

Warsaw, 12 May 2021

Supervisory Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna

**Motion
to the Shareholder Meeting of PZU SA**

in the matter of:

issuing an opinion on the PZU SA Supervisory Board Report on Compensation of PZU SA Management Board and Supervisory Board Members for 2019-2020

Body of the motion:

The Supervisory Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna hereby moves to adopt a resolution to issue an opinion on the PZU SA Supervisory Board Report on Compensation of PZU SA Management Board and Supervisory Board Members for 2019-2020, hereinafter referred to as the "Compensation Report".

Justification:

The Act of 29 July 2005 on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies (as amended), hereinafter referred to as the "Act", in Article 90g (added by the amending act of 16 October 2019) imposes an obligation on the Supervisory Board to draw up an annual compensation report, providing a comprehensive overview of the compensation, including all benefits in whatever form, awarded or due during the most recent financial year to individual management board members and supervisory board members, in accordance with the compensation policy. Members of the company's supervisory board are responsible for preparing the compensation report and the information contained therein.

A Compensation Report contains in particular, for each management board and supervisory board member:

- 1) the total compensation split out by component as mentioned in Article 90d sec. 3 item 1, and the relative proportion of these components;
- 2) an explanation how the total compensation complies with the adopted compensation policy, including how it contributes to the long-term performance of the company;
- 3) information on how the performance criteria were applied;
- 4) information on the annual change of compensation, of the performance of the company, and of average compensation of employees of the company other than management board or supervisory board members, over at least the five most recent financial years, presented together in a manner which permits comparison;
- 5) an amount of compensation from undertakings belonging to the same group as defined in the Accounting Act of 29 September 1994;
- 6) the number of financial instruments granted or offered, and the main conditions for the exercise of rights under these instruments, including the exercise price and date and any change thereof;
- 7) information on the use of the possibility to reclaim variable compensation components;
- 8) information on any deviations from the procedure for the implementation of the compensation policy and on any derogations applied in accordance with Article 90f, including the explanation of the prerequisites and the procedure applied and the indication of the specific elements derogated from.

The Compensation Report was prepared for the first time in 2021 and covers the years 2019 and 2020 pursuant to Article 36 sec. 2 of the amending act of 16 October 2019. The PZU SA Supervisory Board adopted the Compensation Report by Resolution No. URN/43/2021 of 12.05.2021.

Pursuant to Article 90g sec. 10 of the Act, the Compensation Report has been assessed by a statutory auditor – CSWP Audyt Spółka z ograniczoną odpowiedzialnością Sp. k., with its registered office in Warsaw, to verify that the Report includes information required under Article 90g sec. 1-5 and sec. 8 of the Act.

In accordance with the Guidelines for a statutory auditor's assurance service involving an assessment of the report on compensation of the management board and the supervisory board in public companies, introduced by the Polish Chamber of Statutory Auditors, the statutory auditor has obtained a statement signed by all the supervisory board members:

- confirming their responsibility for the compensation report, including the completeness of the

information contained therein in relation to the requirements of the law and for designing, implementing and maintaining an internal control system in this respect,

- declaring completeness of the information provided in the compensation report in relation to the requirements of the law,
- declaring that the auditor has been provided with all relevant information and explanations, data and documents requested by the auditor and necessary to perform the service.

Pursuant to Article 90g sec. 6 of the Act, the shareholder meeting adopts a resolution containing an opinion on the compensation report.

In view of the above, we hereby move as stated above.

Submitted on behalf of the PZU SA Supervisory Board:

/Maciej Łopiński/

/Robert Jastrzębski/

Attachments:

- 1) Resolution No. URN/43/2021 adopted by the PZU SA Supervisory Board on 12 May 2021 in the matter of the Supervisory Board's Report on compensation of PZU SA Management Board and Supervisory Board Members for 2019–2020;
- 2) statutory auditor's report on the assessment of the Supervisory Board's Report on compensation of PZU SA Management Board and Supervisory Board Members for 2019–2020
- 3) draft resolution of the PZU SA Shareholder Meeting in the matter of issuing an opinion on the Supervisory Board's Report on compensation of PZU SA Management Board and Supervisory Board Members for 2019–2020.



RESOLUTION NO. URN/43/2021

ADOPTED BY THE SUPERVISORY BOARD OF THE POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA

on 12 May 2021

to adopt the PZU SA Supervisory Board Report on compensation for the PZU SA Management Board and Supervisory Board Members for 2019-2020

Pursuant to § 11 section 1 of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna, § 13 section 1 item 3 of the Rules and Regulations of the Supervisory Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna and Article 90g sections 1 and 6 of the Act on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies of 29 July 2005, the following is hereby resolved:

§ 1

1. The Report on compensation for the PZU SA Management Board and Supervisory Board Members for 2019-2020 is hereby adopted in the wording specified in Appendix 1 to the Resolution.
2. The Report referred to in section 1 shall be assessed by a statutory auditor – CSWP Audyt Spółka z ograniczoną odpowiedzialnością Sp. k., with its registered office in Warsaw, to verify that the Report includes information required pursuant to Article 90g sections 1-5 and 8 of the Act on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies of 29 July 2005.

§ 2

It is hereby resolved to submit a motion to the PZU SA Management Board on putting an item on the agenda of the next Shareholder Meeting of PZU SA to adopt a resolution to issue an opinion on the Supervisory Board's Report on compensation for the PZU SA Management Board and Supervisory Board Members for 2019–2020 and a motion to the PZU SA Shareholder Meeting to adopt the resolution in the wording given in Appendix 2 to the resolution.

§ 3

This resolution shall come into force on the date of its adoption.

The ballot was held in an open procedure.

Number of attendees: 10 Number of votes in favor: 10 Number of votes against: 0 Number of abstentions: 0

Chairperson
of the PZU SA Supervisory Board

Maciej Łopiński

REPORT ON COMPENSATION OF THE PZU SA MANAGEMENT BOARD AND SUPERVISORY BOARD MEMBERS FOR 2019-2020

Table of contents

1.	Introduction.....	2
1.1	Changes in the composition of the Management Board.....	2
1.2	Changes in the composition of the Supervisory Board.....	3
2.	Management Board.....	4
3.	Supervisory Board.....	9
4.	Compliance with the adopted compensation policy.....	11
5.	Criteria for results.....	12
6.	Changes of compensation of Management Board and Supervisory Board members, PZU results and average compensation of PZU employees other than Management Board or Supervisory Board members, over the five most recent financial years	13
7.	Information on the number of awarded or offered financial instruments	16
8.	Information on the use of the possibility to reclaim variable compensation components	16
9.	Information on departures from the procedure for implementing the compensation policy and temporary exceptions to the application of the compensation policy	16
10.	Pecuniary or non-pecuniary benefits granted to relatives of Management Board and Supervisory Board Members.....	16
11.	Information on taking into consideration a resolution adopted by the Shareholder Meeting to issue an opinion on the previous report on compensation of Management Board and Supervisory Board Members.....	16

1. Introduction

The report presents a review of compensation, including any benefits, regardless of their form, received by each Management Board and Supervisory Board member of Powszechny Zakład Ubezpieczeń Spółka Akcyjna (hereinafter referred to as “**PZU SA**” or the “**Company**”).

The duty to prepare the report follows from Article 90g of the Act on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies of 29 July 2005¹ (hereinafter referred to as the “**Act**”), pursuant to which a company’s supervisory board is obligated to prepare every year a report on compensation of management board and supervisory board members.

Pursuant to Article 36 of the Act of 16 October 2019 Amending the Act on Public Offerings and the Conditions for Offering Financial Instruments in an Organized Trading System and on Public Companies and Certain Other Acts², the report, as it is prepared by the Company’s Supervisory Board for the first time, covers the years 2019 and 2020.

The document takes into consideration the “Compensation Policy for the PZU SA Management Board and Supervisory Board Members” (hereinafter referred to as the “**Compensation Policy**”), adopted on 26 May 2020 with resolution no. 36/2020 by the Company’s Ordinary Shareholder Meeting; the Compensation Policy defines in particular:

- 1) a description of fixed and variable compensation components that may be granted to the Management Board Members and Supervisory Board Members and their mutual proportions;
- 2) the period for which contracts are executed with Management Board Members and specification of the periods and terms and conditions for terminating them;
- 3) a description of measures taken to avoid conflicts of interest connected with the compensation policy or management of such conflicts of interest.

In the years covered by the report, the changes in the composition of the PZU SA Management Board and Supervisory Board took place as described in items 1.1 and 1.2.

1.1 Changes in the composition of the Management Board

In connection with the elapse, on 31 December 2018, of the present term of office of the Management Board, the Supervisory Board on 27-28 March 2019 appointed Management Board for the new term of office for the three consecutive financial years 2020-2022, in the following composition: Paweł Surówka (President of the Management Board), Małgorzata Sadurska, Tomasz Kulik, Maciej Rapkiewicz, Marcin Eckert, Adam Brzozowski, Elżbieta Häuser-Schöneich (appointed on the date following the date of the Ordinary Shareholder Meeting to approve the financial statements for 2018).

The mandate of Management Board Member Roger Hodgkiss expired on the date of the Shareholder Meeting which approved the financial statements for 2018, i.e. 24 May 2019.

¹ consolidated text: Journal of Laws of 2020, Item 2080

² Journal of Laws of 2019, Item 2217

On 23 October 2019, the Supervisory Board, effective as of 24 October 2019, appointed to the Management Board Aleksandra Agatowska, who discharged the function until 19 February 2020.

On 12 March 2020, Paweł Surówka tendered his resignation from membership in the Management Board. On the same date, the Supervisory Board appointed Beata Kozłowska-Chyła to the position of the President of the Management Board.

On 15 April 2020, the Supervisory Board appointed Ernest Bejda to the position of Management Board Member, as of 4 May 2020.

On 9 September 2020, Elżbieta Häuser-Schöneich and Adam Brzozowski tendered their resignations from serving as Management Board Members. On the same date, the Supervisory Board appointed Małgorzata Kot and Krzysztof Szypuła as Management Board Members. The appointment took place effective as of 10 September 2020.

1.2 Changes in the composition of the Supervisory Board

On 31 December 2018, the present term of office of the Supervisory Board ended. In connection with that, on 24 May 2019, the Ordinary Shareholder Meeting appointed the following Supervisory Board members for the new term of office of three consecutive financial years 2020-2022, in the following composition: Maciej Łopiński, Alojzy Nowak, Krzysztof Opolski, Tomasz Kuczur, Elżbieta Mączyńska-Ziemacka, Marcin Chludziński, Agata Górnicka, Robert Jastrzębski, Robert Śnitko and Maciej Zaborowski. Exercising its right as the company's shareholder, the State Treasury, pursuant to § 20 Section 7 of the Articles of Association, appointed Paweł Górecki to the Supervisory Board. As of the date of the Ordinary Shareholder Meeting which approved the financial statements for 2018, the mandate of Supervisory Board Member Katarzyna Lewandowska expired.

On 21 April 2020, Mr. Alojzy Nowak tendered his resignation from serving in the capacity of Supervisory Board Member.

During the Ordinary Shareholder Meeting on 26 May 2020, Józef Wierzbowski was appointed to the Supervisory Board.

2. Management Board

The table below presents a review of compensation of PZU SA Management Board Members for 2019 and 2020. The table includes persons discharging functions in the Company's Management Board for a part of or the entire reporting period. Pursuant to the Compensation Policy in force at PZU SA, the compensation of the Management Board Members is presented split out into the fixed part and the variable part. The table distinguishes between the value of fixed compensation paid in 2019 and 2020 and the value of additional benefits due to the Management Board Members, broken down into training and other benefits, both pecuniary and non-pecuniary. With regard to expenses incurred on training, the report includes, among other things, the value of particular benefits granted to managers to cover costs of specialized training. The status of the PZU Group as the only financial conglomerate (made up of insurance undertakings, banks, mutual and pension funds as well as companies operating in diverse areas of the economy and in international markets) obligates it to manage its assets correctly and effectively. Furthermore, the status of public companies significant for the Polish economy and the financial market translates into the duty to continue to expand knowledge and raise qualifications by the Management Board Members in the area of the activity of the Company and the entire group. For that reason, the Company finances the Company's participation in domestic and foreign training courses, achieving in practice a direct advantage from expended funds through having highly-qualified management staff, which as a result serves the achievement of the objectives set by the Supervisory Board in the difficult period of the pandemic, high competition and the unfavorable investment environment. The financing also increases the trust of the present shareholders and acquisition of new ones, both in Poland and abroad. It also serves the implementation of the principles of adequacy defined by legal regulations and expectations of the Polish Financial Supervision Authority.

Apart from fixed compensation, the list below includes the amount of variable compensation disbursed in 2019 and 2020, with a breakdown into deferred and non-deferred variable compensation. Detailed rules for setting the amount of variable compensation for each financial year are described in detail in Chapter 4 and 5 of the report. When setting the amount of variable compensation due for 2019 and 2020, in each of the periods, what was taken into consideration was the level of achievement of management objectives describing:

- a) improvement of economic and financial ratios, including: gross written premium of the PZU Group, financial result attributed to the parent company, return on equity (ROE), degree of achievement of key strategic measures describing the value of the PZU Group,
- b) increase in the value of the Group, including: assets (banking), net financial result of the banking segment attributed to the PZU Group, assets of external clients under management, revenues of PZU Zdrowie SA, the share of the PZU Group in the market of non-life insurance, operating margin of group and individually continued insurance.

For the Management Board Members whose mandates expired during the reporting period, the table present the amount of disbursed severance pay and compensation for non-competition obligations.

The Company finances a pension scheme only for its employees, therefore it does not grant Management Board Members or Supervisory Board Members any pension packages.

The amounts shown in the report comply with the Compensation Policy adopted by PZU SA and the provisions of the Act on the Rules for Setting the Compensation of Persons Managing Certain Companies of 9 June 2016 applicable to the Company.³

³ consolidated text: Journal of Laws of 2020, Item 1907

Tabular list of components of compensation of Management Board Members received at the Company and other entities from the PZU Group.⁴

Amounts in PLN thousand.

Table 2.1. Components of compensation of PZU SA Management Board Members received at the Company⁵

PZU SA Management Board (full name, the period of discharging the function)	Year	Fixed compensation ⁶	Extra benefits (pecuniary and non-pecuniary) ⁷		Variable compensation ^{8,9}				Other benefits connected with the discharged function ¹⁰	Pension packages	Total compensation ¹¹	Compensation paid by the Company for other reasons in the period of discharging the function of a PZU SA Management Board Member ¹²	Relative proportion of fixed compensation to the total compensation amount and variable compensation to the total compensation amount ¹³
			Training	Other benefits	Percentage ratio of achievement of Management Objectives for years for which Non-deferred variable compensation was paid ¹⁴	Non-deferred variable compensation	Percentage ratio of achievement of Management Objectives for years for which Deferred variable compensation was paid	Deferred variable compensation					
Aleksandra Agatowska (from 24 October 2019 to 19 February 2020)	2020	124.12	0.00	7.35	97.1% (2019)	96.86	-	0.00	0.00	0.00	228.33	185, 19	0.58/0.42
	2019	166.25	0.00	90.63	-	0.00	-	0.00	0.00	0.00	256.88	422.89	1/0
Ernest Bejda (from 4 May 2020 to the present)	2020	617.47	2.22	55.97	-	0.00	-	0.00	0.00	0.00	675.66	0.00	1/0
	2019	0.00	0.00	0.00	-	0.00	-	0.00	0.00	0.00	0.00	0.00	-
Adam Brzozowski (from 25 May 2019 to 9 September 2020)	2020	641.71	56.94	159.39	97.1% (2019)	309.88	-	0.00	443.64	0.00	1,611.56	0.00	0.81/0.19
	2019	531.89	60.46	87.06	-	0.00	-	0.00	0.00	0.00	679.41	0.00	1/0
Marcin Eckert (from 28 March 2019 to the present)	2020	929.68	447.19	210.17	97.1% (2019)	391.28	-	0.00	0.00	0.00	1,978.32	0.00	0.80/0.20
	2019	671.60	68.23	132.25	-	0.00	-	0.00	0.00	0.00	872.08	0.00	1/0
Elżbieta Häuser-Schöneich (from 25 May 2020 to the present)	2020	641.71	69.53	100.18	97.1% (2019)	309.88	-	0.00	443.64	0.00	1,564.94	0.00	0.80/0.20
	2019	531.89	73.62	45.83	-	0.00	-	0.00	0.00	0.00	651.34	0.00	1/0

⁴ PZU Group – a group of companies within the meaning of the Accounting Act of 29 September 1994 (consolidated text: Journal of Laws of 2021, item 217).

⁵ The amounts refer to the benefits paid out in the period of discharging the function of a PZU SA Management Board Member

⁶ The fixed compensation amount due on the basis of the management contract; monthly fixed compensation was considered due for the period from January to December of the year covered by the report

⁷ E.g.: fees for leasing an apartment, medical services, costs of training

⁸ Variable compensation paid out in each year covered by the report

⁹ In the event that the management objective achievement ratio is 100% or higher, the amount of variable compensation awarded by the Supervisory Board amounts to 100% of the fixed compensation paid for the financial year for which the management objectives were settled

¹⁰ E.g. severance pay, compensation for non-competition obligations

¹¹ The total amount of fixed compensation, extra benefits (pecuniary and non-pecuniary), variable compensation, other benefits associated with the discharged function and pension packages

¹² Compensation for discharging the position of a PZU Group Director, paid in the period of discharging the function of a PZU SA Management Board Member. The compensation for the performance of other duties under employment contracts at the Company before taking up the function of a Management Board Member is not taken into account.

¹³ The proportion calculated according to the following formula: [(fixed compensation + extra benefits (pecuniary and non-pecuniary) + other benefits connected with the discharged function + pension packages)/total compensation]/[variable compensation/total compensation]

PZU SA Management Board (full name, the period of discharging the function)	Year	Fixed compensation ⁶	Extra benefits (pecuniary and non-pecuniary) ⁷		Variable compensation ⁸⁹				Other benefits connected with the discharged function ¹⁰	Pension packages	Total compensation ¹¹	Compensation paid by the Company for other reasons in the period of discharging the function of a PZU SA Management Board Member ¹²	Relative proportion of fixed compensation to the total compensation amount and variable compensation to the total compensation amount ¹³
			Training	Other benefits	Percentage ratio of achievement of Management Objectives for years for which Non-deferred variable compensation was paid ¹⁴	Non-deferred variable compensation	Percentage ratio of achievement of Management Objectives for years for which Deferred variable compensation was paid	Deferred variable compensation					
2019 to 9 September 2020)													
Roger Hodgkiss (from 19 January 2016 to 24 May 2019)	2020	0.00	0.00	0.00	97.1% (2019)	178.57	111.4% (2017) 94.8% (2018)	139.43	0.00	0.00	318.00	0.00	0/1
	2019	306.50	0.00	92.91	111.4% (2017) 94.8% (2018)	878.80	-	0.00	574.69	0.00	1,852.90	0.00	0.53/0.47
Małgorzata Kot (from 10 September 2020 to the present)	2020	287.98	0.00	26.46	-	0.00	-	0.00	0.00	0.00	314.44	0.00	1/0
	2019	0.00	0.00	0.00	-	0.00	-	0.00	0.00	0.00	0.00	0.00	-
Beata Kozłowska-Chyła (from 13 March 2020 to the present)	2020	775.63	45.00	72.65	-	0.00	-	0.00	0.00	0.00	893.28	0.00	1/0
	2019	0.00	0.00	0.00	-	0.00	-	0.00	0.00	0.00	0.00	0.00	-
Tomasz Kulik (from 1 August 2017 to the present)	2020	929.68	0.00	156.25	97.1% (2019)	497.90	111.4% (2017) 94.8% (2018)	139.43	0.00	0.00	1,723.26	0.00	0.63/0.37
	2019	854.61	473.41	155.18	111.4% (2017) 94.8% (2018)	627.41	-	0.00	0.00	0.00	2,110.61	0.00	0.7/0.3
Maciej Rapkiewicz (from 22 March 2016 to the present)	2020	929.68	4.68	155.99	97.1% (2019)	497.90	111.4% (2017) 94.8% (2018)	139.43	0.00	0.00	1,727.68	0.00	0.63/0.37
	2019	854.61	42.26	175.16	111.4% (2017) 94.8% (2018)	878.80	-	0.00	0.00	0.00	1,950.83	0.00	0.55/0.45
Małgorzata Sadurska (from 13 June 2017 to the present)	2020	929.68	49.58	191.87	97.1% (2019)	497.90	111.4% (2017) 94.8% (2018)	153.05	0.00	0.00	1,822.08	0.00	0.64/0.36
	2019	854.61	74.68	184.20	111.4% (2017) 94.8% (2018)	688.71	-	0.00	0.00	0.00	1,802.20	0.00	0.62/0.38
Paweł Surówka (from 13 April 2017 to 12 March 2020)	2020	188.79	589.78	71.63	97.1% (2019)	515.25	111.4% (2017) 94.8% (2018)	175.94	724.64	0.00	2,266.03	0.00	0.69/0.31
	2019	884.40	74.66	256.61	111.4% (2017)	914.59	-	0.00	0.00	0.00	2,130.26	0.00	0.57/0.43

PZU SA Management Board (full name, the period of discharging the function)	Year	Fixed compensation ⁶	Extra benefits (pecuniary and non-pecuniary) ⁷		Variable compensation ⁸⁹				Other benefits connected with the discharged function ¹⁰	Pension packages	Total compensation ¹¹	Compensation paid by the Company for other reasons in the period of discharging the function of a PZU SA Management Board Member ¹²	Relative proportion of fixed compensation to the total compensation amount and variable compensation to the total compensation amount ¹³
			Training	Other benefits	Percentage ratio of achievement of Management Objectives for years for which Non-deferred variable compensation was paid ¹⁴	Non-deferred variable compensation	Percentage ratio of achievement of Management Objectives for years for which Deferred variable compensation was paid	Deferred variable compensation					
					94.8% (2018)								
Krzysztof Szypuła (from 10 September 2020 to the present)	2020	287.98	0.00	20.93	-	0.00	-	0.00	0.00	0.00	308.91		1/0
	2019	0.00	0.00	0.00	-	0.00	-	0.00	0.00	0.00	0.00	0.00	-

Table 2.2. Components of compensation of PZU SA Management Board Members received in other PZU Group entities¹⁵

Member of the PZU SA Management Board (full name, period of discharging the function at PZU SA)	Year	Function/Position	Fixed compensation ¹⁶	Extra benefits (pecuniary and non-pecuniary) ¹⁷	Variable compensation ¹⁸		Other benefits connected with the discharged function ¹⁹	Pension packages	Total compensation ²⁰
					Non-deferred variable compensation	Deferred variable compensation			
Aleksandra Agatowska (from 24 October 2019 to 19 February 2020)	2020	Member of the PZU Życie SA Management Board	0.00	9.30	0.00	10.22	0.00	0.00	19.52
	2019		32.61	10.41	377.10	0.00	0.00	0.00	420.12
Marcin Eckert (from 28 March 2019 to the present)	2020	Member of the PZU Życie SA Management Board	0.00	6.69	0.00	0.00	0.00	0.00	6.69
	2019		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Małgorzata Kot (from 10 September 2020 to the present)	2020	Member of the PZU Życie SA Management Board	14.01	7.86	0.00	0.00	0.00	0.00	21.87

¹⁵ The amounts refer to compensation of PZU SA Management Board Members paid in other PZU Group entities while discharging a function in the PZU SA Management Board. Compensation for performing other duties under employment contracts in PZU Group entities before taking up the function of a Management Board Member at PZU SA is not taken into account.

¹⁶ The fixed compensation amount due on the basis of the management contract; monthly fixed compensation was considered due for the period from January to December of the year covered by the report

¹⁷ E.g.: fees for leasing an apartment, medical services, costs of training

¹⁸ Variable compensation paid out in each year covered by the report

¹⁹ E.g. severance pay, compensation for non-competition obligations

²⁰ The total amount of fixed compensation, extra benefits (pecuniary and non-pecuniary), variable compensation, other benefits associated with the discharged function and pension packages

3. Supervisory Board

Tabular list of components of compensation of Supervisory Board Members received at the Company and other PZU Group entities.²¹

Amounts in PLN thousand.

Table 3.1. Components of compensation of PZU SA Supervisory Board Members received at the Company

PZU SA Supervisory Board (full name, the period of discharging the function)	Year	Fixed compensation ²²	Extra benefits (pecuniary and non- pecuniary) ²³	Variable compensation		Other benefits connected with the discharged function ²⁴	Pension packages	Total compensation ²⁵	Compensation paid by the Company for other reasons in the period of discharging the function of a PZU SA Supervisory Board Member ²⁶	Relative proportions of fixed compensation to the total compensation amount and variable compensation to the total compensation amount ²⁷
				Non-deferred variable compensation	Deferred variable compensation					
Marcin Chludziński (from 7 January 2016 to the present)	2020	177.13	0.00	0.00	0.00	0.00	0.00	177.13	0.00	1/0
	2019	167.35	0.00	0.00	0.00	0.00	0.00	167.35	0.00	1/0
Paweł Górecki (from 8 February 2017 to the present)	2020	193.08	0.00	0.00	0.00	0.00	0.00	193.08	0.00	1/0
	2019	182.41	0.00	0.00	0.00	0.00	0.00	182.41	0.00	1/0

²¹ The amounts refer to the benefits paid out in the period of discharging the function of a PZU SA Supervisory Board Member

²² The fixed compensation amount due pursuant to § 12 of the "Compensation Policy"; what was considered was monthly fixed compensation due for the period from January to December of the year covered by the report

²³ E.g.: fees for leasing an apartment, medical services, costs of training

²⁴ E.g. severance pay, compensation for non-competition obligations

²⁵ The total amount of fixed compensation, extra benefits (pecuniary and non-pecuniary), variable compensation, other benefits associated with the discharged function and pension packages

²⁶ The compensation for discharging other functions or occupied positions at PZU SA paid out in each year in the period of discharging the function of a PZU SA Supervisory Board Member

²⁷ The proportion calculated according to the following formula: [(fixed compensation + extra benefits (pecuniary and non-pecuniary) + other benefits connected with the discharged function + pension packages)/total compensation]/[variable compensation/total compensation]

Agata Górnicka (from 8 February 2017 to the present)	2020	177.13	0.00	0.00	0.00	0.00	0.00	177.13	0.00	1/0
	2019	167.35	0.00	0.00	0.00	0.00	0.00	167.35	0.00	1/0
Robert Jastrzębski (from 9 March 2018 to the present)	2020	193.08	0.00	0.00	0.00	0.00	0.00	193.08	0.00	1/0
	2019	176.44	0.00	0.00	0.00	0.00	0.00	176.44	0.00	1/0
Tomasz Kuczur (from 24 May 2019 to the present)	2020	177.13	0.00	0.00	0.00	0.00	0.00	177.13	0.00	1/0
	2019	100.94	0.00	0.00	0.00	0.00	0.00	100.94	0.00	1/0
Maciej Łopiński (from 8 January 2018 to the present)	2020	194.85	0.00	0.00	0.00	0.00	0.00	194.85	0.00	1/0
	2019	184.09	0.00	0.00	0.00	0.00	0.00	184.09	0.00	1/0
Elżbieta Mączyńska-Ziemacka (from 24 May 2019 to the present)	2020	177.13	0.00	0.00	0.00	0.00	0.00	177.13	0.00	1/0
	2019	100.94	0.00	0.00	0.00	0.00	0.00	100.94	0.00	1/0
Alojzy Nowak (from 30 May 2012 to 21 April 2020)	2020	59.00	0.00	0.00	0.00	0.00	0.00	59.00	0.00	1/0
	2019	182.41	0.00	0.00	0.00	0.00	0.00	182.41	0.00	1/0
Krzysztof Opolski (from 24 May 2019 to the present)	2020	187.95	0.00	0.00	0.00	0.00	0.00	187.95	0.00	1/0
	2019	100.94	0.00	0.00	0.00	0.00	0.00	100.94	0.00	1/0
Robert Śnitko (from 12 April 2017 to the present)	2020	187.95	0.00	0.00	0.00	0.00	0.00	187.95	0.00	1/0
	2019	167.35	0.00	0.00	0.00	0.00	0.00	167.35	0.00	1/0
Józef Wierzbowski (from 26 May 2020 to the present)	2020	106.28	0.00	0.00	0.00	0.00	0.00	106.28	0.00	1/0
	2019	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1/0
Maciej Zaborowski (from 7 January 2016 to the present)	2020	177.13	0.00	0.00	0.00	0.00	0.00	177.13	0.00	1/0
	2019	167.35	0.00	0.00	0.00	0.00	0.00	167.35	0.00	1/0

Components of compensation of PZU SA Supervisory Board Members received in other PZU Group entities

In 2019-2020, PZU SA Supervisory Board Members received no compensation in other PZU Group entities.

4. Compliance with the adopted compensation policy

The compensation of the PZU SA Management Board and Supervisory Board Members complies with the “Compensation Policy” adopted by the Company. It contributes to the achievement of long-term results by the Company because the compensation of the Management Board Members is linked to the achievement of objectives set in the PZU Group Strategy.

The total compensation for the Company’s Management Board Members is composed of the fixed part, constituting the monthly base salary (hereinafter referred to as “**fixed compensation**”) and variable part, constituting variable compensation for the financial year (hereinafter referred to as “**variable compensation**”). The fixed compensation and variable compensation awarded to the Management Board Members are within the limits defined in the Act on the Rules for Setting the Compensation of Persons Managing Certain Companies of 9 June 2016. The amount of variable compensation cannot exceed the amount of fixed compensation in the previous financial year to which the calculation refers. The variable compensation amount is defined by the Supervisory Board after the end of a financial year based on the level of achievement of management objectives set for the given year. Management objectives are set for Management Board Members by the Supervisory Board in consideration of strategic objectives and indicators which show their attainment as defined in the PZU Group Strategy. Apart from the above compensation components, Management Board Members are also entitled to the same benefits as those due to the Company’s senior managerial staff, in particular such as:

- 1) training to improve professional qualification that is needed to serve as a the Company’s Management Board Member;
- 2) medical care;
- 3) insurance:
 - a) liability insurance for management staff (D&O),
 - b) insurance of life and health and compensation lost due to inability to work caused by an illness or an accident.

The monthly compensation of Supervisory Board Members fixed and is the product of the base amount referred to in Article 1 Section 3 Item 11 of the Act on the Rules for Setting the Compensation of Persons Managing Certain Companies of 9 June 2016 and the multiplier of 2.75.

Pursuant to the “Compensation Policy”, compensation of the Chairperson of the Supervisory Board is increased by 10%, the Deputy Chairperson – by 9%, and the Supervisory Board Secretary – by 8% of the monthly salary amount defined in the manner described above. For the Chairpersons of Supervisory Board committees, the monthly compensation is increased by 9% of the monthly salary amount. Additional compensation due for discharging the function of chairperson, deputy chairperson or secretary of the Supervisory Board as well as chairpersons of the Supervisory Board’s committees do not add up.

5. Criteria for results

The amount of the variable part of compensation of Management Board Members is linked to the Company's results, and in particular to the achievement of management objectives defined every year by the Company's Supervisory Board. Setting management objectives, the Supervisory Board takes into consideration strategic objectives and their indicators defined in the PZU Group Strategy. The Supervisory Board also defines weights for each management objective as well as objective and measurable indicators for their performance and settlement (KPI).

It distinguishes general management objectives which concern in particular the improvement of economic and financial indicators and the Company's activities which take into consideration social interests, including those contributing to environmental protection

With Resolution No. 4/2017 of the Extraordinary Shareholder Meeting of PZU SA adopted on 8 February 2017 on the rules for setting the compensation of Management Board Members of Powszechny Zakład Ubezpieczeń Spółka Akcyjna (as amended), general management objectives were defined including an increase in the Company's value and the above objective of improvement of economic and financial indicators.

Within the "Compensation Policy", management objectives were also defined as follows:

- a) implementation of the rules for compensating members of the management and supervisory bodies consistent with the provisions of the Act on the Rules for Setting the Compensation of Persons Managing Certain Companies of 9 June 2016 in all of the Company's subsidiaries in the group within the meaning of Article 4 item 14 of the Competition and Consumer Protection Act of 16 February 2007,²⁸
- b) performance of the duties referred to in Articles 17-20, 22 and 23 of the Act of 16 December 2016 on Rules for Managing State Property.²⁹

The Supervisory Board, shaping the fixed compensation of Management Board Members and setting management objectives for them, makes efforts to ensure that they comply with standards concerning operation of regulated entities, including the principle of prudent and stable management of the entity.

Compensation of Supervisory Board Members is not linked to results achieved by the Company. Rules for remunerating Supervisory Board Members are defined in § 12 of the "Compensation Policy".

²⁸ consolidated text: Journal of Laws of 2021, item 275

²⁹ consolidated text: Journal of Laws of 2020, item 735 (as amended)

6. Changes³⁰ of compensation of Management Board and Supervisory Board members, PZU results and average compensation of PZU employees other than Management Board or Supervisory Board members, over the five most recent financial years

The amounts are stated in PLN thousand, except for the data of the Company's results, which are presented in PLN million.

The compensation paid in 2020 and changes of compensation in each year are presented as average monthly data.

Annual change of average monthly compensation ³¹	2016 vs. 2015	2017 vs. 2016	2018 vs. 2017	2019 vs. 2018	2020 vs. 2019	Information on the 2020 financial year (average monthly compensation)
Members of the PZU SA Management Board discharging their functions in 2019-2020 (full name, period of discharging the function)						
Aleksandra Agatowska (from 24 October 2019 to 19 February 2020)	n/a	n/a	n/a	n/a	25.10	99.65
Ernest Bejda (from 4 May 2020 to the present)	n/a	n/a	n/a	n/a	n/a	77.83
Adam Brzozowski (from 25 May 2019 to 9 September 2020)	n/a	n/a	n/a	n/a	46.60	120.17
Marcin Eckert (from 28 March 2019 to the present)	n/a	n/a	n/a	n/a	46.77	120.33
Elżbieta Häuser-Schöneich (from 25 May 2019 to 9 September 2020)	n/a	n/a	n/a	n/a	46.60	120.17
Roger Hodgkiss (from 19 January 2016 to 24 May 2019)	n/a	43.91	-35.33	73.24	n/a	n/a
Małgorzata Kot (from 10 September 2020 to the present)	n/a	n/a	n/a	n/a	n/a	77.83
Beata Kozłowska-Chyła (from 19 January 2016 to 30 November 2016 and from 13 March 2020 to the present)	n/a	n/a	n/a	n/a	n/a	80.54

³⁰ Changes of compensation of Management Board and Supervisory Board Members are shown from the year following the time when they started to discharge their functions to the most recent year of discharging their functions

³¹ Average monthly compensation of Management Board and Supervisory Board Members in each year calculated as average monthly fixed compensation due for the period from January to December of each year and average monthly variable compensation paid in the given year. The average monthly variable compensation, however, is calculated in proportion to the number of months for which it was paid. The average monthly compensation of Management Board and Supervisory Board Members does not include non-recurring non-pecuniary benefits, e.g. severance pays and compensation for non-competition obligations.

Annual change of average monthly compensation³¹	2016 vs. 2015	2017 vs. 2016	2018 vs. 2017	2019 vs. 2018	2020 vs. 2019	Information on the 2020 financial year (average monthly compensation)
Tomasz Kulik (from 1 August 2017 to the present)	n/a	n/a	0	82	-10.3	135.55
Maciej Rapkiewicz (from 22 March 2016 to the present)	n/a	42.76	-41.26	80.6	-13.87	130.58
Małgorzata Sadurska (from 13 June 2017 to the present)	n/a	n/a	0	82	-10.3	135.55
Paweł Surówka (from 20 January 2016 to 23 April 2016 and from 13 April 2017 to 12 March 2020)	n/a	38.82	-28.06	99.13	-26.43	138.76
Krzysztof Szypuła (from 10 September 2020 to the present)	n/a	n/a	n/a	n/a	n/a	77.83
Members of the PZU SA Supervisory Board discharging their functions in 2019-2020 (full name, period of discharging the function)						
Marcin Chłudziński (from 7 January 2016 to the present)	n/a	1.11	1.93	0.91	0.82	14.76
Paweł Górecki (from 8 February 2017 to the present)	n/a	n/a	1.95	1.02	0.89	16.09
Agata Górnicka (from 8 February 2017 to the present)	n/a	n/a	0.7	0.91	0.82	14.76
Robert Jastrzębski (from 9 March 2018 to the present)	n/a	n/a	n/a	1.67	1.39	16.09
Tomasz Kuczur (from 24 May 2019 to the present)	n/a	n/a	n/a	n/a	0.81	14.76
Maciej Łopiński (from 8 January 2018 to the present)	n/a	n/a	n/a	1.01	0.9	16.24
Elżbieta Mączyńska-Ziemacka (from 24 May 2019 to the present)	n/a	n/a	n/a	n/a	0.81	14.76
Alojzy Nowak (from 30 May 2012 to 21 April 2020)	0	2.87	1.34	0.99	0.89	16.09
Krzysztof Opolski (from 24 May 2019 to the present)	n/a	n/a	n/a	n/a	1.72	15.66
Robert Śnitko (from 12 April 2017 to the present)	n/a	n/a	0.92	0.91	1.72	15.66
Józef Wierzbowski (from 26 May 2020 to the present)	n/a	n/a	n/a	n/a	n/a	14.76
Maciej Zaborowski (from 7 January 2016 to the present)	n/a	0.19	0.84	0.91	0.82	14.76
Employees who are not Management Board or Supervisory Board of PZU SA						

Annual change of average monthly compensation³¹	2016 vs. 2015	2017 vs. 2016	2018 vs. 2017	2019 vs. 2018	2020 vs. 2019	Information on the 2020 financial year (average monthly compensation)
Company's employees (data recalculated as full FTEs) ³²	0.18	0.61	0.09	0.34	0.35	9.10

Annual change	2016 vs. 2015	2017 vs. 2016	2018 vs. 2017	2019 vs. 2018	2020 vs. 2019	Information on the 2020 financial year
Company's result						
Financial Result attributable to the parent company	-408	960	318	82	-1,383	1,912
Gross written premium of the PZU Group	1860	2628	623	721	-325	23,866

³² The average compensation for employees includes all the pecuniary benefits paid in the given year, without non-pecuniary benefits

7. Information on the number of awarded or offered financial instruments

In the period covered by the report, the Company did not award or offer any financial instruments to the Management Board or Supervisory Board Members.

8. Information on the use of the possibility to reclaim variable compensation components

Pursuant to § 5 section 7 of the Compensation Policy, the Company is entitled to a claim for refund (of the entire amount or some part) of the variable compensation disbursed if after the disbursement it is proved that it was granted (in its entirety or some part of it) to the Management Board Member on the basis of data which has turned out to be untrue.

In the period covered by the report, the Company did use of the possibility of reclaiming variable compensation components from Management Board Members.

9. Information on departures from the procedure for implementing the compensation policy and temporary exceptions to the application of the compensation policy

The Company did not use any departures from the procedure for implementing the compensation policy or temporary exceptions to its application within the meaning of Article 90g section 2 item 8 of the Act.

10. Pecuniary or non-pecuniary benefits granted to relatives of Management Board and Supervisory Board Members

No pecuniary or non-pecuniary benefits were granted to relatives of the Company's Management Board and Supervisory Board Members.

11. Information on taking into consideration a resolution adopted by the Shareholder Meeting to issue an opinion on the previous report on compensation of Management Board and Supervisory Board Members

The report on compensation of Management Board and Supervisory Board Members is prepared for the first time, therefore it does not include the explanation as required by Article 90g section 8 of the Act in what way it considered a resolution of the Shareholder Meeting to issue an opinion on the previous report. Such information will be included in the next compensation report for 2021.

CSWP Audyt Spółka z ograniczoną
odpowiedzialnością Sp. K.
ul. Kopernika 34
00-336 Warsaw

Dear Sirs and Madams,

We are hereby sending this letter of representation to you in connection with your review of the compensation report of Powszechny Zakład Ubezpieczeń S.A. ("Company") for the years ended 31 December 2019 and 31 December 2020, prepared in accordance with the Act of 29 July 2005 on public offerings and the conditions for offering financial instruments in an organized trading system and on public companies ("Act on Public Offerings") as well as the implementing legislation issued on its basis and other applicable law.

We hereby confirm our responsibility for the compensation report, including the completeness of the information contained therein in relation to the requirements of the law and for the internal control system in this respect.

The representations made in this letter have been limited to material issues. We understand information to be material if its omission or incorrect presentation, in one or more instances, could affect the economic decisions undertaken by individuals using such information on the basis of this Compensation Report. The level of materiality depends on the weight or type of undisclosed or incorrect information, given the circumstances of the case and the context. In this respect, the deciding factor is the weight or the type of issue, or both these matters together.

According to our best knowledge and conviction, we hereby confirm as follows:

1. The compensation report is compliant with the provisions of Article 90g sec. 1-5 and 8 of the Act on Public Offerings and other relevant provisions of law. In particular, it is complete and contains all the required elements and attachments and the information it contains is consistent with the fact with regard to all Management Board and Supervisory Board members and their closest relatives and all components of their compensation.
2. With respect to the compensation report subject to the review, we have kept all the deadlines required by the provisions of the Act on Public Offerings and other relevant law.
3. We are not aware of any non-compliance or potential non-compliance with the applicable law that could have a material effect on the compensation report if it had occurred.
4. We have provided you with all the relevant information and explanations, data and documents you have requested and which are necessary to perform the service.

Kind regards,

Supervisory Board of Powszechny Zakład Ubezpieczeń S.A.

Maciej Łopiński
Supervisory Board Chairman

Paweł Górecki
Supervisory Board Deputy Chairman

Marcin Chludziński
Supervisory Board Member

Agata Górnicka
Supervisory Board Member

Robert Jastrzębski
Supervisory Board Member

Robert Śnitko
Supervisory Board Member

Maciej Zaborowski
Supervisory Board Member

Tomasz Kuczur
Supervisory Board Member

Elżbieta Mączyńska-Ziemacka
Supervisory Board Member

Krzysztof Opolski
Supervisory Board Member

Józef Wierzbowski
Member of the Supervisory Board

CSWP Audyt Spółka z ograniczoną odpowiedzialnością Sp. k.

ul. Kopernika 34

00-336 Warsaw

phone: +48 22 101 20 01

fax: +48 22 100 59 94

www.cswp.pl

**INDEPENDENT AUDITOR'S REPORT
ON THE PROVISION OF A REASONABLE ASSURANCE SERVICE
IN RESPECT TO ASSESSMENT OF A COMPENSATION REPORT**

For the Shareholder Meeting and the Supervisory Board of Powszechny Zakład Ubezpieczeń S.A.

We have been engaged to conduct an assessment of the attached compensation report of Powszechny Zakład Ubezpieczeń S.A. (hereinafter "the Company") for the years ended 31 December 2019 and 31 December 2020 (hereinafter "the Compensation Report") with respect to completeness of the information it contains that is required under Article 90g sec. 1-5 and 8 of the Act of 29 July 2005 on public offerings and the conditions for offering financial instruments in an organized trading system and on public companies (hereinafter "the Act on Public Offerings").

Identification of the criteria and description of the subject matter of the service

The Compensation Report has been prepared by the Supervisory Board in order to satisfy the requirements of Article 90g sec. 1 of the Act on Public Offerings. The applicable requirements for a compensation report are set forth in the Act on Public Offerings.

The requirements described in the previous sentence specify the basis of preparation of a compensation report and in our opinion they constitute appropriate criteria for us to express a reasonable assurance conclusion.

Pursuant to Article 90g sec. 10 of the Act on Public Offerings, a compensation report should be assessed by a statutory auditor to verify that it contains information required under Article 90g sec. 1-5 and sec. 8 of the Act on Public Offerings. This report satisfies the above requirement.

We understand the above-mentioned assessment of a statutory auditor, which forms the basis for our reasonable assurance conclusion, as an assessment whether, in all material respects, the scope of information presented in the compensation report is complete and the information is disclosed with the level of detail required by the Act on Public Offerings.



Responsibility of Supervisory Board Members

According to the Act on Public Offerings, Members of the Company's Supervisory Boards are responsible for the preparation of the compensation report in accordance with the applicable law and in particular for completeness of the report and for information contained therein.

The responsibility of the Supervisory Board also includes designing, implementing and maintaining of the internal control system, which ensures that a complete compensation report is prepared, which is free from any material misstatement due to fraud or error.

Responsibility of the statutory auditor

Our objective was to assess the completeness of information included in the attached compensation report against the criterion specified in the section entitled *Identification of the criteria and description of the subject matter of the service* and, on the basis of the evidence collected, to express an independent conclusion from the reasonable assurance service provided.

We have provided the service in accordance with the National Standard of Assurance Engagements other than Audits or Reviews 3000 with the wording of the International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information" adopted by resolutions of the National Chamber of Statutory Auditors (hereinafter "NSAE 3000(R)").

The standard obliges a statutory auditor to plan and perform the procedures in such a way so as to obtain reasonable assurance that the compensation report has been prepared fully in compliance with the specified criteria.

Reasonable assurance is a high level of assurance, yet it does not guarantee that a service provided in accordance with NSAE 3000(R) will always detect material misstatement.

The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement due to fraud or error. In estimating these risks, the statutory auditor considers internal control relevant to the preparation of a complete report in order to plan the relevant procedures, which should ensure that the statutory auditor has sufficient evidence that is appropriate in the circumstances. The assessment of the internal control system has not performed for the purpose of expressing a conclusion on its effectiveness.

Summary of work performed and limitations of our procedures

The procedures planned and performed by us include in particular:

- familiarizing ourselves with the content of the compensation report and comparing the information contained therein with the applicable requirements;
- familiarizing ourselves with the resolutions of the Company's Shareholder Meeting concerning the compensation policy for Members of the Management Board and the Supervisory Board and with the resolutions of the Supervisory Board providing additional details;
- establishing, through comparison with corporate documents, a list of persons, whose information must be included in the compensation report and establishing, by inquiring the



persons responsible for the preparation of the report and, where we deemed it appropriate, also directly the persons, whose information must be included, whether all the information envisaged in the criteria for preparing the remuneration report has been disclosed.

Our procedures were intended solely to obtain evidence that the information provided by the Supervisory Board in the compensation report, in terms of its completeness, is consistent with the applicable requirements. The purpose of our work was not to assess the adequacy of information included in the compensation report, considering the purpose of preparing the compensation report, or to assess the correctness and accuracy of the information contained therein, in particular with respect to the amounts presented, including the estimates made for previous years, the figures, dates, breakdowns, allocations, compliance with the compensation policy adopted by the Management Board.

The compensation report was not audited within the meaning of National Auditing Standards. During our assurance procedures, we did not conduct an audit or review of the information used to prepare the compensation report and therefore we do not assume responsibility for issuing or updating any reports or opinions on the Company's historical financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Ethical requirements, including independence

When providing the service, the statutory auditor and the audit firm complied with the independence requirements and other professional ethics requirements set out in the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants and adopted by resolutions of the National Council of Statutory Auditors (hereinafter "the IESBA Code"). The IESBA Code is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct. We have also complied with other requirements of independence and ethics that apply to this assurance service in Poland.

Quality control Requirements

The audit firm applies the national quality control standards as set out in International Standard on Quality Control 1 - "Quality control for firms that perform audits and reviews of financial statements, and other assurance and related services engagements", adopted by resolutions of the National Council of Statutory Auditors (hereinafter "the NSQC").

As required by the NSQC, an audit firm maintains a comprehensive system of quality control, including documented policies and procedures relating to compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Conclusion

The statutory auditor's conclusion is based on the matters described above and should therefore be read in conjunction those matters.

In our opinion, the attached compensation report, in all material respects, contains all the elements listed in Article 90g sec. 1-5 and 8 of the Act on Public Offerings.

Limitation of application

This report has been prepared by CSWP Audyt Spółka z ograniczoną odpowiedzialnością Sp. K. for the Shareholder Meeting and the Supervisory Board and is intended solely for the purpose described in the section *Identification of the criteria and description of the subject matter* and should not be used for any other purpose.

CSWP Audyt Spółka z ograniczoną odpowiedzialnością Sp. k. therefore does not accept any liability arising from contractual and non-contractual relations (including negligence) towards any third parties in the context of this report. The above does not relieve us of liability in situations where it is precluded by law.

.....
Przemysław Piska
Statutory auditor No. 13015 acting on behalf of
CSWP Audyt Spółka z ograniczoną
odpowiedzialnością Sp. k.

Firm registered in the list of audit firms
No. in the register 3767

Warsaw, 13 May 2021



RESOLUTION NO. ... /2021

ADOPTED BY THE ORDINARY SHAREHOLDER MEETING

OF POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA

on 16 June 2021

to issue an opinion on the PZU SA Supervisory Board Report on Compensation of PZU SA Management Board and Supervisory Board Members for 2019-2020

Pursuant to § 18 item 1b of the Articles of Association of Powszechny Zakład Ubezpieczeń Spółka Akcyjna and Article 90g sec. 6 of the Act on Public Offerings and the Terms and Conditions for Introducing Financial Instruments to an Organized Trading System and on Public Companies of 29 July 2005, the Shareholder Meeting hereby resolves as follows:

§ 1

The Shareholder Meeting issues a positive opinion on the PZU SA Supervisory Board Report on Compensation of PZU SA Management Board and Supervisory Board Members for 2019-2020 in the wording specified in the attachment to the resolution.

§ 2

This resolution shall come into force at the time of its adoption.

Chairperson
of the Ordinary Shareholder Meeting of PZU SA

The attachment to the draft resolution of the Ordinary Shareholder Meeting is provided in the attached file.