

Report of the Powszechny Zakład Ubezpieczeń SA Supervisory Board containing a proposal for a primary individual suitability assessment of a candidate for a Supervisory Board Member and a proposal for a collective suitability assessment of the Supervisory Board

I. Legal basis for drawing up the report

This Report has been prepared on the basis of the Rules for the suitability assessment of the PZU SA Supervisory Board and Audit Committee, as adopted by Resolution No. 33/2021 of the PZU SA Ordinary Shareholder Meeting of 16 June 2021 (hereinafter: "Rules").

Pursuant to §17(6) in conjunction with sec. 3(2), the PZU SA Supervisory Board presents to the Shareholder Meeting, in the form of a report, proposed assessment of the suitability of candidates for Supervisory Board members and existing Supervisory Board members as well as proposed assessment of the collective suitability of the Supervisory Board. Pursuant to §4(2)(2), the Supervisory Board approves the proposed individual suitability assessment of Supervisory Board member candidates, Supervisory Board members and a collective suitability assessment of the Supervisory Board prepared by the Nomination and Compensation Committee.

II. Approval of the proposal for a primary individual suitability assessment of a candidate for a Supervisory Board Member, Piotr Wachowiak, and of the proposal for a collective suitability assessment of the PZU SA Supervisory Board

On 31 August 2022, the State Treasury, as a shareholder of PZU SA, proposed Mr. Piotr Wachowiak as a candidate for a PZU SA Supervisory Board member and submitted a suitability assessment form completed by the candidate with attachments and documents confirming the information contained therein.

The assessment was conducted on the basis of the prerequisites referred to in §3(1)(1)(a) (primary assessment of individual suitability), and §3(1)(3)(c) of the Rules (assessment of collective suitability).

Pursuant to §3(1)(1)(a) of the Rules, the primary individual suitability assessment of a candidate for a PZU SA Supervisory Board member is conducted prior to the appointment of a PZU SA Supervisory Board member. As regards the collective suitability assessment, the reason for its conduct is the fact that changes have been made to the composition of the Supervisory Board (§3(1)(3)(c) of the Rules).

The conducted suitability assessment pertained to a candidate for a PZU SA Supervisory Board member and the following PZU SA Supervisory Board members:

- 1) Paweł Górecki – Supervisory Board Deputy Chairman;
- 2) Robert Śnitko – Supervisory Board Secretary;
- 3) Marcin Chludziński – Supervisory Board Member;
- 4) Agata Górnicka – Supervisory Board Member;
- 5) Robert Jastrzębski – Supervisory Board Member,
- 6) Elżbieta Mączyńska-Ziemacka – Supervisory Board Member;
- 7) Krzysztof Opolski – Supervisory Board Member;

- 8) Radosław Sierpiński – Supervisory Board Member;
- 9) Józef Wierzbowski – Supervisory Board Member;
- 10) Maciej Zaborowski – Supervisory Board Member.

In accordance with the Rules, the primary suitability assessment was conducted on the basis of the primary suitability assessment form with attachments submitted by the candidate, taking into account the requirements arising from generally binding provisions of law, the PZU SA Articles of Association, the Rules and the Methodology for assessing suitability of members of corporate bodies in regulated entities, as published by the Polish Financial Supervision Authority.

With respect to individual suitability assessment, the verification was aimed at determining whether the candidate being assessed has the necessary qualifications to perform a function in the PZU SA Supervisory Board and whether his conduct affects the reputation of PZU. During the assessment, account was taken of the traits and competencies of the candidate that are important for ensuring the proper performance of tasks by the PZU SA Supervisory Board as well as adequacy of his knowledge, skills and experience relative to his intended function and the assurance of the proper performance of such function.

In the course of the primary suitability assessment process, the candidate provided the following information on his qualifications and professional experience:

a) qualifications:

- graduate of the Internal Trade Faculty of the Central School of Planning and Statistics – major: organization and management,
- doctoral degree in economics, discipline: management sciences (in 2000),
- habilitated doctoral degree in economics, discipline: management sciences (in 2014),
- passed examination for candidates to become supervisory board members in companies in which the State Treasury holds equity,
- examiner at the Chamber of Statutory Auditors until 2020,

b) professional experience:

- from 1989 to date – associated with the Warsaw School of Economics (currently: university professor),
- 1992 – assistant liquidator of PGM “Stare Miasto”,
- 1992-1994 – deputy director of the Management Board of Domy Komunalne Warsaw-Śródmieście,
- 1994-1996 – director of the Municipal Buildings Department of the Warsaw-Centrum Municipality Authority,
- 1996-2001 – deputy director of the Board of the Żoliborz District of Warsaw – Board member,
- 2001-2005 – administrative director of the Warsaw School of Economics,
- 2005-2009 – chancellor of the Warsaw School of Economics,
- 2012-2016 – vice-dean of the College of Management and Finance of the Warsaw School of Economics,

- 2016-2020 - vice-rector for Science and Management at the Warsaw School of Economics,
- from 2017 to date – director of the Institute of Management of the Warsaw School of Economics,
- from 2020 to date – rector of the Warsaw School of Economics.

With respect to the collective suitability assessment of the PZU SA Supervisory Board, we took into account the need to ensure that the Supervisory Board as a whole (including the candidate undergoing assessment) has the adequate level of knowledge, skills and experience to understand the activities pursued by the company, including key risks, and in particular the need to satisfy other prerequisites listed in § 15 sec. 1 of the Rules.

The analysis of all information collected during the process was conducted by the PZU SA Supervisory Board Nomination and Compensation Committee (hereinafter “the Committee”).

On 31 August 2022, the Committee submitted to the Supervisory Board its proposed individual suitability assessment of the candidate for a PZU SA Supervisory Board member and its proposed collective suitability assessment of the Supervisory Board.

On the basis of the assessment proposals received and having read the collected information and documents, on 31 August 2022, by Resolution No. URN/146/2022, the PZU SA Supervisory Board approved the proposal for a favorable individual suitability assessment of Mr. Piotr Wachowiak as a candidate for a PZU SA Supervisory Board member and, by Resolution No. URN/147/2022, the proposal for a favorable collective suitability assessment of the Supervisory Board.

III. Summary

Pursuant to §17(6) in conjunction with §4(1)(2) of the Rules, this Report prepared by the Supervisory Board is hereby submitted to the PZU SA Shareholder Meeting to enable it to:

- 1) conduct the primary assessment of individual suitability of a candidate for a Supervisory Board member,
- 2) assess the collective suitability of the Supervisory Board.