30 June 2026, the PZU Group maintained a provision of PLN 2 million in this respect (as at 31 December 2025: PLN 2 million). Due to the early stage of the proceedings, the amount of the provision may change.

20.6 UOKiK proceedings

20.6.1. Alior Bank

Proceedings concerning the recognition of contractual terms in a standard contract template as unfair (so-called modification clauses).

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. In a letter of 1 June 2026, the President of UOKiK decided to extend the deadline for completion of the proceedings until 31 October 2026.

As at 30 June 2026, the PZU Group recognized a provision of PLN 17 million in this respect (as at 31 December 2025, no provision was recognized). At the same time, the PZU Group is not able to reliably estimate the potential effects of the breach (other than the financial penalty).

Proceedings concerning unauthorized payment transactions

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 compliant 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 June 2026, the PZU Group did not recognize a provision in this respect, as it cannot be excluded that the proceedings may be concluded with a commitment decision, which would eliminate the risk of a financial penalty.

Alior Bank submitted a proposal for a commitment to take certain actions to end the alleged Alior Bank violation and remedy its consequences. The President of the UOKiK has proposed a uniform commitment for all banks covered by proceedings concerning unauthorized payment transactions. Alior Bank accepted the uniform solution proposed by the President of the Office of Competition and Consumer Protection (UOKiK).

The total value of the provision on this account as at 30 June 2026 was PLN 20 million (as at 31 December 2025: PLN 15 million). The amount of this provision may change during the performance of the obligation.

Proceedings concerning the recognition of contractual terms in a standard contract regarding changes in interest rates on bank accounts as unfair

On 3 February 2025, the President of UOKiK issued a decision to initiate proceedings against Alior Bank regarding the recognition of provisions in the standard contract terms as unfair, with the subject matter being the clause on the change of interest rates on bank accounts. The President of UOKiK questioned the wording of paragraphs 11(9) and 11(10) of the "Regulations for current accounts, savings accounts, and term deposit accounts" model agreement, among other things, as granting Alior Bank excessive freedom in terms of the authority to change interest rates and not allowing consumers to independently verify whether the interest rate change is in accordance with the agreement. As of 30 June 2026, the PZU Group recognized a provision in this respect in the amount of PLN 17 million (as of 31 December 2025, no provision had been recognized).

20.6.2. 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.

On 21 November 2025, the President of UOKiK issued a binding decision under Article 28 of the Act of 16 February 2007 on the protection of competition and consumers, which was requested by Pekao. As of 22 December 2025, the decision became final, and Pekao is in the process of implementing it. As of 30 June 2026, the PZU Group maintains a provision in the amount of PLN 75 million (as of 31 December 2025: PLN 98 million).

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 of 30 June 2026, the PZU Group maintains a provision in the amount of PLN 79 million (as of 31 December 2025: PLN 49 million) regarding Pekao's proposal to implement the commitment submitted to the UOKiK President. The President of UOKiK extended the deadline for completion of the proceedings until 31 December 2026. Due to the fact that the proceedings are ongoing and discussions with UOKiK are underway, the amount of the provision may change in the future.

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

On 15 December 2025, the President of UOKiK issued a decision recognizing Pekao's and Pekao Bank Hipoteczny SA's practices regarding the suspension of loan repayments (so-called loan holidays) as unfair and imposed a fine of PLN 119 million, as well as an obligation to inform all consumers affected by the challenged practices about the infringements. Pekao appealed the decision to the District Court in Warsaw – Court of Competition and Consumer Protection.

As of 30 June 2026, the PZU Group maintains a provision in connection with this case in the amount of PLN 119 million (as of 31 December 2025: PLN 119 million).

20.7 Acquisition of shares in Private Joint Stock Company "METLIFE"

On 30 April 2026, PZU entered into a conditional agreement with MetLife Global Holding Company II LLC to acquire 100% of the shares in Private Joint Stock Company "METLIFE", with its registered office in Kyiv, Ukraine. Completion of the transaction is subject to obtaining the necessary approvals from the Antimonopoly Committee of Ukraine ("AMCU") and the National Bank of Ukraine ("NBU"). The planned closing date of the transaction is the end of 2026 or the beginning of 2027.

20.8 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 June 2026, 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 14 million (as of 31 December 2025: PLN 38 million).

The assets (net of the shares held mutually between PZU Ukraina and PZU Ukraina Życie) of these companies subject to consolidation totaled PLN 458 million (as at 31 December 2025: PLN 429 million), and liabilities – PLN 444 million (as at 31 December 2025: PLN 391 million).

Due to the martial law in force on the territory of the whole of Ukraine as of 24 February 2022 (now extended until 31 October 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.

Signatures of the Management Board Members of PZU:

First name and last name	**Position / Title**	
Bogdan Benczak	President of the Management Board of PZU	.... (signature)
Maciej Fedyna	Member of the PZU Management Board	.... (signature)
Elżbieta Häuser-Schöneich	Member of the PZU Management Board	.... (signature)
Kazimierz Karolczak	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	Head of the Accounting Department	.... (signature)

Warsaw, Wednesday, August 19, 2026