

Warsaw, 20 March 2024

Management Board of Powszechny Zakład Ubezpieczeń Spółka Akcyjna

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

regarding:

the approval of the financial statements of the Powszechny Zakład Ubezpieczeń Spółka Akcyjna Group for the year ended 31 December 2023, prepared in accordance with the Polish Accounting Standards.

Content of the motion:

The PZU SA Management Board requests that the Ordinary General Meeting of PZU SA approve the financial statements of the Powszechny Zakład Ubezpieczeń Spółka Akcyjna Group for the year ended 31 December 2023, prepared in accordance with the Polish Accounting Standards.

Reasons:

The subject of the Ordinary Shareholder Meeting should be the consideration and approval of the financial statements for the past financial year. In addition, the annual financial statements are subject to approval by the Ordinary Shareholder Meeting no later than 6 months after the balance sheet date (in accordance with Article 395 § 1 and § 2(1) of the Commercial Company Code, Article 53 of the Accounting Act of 29 September 1994, and § 10(1) and § 18(1) of the Articles of Association of PZU SA).

The Management Board of PZU SA, by Resolution No. UZ/62/2024 of 20 March 2024, approved and the PZU SA Supervisory Board, by Resolution No. URN/49/2024 of 20 March 2024, positively evaluated the financial statements of the Powszechny Zakład Ubezpieczeń Spółka Akcyjna Group for the year ended 31 December 2023, prepared in accordance with the Polish Accounting Standards, and recommended its approval to the PZU SA Ordinary Shareholder Meeting.

The motion is presented by:

/Tomasz Kulik/

/Maciej Rapkiewicz/

Attachment:

- 1) draft resolution of the PZU SA Shareholder Meeting on approval of the financial statements of the Powszechny Zakład Ubezpieczeń Spółka Akcyjna Group for the year ended 31 December 2023, prepared in accordance with the Polish Accounting Standards.

Re: Item 10 of the Agenda

RESOLUTION NO./2024

ADOPTED BY THE ORDINARY SHAREHOLDER MEETING

OF POWSZECHNY ZAKŁAD UBEZPIECZEŃ SPÓŁKA AKCYJNA

ON 18 JUNE 2024

regarding the approval of the financial statements of Powszechny Zakład Ubezpieczeń Spółka Akcyjna for the year ended 31 December 2023, prepared in accordance with the Polish Accounting Standards

Pursuant to Article 395 § 2(1) of the Commercial Company Code and § 18(1) of the Articles of Association of PZU SA, the PZU SA Ordinary Shareholder Meeting hereby resolves as follows:

§ 1

The PZU SA Ordinary Shareholder Meeting, after consideration, approves the financial statements of Powszechny Zakład Ubezpieczeń Spółka Akcyjna for the year ended 31 December 2023, prepared in accordance with the Polish Accounting Standards, including:

- 1) balance sheet prepared as of 31 December 2023, closing on the assets and liabilities side with a balance sheet total of PLN 52,964,892 thousand (in words: fifty-two billion, nine hundred and sixty-four million, eight hundred and ninety-two thousand zlotys),
- 2) non-life insurance technical account for the period from 1 January to 31 December 2023, indicating a technical result to be transferred to the general profit and loss account in the amount of PLN 1,454,616 thousand (in words: one billion four hundred fifty-four million six hundred sixteen thousand zlotys),
- 3) general profit and loss account for the period from 1 January to 31 December 2023, indicating a net profit of PLN 3,983,187 thousand (three billion nine hundred eighty-three million one hundred eighty-seven thousand zlotys),
- 4) statement of changes in equity showing an increase in equity during the financial year ending 31 December 2023 by the amount of PLN 5,060,092 thousand (five billion sixty million ninety-two thousand zlotys),
- 5) cash flow statement showing an increase in cash during the financial year ending 31 December 2023 by the amount of PLN 29,337 thousand (twenty-nine million, three hundred and thirty-seven thousand zlotys),
- 6) additional notes to the financial statements for the year ended 31 December 2023.

§ 2

The Resolution comes into force when adopted.

Chairman

of the PZU SA Ordinary Shareholder Meeting

Powszechny Zakład Ubezpieczeń Spółka Akcyjna

Financial statements for the year ended 31 December 2023
prepared in accordance with Polish Accounting Standards



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Introduction to the financial statements

1. Introduction

Basic information about the Company

Powszechny Zakład Ubezpieczeń Spółka Akcyjna (“PZU,” “Company”) has its headquarters at Rondo Ignacego Daszyńskiego 4, 00-843 Warsaw.

PZU has been entered in the National Court Register kept by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register.

The core business of PZU according to the Polish Classification of Business Activity and the Statistical Classification of Economic Activities in Europe is property and casualty insurance (65.12).

According to the official newsletter of the Warsaw Stock Exchange, the Company is classified in the “Finance” macro sector, “insurance companies” sector.

PZU is the parent company of Powszechny Zakład Ubezpieczeń Spółka Akcyjna Group (“PZU Group”) and prepares consolidated financial statements.

Period covered by the standalone financial statements

These standalone financial statements cover the period of 12 months from 1 January to 31 December 2023. The comparative data refers to the period from 1 January to 31 December 2022.

Format of the standalone financial statements

The standalone financial statements for 2023 include financial data presented in the format specified in Appendix No. 2 to the Finance Minister’s Regulation of 5 October 2020 on the scope of information disclosed in financial statements and consolidated financial statements required in prospectuses for issuers based in the territory of the Republic of Poland, for which Polish accounting principles are applicable (“Regulation on financial statements in the prospectus”).

Pursuant to Article 45(1f) of the Accounting Act (“Accounting Act”) standalone financial statements shall be prepared in electronic form. In addition, according to Article 3 of EU Delegated Regulation No. 2019/815, issuers shall prepare their annual financial statements in XHTML format.

Going concern assumption

These standalone financial statements have been drawn up under the assumption that PZU 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 these standalone financial statements, there are no facts or circumstances that would indicate a threat to the ability of PZU to continue its activity in the period of 12 months after the end of the reporting period as a result of an intentional or an induced discontinuation or a material curtailment of its hitherto activity.

Making this assumption, in its assessment, the PZU Management Board took into account the impact of factors subject to uncertainty, in particular the macroeconomic situation and the armed conflict in Ukraine which began on 24 February 2022 (additional information on this matter is presented in section I.34.1 Supplementary information and notes) on the macroeconomic situation and its own operations.

Presentation currency

Unless otherwise noted, all amounts are shown in thousands of Polish zloty in the standalone financial statements.

Discontinued operations

Both in 2023 and in 2022, PZU did not discontinue any type of operations.

Seasonal or cyclical business

The PZU's business is neither seasonal nor subject to business cycles to a significant extent.

2. Selected standalone financial data of PZU

Data from the balance sheet	31 December 2023 thous. PLN	31 December 2022 thous. PLN	31 December 2023 thous. EUR	31 December 2022 thous. EUR
Assets	52,964,892	45,935,032	12,181,438	9,794,459
Share capital	86,352	86,352	19,860	18,412
Total equity	20,884,235	15,824,143	4,803,182	3,374,090
Basic and diluted weighted average number of common shares (items)	863,523,000	863,523,000	863,523,000	863,523,000
Book value per common share (in PLN/EUR)	24.18	18.33	5.56	3.91

Data from the technical non-life insurance account and from the general profit and loss account	1 January – 31 December 2023 thous. PLN	1 January – 31 December 2022 thous. PLN	1 January – 31 December 2023 thous. EUR	1 January – 31 December 2022 thous. EUR
Gross written premiums	16,187,497	14,691,723	3,574,688	3,133,711
Technical result of non-life insurance	1,454,616	1,266,929	321,223	270,233
Net investment result ¹⁾	3,604,170	1,303,073	795,909	277,942
Net profit (loss)	3,983,187	1,636,774	879,608	349,120
Basic and diluted weighted average number of common shares (items)	863,523,000	863,523,000	863,523,000	863,523,000
Basic and diluted earnings per common share (in PLN/EUR)	4.61	1.90	1.02	0.40

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

Data from the cash flow statement	1 January – 31 December 2023 thous. PLN	1 January – 31 December 2022 thous. PLN	1 January – 31 December 2023 thous. EUR	1 January – 31 December 2022 thous. EUR
Net cash flows from operating activities	1,709,088	1,528,989	377,418	326,130
Net cash flows from investing activities	593,952	387,368	131,163	82,625
Net cash flows from financing activities	(2,273,769)	(1,926,135)	-502,117	(410,840)
Total net cash flows	29,271	(9,778)	6,464	(2,086)

3. The exchange rate of the zloty against the euro

The following exchange rates were used in the financial statements (also for the presentation of selected financial data):

EUR / PLN	1 January – 31 December 2023	1 January – 31 December 2022	31 December 2023	31 December 2022
Average exchange rate	4.5284	4.6883	4.3480	4.6899
Highest exchange rate in the period	4.7895	4.9647	n.a.	n.a.
Lowest exchange rate in the period	4.3053	4.4879	n.a.	n.a.

These exchange rates are:

- for items in the balance sheet – the average exchange rates of the National Bank of Poland as of the balance sheet date;
- for items in the profit and loss account and cash flow statement – the exchange rates calculated as the arithmetic average of the National Bank of Poland exchange rates in effect on the last day of each month of the period.

4. Changes in accounting policies during the financial year

In 2023, no changes were made to the accounting policies.

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

In 2023, no changes were made to the preparation of financial statements.

6. Corrections of errors from previous years

The standalone financial statements do not include corrections of errors from previous years.

7. Significant events that occurred after the balance sheet date and are not included in the financial statements

No significant events occurred after the balance sheet date that have not been included in the standalone financial statements.

8. Significant events of previous years recognized in the financial statements of the reporting period

No significant events of previous years have occurred as of the date of signing the standalone financial statements, which should be included in the standalone financial statements.

9. Significant events related to the reporting period affecting a significant change in the structure of balance sheet items and financial result

9.1 Dividend from Powszechny Zakład Ubezpieczeń na Życie SA (“PZU Życie”)

On 6 June 2023, the Annual General Meeting of PZU Życie passed a resolution on the distribution of profit for the financial year 2022 in the amount of PLN 900,691 thousand as follows:

- PLN 897,579 thousand was allocated for dividends
- PLN 3,112 thousand was allocated to the Company Social Benefit Fund.

The record date was set for 29 June 2023, and the dividend payout date was set for 26 September 2023. The dividend was paid out on the record date indicated. This amount increased investment income from related parties.

9.2 Distribution of net profit for the financial year 2022

The issue is described in section 7.2.1 Supplementary information and notes.

10. Management and supervisory bodies of PZU

10.1 PZU Management Board

From 1 January 2023 to 31 December 2023, the composition of the Management Board of PZU was as follows:

- Beata Kozłowska-Chyła – President of the PZU Management Board;
- Ernest Bejda – Member of the PZU Management Board;
- Małgorzata Kot – Member of the PZU Management Board;
- Krzysztof Kozłowski – Member of the PZU Management Board;
- Tomasz Kulik – Member of the PZU Management Board;
- Piotr Nowak – Member of the PZU Management Board;
- Maciej Rapkiewicz – Member of the PZU Management Board;
- Małgorzata Sadurska – Member of the PZU Management Board.

On 23 February 2024, the PZU Supervisory Board dismissed the following persons from the PZU Management Board: Beata Kozłowska-Chyła, Ernest Bejda, Małgorzata Kot, Krzysztof Kozłowski, Piotr Nowak and Małgorzata Sadurska.

At the same time, the PZU Supervisory Board adopted resolutions to delegate the following Members of the PZU Supervisory Board:

- Anita Elżanowska – to temporarily perform the function of the President of the PZU Management Board;
- Michał Bernaczyk – to temporarily perform the function of the Member of the PZU Management Board;

This delegating was for a period of no more than 3 months. The resolutions came into force upon their adoption.

From 24 February 2024 to the date of signing the financial statements, the Management Board consisted of the following persons:

- Anita Elżanowska – Member of the PZU Supervisory Board delegated to temporarily perform the function of the President of the PZU Management Board;
- Michał Bernaczyk – Member of the PZU Supervisory Board delegated to temporarily perform the function of the Member of the PZU Management Board;
- Tomasz Kulik – Member of the PZU Management Board;
- Maciej Rapkiewicz – Member of the PZU Management Board.

10.2 The PZU Supervisory Board

From 1 January 2023 to the date of conveying the condensed interim financial statements, the composition of the Supervisory Board of PZU was as follows:

- Robert Jastrzębski – Chairman of the Supervisory Board;
- Paweł Górecki – Deputy Chairman of the Supervisory Board;
- Robert Śnitko – Secretary of the Supervisory Board;
- Marcin Chłudziński – Member of the Supervisory Board;
- Agata Górnicka – Member of the Supervisory Board;
- Elżbieta Mączyńska-Ziemacka – Member of the Supervisory Board;
- Krzysztof Opolski – Member of the Supervisory Board;
- Radosław Sierpiński – Member of the Supervisory Board;
- Piotr Wachowiak – Member of the Supervisory Board;
- Józef Wierzbowski – Member of the Supervisory Board;
- Maciej Zaborowski – Member of the Supervisory Board.

On 7 June 2023, the Annual General Meeting of PZU appointed the Supervisory Board of PZU for a new term of office in the following composition:

- Marcin Chłudziński – Member of the Supervisory Board;
- Agata Górnicka – Member of the Supervisory Board;
- Robert Jastrzębski – Member of the Supervisory Board;
- Marcin Kubicza – Member of the Supervisory Board;
- Elżbieta Mączyńska-Ziemacka – Member of the Supervisory Board;
- Krzysztof Opolski – Member of the Supervisory Board;
- Radosław Sierpiński – Member of the Supervisory Board;
- Józef Wierzbowski – Member of the Supervisory Board;
- Maciej Zaborowski – Member of the Supervisory Board.

The appointment was made for a joint term of office covering three full financial years 2024-2026.

At the same time, as of the date of the Annual General Meeting of PZU, i.e. 7 June 2023, the mandates of two former members of the Supervisory Board of PZU – Piotr Wachowiak and Robert Śnitko – expired.

On 5 June 2023, a shareholder of PZU, the State Treasury, exercising the right provided for in § 20(7) of PZU's Articles of Association, appointed Paweł Górecki to the Supervisory Board of PZU.

On 15 June 2023, Robert Jastrzębski was elected Chairman of the Supervisory Board of PZU and Paweł Górecki was appointed Deputy Chairman of the Supervisory Board of PZU.

On 30 August 2023, the PZU Supervisory Board elected Agata Górnicka as Secretary of the Supervisory Board.

On 13 September 2023, the Extraordinary General Meeting of PZU dismissed Elżbieta Mączyńska-Ziemacka from the PZU Supervisory Board.

On 14 February 2024, PZU received a letter from the Minister for State Assets, acting on behalf of the State Treasury of the Republic of Poland, dated 13 February 2024, notifying of the dismissal of Paweł Górecki from the PZU Supervisory Board. Pursuant to § 20(7) of the Articles of Association of PZU SA and in line with Article 354 § 1 of the Commercial Company Code, the dismissal through a written statement submitted by the State Treasury to the Management Board is effective upon its delivery.

On 15 February 2024, the Extraordinary General Meeting of PZU:

- dismissed the following persons from the PZU Supervisory Board: Robert Jastrzębski, Agata Górnicka, Radosław Sierpiński, Marcin Chłudziński, Maciej Zaborowski, Krzysztof Opolski and Józef Wierzbowski;
- appointed the following persons to the PZU Supervisory Board: Michał Bernaczyk, Anita Elżanowska, Filip Gorczyca, Michał Jonczynski, Andrzej Kaleta, Małgorzata Kurzynoga, Anna Machnikowska, Wojciech Olejniczak and Adam Uszpolewicz.

On 16 February 2024, Marcin Kubicza was elected Chair of the PZU Supervisory Board.

On 23 February 2024, Małgorzata Kurzynoga was elected Deputy Chair of the PZU Supervisory Board, and Anna Machnikowska – Secretary of the PZU Supervisory Board.

From 15 February 2024 to the date of signing the consolidated financial statements, the PZU Supervisory Board consisted of the following persons:

- Marcin Kubicza – Chair of the Supervisory Board (performing this function since 16 February 2024);
- Małgorzata Kurzynoga – Deputy Chair of the Supervisory Board (performing this function since 23 February 2024);
- Anna Machnikowska – Secretary of the Supervisory Board (performing this function since 23 February 2024);
- Michał Bernaczyk – Member of the Supervisory Board;
- Anita Elżanowska – Member of the Supervisory Board;
- Filip Gorczyca – Member of the Supervisory Board;
- Michał Jonczynski – Member of the Supervisory Board;
- Andrzej Kaleta – Member of the Supervisory Board;
- Wojciech Olejniczak – Member of the Supervisory Board;
- Adam Uszpolewicz – Member of the Supervisory Board.

10.3 PZU Group Directors

From 1 January 2023, Directors of PZU Group were as follows:

- Aleksandra Agatowska (PZU);
- Andrzej Jaworski (PZU);
- Krzysztof Kozłowski (PZU Życie);
- Bartłomiej Litwińczuk (PZU);
- Dorota Macieja (PZU);
- Sylwia Matusiak (PZU);
- Piotr Nowak (PZU Życie);
- Małgorzata Sadurska (PZU Życie).

On 1 February 2023, Małgorzata Skibińska was appointed to the position of PZU Group Director at PZU and PZU Życie.

On 6 June 2023, Dominik Witek and Ernest Bejda were appointed PZU Group Director, respectively at PZU and PZU Życie.

From 6 June 2023 to 31 December 2023, the following persons were PZU Group Directors:

- Aleksandra Agatowska (PZU);
- Ernest Bejda (PZU Życie);
- Andrzej Jaworski (PZU);
- Krzysztof Kozłowski (PZU Życie);
- Bartłomiej Litwińczuk (PZU);
- Dorota Macieja (PZU);
- Sylwia Matusiak (PZU);
- Piotr Nowak (PZU Życie);
- Małgorzata Sadurska (PZU Życie);
- Małgorzata Skibińska (PZU i PZU Życie);
- Dominik Witek (PZU).

On 23 February 2024, Ernest Bejda, Krzysztof Kozłowski, Piotr Nowak and Małgorzata Sadurska ceased to hold the position of the PZU Group Director in PZU Życie.

From 24 February 2024 to the date of signing the financial statements, the following persons were PZU Group Directors:

- Aleksandra Agatowska (PZU);
- Andrzej Jaworski (PZU);
- Bartłomiej Litwińczuk (PZU);
- Dorota Macieja (PZU);
- Sylwia Matusiak (PZU);
- Małgorzata Skibińska (PZU i PZU Życie);
- Dominik Witek (PZU).

11. Audit fee payable to the audit firm auditing the financial statements

Information on the audit fee to the audit firm auditing the financial statements, presented in accordance with the provisions of section 12.a, subsection b of Part “B. Supplementary Explanatory Notes” of Appendix No. 3 to the Regulation on financial statements in the prospectus, is included under section 32.1 Supplementary information and notes.

12. Accepted accounting policies

According to Article 45(1a) of the Accounting Act, the financial statements of issuers of debt securities admitted to trading on one of the regulated markets of the European Economic Area countries may be prepared in accordance with International Financial Reporting Standards and related interpretations promulgated in the form of European Commission regulations (“IFRS”).

As the PZU Shareholder Meeting has not made the decision referred to in Article 45(1c) of the Accounting Act to prepare financial statements in accordance with IFRS, PZU’s standalone financial statements for the financial year ended 31 December 2023 were prepared in accordance with the Accounting Act and the implementing regulations issued thereunder, among others:

- Regulation of the Minister of Finance of 12 April 2016 on the special accounting principles for insurance and reinsurance undertakings (“Regulation on accounting of insurers”);
- Finance Minister’s Regulation of 12 December 2001 on the detailed principles of recognition, valuation methods, scope of disclosure and presentation of financial instruments,
- as well as the adopted accounting principles (policies) and hereinafter collectively referred to as the Polish Accounting Standards (“PAS”).

Other important legal acts applicable to the standalone financial statements include the Insurance and Reinsurance Activity Act of 11 September 2015 (“Insurance Activity Act”).

In matters not regulated by the Accounting Act and the executive acts issued on its basis, Polish Accounting Standards and/or IFRS are applied accordingly.

12.1 Intangible assets

Intangible assets are recognized if it is probable that they will result in future economic benefits that can be associated with these assets and include property rights acquired by PZU, included in fixed assets, suitable for economic use, with an expected useful life of more than one year, intended to be used for the purposes of PZU.

Intangible assets include, in particular: computer software, economic copyrights, licenses and concessions.

Intangible assets are measured at purchase prices or production costs less amortization charges and permanent impairment losses.

Intangible assets are amortized using the straight-line method over their expected useful lives, which corresponds to their estimated economic useful lives, in accordance with the amortization schedule adopted by PZU, using annual amortization rates ranging from 20% to 50%.

In justified cases, after a case-by-case analysis, a different amortization rate may be used corresponding to the expected useful life of the intangible assets.

Intangible assets with a unit value not exceeding PLN 3,500 are recognized as costs in the month they are put into use.

12.2 Investments

12.2.1. Investments in real properties

Investments in real properties include: owned land, perpetual usufruct rights to land, structures and buildings, as well as separately owned premises, cooperative ownership rights to apartments, cooperative rights to commercial premises, construction investments and advances for construction investments.

Investments in real properties are valued at purchase price or production cost, taking into account revaluations made on the basis of separate regulations (the last such revaluation was made on 1 January 1995, and its effects were recognized in the revaluation reserve), less the value of accumulated depreciation as of the balance sheet date, taking into account permanent impairment losses.

Real property is amortized using the straight-line method over their expected useful lives, which corresponds to their estimated economic useful lives, in accordance with the amortization schedule adopted by PZU. Annual amortization rates for the key components of the category are presented below. In justified cases, PZU may set amortization rates individually in accordance with the applicable amortization schedule. Owned land and construction investments and advances for investments are not subject to amortization.

Asset category	Amortization rate
Cooperative ownership rights to apartments, cooperative rights to commercial premises	2.5%
Buildings and structures	1.5-10%

12.2.2. Ownership interest or shares in related parties

Ownership interest or shares in related parties are measured by the equity method.

The equity method consists in measuring the ownership interest or shares in a related party at its purchase price plus or minus, attributable to PZU, increases or decreases in the equity of the related party that occurred from the date of taking control, obtaining joint control or significant influence until the balance sheet date, with the share in increases or decreases in the equity of the related party adjusted by:

- impairment of goodwill (performed using the straight-line method for a period of up to twenty years);
- impairment of the difference in the valuation of the net assets at their fair values and book values attributable to the reporting period.

Differences in the valuation of net assets at their fair values and book values mainly include intangible assets and other revaluations identified during the purchase price allocation process, such as:

- trademarks – amortized using the straight-line method, most often over a period identical to the amortization period of goodwill;
- insurance – future profits from the purchased portfolio of insurance contracts (value in force) – amortized over the term of the insurance contracts;
- other revaluations to fair value of those assets and liabilities of related parties that were not measured at fair value;
- recognition of the impact of deferred tax on the net assets of the related parties resulting from the differences indicated above.

The effects of valuing shares in related parties using the equity method are recognized as follows:

- revaluations of shares in related parties to values above their purchase price are recognized in revaluation reserve;
- revaluations of shares in related parties to values below their purchase price are recognized in the profit and loss account.

Permanent impairment loss

At the end of each financial year and whenever there are indications that impairment may have occurred, shares of related parties of significant value and goodwill are subjected to impairment tests. Permanent impairment losses are recognized in the profit and loss account.

Goodwill impairment test is based on a comparison of the recoverable amount of an individual entity or cash-generating unit with its carrying amount. If the recoverable amount, expressed as the higher of either fair value less costs to sell or the present value of expected future net economic benefits, discounted using the current market rate of return for similar financial assets, is less than the carrying amount, an impairment loss is created, which is charged to the profit and loss account. For entities listed on an active market, the recoverable amount is estimated based on fair value.

Determining the recoverable amount of an individual entity or cash-generating unit requires professional judgment and evaluation of the assumptions made, among others: the economic role of the entity, the discount rate, the risk-free rate, the beta coefficient, the activity of the market in which the entities are listed, and projected cash flows.

12.2.3. Financial instruments

Financial instruments are classified at the time of purchase into the following categories:

- financial assets and financial liabilities held for trading;
- held-to-maturity financial assets;
- loans granted and own receivables;
- available-for-sale financial assets.

Financial assets and liabilities are recognized in the balance sheet at the moment when PZU becomes a party to a binding contract, under which it assumes risk and becomes a beneficiary of the benefits associated with the financial instrument. In the case of transactions concluded on an organized market, the purchase or sale of financial assets and liabilities are recognized in the books on the date of the transaction.

Financial instruments are initially recognized at fair value adjusted for transaction costs directly attributable to the purchase or issuance of the financial instrument. The fair value of a financial instrument at the time of initial recognition is usually its transaction price, unless the nature of the financial instrument indicates otherwise.

In the case of financial instruments that generate interest income, interest accrues from the day after the settlement date of the transaction.

The fair value of debt securities includes interest accrued as of the balance sheet date in accordance with the terms of issue with the full value of interest purchased but not settled, as well as interest granted but not paid.

Shares and interests whose fair value cannot be reliably estimated are valued at purchase cost including permanent impairment losses.

The outflow of financial instruments is determined according to the "first-in-first-out" principle" (FIFO).

Description of fair value valuation techniques

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.

PZU 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 debt instruments based on a variable interest rate, the reference curve reflecting the level of risk-free rates for the discounting of future flows is developed on the basis of an appropriate swap curve for the respective currency. However, for instruments based on a fixed interest rate – based on the quotes of treasury bonds in the given currency. For unlisted loans and bonds, in addition to the individual spread quantifying the specific risk of a given debt instrument, a market sector spread published in news services is added to reflect the pricing of the risk for the relevant sector for the issuer's business sector and its rating.

Equity-based financial assets

The fair values of equity-based financial assets are determined on the basis of quotations publicly available on an active market.

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.

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.

Derivatives are recognized in the balance sheet under "Other investments" of assets or under "Other liabilities" of liabilities.

Changes in the fair value of non-hedging derivatives are recognized in the profit and loss account of the reporting period.

Financial instruments held for trading

Financial instruments held for trading include assets acquired for the purpose of gaining economic benefits from short-term changes in prices and fluctuations in other market factors or the short duration of the acquired instrument, as well as derivatives, unless they are considered as hedging instruments.

Financial instruments held for trading also include obligations to deliver borrowed securities and other financial instruments when an entity enters into a short sale agreement.

Financial assets classified by the entity as held for trading are not reclassified to other categories.

Financial instruments held for trading are measured at fair value.

Held-to-maturity financial assets

Held-to-maturity financial assets include financial assets not classified as loans granted and own receivables, for which the contracts entered into establish the maturity of repayment of the nominal value and specify the right to receive at fixed or determinable dates economic benefits, such as interest, provided that PZU intends and is able to hold these assets until they become mature (in particular, debt securities).

This classification is largely based on the subjective assessment of the PZU Management Board, which, in making its analysis, determines its intention and ability to hold these financial instruments until maturity. The assessment is based on an analysis of PZU's assets and financial position and the matching of its assets and liabilities.

Held-to-maturity financial assets are valued as of the balance sheet date at adjusted purchase price, including permanent impairment losses.

Loans granted and own receivables

Loans granted and own receivables include, regardless of their maturity (payment) date, financial assets arising from the issuance of cash directly to the other party to the contract.

Loans also include buy-sell-back transactions, reverse repo and term deposits with credit institutions regardless of the maturity of the deposit.

Loans granted, including term deposits and own receivables, are recognized at adjusted purchase price including permanent impairment losses.

Received and accrued interest on term deposits with credit institutions attributable to the reporting period is shown under "Income from term deposits with credit institutions" in the general profit and loss account.

Available-for-sale financial assets

Available-for-sale financial assets include assets not classified in the categories described above, i.e.:

- financial instruments held for trading;
- held-to-maturity financial assets;
- loans granted and own receivables.

Available-for-sale financial assets are measured at fair value, and when it is not possible to determine it reliably – at purchase price, considering permanent impairment losses.

The difference between the fair value of available-for-sale financial assets and their purchase price or, in the case of debt instruments, the adjusted purchase price, is recognized in the revaluation reserve.

The effects of revaluation of available-for-sale debt instruments to adjusted purchase price are recognized in the profit and loss account.

If a permanent impairment loss on available-for-sale instruments occurs, the valuation losses previously recognized in the revaluation reserve are recognized in the general profit and loss account.

If the reason for the asset impairment loss ceases to exist, the equivalent of all or an appropriate portion of the previously made impairment loss is recognized in the general profit and loss account.

Deposits with ceding enterprises

Deposits with ceding enterprises include claims and premium deposits retained by insurance companies to which PZU provides reinsurance coverage. They are part of the payments due to PZU, but retained as collateral for future claims for damages.

Deposits with ceding enterprises are valued at the amount required to be paid, determined in accordance with the terms and conditions of the reinsurance treaty, taking into account, where the deposit is a financial instrument, also the valuation of that instrument and permanent impairment losses.

Transactions of purchase and sale of financial instruments, the commercial substance of which is different from the legal substance of the transaction

In the opinion of PZU, conditional buy-sell-back and sell-buy-back transactions do not imply a transfer of rights and obligations related to a given financial instrument; for this reason, the above transactions are classified as loans or liabilities, respectively. These transactions are valued at adjusted purchase price.

Permanent impairment loss of financial assets

An assessment is performed at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired permanently.

If there is objective evidence of permanent impairment arising from loss events that occurred after the initial recognition of financial assets and causing a decrease in expected future cash flows then appropriate impairment losses are recognized against costs of the current period. No expected permanent impairment losses are recognized as a result of future events, no matter how likely they are to occur.

Objective evidence of permanent impairment includes information about the following loss events, among others:

- significant financial difficulty of the issuer or obligor;

- a breach of contract, such as a default or delinquency in interest or principal payments;
- the lender, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becoming probable that the borrower will enter liquidation, bankruptcy or other financial reorganization;
- the disappearance of an active market for that financial asset because of the issuer's financial difficulties;
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including:
 - adverse changes in the payment status of borrowers in the group (e.g. an increased number of delayed payments or
 - adverse changes in the economic condition in a specific industry, region, etc. contributing to the deterioration of the debtors' capacity for repayment;
- a significant or prolonged decline in the fair value of an investment in an equity instrument below cost;
- adverse changes in the technology, market, economic, legal or other environment in which the issuer of an equity instrument operates, which indicate that costs of investment in that equity instrument may not be recovered.

If there is evidence of permanent impairment loss on available-for-sale financial instruments, losses previously recognized in the revaluation reserve are recognized in the profit and loss account.

The permanent impairment losses on held-to-maturity assets and loans are determined in the amount of the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted using the effective interest rate determined at initial recognition (original effective interest rate).

Permanent impairment losses on equity instruments listed on regulated markets, participation units in open-end investment funds and investment certificates of mutual funds classified as available for sale may be made if all of the following conditions are met:

- the negative difference between the present value and the purchase value is at least 30% of the purchase value;
- the value of the asset at the end of each of the 12 consecutive months was less than the purchase value.

No impairment loss is recognized if the events referred to above are considered to be reversible within 6 months of the balance sheet date or there are other indications of the temporary nature of the declines.

Foreign investments

Foreign investments are investments located outside Poland.

The location of investments determines: in the case of assets listed on regulated markets – the country of their issuer, in the case of other investments – the place of their realization, which means, in particular:

- for debt securities, loans and receivables and other financial instruments with a guaranteed yield – the country of residence of the issuer, the country of the borrower, the country of the debtor;
- for shares and other financial instruments giving a right to participate in the capital – the registered office of that company;
- for participation units and investment certificates of mutual funds or other mutual funds – the country of residence of the manager of the said fund.

Hedge accounting

The method of recognizing the results of the valuation of the hedging item and the hedged item depends on the type of hedge.

Before a hedge is initiated, it shall be classified as a fair value hedging or cash flow hedging.

For fair value hedges, gains or losses from changes in the fair value of the hedging instrument are recognized in the profit and loss account.

Gains or losses on the fair value measurement of a cash flow hedging instrument, in the portion deemed to be an effective hedge, are recognized in the revaluation reserve. The effect of revaluation of the hedging instrument in the portion determined to be an ineffective hedge is included in income or expenses of the investment activity.

For cash flow hedging of floating rate debt financial instruments involving the conversion of a floating rate to a fixed rate (through an interest rate swap), amounts recognized in equity are reclassified to current period gains and losses in the same period or periods in which the hedged scheduled cash flows affect current period gains and losses.

12.3 Receivables

Receivables are recorded at the value established at their inception. As of the balance sheet date, receivables are recognized at the amount due, less permanent impairment losses. Allowances for uncollectible or doubtful receivables are created based on an analysis of the debtors' assets and financial situation, an analysis of the age structure of the receivables and the collection history of the receivables, thus assessing the degree of probability of payment.

12.3.1. Receivables on direct insurance

Receivables on direct insurance include amounts due from policyholders for installment premiums and past due premiums, amounts due from insurance intermediaries, i.e. insurance brokers, agents and other intermediaries, and other receivables.

Receivables from policyholders

PZU reviews receivables from policyholders to determine whether there are indications that they may be permanently impaired. A cumulative assessment of permanent impairment of receivables is performed, as a result of which a general allowance is estimated.

The general allowance is estimated on the basis of the adopted model for assessing permanent impairment in the value of receivables. In the model, the allowance is determined through a combined assessment of permanent impairment of receivables from policyholders grouped according to similar credit risk characteristics.

For matured receivables, an age structure is prepared, depending on the past due period. The general allowance is calculated in separate ranges of past due periods, based on the collectibility ratios determined through historical analysis.

For receivables before maturity, the value of the receivable that is likely to become due is determined based on a historical analysis of the percentage of the ratio of receivables that are not paid before maturity. An allowance is made against this amount of receivables in the amount of the collection rate of matured receivables for the shortest overdue period.

Impairment losses on direct insurance receivables are included in other technical expenses.

12.3.2. Reinsurance receivables

Reinsurance receivables include receivables from settlements with cedents, reinsurers and reinsurance brokers arising from inward reinsurance and outward reinsurance and retrocession. These receivables relate in particular to the reinsurers' share of claims and benefits paid by the insurer, reinsurance commissions and reinsurers' profit shares.

Impairment losses on reinsurance receivables are included in other technical expenses.

12.3.3. Other receivables

Other receivables include, among others, receivables from dividends due, receivables from the state budget, and receivables for acting as an emergency adjuster.

Impairment losses on other receivables are included in other operating expenses.

12.4 Property, plant and equipment

Property, plant and equipment include tangible assets excluding real estate, classified as investments, with an expected economic useful life of more than one year, complete, fit for use and intended for PZU's needs.

These include, in particular:

- machinery, equipment, means of transport, IT equipment and others;
- improvements to third-party fixed assets.

Property, plant and equipment components are measured at purchase price or production cost less accumulated depreciation and permanent impairment losses. Property, plant and equipment are amortized as of the first day of the month following the month in which the asset was put into use using the straight-line method over their expected useful lives, which corresponds to their estimated economic useful lives, in accordance with the amortization schedule adopted. Annual amortization rates for the key components of the category are presented below: In justified cases, PZU may set amortization rates individually in accordance with the applicable amortization schedule.

Asset category	Amortization rate for the key components of the category
Machinery and technical equipment	10% – 40%
Means of transport	14% – 33%
IT hardware	14.30% – 40%
Other non-current assets	7% – 20%

Property, plant and equipment with a unit value not exceeding PLN 3,500 are recognized as costs in the month they are put into use.

12.5 Cash

Cash mainly includes cash in hand and in current bank accounts, in addition to bills of exchange, foreign checks, and cash in transit.

Cash is recognized at nominal value.

12.6 Accrued expenses and deferred income

Prepayments and accruals include incurred and accrued costs relating in whole or in part to periods after the balance sheet date and include, in particular, costs related to insurance premiums that will be earned in later periods (i.e., among other things, acquisition costs, costs of mandatory fees, to the extent that they may have a material impact on the financial statements).

For property insurance, deferrals apply to acquisition commissions and a portion of indirect acquisition expenses related to the signing and renewals of insurance policies, in particular costs related directly to sales processes, which cannot be classified as direct acquisition expenses, in particular costs of activities related to: agreement origination processes and underwriting processes in sales units (separated by using working time questionnaires), automatic and manual entry of policies into production systems (registration of sales) and contact center operations related to the sales of policies.

12.6.1. Deferred tax assets

Deferred tax assets are recognized after offsetting against deferred tax liabilities.

12.6.2. Prepayments

Costs (including, but not limited to: IT costs, mandatory fees as required by applicable laws, etc.) are accounted for according to the passage of time or the volume of benefits, insofar as they may have a significant impact on the financial statements.

Prepayments include, among other things, accrued reinsurance income arising from business events that have occurred until the balance sheet date and will be settled in the future in accordance with contractual terms.

12.6.3. Accruals

Accruals include costs and capital expenditures pertaining to the current reporting period incurred in a subsequent period that are not recognized as liabilities or provisions, including, in particular, acquisition costs, mandatory fees and outward reinsurance.

Reinsurance accruals include accrued expenses resulting from business events occurring until the balance sheet date, which will be settled in the future in accordance with contractual terms.

12.6.4. Deferred income

Deferred income includes deferred reinsurance commissions accounted for commensurate with the premium earned on reinsurers' participation.

12.7 Equity

12.7.1. Share capital

The share capital is recognized in the books at its nominal value and registered with the National Court Register.

12.7.2. Supplementary capital

The supplementary capital is created and is subject to distribution in accordance with the provisions of the Commercial Company Code and the PZU Articles of Association.

The supplementary capital is created from the distribution of net profit of previous years and the transferred portion of the revaluation reserve upon settlement of the disposal or liquidation of previously revalued fixed assets.

12.7.3. Revaluation reserve

The following effects are recognized under the item:

- revaluations of shares in subordinate entities (only above purchase price);
- the effects of revaluation of investments classified in the available-for-sale portfolio (above and below the purchase price and, in the case of debt financial instruments, the adjusted purchase price) after taking into account the corresponding change in deferred tax assets or liabilities;
- the effects of revaluation of fixed assets performed in accordance with the relevant regulations. The last such revaluation of fixed assets was carried out on 1 January 1995.

12.7.4. Retained earnings (losses)

This item includes the net profit (net loss) of previous years, including the net financial result resulting from changes in accounting principles, which was not distributed (covered) by the Shareholder Meeting.

12.8 Technical provisions

The technical provisions are created to cover current and future claims and costs that may arise from insurance contracts and inward reinsurance treaties. The provisions are made subject to the principle of prudence. If the information available does not allow to determine the value of technical provisions from inward reinsurance according to the methods referred to below, technical provisions are established in the amount documented by the cedents.

12.8.1. Provision for unearned premiums

The provision for unearned premiums is intended to cover costs which may arise after the end of the reporting period and which arise from insurance contracts concluded before the end of the reporting period.

The provision for unearned premiums is created as written premium falling in subsequent reporting periods, in proportion to the period for which the premium was written. Provision for unearned premiums is calculated at the end of each reporting period on a case-by-case basis, with the precision of one day.

For groups of insurance for which an uneven distribution of risk over time has been found, provision for unearned premiums is created in an amount depending on the distribution of this risk over time-based on statistical distributions.

The reinsurers' share of the provision for unearned premiums shall be determined in accordance with the terms and conditions of the relevant reinsurance treaties, in proportion to the reinsurance cover attributable to periods after the end of the reporting period concerned.

12.8.2. Provisions for unexpired risk

The provision for unexpired risk is recognized as an addition to the provision for unearned premiums to cover future claims, benefits and expenses in relation to insurance agreements that do not expire on the last day of the reporting period.

The provision for unexpired risk is calculated for insurance groups at the end of each reporting period.

The total amount of the provision for unexpired risk is determined for those insurance groups where the current year loss and cost ratio is greater than 100%, as a difference between the product of the provision for unearned premiums and the loss and cost ratio of the current financial year and the provision for unearned premiums for the same insurance period. Reinsurers' share in the provision for unexpired risk is determined at the amount stated in the terms and conditions of the relevant reinsurance treaties.

12.8.3. Provision for outstanding claims and benefits

Provision for outstanding claims and benefits includes:

- provision for outstanding claims and benefits for losses and accidents incurred and reported (RBNP) by the end of the reporting period (which includes a portion of the provision for capitalized value of annuities);
- provision for losses and accidents incurred by the end of the reporting period and not reported (which includes a portion of the provision for capitalized value of annuities);
- provision for claims handling expenses.

All of the above provisions except for the portion relating to the provision for capitalized value of annuities are recognized at nominal value, i.e. without discounting.

The provision for the capitalized value of annuities is subject to discounting.

Provision for claims reported but not paid

The provision for claims reported but not paid ("RBNP", Reported But Not Paid, or "1st provision") is calculated on a case-by-case basis by claims handling units or, if available information is not sufficient to assess the provision amount, at the average claim amount determined using the actuarial method. The provision recognized takes into account the insured's deductible, the expected increase in prices of goods and repair services and may not be greater than the sum insured or indemnity. The provision is updated as soon as information influencing its amount is available, on a case-by-case assessment or estimation of losses and claims.

Provision for losses and accidents incurred but not reported

The provision for losses and accidents incurred but not reported ("IBNR", Incurred But Not Reported, or "2nd provision") is recognized for losses and claims that are not reported by the balance sheet date, as at which the provision is recognized. IBNR is calculated using the loss triangle analysis method: a generalized Chain Ladder method and for a small number or value of losses the Bornhuetter-Ferguson method, broken down by the years in which the losses occurred. The calculations are based on the annual triangles of claims paid and claims reported. In the calculation of provisions, the uncertainty related to bodily injury claims is taken into account. For such claims, changes in the legal environment and uncertain jurisprudence may affect the ultimate amount of benefits paid.

Provision for claims handling expenses

The provision for claims handling expenses is determined at the end of each reporting period as the sum of the provision for direct and indirect claims handling expenses.

The provision for direct claims handling expenses for reported claims is calculated for each claim individually, and for claims incurred but not reported – using the generalized Chain Ladder method (based on the cost triangles analysis, broken down by the years in which the losses occurred).

The provision for indirect claims handling expenses is calculated using the actuarial method, as a product of the ratio of the percentage of indirect claims handling expenses in claims paid and direct claims handling expenses and the sum of provision for claims reported but not paid and the provision for losses and accidents incurred but not reported and the provision for direct claims handling expenses.

Provision for the capitalized value of annuities

The provision for the capitalized value of annuities is calculated on a case-by-case basis as the present value of an annuity (lifetime or temporary) paid in advance.

For lifetime annuities, the period in which the annuity will be payable is determined using life expectancy tables published by the Central Statistical Office. Additionally, the provision for the capitalized value of annuities is calculated taking into account the cost of future handling services at 3% of the value of benefits paid.

When calculating the provision for the capitalized value of annuities, the future increase in average annuity is estimated based on historical data and taking into account other information that may contribute to an increase in annuities in the future (for example, growing insurance awareness, legislative changes, etc.).

Both as at 31 December 2023 and 31 December 2022, a discount rate of -0.3% was assumed for all annuities.

Reinsurers' share in technical provisions

Reinsurers' share in the provisions for outstanding claims and benefits is determined at the amount stated in the terms and conditions of the relevant reinsurance treaties.

12.8.4. (Risk) equalization provision

The (risk) equalization provision is created in an amount to ensure compensation for future fluctuations in the net claims ratio, in accordance with the Regulation on accounting of insurers.

12.8.5. Provision for bonuses and discounts (profit-sharing provision)

The provision is created for insurance contracts that provide for the augmentation of future benefits, including the payment of the insured's share of profits.

The amount of the provision at the end of a given period is determined on the basis of the currently anticipated final amount of the benefit increase (or premium decrease), directly proportional to the premium earned at the end of the period.

12.8.6. Estimated salvage and subrogation

In determining the value of future claims and benefits payments, PZU estimates, using actuarial methods, the value of anticipated future reimbursements as a result of the assumption of claims against third parties (salvage), property rights to insured property (subrogation) and subsidies to cover a portion of the claims due to agricultural producers from damage caused by drought, due to the Company in accordance with the provisions of the Act on Insurance of Agricultural Crops and Livestock. In estimating the volume of salvage, subrogation and subsidies, the costs of recovering salvage and subrogation and the costs associated with obtaining subsidies are taken into account.

The basis for determining future salvage and subrogation is the annual triangles of salvage and subrogation received. The value of future salvage and subrogation is calculated using the generalized Chain Ladder method, broken down by the years in which the damages occurred.

When estimating the value of future reimbursements as a result of the assumption of claims against third parties and property rights to insured property, the share of the sum of received and estimated salvage and subrogation in the cost of claims and benefits of a given loss year may not exceed the arithmetic average of the share of received salvage and subrogation in the cost of claims and benefits of the three consecutive loss years immediately preceding the year for which the determination is made.

12.9 Other provisions

“Other provisions” item includes provisions for certain or highly probable future costs arising from past events, the amount or timing of which is uncertain, but the amount of which can be reliably estimated. In particular, provisions are made for retirement severance pays, for unused annual leave, for losses from business transactions in progress, guarantees and sureties given, losses from pending proceedings and third-party claims.

“Other provisions” item also includes deferred tax liability, after offsetting against deferred tax assets.

The cost of establishing provisions is included in net other technical costs, other operating expenses or administrative expenses, as appropriate, depending on the type of future liability.

12.9.1. Provision for retirement and disability severance pay

Under the provisions of the Act of 26 June 1974 – the Labor Code (“Labor Code”), PZU employees are entitled to receive a retirement severance payment or a disability severance payment of one month’s salary upon retirement or disability retirement, respectively.

The cost of retirement and disability severance pays estimated by actuarial methods is recognized on an accrual basis using the projected unit credit valuation method.

Actuarial gains and losses are recognized in full in the period in which they occur.

12.9.2. Provision for unused annual leave

The value of the provision for unused annual leave is determined using the liability method based on the difference between the actual amount of vacation time used by employees and the amount that would have been used if the annual leave time had been taken pro rata to the elapse of time in the period when the employees are entitled to their annual leave time in accordance with applicable regulations.

12.9.3. Provision for post-mortem benefits

Under the provisions of the Labor Code, if an employee dies during the employment relationship or while receiving sickness incapacity benefit, the family is entitled to a death gratuity from the employer, the amount of which depends on the employee’s period of employment with the employer and is equivalent to one to six months’ salary.

The provision for post-mortem benefits is measured at the present value of the discounted cash flows.

12.10 Liabilities and special-purpose funds

12.10.1. Liabilities for reinsurers’ deposits

Liabilities for reinsurers’ deposits are recognized in the accounts at the amount required to be paid, in accordance with the reinsurance treaties entered into.

12.10.2. Liabilities on the issue of own debt securities and drawn loans

Liabilities on the issue of own debt securities and drawn loans are recognized at adjusted purchase price.

12.10.3. Other liabilities

Liabilities are reported at the amount payable.

12.10.4. Special-purpose funds

The “Special-purpose funds” item shows:

- the balance of the Company Social Benefits Fund, created in accordance with the Act of 4 March 1994 on the Company Social Benefits Fund, recognized against costs. The Company Social Benefits Fund is also increased from, among other things, allowances to net profit pursuant to resolutions of the Shareholder Meeting;
- the balance of the Prevention Fund, created from allowances recognized against costs in accordance with the principles set out in the Insurance Activity Act and the PZU Articles of Association.

The special-purpose fund balance is increased by any income from the investment of these funds.

12.11 Revenue from the sale of insurance services

Revenue from gross written premiums is recognized on the date the insurance contract is concluded, irrespective of when the insurance cover starts.

The reinsurers' share in the premium has been set for those groups of insurance for which reinsurance cover exists, to the extent that the premium is ceded in accordance with the relevant reinsurance treaties.

12.12 Investment activities income and expenses

12.12.1. Real property income and maintenance expenses

Investment income on real property, such as rents received, rents from leases and other income related to the management of real property, is recognized under the “Investment income on real property” item in the general profit and loss account.

Real property maintenance expenses when the real property is held for investment purposes are recognized under “Real property maintenance expenses” in the general profit and loss account.

Real property maintenance expenses when the real property is used for own purposes are recognized in the revenue account of non-life insurance under “Administrative expenses” item.

12.12.2. Income and expenses on debt securities

The result from the valuation of debt securities to the adjusted purchase price is included in income on debt securities.

The difference between the fair value at the balance sheet date and the value at adjusted purchase price is recognized:

- for debt securities (not included in the calculation of the provision for capitalized value of annuities and bonuses and discounts) included in available-for-sale investments, under “Revaluation reserve” item;
- for debt securities included in investments held for trading, under “Unrealized investment gains” or “Unrealized investment losses” item.

Realized gains/losses on the sale/redemption of debt securities are recognized under the “Gain/loss on realization of investments” item.

12.12.3. Gains and losses on shares, participation units and investment certificates of mutual funds

Unrealized gains and losses on the valuation measurement of shares, participation units and investment certificates of mutual funds classified in the held-for-trading investment portfolio are recognized in the amount of the difference between the fair value and the purchase price or the carrying amount at the end of the previous financial year (if these securities were purchased in previous years) under “Unrealized investment gains/losses” item.

Unrealized gains and losses on the valuation of shares, participation units and investment certificates of mutual funds classified in the available-for-sale investment portfolio, which are not taken into account in the determination of the technical provisions, are recognized in the revaluation reserve.

Realized gains and losses on the sale of shares, participation units and investment certificates of mutual funds are recorded under “Gain/loss on realization of investments” item.

Permanent impairment losses on investments created during the reporting period are recognized under “Loss on revaluation of investments” item and income from the reversal of impairment losses created in previous periods is recognized under “Gain on revaluation of investments”.

Dividend income is recognized on a gross basis from the date the right to dividend arises.

12.12.4. Interest income on term deposits with credit institutions

Interest income on deposits with credit institutions is recognized on an accrual basis, whereby all interest relating to the reporting period is reported, irrespective of when it is received. If the deposit expires after the balance sheet date, interest is calculated at the effective interest rate from the day after the deposit opening date to the balance sheet date inclusive.

12.12.5. Net investment income (including costs) transferred from the general profit and loss account

Investment income taken into account in the calculation of the provision for capitalized value of annuities and the provision for bonuses and discounts is transferred from the general profit and loss account to the revenue account of non-life insurance.

Due to the aggregate investment of the insurer’s own funds and the lack of segregation of these investments, the value of investment activity income to be transferred from the general profit and loss account to the revenue account of non-life insurance is determined as the product of the capitalized annuity reserve at the beginning of the month and the yield on Treasury bonds held to maturity in that month, taking into account the relevant investment activity expenses.

12.12.6. Investment activity expenses

The investment activity expenses are internal and external expenses arising from the investment activity, including investment management costs, bank commissions, brokerage commissions and amortization and maintenance costs of real property, excluding amortization and maintenance costs of real property used for own purposes, classified as administrative costs.

12.13 Costs of claims and benefits

The costs of the reporting period include all costs of claims and benefits paid for damages and accidents arising in the reporting period and in previous periods, together with direct and indirect costs of handling claims and benefits and the change in provisions for outstanding claims and benefits, net of any salvage and subrogation and subsidies received, as well as the change in estimated salvage and subrogation and subsidies.

Reinsurers’ share in claims and benefits was determined for those insurance groups, for which there is reinsurance coverage, to the extent to which reinsurers participate in the claims and benefits according to the terms and conditions of the pertinent reinsurance treaties in effect in a given period.

Total claims and benefits handling expenses include the direct and indirect expenses associated with the performance of activities that aim to process and close claims or support activities that aim to process and close claims.

12.14 Insurance activity expenses

The insurance activity expenses are recognized on an accrual basis commensurate with the revenue generated.

12.14.1. Acquisition expenses

Acquisition expenses include expenses related to the conclusion and extension of insurance agreements and inward reinsurance treaties. Direct acquisition expenses include, among others, cost of commission for insurance intermediaries, employee remuneration costs associated with the conclusion of insurance agreements, cost of attestations, expert opinions and studies related to the accepted risk, the costs of including the reinsurance treaty in the reinsurance portfolio and cedants' commissions and profit shares. Indirect acquisition expenses include costs of advertising and promoting insurance products and costs associated with the examination of applications and issuing policies.

Commission expenses are recognized in the same period in which the attributable premium underlying the commission is recognized, irrespective of when the commission is actually paid.

Acquisition expenses are deferred on the basis of the principles used to determine the premium reserve by setting off the relevant part of the expenses to the "Deferred acquisition costs" item and are then amortized to the technical insurance account over the period of insurance cover. The change in deferred acquisition costs adjusts the balance of acquisition expenses.

Acquisition expenses deferred in the balance sheet are subject to impairment testing through their inclusion in the calculation of the provision for unexpired risks.

12.14.2. Administrative expenses

Administrative expenses comprise the costs of insurance activities, not included in the expenses of acquisition, claims or investment activities, related to the collection of premiums, the management of a portfolio of insurance contracts, reinsurance treaties and the general management of the insurance company.

12.14.3. Reinsurance commissions and profit participation

The costs of insurance activities are adjusted for the value of reinsurance commissions received or receivable from brokers and reinsurers and profit shares of reinsurers and retrocessionaires (under outward reinsurance and retrocession). The value of reinsurance commissions received or receivable is adjusted for the amount of deferred reinsurance commissions, in the part relating to future reporting periods.

12.15 Transactions in foreign currencies

Assets and liabilities expressed in foreign currencies are converted at the balance sheet date using the average exchange rate of the National Bank of Poland applicable at that date.

Business transactions expressed in foreign currencies are recorded in the accounts on the day they are performed at the average exchange rate set for a given currency by the National Bank of Poland on the day preceding the day of performance of the transaction, unless a different exchange rate was set in the customs declaration or other document binding on PZU.

12.16 Income tax

Income tax shown in the profit and loss account includes the current and deferred parts.

Current income tax liabilities are calculated in accordance with the tax regulations in force in Poland.

The deferred part shown in the profit and loss account represents the difference between the balance of deferred tax liabilities and assets at the end and at the beginning of the reporting period with a reservation that deferred tax liabilities and assets related to operations charged to equity are also charged to equity.

The level of deferred tax liabilities and assets is determined using the balance sheet method using the corporate income tax rates which are expected to be in effect when the asset or liability is realized, in accordance with the provisions of tax law issued in Poland until the balance sheet date.

PZU, being subject to Polish tax law, has the ability to effectively offset tax receivables and liabilities by paying corporate income tax on a net basis. Therefore, the presentation of deferred tax liabilities and assets in the financial statements is done after offsetting.

13. Indication, explanation and quantification of significant differences between PAS and IFRS

Since PZU prepared the PZU Group's first consolidated financial statements under IFRS for the year ended 31 December 2005, and presented comparable data for the previous year therein, the PZU Group's date of transition to IFRS was 1 January 2004. Based on paragraph 17 of Appendix D of IFRS 1, indications, explanations and quantification of material differences between PAS and IFRS assume that PZU's hypothetical date of transition to IFRS for separate reporting was also 1 January 2004 (to calculate the differences between IFRS and PAS presented below), despite the fact that PZU does not prepare standalone financial statements under IFRS.

The following is a description of the material differences between the accounting principles set forth in PAS and IFRS that would affect profit or loss or equity in PZU's standalone financial statements prepared in accordance with IFRS.

13.1 Insurance and reinsurance contracts

On 18 May 2017, the International Accounting Standards Board ("IASB") issued IFRS 17 Insurance Contracts, which replaced the IFRS 4 – Insurance Contracts, applicable until the end of 2022.

The aim of the new standard is, among others, to introduce completely new, uniform principles for the valuation measurement of insurance contracts, ensuring greater comparability of statements between different insurers. IFRS 17 introduces new principles for the recognition and valuation measurement for insurance contracts and reinsurance contracts. These principles are significantly different compared to those under IFRS 4, which, with few exceptions, were the same as under PAS.

According to the new standard:

- the insurance and reinsurance contracts are divided into groups which are subject to valuation measurement;
- the measurement method of a group of contracts in accordance with IFRS 17 is based on estimates of the present value of future fulfillment cash flows related to future and past service allocated to the group and on the contractual service margin (CSM) representing unearned profit;
- the profit on a group of insurance contracts is accounted for in each period in which the insurance service is provided. If a group of contracts is expected to be onerous, the loss is recognized immediately in the full amount in the profit or loss.

PZU applied IFRS 17 Insurance Contracts for the first time to the consolidated financial statements for the periods starting on 1 January 2023.

Due to the need to prepare comparative figures, 1 January 2022 is assumed as the transition date to the new standard.

As of the transition date, PZU recognized, in equity, the differences between:

- existing balances that would not exist had IFRS 17 always applied. These included technical reserves, certain deferred acquisition costs of insurance contracts, insurance receivables and payables, provisions for fees attributable to the existing insurance contracts which, in accordance with IFRS 17, are included in the measurement of insurance contracts;
- and the valuation measurement of each identified group of insurance contracts.

PZU has applied the full retrospective approach to the valuation measurement of all insurance and reinsurance contracts – a method whereby groups of insurance contracts are measured as if the standard had been applied from the initial recognition of those contracts.

The only exceptions to this are annuity and traditional products entered into before 1993, for which PZU used the fair value approach to valuation measurement.

Aggregation of insurance contracts

For the measurement of liabilities, insurance contracts are aggregated into groups of insurance contracts. The purpose of this aggregation is to ensure that profits are recognized over time in proportion to the insurance services provided, and losses are recognized immediately when the entity assesses that the concluded contract is onerous. Offsetting profits and losses between the identified groups of insurance contracts is not allowed. Insurance contracts are grouped on initial recognition and in accordance with IFRS 17 the PZU Group does not reassess the groups in subsequent periods, unless there are grounds for derecognition as set forth in IFRS 17, related to the modification of the insurance contract, causing a new contract to be recognized. Insurance contracts are aggregated into groups of insurance contracts, taking into consideration the following three levels:

- portfolio – contracts with similar risk characterization, managed jointly;
- profitability – contracts belonging to the same profitability group – one of the three defined by IFRS 17:
 - groups of onerous contracts at initial recognition;
 - the group of contracts that at the initial recognition have no significant possibility of becoming onerous subsequently;
 - the group of remaining contracts in the portfolio;
- cohort – contracts issued no more than one year apart.

In PZU, portfolios are divided into groups of insurance contracts, taking into account the aforementioned dimensions as follows:

- in terms of a portfolio:
 - based on the risk characterization of individual insurance contracts and based on existing insurance portfolio management processes;
- profitability:
 - all the contracts are treated as profitable unless there are facts or circumstances that indicate that they are not profitable. Profitability is assessed at the level of the IFRS 17 portfolio, but assessment may be moved to the level of the cohort for the given quarter or year;
- cohorts:
 - the decision has been made to group non-life insurance into quarterly cohorts, which allows a more accurate allocation of insurance contracts to profitability for the purposes of measuring liabilities.

13.1.1. Contract boundaries

The measurement of an insurance contract covers solely the cash flows that are within the contract boundary. The contract boundary distinguishes future cash flows that relate to existing insurance contracts from those that relate to future insurance contracts that have not been issued yet.

PZU sets the contract boundary start at date of initial recognition of insurance contract. Insurance contract is issued from the earliest of the following:

- the beginning of the coverage period of the group of contracts;
- the date when the first payment from a policyholder in the group becomes due;
- for a group of onerous contracts, when the group becomes onerous.

PZU sets the contract boundary when PZU cannot compel the policyholder to pay the premiums or when PZU has no longer a substantive obligation to provide the policyholder with insurance contract services. The substantive obligation ends when:

- it is feasible in practice to reassess the risk for an individual insured and, consequently, a price or level of benefits can be established that fully reflects that risk (assessment at the level of an individual insured); or
- both of the following criteria are met:
 - the entity has the practical ability to reassess the risks of the portfolio of insurance contracts that contains the contract and, as a result, can set a price or level of benefits that fully reflects the risk of that portfolio (portfolio assessment); and
 - the pricing of the premiums for coverage up to the date when the risks are reassessed does not take into account the risks that relate to periods after the reassessment date.

At PZU, the approach to the contract boundary is consistent with the definition of the end of the contract provided for in the insurance contract as a legal document.

13.1.2. Measurement methods

Under IFRS 17, insurance contracts are measured using the following methods:

- GMM – general measurement model;
- PAA – premium allocation approach;
- VFA – variable fee approach;

PZU applied the premium allocation approach to all contracts. This is a simplified approach, where the measurement of the liability for remaining coverage is analogous with the unearned premiums mechanism according to IFRS 4 (without a separate presentation of risk adjustment for non-financial risk or contractual service margin), whereas the liability for incurred claims is measured in the same manner as for the general measurement model. PAA is applied for contracts which meet relevant eligibility criteria at initial recognition, allowing the application of the simplifications referred to in paragraphs 53 or 69 IFRS 17:

- the entity reasonably expects that such simplification would produce a measurement of the liability for remaining coverage for the group of contracts that would not differ materially from the one that would be produced applying the GMM;
- the coverage period for each contract in the group is one year or less.

Group of insurance contracts may be measured with the PAA method even if they do not meet the above criteria, provided that the impact on the financial statements of the entity will be deemed immaterial.

In line with the PZU's policy, under the PAA approach, insurance acquisition cash flows are included in the liability for the remaining coverage (LRC) and are therefore amortized over the entire coverage period.

For the PAA method, PZU does not make any adjustment to reflect the time value of money and the impact of financial risk.

Liability for remaining coverage without loss component

Measurement at initial recognition

Liability for remaining coverage (LRC) is a liability that corresponds to an entity's obligation to:

- investigate and pay valid claims under existing insurance contracts for insurance events that have not yet occurred (i.e. the obligation in respect of the unexpired portion of the insurance coverage); and
- pay amounts under existing insurance contracts that are not included in the aforementioned point and that relate to:
 - insurance contract services not yet provided (i.e., the liabilities that relate to the future provision of insurance contract services); or
 - any investment components or other amounts that are not related to the provision of insurance contract services and that have not been transferred to the liability for incurred claims.

At initial recognition, the total insurance contract liability comprises the liability for remaining coverage. Moreover, the carrying amount is equal to zero for non-onerous contracts.

In the premium allocation approach, the liability for remaining coverage at initial recognition is measured as:

- premiums received at the date of initial recognition;
- minus any insurance acquisition cash flows as at that date, unless the entity allows and decides to recognize these payments as expenses; and
- plus or minus any amount arising from the derecognition as at that date of:
 - any assets for insurance acquisition cash flows paid before the date of initial recognition of the group of insurance contracts; and
 - any other assets or liabilities previously recognized in respect of cash flows relating to the group of contracts.

Subsequent measurement

In line with the premium allocation approach, as at the end of the reporting period, the liability for remaining coverage is measured as:

- the value of the said liability as at the beginning of the period;
- plus the premiums received in the period;
- minus insurance acquisition cash flows;
- plus any amounts relating to the amortization of insurance acquisition cash flows recognized as an expense in the reporting period;
- plus any adjustment to a financing component, if applied;
- minus the amount recognized as insurance revenue for services provided in that period; and
- minus any investment component paid or transferred to the liability for incurred claims.

Loss component

Measurement at initial recognition

The loss component is part of the liability for remaining coverage (LRC) and represents losses from the group of onerous contracts. Initial loss is separated in profit or loss, and adjusted in subsequent periods for further losses, reversal of losses, and their release over time, so that the loss component for a group of contracts is nil until the end of the coverage period of a group of contracts.

An insurance contract is onerous at the date of initial recognition if the fulfillment cash flows (with risk adjustment for non-financial risk and the time value of money) allocated to the contract, any previously recognized insurance acquisition cash flows and any cash flows arising from the contract at the date of initial recognition in total are a net outflow, recognized in profit or loss.

For the purpose of the premium allocation approach, if at any time during the coverage period, facts and circumstances indicate that a group of insurance contracts is onerous, the entity establishes a loss component which can be expressed as the difference between the carrying amount of the liability for remaining coverage computed in line with PAA and the fulfillment cash flows that relate to remaining coverage of the group in line with the general model.

Subsequent measurement

In the case of premium allocation approach, loss component in subsequent measurement is measured using the same calculation method as at initial recognition and may be reversed to zero.

Liability for incurred claims

Measurement at initial recognition

Liability for incurred claims corresponds to an entity's obligation to:

- investigate and pay valid claims for insured events that have already occurred, including events that have occurred but for which claims have not been reported, and other incurred insurance expenses; and
- pay amounts other than specified in the point above and which relate to:
 - insurance contract services which have already been provided; or
 - any investment components or other amounts that are not related to the provision of insurance contract services and that are not in the liability for remaining coverage.

At initial recognition of a group of contracts, the liability for incurred claims is usually equal to zero, because no insured events have yet occurred.

The liability for incurred claims has to be established (separately for each type of insured event) once a single insured event of a contract occurred, comprising the expected claims payout for this single event, for which claims have not been fully paid yet.

Liability for incurred claims comprises cash flows related to the past service as at the reporting date. The measurement of this liability is based on the same requirements concerning (1) estimates of the future cash flows; (2) discount rates; and (3) risk adjustment for non-financial risk, which also apply to the liability for remaining coverage on initial and subsequent measurement.

Subsequent measurement

For each reporting period, liability for incurred claims is measured as fulfillment cash flows related to incurred claims. This means that it covers the present value of expected estimates of future cash flows required to settle the liability for incurred claims and expenses for each insured event, along with risk adjustment for non-financial risk.

At the end of the reporting period, the liability for incurred claims is estimated as:

- liability for incurred claims as at the beginning of the reporting period, equal to the liability as at the end of the previous reporting period;
- plus/minus expected cash flows related to past service;
- plus the increase in the liability for claims and expenses incurred in the period but not yet paid;
- plus/minus interest accreted on the best estimate present value of liabilities and risk adjustment for non-financial risk in the reporting period with a discount rate applied on initial recognition (so-called locked-in rate);
- plus/minus the remaining interest accreted using current discount rates.

After initial recognition, an entity recognizes income and expenses for the following changes in the carrying amount of the liability for incurred claims:

- insurance service expenses — for the increase in the liability because of claims and expenses incurred in the period, excluding any investment components;
- insurance service expenses — for any subsequent changes in fulfillment cash flows relating to incurred claims and incurred expenses; and
- insurance finance income or expenses — for the effect of the time value of money and the effect of financial risk.

For the purpose of its computations, PZU has decided to recognize the values on a compound basis from the beginning of the year to the reporting date (year to date – YTD). Because of this, the “previous reporting period” referred to in the points hereinabove is, in every case, the end of December of the preceding year.

13.1.3. Reinsurance contracts

A reinsurance contract is an insurance contract issued by one entity (the reinsurer) to compensate another entity (the holder) for claims arising from one or more insurance contracts issued by that other entity (underlying contracts).

PZU identifies, classifies, measures and presents reinsurance contracts held using the same principles as for insurance contracts, with the key exceptions.

Aggregation of reinsurance contracts held

Reinsurance contracts held are divided into three profitability groups:

- contracts with a net gain at initial recognition (i.e. a net inflow);
- contracts with a net cost of purchasing reinsurance (i.e. a net outflow) with no significant possibility of a net gain arising subsequent to initial recognition;
- other contracts for which there is a net cost of purchasing reinsurance with a significant possibility of a net gain arising subsequent to initial recognition.

Contract boundary

Initial recognition of reinsurance contracts held is defined as follows:

- if the reinsurance contract held provides proportionate coverage, at the beginning of the coverage period of the group of reinsurance contracts held or the date of initial recognition of any of the underlying insurance contracts, whichever is the later; and
- in all other cases – from the beginning of the coverage period of the group of reinsurance contracts held.

Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the entity:

- is obliged to pay amounts to the reinsurer; or
- has a material right to avail itself of the reinsurer's services;

Measurement methods

The measurement model applied to passive reinsurance contracts is the premium allocation approach (PAA).

Remaining coverage asset

Reinsurance contracts held are measured separately from their underlying insurance contracts. PZU uses consistent assumptions to measure the estimates of the present value of the future cash flows for the group of reinsurance contracts held and the estimates of the present value of underlying insurance contracts. In addition to using consistent assumptions, PZU applies the following modifications to calculate the estimates of the present value of cash flows for reinsurance contracts held, compared to underlying insurance contracts:

- the estimates of the present value of the future cash flows for the group of reinsurance contracts held include the effect of any risk of non-performance by the reinsurer of the reinsurance contract, including the effects of collateral and losses from disputes;
- estimated risk adjustment for non-financial risk is determined so that it represents the amount of risk being transferred by the holder to the reinsurer;

For the purpose of the premium allocation approach, the remaining coverage asset at the initial recognition is equal to the amount of premiums paid less the amount of commissions received.

If a loss recovery component is tied up at the initial recognition for reinsurance contracts held measured using the premium allocation approach, the corresponding amount adjusts the remaining coverage asset.

The measurement of the remaining coverage asset as of subsequent reporting dates for the premium allocation approach for reinsurance contracts held is in accordance with the rules for insurance contracts entered into and constitutes the sum of the following:

- remaining coverage assets at the beginning of the period;
- plus premiums paid;
- less commissions received;
- less changes in the financing component;
- plus amortization of the remaining coverage asset;
- investment component.

Loss recovery component

When the premium allocation approach is applied to a group of reinsurance contracts held, if PZU recognizes a loss at the initial recognition of the onerous group of underlying insurance contracts, it recognizes the corresponding revenue in the profit and loss account and adjusts the carrying amount of the remaining coverage asset.

The above-mentioned adjustment applies if, and only if, the reinsurance contract is entered into before or at the same time as the onerous underlying insurance contracts are recognized.

The adjustment of the remaining coverage asset and the resulting revenue referred to above are determined by multiplying the loss recognized on the underlying insurance contracts by the expected percentage of claims related to the underlying insurance contracts recovered from the group's reinsurance contracts held (recovery ratio).

PZU creates a loss recovery component for the group of reinsurance contracts held in an amount equal to the above adjustment.

Measurement for subsequent reporting dates of the loss recovery component involves three stages:

- adding the underlying onerous insurance contracts to the group;
- changes in assumptions (so-called unlocking) for the loss recovery component corresponding to the change in assumptions (unlocking) for the loss component for the underlying groups of insurance contracts;
- release of the loss recovery component corresponding to the release of the loss component for the underlying groups of insurance contracts.

Under no circumstances can the carrying amount of the loss recovery component exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that PZU expects to recover from the group of reinsurance contracts held.

PZU calculates changes in assumptions (unlocking) for the loss recovery component by multiplying the changes in assumptions (unlocking) for the loss component for the underlying insurance contracts by the corresponding recovery ratio.

PZU takes into account the following limitations when calculating the release of the loss recovery component:

- the loss recovery component shall not be negative;
- the loss recovery component shall not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that PZU expects to recover from the group of reinsurance contracts held.

13.2 Valuation measurement of subordinated entities

In the standalone financial statements under PAS, shares in subsidiaries are measured using the equity method, described in detail in section 12.2.2 Introduction to the financial statements.

In accordance with IAS 27, in standalone IFRS financial statements, shares in subsidiaries would be measured at cost including impairment losses.

13.3 Valuation of properties

In accordance with the provisions of the insurers' accounting regulation, all real properties (used for own purposes and investment) are measured at cost, less accumulated depreciation and impairment losses to date.

As of the date of transition to IFRS (i.e., 1 January 2004), the cost of owned real properties used for its own purposes was determined, with the difference charged to retained earnings. In later periods, this results in a difference in the net book value of accumulated depreciation and the amount of accrued amortization on these real properties.

Under IFRS, real properties held for investment purposes are measured at fair value determined as of the balance sheet date, or at purchase price or production cost. PZU uses a fair value model with changes in fair value during the reporting period being charged to the profit and loss account for the period.

When a real property used for its own purposes becomes an investment property, carried at fair value, amortization continues until the date of reclassification, and the difference between the carrying amount and its fair value, determined at that date, is charged to other comprehensive income.

13.4 Revaluation reserve of property, plant and equipment

In accordance with the provisions of the Accounting Act and pursuant to separate regulations on revaluation of property, plant and equipment, in 1995 the Polish books revalued the components of property, plant and equipment, recording its effects in the revaluation reserve. This revaluation does not meet the requirements of IAS 29.

13.5 Prevention fund

According to the Insurance Business Act, PZU may write off the prevention fund as an expense in the current period. In accordance with the provisions of the Insurers' Accounting Regulation, this fund is reported as special funds in liabilities.

In accordance with the provisions of IAS 37, such funds cannot be charged to current period expenses and are reported as an allocation of net income while recognizing the costs of preventive activities as they are incurred.

13.6 Company Social Benefit Fund

If the General Meeting of PZU decides to transfer a portion of the net result for the previous year to the FFO maintained by PZU, in accordance with the PAS, this fact shall be shown as a distribution of the net result of the previous year, not affecting the financial result of the fiscal year in which such distribution of the net result was made.

The above transaction meets the definition of expenses under IFRS and, in accordance with the provisions of IAS 1, is reported in the profit and loss account of the fiscal year in which a portion of the net income for the previous year was transferred to the FFO.

13.7 Actuarial gains and losses on provisions for employee benefits

In accordance with the PAS, actuarial gains and losses arising from changes in demographic and financial assumptions are included in the calculation of provisions for retirement severance pays and post-mortem benefits. These gains and losses, in accordance with the PAS, affect the financial result for the fiscal year.

Under IAS 19, actuarial gains and losses arising from changes in demographic and financial assumptions are charged to other comprehensive income.

13.8 Investment fund reclassification

In the standalone financial statements according to the PAS, participation units and investment certificates in investment funds, when they cannot be classified as held for trading, are classified in the category of available-for-sale financial assets and the difference between their fair value and purchase price is charged to revaluation reserve. Under IFRS 9, the valuation of participation units and investment certificates in investment funds is carried out through the profit and loss account.

13.9 Deferred tax differences

For the differences between PAS and IFRS, as described above, the related impact of deferred tax differences was also calculated and included in the calculation of all adjustments presented, as long as it was reasonable to do so.

13.10 Reconciliation of equity and net income prepared under PAS and IFRS

Description	Pt.	Net profit 1 January – 31 December 2023	Equity 31 December 2023	Net profit 1 January – 31 December 2022	Equity 31 December 2022
Standalone financial statements under PAS		3,983,187	20,884,235	1,636,774	15,824,143
Differences in the valuation measurement of insurance and reinsurance contracts	13.1	419,504	4,394,773	281,586	4,736,921
Valuation measurement of subordinated entities	13.2	(1,275,830)	(5,567,480)	343,013	(2,136,455)
Valuation of properties	13.3	5,206	57,743	(4,660)	46,942
Prevention fund	13.5	1,685	30,151	2,335	28,466
Company Social Benefit Fund	13.6	(6,701)	-	(6,981)	-
Actuarial gains and losses on provisions for employee benefits	13.7	(1,981)	-	4,971	-
Investment fund reclassification	13.8	644,108	-	370,452	-
Other	13.4,13.9	(132,801)	(34,112)	(22,290)	(21,042)
Total adjustments		(346,810)	(1,118,925)	968,426	2,654,832
Financial data under IFRS		3,636,377	19,765,310	2,605,200	18,478,975

¹⁾ PZU has never prepared and does not prepare standalone financial statements under IFRS. For the purposes of this note, it has been assumed in accordance with IAS 27 Standalone Financial Statements that investments in subordinated entities under IFRS are measured at cost less impairment.

Balance sheet and off-balance sheet items

Assets	Note	31 December 2023	31 December 2022
I. Intangible assets, including:	1	313,546	297,878
– goodwill		-	-
II. Investments	1.2	46,628,179	40,164,786
1. Real property	2.3	279,741	282,935
2. Investments in related parties, including:	2.4	18,127,279	14,591,047
– investments in related parties measured by the equity method		17,577,487	14,118,751
3. Other financial investments	2.5	28,221,159	25,290,804
4. Deposits with ceding enterprises		-	-
III. Net assets of a life insurance company if the investment risk is borne by the policyholder		-	-
IV. Receivables	3	2,953,735	2,526,929
1. Receivables on direct insurance	3.1	2,490,182	1,917,402
1.1. From subordinated entities		3,065	2,777
1.2. From other entities		2,487,117	1,914,625
2. Reinsurance receivables	3.2	273,553	172,788
2.1. From subordinated entities		219,215	139,416
2.2. From other entities		54,338	33,372
3. Other receivables	3.3	190,000	436,739
3.1. Receivables from the state budget		13,937	31,846
3.2. Other receivables		176,063	404,893
a) from subordinated entities		14,960	30,564
b) from other entities		161,103	374,329
V. Other assets	4	293,361	264,576
1. Property, plant and equipment	4.1	133,304	133,856
2. Cash	4.2	160,057	130,720
3. Other assets		-	-
VI. Prepayments and accruals	5	2,776,071	2,680,863
1. Deferred tax assets	5.1	-	-
2. Deferred acquisition costs		1,893,946	1,756,710
3. Accrued interest and rents		-	-
4. Other prepayments and accruals	5.2	882,125	924,153
VII. Unpaid share capital		-	-
VIII. Treasury shares		-	-
Total assets		52,964,892	45,935,032

Equity and liabilities	Note	31 December 2023	31 December 2022
I. Equity	7	20,884,235	15,824,143
1. Share capital	7.1	86,352	86,352
2. Supplementary capital	7.3	7,252,581	7,694,696
3. Revaluation reserve	7.4	9,562,115	6,406,321
4. Other reserve capital		-	-
5. Retained earnings (losses)		-	-
6. Net profit (loss)		3,983,187	1,636,774
7. Charges to net profit during the financial year (negative figure)		-	-
II. Subordinated liabilities	8	2,327,793	2,333,305
III. Technical provisions	9	30,066,723	27,570,942
IV. Reinsurers' share in technical provisions (negative figure)	9	(4,920,201)	(3,657,686)
V. Estimated salvage and subrogation (negative figure)	10	(113,127)	(104,005)
1. Gross estimated salvage and subrogation		(115,101)	(107,805)
2. Reinsurers' share in estimated salvage and subrogation		1,974	3,800
VI. Other provisions	11	817,867	615,028
1. Provisions for pension benefits and other compulsory employee benefits	11.1	49,839	43,513
2. Deferred tax liabilities	11.2	747,455	554,443
3. Other provisions	11.3	20,573	17,072
VII. Liabilities for reinsurers' deposits		-	-
VIII. Other liabilities and special-purpose funds	12	1,536,929	1,449,961
1. Liabilities on direct insurance	12.1	456,396	448,296
1.1. To subordinated entities		13,668	11,974
1.2. To other entities		442,728	436,322
2. Reinsurance liabilities	12.2	335,222	193,348
2.1. To subordinated entities		116,958	16,668
2.2. To other entities		218,264	176,680
3. Liabilities on the issue of own debt securities and drawn loans	12.3	-	-
4. Liabilities to credit institutions	12.4	-	-
5. Other liabilities	12.5	635,376	699,867
5.1. Liabilities to the state budget		151,375	96,992
5.2. Other liabilities		484,001	602,875
a) to subordinated entities		81,317	68,133
b) to other entities		402,684	534,742
6. Special-purpose funds	12.7	109,935	108,450
IX. Prepayments and accruals	13	2,364,673	1,903,344
1. Accrued expenses		2,092,328	1,653,158
2. Negative goodwill		-	-
3. Prepayments		272,345	250,186
Total equity and liabilities		52,964,892	45,935,032

Carrying amount	20,884,235	15,824,143
Number of shares	863,523,000	863,523,000
Book value per share (in PLN)	24.18	18.33
Diluted number of shares	863,523,000	863,523,000
Diluted book value per share (in PLN)	24.18	18.33

Off-balance sheet items	Note	31 December 2023	31 December 2022
1. Contingent receivables, including:	15.1	3,075,488	3,045,272
1.1. Guarantees and sureties received		2,194	2,718
1.2. Other		3,073,294	3,042,554
2. Contingent liabilities, including:	15.2	2,055,451	1,144,871
2.1. Guarantees and sureties given		7,446	9,082
2.2. Accepted and endorsed bills of exchange		-	-
2.3. Assets subject to the obligation of resale		-	-
2.4. Other liabilities secured on assets or income		-	-
3. Reinsurance collateral instituted in favor of the insurance company		-	-
4. Reinsurance collateral instituted by the insurance company in favor of ceding companies		-	-
5. Third party assets not recognized in assets		156,361	233,081
6. Other off-balance sheet line items		-	-
Total off-balance sheet line items		5,287,300	4,423,224

Revenue account of non-life insurance

Revenue account of non-life insurance	Note	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)		13,842,554	12,750,016
1. Gross written premium	16	16,187,497	14,691,723
2. Reinsurers' share in gross written premium		1,702,095	1,457,523
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross		937,380	927,325
4. Reinsurers' share in the movement in provision for unearned premiums		294,532	443,141
II. Net investment income (including costs) transferred from the general profit and loss account		248,522	253,040
III. Other net technical income		159,532	126,101
IV. Claims and benefits (1+2)		8,377,405	7,894,796
1. Net claims and benefits paid		7,796,453	7,189,714
1.1. Gross claims and benefits paid	19	8,045,902	7,441,581
1.2. Reinsurers' share in claims and benefits paid		249,449	251,867
2. Movement in provision for outstanding claims and benefits, net of reinsurance		580,952	705,082
2.1. Movement in provision for outstanding claims and benefits, gross		1,552,637	1,752,173
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits		971,685	1,047,091
V. Movement in other technical provisions, net of reinsurance		-	-
1. Movement in other technical provisions, gross		-	-
2. Reinsurers' share in the movement in other technical provisions		-	-
VI. Net bonuses and discounts with the movement in provisions		(554)	4,622
VII. Insurance activity expenses	22	4,063,661	3,573,449
1. Acquisition expenses, including:	22.1	3,282,717	2,914,509
– movement in deferred acquisition costs		(137,236)	(155,487)
2. Administrative expenses	22.2	905,792	758,586
3. Reinsurance commissions and profit participation		124,848	99,646
VIII. Other net technical charges		353,199	350,198
IX. Movement in loss ratio (risk) equalization provisions		2,281	39,163
X. Technical result of non-life insurance		1,454,616	1,266,929

General profit and loss account

General profit and loss account	Note	1 January – 31 December 2023	1 January – 31 December 2022
I. Technical result of non-life insurance or life insurance		1,454,616	1,266,929
II. Investment income		2,478,909	1,708,221
1. Investment income on real property		4,342	5,478
2. Investment income from related parties		1,299,045	913,606
2.1. On ownership interests or shares		1,273,297	883,144
2.2. On borrowings and debt securities		20,802	26,943
2.3. On other investments		4,946	3,519
3. Other financial investment income		787,141	641,782
3.1. On ownership interests, shares, other variable income securities, participation units and investment certificates in mutual funds		37,897	606
3.2. On debt securities and other fixed income securities		583,676	548,588
3.3. On term deposits with credit institutions		3,123	794
3.4. On other investments		162,445	91,794
4. Gain on revaluation of investments		23,081	1,230
5. Gain on realization of investments		365,300	146,125
III. Unrealized investment gains		333,918	267,541
IV. Net investment income after including costs transferred from the technical life insurance account		-	-
V. Investment activity expenses		147,686	243,138
1. Real property maintenance expenses		16,385	2,229
2. Other investment activity expenses		36,154	31,104
3. Loss on revaluation of investments		15,550	11,352
4. Loss on realization of investments		79,597	198,453
VI. Unrealized investment losses		336,800	90,522
VII. Net investment income after including costs transferred to the revenue account of non-life insurance		248,522	253,040
VIII. Other operating income	23	242,912	219,498
IX. Other operating expenses	24	660,852	583,808
X. Operating profit (loss)		3,116,495	2,291,681
XI. Extraordinary gains		-	-
XII. Extraordinary losses		-	-
XIII. Share of the profit (loss) of related parties measured by the equity method	27	1,275,829	(339,029)
XIV. Profit (loss) before tax		4,392,324	1,952,652
XV. Income tax	0	409,137	315,878
a) current part		446,726	249,183
b) deferred part		(37,589)	66,695
XVI. Other compulsory reductions in profit (increases in losses)		-	-
XVII. Net profit (loss)		3,983,187	1,636,774

Net profit (loss) (annualized)	3,983,187	1,636,774
Weighted average number of common shares	863,523,000	863,523,000
Profit (loss) per ordinary share (PLN)	4.61	1.90
Weighted average diluted number of ordinary shares	863,523,000	863,523,000
Diluted earnings (losses) per ordinary share (PLN)	4.61	1.90

Statement of changes in equity

Statement of changes in equity	1 January – 31 December 2023	1 January – 31 December 2022
I. Equity at the beginning of the period (opening balance)	15,824,143	15,776,367
a) changes in the accepted accounting policies	-	-
II. Equity at the beginning of the period (opening balance), after adjustments to ensure comparability	15,824,143	15,776,367
1. Share capital at the beginning of the period	86,352	86,352
1.1. Change in share capital	-	-
a) increases	-	-
b) reductions	-	-
1.2. Share capital at the end of the period	86,352	86,352
2. Supplementary capital at the beginning of the period	7,694,696	7,347,436
2.1. Change in supplementary capital	(442,115)	347,260
a) increases (by virtue of):	853,880	1,297,135
- distribution of profit (above the statutorily required amount)	853,612	1,295,995
- from revaluation reserve – by sale and liquidation of fixed assets	268	1,140
b) reductions	1,295,995 ¹⁾	949,875
2.2. Supplementary capital at the end of the period	7,252,581	7,694,696
3. Revaluation reserve at the beginning of the period	6,406,321	6,314,244
a) changes in the accepted accounting policies	-	-
3.a. Revaluation reserve at the beginning of the period (Opening Balance), after adjustments to ensure comparability	6,406,321	6,314,244
3.1. Change in the revaluation reserve	3,155,794	92,077
a) increases (by virtue of):	3,381,366	904,081
- valuation measurement of investments in subordinate entities	2,159,850	314,344
- valuation measurement of financial instruments qualified to the portfolio of available-for-sale financial assets	1,079,797	549,693
- valuation measurement of financial instruments held for hedge accounting purposes	102,630	34,479
- disposal of available-for-sale financial instruments	39,089	5,565
b) reductions (by virtue of)	225,572	812,004
- valuation measurement of investments in subordinate entities	837	123,469
- valuation measurement of financial instruments qualified to the portfolio of available-for-sale financial assets	117,901	669,704
- valuation measurement of financial instruments held for hedge accounting purposes	-	-
- disposal of available-for-sale financial instruments	106,567	17,691
- disposal of fixed assets	267	1,140
3.2. Revaluation reserve at the end of the period	9,562,115	6,406,321
4. Other reserve capital at the beginning of the period	-	-
4.1. Change in other reserve capital	-	-
a) increases	-	-
b) reductions	-	-
4.2. Other reserve capital at the end of the period	-	-
5. Retained earnings (losses) at the beginning of the period	1,636,774	2,028,335
5.1. Retained earnings at the beginning of the period	1,636,774	2,028,335
a) changes in the accepted accounting policies	-	-
5.2. Retained earnings at the beginning of the period, after adjustments to ensure comparability	1,636,774	2,028,335
a) increases	1,295,995 ¹⁾	949,875
b) reductions	2,932,769	2,978,210
- transfers to supplementary capital	853,612	1,295,995
- disbursement of dividends	2,072,456	1,675,235

Statement of changes in equity	1 January – 31 December 2023	1 January – 31 December 2022
- transfers/charges to the Company Social Benefit Fund	6,701	6,980
5.3. Retained earnings at the end of the period	-	-
5.4. Retained losses at the beginning of the period	-	-
a) changes in the accepted accounting policies	-	-
b) corrections of errors	-	-
5.5. Retained losses at the beginning of the period, after adjustments to ensure comparability	-	-
a) increases	-	-
b) reductions	-	-
5.6. Retained losses at the end of the period	-	-
5.7. Retained earnings (losses) at the end of the period	-	-
6. Net result	3,983,187	1,636,774
a) net profit	3,983,187	1,636,774
b) net loss	-	-
c) charges to profit	-	-
III. Equity at the end of the period (Closing Balance)	20,884,235	15,824,143
IV. Equity after proposed profit distribution (loss coverage)	20,884,235	15,824,143

¹⁾ The change is described in section 7.2 distribution of net profit

Cash flow statement

Cash flow statement	Note	1 January – 31 December 2023	1 January – 31 December 2022
A. Cash flows from operating activities			
I. Proceeds		17,605,883	16,090,563
1. Proceeds on direct activity and inward reinsurance		16,623,503	14,812,738
1.1. Proceeds on gross premiums		16,293,702	14,440,245
1.2. Proceeds on subrogation, salvage and claim refunds		244,336	310,343
1.3. Other proceeds on direct activity		85,465	62,150
2. Proceeds from outward reinsurance		383,485	417,372
2.1. Payments received from reinsurers for their share of claims paid		199,111	240,217
2.2. Proceeds on reinsurance commissions and profit participation		183,607	173,998
2.3. Other proceeds from outward reinsurance		767	3,157
3. Proceeds from other operating activity		598,895	860,453
3.1. Proceeds for acting as an emergency adjuster		294,506	424,786
3.2. Disposal of intangible assets and property, plant and equipment other than investments		1,914	1,652
3.3. Other proceeds	28	302,475	434,015
II. Expenditures		15,896,795	14,561,574
1. Expenditures on direct activity and inward reinsurance		13,065,205	11,751,182
1.1. Gross premium refunds		784,822	323,958
1.2. Gross claims and benefits paid		7,371,848	6,871,398
1.3. Acquisition expenditures		2,380,209	2,095,324
1.4. Administrative expenditures		1,798,046	1,751,069
1.5. Expenditures for claims handling and pursuit of subrogation		287,861	290,713
1.6. Commissions paid and profit-sharing on inward reinsurance		238,418	242,682
1.7. Other expenditures on direct activity and inward reinsurance		204,001	176,038
2. Expenditures on outward reinsurance		1,332,674	1,135,355
2.1. Premiums paid for reinsurance		1,300,524	1,115,978
2.2. Other expenditures on outward reinsurance		32,150	19,377
3. Expenditures on other operating activity		1,498,916	1,675,037
3.1. Expenditures for acting as an emergency adjuster		137,743	219,727
3.2. Purchase of intangible assets and property, plant and equipment other than investments		110,303	110,425
3.3. Other operating expenditures	28	1,250,870	1,344,885
III. Net cash flows from operating activities (I-II)		1,709,088	1,528,989
B. Cash flow on investing activity			
I. Proceeds		186,370,061	104,089,320
1. Sale of real property		1,494	6,844
2. Sale of ownership interests and shares in related parties		-	-
3. Sale of ownership interests and shares in other entities and participation units and investment certificates in mutual funds		831,090	55,538
4. Realization of debt securities issued by related parties and amortization of the loans granted to these parties		-	-
5. Realization of debt securities issued by other entities		1,656,740	1,148,141
6. Liquidation of term deposits with credit institutions		28,092,714	20,978,955
7. Realization of other investments		153,781,293	80,454,839
8. Proceeds from real property		728	710
9. Interest received		701,080	560,305
10. Dividends received		1,302,972	883,146
11. Other investment proceeds		1,950	842
II. Expenditures		185,776,109	103,701,952
1. Purchase of real property		43	34
2. Purchase of ownership interests and shares in subordinated entities		26,789	171,850

Cash flow statement	Note	1 January - 31 December 2023	1 January - 31 December 2022
3. Purchase of ownership interests and shares in other entities, participation units and investment certificates in mutual funds		207,036	980,675
4. Purchase of debt securities issued by related parties and extension of loans to these parties		-	40,005
5. Purchase of debt securities issued by other entities		3,541,271	432,416
6. Purchase of term deposits with credit institutions		28,185,709	21,002,554
7. Purchase of other investments		153,782,571	81,051,922
8. Expenditures to maintain real property		10,491	1,893
9. Other expenditures for investments		22,199	20,603
III. Net cash flows from investing activities (I-II)		593,952	387,368
C. Cash flows from financing activities			
I. Proceeds		200,891	2,848,029
1. Net proceeds from issuing shares and additional capital contributions		-	-
2. Loans, borrowings and issues of debt securities		200,891	2,848,029
3. Other financial proceeds		-	-
II. Expenditures		2,474,660	4,774,164
1. Dividends		2,072,456 ¹⁾	1,675,235
2. Other expenditures for distribution of profits besides disbursement of dividends		-	-
3. Purchase of treasury shares		-	-
4. Amortization of loans and borrowings and redemption of own debt securities		200,997	3,017,655
5. Interest on loans and borrowings and issued debt securities		201,207	81,274
6. Other financial expenditures		-	-
III. Net cash flows from financing activities (I-II)		(2,273,769)	(1,926,135)
D. Total net cash flows (A.III+/-B.III+/-C.III)		29,271	(9,778)
E. Balance sheet change in cash, including:		29,337	(15,115)
- movement in cash due to foreign exchange differences		66	(5,337)
F. Cash at the beginning of the period		130,720	145,835
G. Cash at the end of the period (F+/-E), including:		160,057	130,720
- restricted cash	28.1	20,398	37,578

¹⁾ The payment is described in section 7.2 distribution of net profit

Technical insurance accounts – direct business

Technical account of direct insurance – total

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	12,888,687	11,833,581
1. Gross written premium	14,823,673	13,247,529
2. Reinsurers' share in gross written premium	1,280,695	984,562
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	972,281	731,127
4. Reinsurers' share in the movement in provision for unearned premiums	317,990	301,741
II. Net investment income (including costs) transferred from the general profit and loss account	248,522	253,040
III. Other net technical income	156,327	122,432
IV. Claims and benefits (1+2)	7,671,010	7,266,323
1. Net claims and benefits paid	7,171,569	6,672,670
1.1. Gross claims and benefits paid	7,284,230	6,754,253
1.2. Reinsurers' share in claims and benefits paid	112,661	81,583
2. Movement in provision for outstanding claims and benefits, net of reinsurance	499,441	593,653
2.1. Movement in provision for outstanding claims and benefits, gross	1,354,258	1,513,123
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	854,817	919,470
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	1,150	756
VII. Insurance activity expenses	3,832,825	3,349,247
1. Acquisition expenses, including:	3,031,901	2,675,173
– movement in deferred acquisition costs	(153,507)	(143,861)
2. Administrative expenses	897,614	749,920
3. Reinsurance commissions and profit participation	96,690	75,846
VIII. Other net technical charges	347,402	346,023
IX. Movement in loss ratio (risk) equalization provisions	3,606	34,169
X. Technical result of non-life insurance	1,437,543	1,212,535

Technical account of direct insurance

STATUTORY GROUP No. 1 Insurance of accident, including accident at work and occupational disease

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	504,870	472,045
1. Gross written premium	538,988	528,078
2. Reinsurers' share in gross written premium	66,552	71,612
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	(8,145)	16,167
4. Reinsurers' share in the movement in provision for unearned premiums	24,289	31,746
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	4,052	2,291
IV. Claims and benefits (1+2)	123,212	101,533
1. Net claims and benefits paid	101,787	92,347
1.1. Gross claims and benefits paid	102,205	92,696
1.2. Reinsurers' share in claims and benefits paid	418	349
2. Movement in provision for outstanding claims and benefits, net of reinsurance	21,425	9,186
2.1. Movement in provision for outstanding claims and benefits, gross	21,357	9,279
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	(68)	93
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	3	4
VII. Insurance activity expenses	226,515	202,651
1. Acquisition expenses, including:	213,222	191,373
– movement in deferred acquisition costs	12,647	377
2. Administrative expenses	44,976	40,948
3. Reinsurance commissions and profit participation	31,683	29,670
VIII. Other net technical charges	2,426	4,504
IX. Movement in loss ratio (risk) equalization provisions	-	-
X. Technical result of non-life insurance	156,766	165,644

Technical account of direct insurance

STATUTORY GROUP NO. 2 Sickness Insurance

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	17,156	16,882
1. Gross written premium	17,573	16,931
2. Reinsurers' share in gross written premium	1	2
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	415	48
4. Reinsurers' share in the movement in provision for unearned premiums	(1)	1
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	11	6
IV. Claims and benefits (1+2)	3,386	2,066
1. Net claims and benefits paid	2,034	1,819
1.1. Gross claims and benefits paid	2,034	1,819
1.2. Reinsurers' share in claims and benefits paid	-	-
2. Movement in provision for outstanding claims and benefits, net of reinsurance	1,352	247
2.1. Movement in provision for outstanding claims and benefits, gross	1,352	247
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	-	-
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	-
VII. Insurance activity expenses	1,824	1,737
1. Acquisition expenses, including:	1,282	1,259
– movement in deferred acquisition costs	(1)	4
2. Administrative expenses	542	478
3. Reinsurance commissions and profit participation	-	-
VIII. Other net technical charges	63	58
IX. Movement in loss ratio (risk) equalization provisions	(290)	-
X. Technical result of non-life insurance	12,184	13,027

Technical account of direct insurance

STATUTORY GROUP NO. 3 Casco insurance for land vehicles, except rail vehicles

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	3,893,834	3,369,871
1. Gross written premium	4,151,664	3,613,877
2. Reinsurers' share in gross written premium	9,687	8,432
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	249,047	236,478
4. Reinsurers' share in the movement in provision for unearned premiums	904	904
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	26,377	18,990
IV. Claims and benefits (1+2)	2,361,353	2,048,189
1. Net claims and benefits paid	2,250,361	1,967,052
1.1. Gross claims and benefits paid	2,250,649	1,967,114
1.2. Reinsurers' share in claims and benefits paid	288	62
2. Movement in provision for outstanding claims and benefits, net of reinsurance	110,992	81,137
2.1. Movement in provision for outstanding claims and benefits, gross	110,975	80,934
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	(17)	(203)
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	-
VII. Insurance activity expenses	1,047,454	877,656
1. Acquisition expenses, including:	851,779	716,336
– movement in deferred acquisition costs	(47,308)	(50,209)
2. Administrative expenses	195,804	160,720
3. Reinsurance commissions and profit participation	129	(600)
VIII. Other net technical charges	35,135	36,878
IX. Movement in loss ratio (risk) equalization provisions	-	-
X. Technical result of non-life insurance	476,269	426,138

Technical account of direct insurance

STATUTORY GROUP NO. 4 Casco insurance for rail vehicles

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	8,195	9,004
1. Gross written premium	16,039	12,449
2. Reinsurers' share in gross written premium	5,928	4,263
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	2,280	(552)
4. Reinsurers' share in the movement in provision for unearned premiums	364	266
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	365	340
IV. Claims and benefits (1+2)	2,255	2,403
1. Net claims and benefits paid	4,815	2,401
1.1. Gross claims and benefits paid	6,250	2,483
1.2. Reinsurers' share in claims and benefits paid	1,435	82
2. Movement in provision for outstanding claims and benefits, net of reinsurance	(2,560)	2
2.1. Movement in provision for outstanding claims and benefits, gross	(2,348)	311
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	212	309
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	(4)
VII. Insurance activity expenses	2,266	2,334
1. Acquisition expenses, including:	2,497	2,422
– movement in deferred acquisition costs	(286)	70
2. Administrative expenses	430	333
3. Reinsurance commissions and profit participation	661	421
VIII. Other net technical charges	207	360
IX. Movement in loss ratio (risk) equalization provisions	-	-
X. Technical result of non-life insurance	3,832	4,251

Technical account of direct insurance

STATUTORY GROUP NO. 5 Casco insurance for aircraft

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	26,892	16,698
1. Gross written premium	43,655	37,328
2. Reinsurers' share in gross written premium	14,320	18,099
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	107	5,344
4. Reinsurers' share in the movement in provision for unearned premiums	(2,336)	2,813
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	738	4,494
IV. Claims and benefits (1+2)	20,487	8,751
1. Net claims and benefits paid	10,332	7,371
1.1. Gross claims and benefits paid	13,618	17,695
1.2. Reinsurers' share in claims and benefits paid	3,286	10,324
2. Movement in provision for outstanding claims and benefits, net of reinsurance	10,155	1,380
2.1. Movement in provision for outstanding claims and benefits, gross	7,203	4,867
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	(2,952)	3,487
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	23	4
VII. Insurance activity expenses	4,875	3,674
1. Acquisition expenses, including:	4,200	3,148
– movement in deferred acquisition costs	(487)	(456)
2. Administrative expenses	687	535
3. Reinsurance commissions and profit participation	12	9
VIII. Other net technical charges	1,517	1,265
IX. Movement in loss ratio (risk) equalization provisions	(835)	835
X. Technical result of non-life insurance	1,563	6,663

Technical account of direct insurance

STATUTORY GROUP NO. 6 Marine and inland marine insurance

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	32,600	25,751
1. Gross written premium	68,438	52,071
2. Reinsurers' share in gross written premium	26,831	21,078
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	16,654	17,579
4. Reinsurers' share in the movement in provision for unearned premiums	7,647	12,337
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	1,565	1,145
IV. Claims and benefits (1+2)	20,484	13,314
1. Net claims and benefits paid	11,668	10,626
1.1. Gross claims and benefits paid	11,834	10,669
1.2. Reinsurers' share in claims and benefits paid	166	43
2. Movement in provision for outstanding claims and benefits, net of reinsurance	8,816	2,688
2.1. Movement in provision for outstanding claims and benefits, gross	11,252	3,835
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	2,436	1,147
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	77	114
VII. Insurance activity expenses	9,094	6,244
1. Acquisition expenses, including:	6,826	5,646
– movement in deferred acquisition costs	(1,004)	(1,358)
2. Administrative expenses	2,688	848
3. Reinsurance commissions and profit participation	420	250
VIII. Other net technical charges	4,287	806
IX. Movement in loss ratio (risk) equalization provisions	(296)	-
X. Technical result of non-life insurance	519	6,418

Technical account of direct insurance

STATUTORY GROUP NO. 7 Insurance for items in transit

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	20,059	14,783
1. Gross written premium	28,114	21,775
2. Reinsurers' share in gross written premium	7,783	6,610
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	1,133	1,883
4. Reinsurers' share in the movement in provision for unearned premiums	861	1,501
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	541	245
IV. Claims and benefits (1+2)	5,920	3,728
1. Net claims and benefits paid	3,238	4,773
1.1. Gross claims and benefits paid	3,406	4,790
1.2. Reinsurers' share in claims and benefits paid	168	17
2. Movement in provision for outstanding claims and benefits, net of reinsurance	2,682	(1,045)
2.1. Movement in provision for outstanding claims and benefits, gross	2,808	(1,031)
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	126	14
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	(13)
VII. Insurance activity expenses	6,928	5,340
1. Acquisition expenses, including:	5,975	4,620
– movement in deferred acquisition costs	(323)	(322)
2. Administrative expenses	1,124	828
3. Reinsurance commissions and profit participation	171	108
VIII. Other net technical charges	326	305
IX. Movement in loss ratio (risk) equalization provisions	231	739
X. Technical result of non-life insurance	7,195	4,929

Technical account of direct insurance

STATUTORY GROUP NO. 8 Natural catastrophe insurance covering damage to property not included in groups 3-7

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	1,560,370	1,394,167
1. Gross written premium	2,035,849	1,785,734
2. Reinsurers' share in gross written premium	368,928	311,342
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	154,381	166,607
4. Reinsurers' share in the movement in provision for unearned premiums	47,830	86,382
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	17,637	17,867
IV. Claims and benefits (1+2)	758,279	704,715
1. Net claims and benefits paid	686,102	668,617
1.1. Gross claims and benefits paid	720,559	687,832
1.2. Reinsurers' share in claims and benefits paid	34,457	19,215
2. Movement in provision for outstanding claims and benefits, net of reinsurance	72,177	36,098
2.1. Movement in provision for outstanding claims and benefits, gross	359,755	151,208
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	287,578	115,110
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	274	(353)
VII. Insurance activity expenses	578,473	486,141
1. Acquisition expenses, including:	460,796	388,364
– movement in deferred acquisition costs	(28,565)	(30,774)
2. Administrative expenses	130,840	106,981
3. Reinsurance commissions and profit participation	13,163	9,204
VIII. Other net technical charges	43,078	41,318
IX. Movement in loss ratio (risk) equalization provisions	-	-
X. Technical result of non-life insurance	197,903	180,213

Technical account of direct insurance

STATUTORY GROUP NO. 9 Insurance of other property damage (if not included in groups 3, 4, 5, 6 or 7) caused by hail or frost and other causes (such as theft), if these causes are not included in group 8

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	1,106,069	1,063,533
1. Gross written premium	1,536,861	1,354,061
2. Reinsurers' share in gross written premium	341,748	215,942
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	216,160	133,350
4. Reinsurers' share in the movement in provision for unearned premiums	127,116	58,764
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	13,818	7,696
IV. Claims and benefits (1+2)	354,958	486,778
1. Net claims and benefits paid	359,269	453,273
1.1. Gross claims and benefits paid	361,436	457,653
1.2. Reinsurers' share in claims and benefits paid	2,167	4,380
2. Movement in provision for outstanding claims and benefits, net of reinsurance	(4,311)	33,505
2.1. Movement in provision for outstanding claims and benefits, gross	(4,621)	27,839
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	(310)	(5,666)
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	(249)	(33)
VII. Insurance activity expenses	377,074	344,230
1. Acquisition expenses, including:	308,083	289,970
– movement in deferred acquisition costs	(20,359)	(17,265)
2. Administrative expenses	74,072	59,102
3. Reinsurance commissions and profit participation	5,081	4,842
VIII. Other net technical charges	20,171	15,960
IX. Movement in loss ratio (risk) equalization provisions	-	37,523
X. Technical result of non-life insurance	367,933	186,771

Technical account of direct insurance

STATUTORY GROUP No. 10 Liability insurance of all types arising out of the ownership and use of self-propelled land vehicles, including carrier's liability insurance

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	4,173,684	4,054,292
1. Gross written premium	4,327,079	4,071,987
2. Reinsurers' share in gross written premium	30,189	22,112
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	126,819	(3,278)
4. Reinsurers' share in the movement in provision for unearned premiums	3,613	1,139
II. Net investment income (including costs) transferred from the general profit and loss account	228,036	233,585
III. Other net technical income	71,133	54,423
IV. Claims and benefits (1+2)	3,142,689	3,002,591
1. Net claims and benefits paid	2,982,940	2,858,818
1.1. Gross claims and benefits paid	3,023,303	2,880,167
1.2. Reinsurers' share in claims and benefits paid	40,363	21,349
2. Movement in provision for outstanding claims and benefits, net of reinsurance	159,749	143,773
2.1. Movement in provision for outstanding claims and benefits, gross	119,815	167,932
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	(39,934)	24,159
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	-
VII. Insurance activity expenses	1,011,056	934,485
1. Acquisition expenses, including:	723,921	683,840
– movement in deferred acquisition costs	(33,799)	(9,512)
2. Administrative expenses	287,810	250,150
3. Reinsurance commissions and profit participation	675	(495)
VIII. Other net technical charges	214,208	223,087
IX. Movement in loss ratio (risk) equalization provisions	-	-
X. Technical result of non-life insurance	104,900	182,137

Technical account of direct insurance

STATUTORY GROUP No. 11 Liability insurance of all types arising out of the ownership and use of aircraft, including carrier's liability insurance

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	1,647	6,576
1. Gross written premium	18,677	17,946
2. Reinsurers' share in gross written premium	16,718	11,385
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	(124)	3,895
4. Reinsurers' share in the movement in provision for unearned premiums	(436)	3,910
II. Net investment income (including costs) transferred from the general profit and loss account	52	19
III. Other net technical income	637	2,135
IV. Claims and benefits (1+2)	2,161	741
1. Net claims and benefits paid	1,457	530
1.1. Gross claims and benefits paid	1,586	549
1.2. Reinsurers' share in claims and benefits paid	129	19
2. Movement in provision for outstanding claims and benefits, net of reinsurance	704	211
2.1. Movement in provision for outstanding claims and benefits, gross	1,887	222
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	1,183	11
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	206	1
VII. Insurance activity expenses	4,067	3,388
1. Acquisition expenses, including:	2,813	2,347
– movement in deferred acquisition costs	(112)	(183)
2. Administrative expenses	1,305	1,048
3. Reinsurance commissions and profit participation	51	7
VIII. Other net technical charges	570	547
IX. Movement in loss ratio (risk) equalization provisions	-	1
X. Technical result of non-life insurance	(4,668)	4,052

Technical account of direct insurance

STATUTORY GROUP No. 12 Marine and inland marine third party liability insurance, resulting out of the ownership and use of marine and inland marine vessels, including carrier's liability insurance

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	4,098	2,498
1. Gross written premium	7,705	5,980
2. Reinsurers' share in gross written premium	1,018	609
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	2,562	2,749
4. Reinsurers' share in the movement in provision for unearned premiums	(27)	(124)
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	122	54
IV. Claims and benefits (1+2)	1,217	468
1. Net claims and benefits paid	1,205	457
1.1. Gross claims and benefits paid	1,205	457
1.2. Reinsurers' share in claims and benefits paid	-	-
2. Movement in provision for outstanding claims and benefits, net of reinsurance	12	11
2.1. Movement in provision for outstanding claims and benefits, gross	(77)	(2)
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	(89)	(13)
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	(3)	11
VII. Insurance activity expenses	1,241	894
1. Acquisition expenses, including:	1,018	672
– movement in deferred acquisition costs	(218)	(367)
2. Administrative expenses	249	231
3. Reinsurance commissions and profit participation	26	9
VIII. Other net technical charges	318	142
IX. Movement in loss ratio (risk) equalization provisions	205	-
X. Technical result of non-life insurance	1,242	1,037

Technical account of direct insurance

STATUTORY GROUP NO. 13 Third party liability insurance (general third party liability insurance) not included in groups 10-12

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	824,463	756,454
1. Gross written premium	908,310	813,440
2. Reinsurers' share in gross written premium	45,253	28,117
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	50,290	27,274
4. Reinsurers' share in the movement in provision for unearned premiums	11,696	(1,595)
II. Net investment income (including costs) transferred from the general profit and loss account	20,434	19,436
III. Other net technical income	6,265	5,677
IV. Claims and benefits (1+2)	586,532	485,736
1. Net claims and benefits paid	397,730	354,123
1.1. Gross claims and benefits paid	404,721	367,936
1.2. Reinsurers' share in claims and benefits paid	6,991	13,813
2. Movement in provision for outstanding claims and benefits, net of reinsurance	188,802	131,613
2.1. Movement in provision for outstanding claims and benefits, gross	248,444	157,574
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	59,642	25,961
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	(107)	-
VII. Insurance activity expenses	293,996	253,545
1. Acquisition expenses, including:	233,410	203,550
– movement in deferred acquisition costs	(14,496)	(12,242)
2. Administrative expenses	63,636	51,853
3. Reinsurance commissions and profit participation	3,050	1,858
VIII. Other net technical charges	8,494	10,207
IX. Movement in loss ratio (risk) equalization provisions	-	-
X. Technical result of non-life insurance	(37,753)	32,079

Technical account of direct insurance

STATUTORY GROUP NO. 14 Loan insurance

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	19,103	20,371
1. Gross written premium	22,395	21,833
2. Reinsurers' share in gross written premium	3,484	2,578
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	130	(1,010)
4. Reinsurers' share in the movement in provision for unearned premiums	322	106
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	205	230
IV. Claims and benefits (1+2)	2,141	1,841
1. Net claims and benefits paid	2,222	1,965
1.1. Gross claims and benefits paid	2,252	2,118
1.2. Reinsurers' share in claims and benefits paid	30	153
2. Movement in provision for outstanding claims and benefits, net of reinsurance	(81)	(124)
2.1. Movement in provision for outstanding claims and benefits, gross	(153)	(103)
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	(72)	21
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	937	849
VII. Insurance activity expenses	2,833	3,092
1. Acquisition expenses, including:	1,802	1,919
– movement in deferred acquisition costs	29	214
2. Administrative expenses	1,742	1,789
3. Reinsurance commissions and profit participation	711	616
VIII. Other net technical charges	88	163
IX. Movement in loss ratio (risk) equalization provisions	(315)	-
X. Technical result of non-life insurance	13,624	14,656

Technical account of direct insurance

STATUTORY GROUP NO. 15 Insurance guarantee

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	17,693	34,454
1. Gross written premium	52,276	48,121
2. Reinsurers' share in gross written premium	30,386	27,466
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	8,875	(13,675)
4. Reinsurers' share in the movement in provision for unearned premiums	4,678	124
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	5,327	706
IV. Claims and benefits (1+2)	(57,017)	109,411
1. Net claims and benefits paid	51,027	(570)
1.1. Gross claims and benefits paid	68,342	4,636
1.2. Reinsurers' share in claims and benefits paid	17,315	5,206
2. Movement in provision for outstanding claims and benefits, net of reinsurance	(108,044)	109,981
2.1. Movement in provision for outstanding claims and benefits, gross	(135,897)	139,144
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	(27,853)	29,163
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	-
VII. Insurance activity expenses	18,648	14,595
1. Acquisition expenses, including:	13,189	12,061
– movement in deferred acquisition costs	(7,335)	(5,142)
2. Administrative expenses	11,923	10,256
3. Reinsurance commissions and profit participation	6,464	7,722
VIII. Other net technical charges	711	252
IX. Movement in loss ratio (risk) equalization provisions	885	(878)
X. Technical result of non-life insurance	59,793	(88,220)

Technical account of direct insurance

STATUTORY GROUP NO. 16 Insurance against various financial risks

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	115,083	109,329
1. Gross written premium	428,179	345,720
2. Reinsurers' share in gross written premium	309,726	233,601
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	94,812	106,228
4. Reinsurers' share in the movement in provision for unearned premiums	91,442	103,438
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	5,964	5,158
IV. Claims and benefits (1+2)	24,864	56,231
1. Net claims and benefits paid	10,912	24,149
1.1. Gross claims and benefits paid	16,134	30,555
1.2. Reinsurers' share in claims and benefits paid	5,222	6,406
2. Movement in provision for outstanding claims and benefits, net of reinsurance	13,952	32,082
2.1. Movement in provision for outstanding claims and benefits, gross	588,880	757,955
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	574,928	725,873
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	3	(34)
VII. Insurance activity expenses	62,156	61,072
1. Acquisition expenses, including:	63,255	56,540
– movement in deferred acquisition costs	(497)	(10,066)
2. Administrative expenses	33,291	26,755
3. Reinsurance commissions and profit participation	34,390	22,223
VIII. Other net technical charges	11,673	6,198
IX. Movement in loss ratio (risk) equalization provisions	3,274	(4,051)
X. Technical result of non-life insurance	19,077	(4,929)

Technical account of direct insurance

STATUTORY GROUP NO. 17 Legal protection insurance

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	14,945	13,681
1. Gross written premium	15,588	14,385
2. Reinsurers' share in gross written premium	-	-
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	643	704
4. Reinsurers' share in the movement in provision for unearned premiums	-	-
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	22	13
IV. Claims and benefits (1+2)	7,583	8,154
1. Net claims and benefits paid	5,841	5,088
1.1. Gross claims and benefits paid	5,841	5,088
1.2. Reinsurers' share in claims and benefits paid	-	-
2. Movement in provision for outstanding claims and benefits, net of reinsurance	1,742	3,066
2.1. Movement in provision for outstanding claims and benefits, gross	1,742	3,066
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	-	-
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	-
VII. Insurance activity expenses	5,762	5,165
1. Acquisition expenses, including:	4,472	4,049
– movement in deferred acquisition costs	(203)	(195)
2. Administrative expenses	1,290	1,116
3. Reinsurance commissions and profit participation	-	-
VIII. Other net technical charges	67	101
IX. Movement in loss ratio (risk) equalization provisions	747	-
X. Technical result of non-life insurance	808	274

Technical account of direct insurance

STATUTORY GROUP NO. 18 Insurance for the provision of assistance for the benefit of persons who have fallen into difficulties while traveling or while away from home

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	547,926	453,192
1. Gross written premium	606,283	485,813
2. Reinsurers' share in gross written premium	2,143	1,314
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	56,242	31,336
4. Reinsurers' share in the movement in provision for unearned premiums	28	29
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	1,548	962
IV. Claims and benefits (1+2)	310,506	229,673
1. Net claims and benefits paid	288,629	219,831
1.1. Gross claims and benefits paid	288,855	219,996
1.2. Reinsurers' share in claims and benefits paid	226	165
2. Movement in provision for outstanding claims and benefits, net of reinsurance	21,877	9,842
2.1. Movement in provision for outstanding claims and benefits, gross	21,884	9,846
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	7	4
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	(14)	210
VII. Insurance activity expenses	178,563	143,004
1. Acquisition expenses, including:	133,361	107,057
– movement in deferred acquisition costs	(11,190)	(6,435)
2. Administrative expenses	45,205	35,949
3. Reinsurance commissions and profit participation	3	2
VIII. Other net technical charges	4,063	3,872
IX. Movement in loss ratio (risk) equalization provisions	-	-
X. Technical result of non-life insurance	56,356	77,395

Technical insurance accounts – inward reinsurance

Technical insurance account – total inward reinsurance

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	953,867	916,435
1. Gross written premium	1,363,824	1,444,194
2. Reinsurers' share in gross written premium	421,400	472,961
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	(34,901)	196,198
4. Reinsurers' share in the movement in provision for unearned premiums	(23,458)	141,400
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	3,205	3,669
IV. Claims and benefits (1+2)	706,395	628,473
1. Net claims and benefits paid	624,884	517,044
1.1. Gross claims and benefits paid	761,672	687,328
1.2. Reinsurers' share in claims and benefits paid	136,788	170,284
2. Movement in provision for outstanding claims and benefits, net of reinsurance	81,511	111,429
2.1. Movement in provision for outstanding claims and benefits, gross	198,379	239,050
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	116,868	127,621
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	(1,704)	3,866
VII. Insurance activity expenses	230,836	224,202
1. Acquisition expenses, including:	250,816	239,336
– movement in deferred acquisition costs	16,271	(11,626)
2. Administrative expenses	8,178	8,666
3. Reinsurance commissions and profit participation	28,158	23,800
VIII. Other net technical charges	5,797	4,175
IX. Movement in loss ratio (risk) equalization provisions	(1,325)	4,994
X. Technical result of non-life insurance	17,073	54,394

In 2023 and 2022, PZU conducted inward reinsurance business in all accounting classes except class 9.

Technical insurance account – inward reinsurance

ACCOUNTING CLASS NO. 1 Accident and sickness insurance (group 1, 2)

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	2,892	8,365
1. Gross written premium	921	5,804
2. Reinsurers' share in gross written premium	313	322
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	(2,288)	(2,840)
4. Reinsurers' share in the movement in provision for unearned premiums	(4)	43
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	9	71
IV. Claims and benefits (1+2)	2,250	6,204
1. Net claims and benefits paid	5,123	8,237
1.1. Gross claims and benefits paid	5,210	8,283
1.2. Reinsurers' share in claims and benefits paid	87	46
2. Movement in provision for outstanding claims and benefits, net of reinsurance	(2,873)	(2,033)
2.1. Movement in provision for outstanding claims and benefits, gross	(2,890)	(1,956)
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	(17)	77
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	-
VII. Insurance activity expenses	82	346
1. Acquisition expenses, including:	27	268
– movement in deferred acquisition costs	42	116
2. Administrative expenses	61	84
3. Reinsurance commissions and profit participation	6	6
VIII. Other net technical charges	9	1
IX. Movement in loss ratio (risk) equalization provisions	145	382
X. Technical result of non-life insurance	415	1,503

Technical insurance account – inward reinsurance

ACCOUNTING CLASS NO. 2 Motor third party liability insurance (group 10)

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	679,127	663,337
1. Gross written premium	691,388	710,555
2. Reinsurers' share in gross written premium	17,343	22,470
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	(11,370)	28,013
4. Reinsurers' share in the movement in provision for unearned premiums	(6,288)	3,265
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	2,017	1,717
IV. Claims and benefits (1+2)	548,461	450,621
1. Net claims and benefits paid	511,381	431,203
1.1. Gross claims and benefits paid	512,275	433,215
1.2. Reinsurers' share in claims and benefits paid	894	2,012
2. Movement in provision for outstanding claims and benefits, net of reinsurance	37,080	19,418
2.1. Movement in provision for outstanding claims and benefits, gross	38,408	29,700
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	1,328	10,282
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	135	134
VII. Insurance activity expenses	189,639	187,662
1. Acquisition expenses, including:	187,424	185,562
– movement in deferred acquisition costs	8,433	(9,161)
2. Administrative expenses	2,454	2,384
3. Reinsurance commissions and profit participation	239	284
VIII. Other net technical charges	2,734	1,650
IX. Movement in loss ratio (risk) equalization provisions	-	-
X. Technical result of non-life insurance	(59,825)	24,987

Technical insurance account – inward reinsurance

ACCOUNTING CLASS NO. 3 Other motor insurance (group 3)

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	42,785	22,755
1. Gross written premium	45,869	42,912
2. Reinsurers' share in gross written premium	2,808	954
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	1,474	19,429
4. Reinsurers' share in the movement in provision for unearned premiums	1,198	226
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	213	508
IV. Claims and benefits (1+2)	33,613	12,996
1. Net claims and benefits paid	30,396	8,693
1.1. Gross claims and benefits paid	33,454	8,693
1.2. Reinsurers' share in claims and benefits paid	3,058	-
2. Movement in provision for outstanding claims and benefits, net of reinsurance	3,217	4,303
2.1. Movement in provision for outstanding claims and benefits, gross	4,462	4,340
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	1,245	37
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	160	73
VII. Insurance activity expenses	13,534	8,470
1. Acquisition expenses, including:	13,001	8,116
– movement in deferred acquisition costs	704	(6,033)
2. Administrative expenses	563	365
3. Reinsurance commissions and profit participation	30	11
VIII. Other net technical charges	114	350
IX. Movement in loss ratio (risk) equalization provisions	-	537
X. Technical result of non-life insurance	(4,423)	837

Technical insurance account – inward reinsurance

ACCOUNTING CLASS NO. 4 Marine, aviation and transport insurance (groups 4, 5, 6, 7)

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	11,824	8,204
1. Gross written premium	60,284	18,098
2. Reinsurers' share in gross written premium	45,007	7,442
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	40,133	5,439
4. Reinsurers' share in the movement in provision for unearned premiums	36,680	2,987
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	64	32
IV. Claims and benefits (1+2)	2,629	2,820
1. Net claims and benefits paid	2,014	2,464
1.1. Gross claims and benefits paid	2,080	2,489
1.2. Reinsurers' share in claims and benefits paid	66	25
2. Movement in provision for outstanding claims and benefits, net of reinsurance	615	356
2.1. Movement in provision for outstanding claims and benefits, gross	1,973	878
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	1,358	522
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	-
VII. Insurance activity expenses	2,832	1,560
1. Acquisition expenses, including:	2,815	1,496
– movement in deferred acquisition costs	23	(563)
2. Administrative expenses	167	195
3. Reinsurance commissions and profit participation	150	131
VIII. Other net technical charges	60	60
IX. Movement in loss ratio (risk) equalization provisions	(135)	145
X. Technical result of non-life insurance	6,502	3,651

Technical insurance account – inward reinsurance

ACCOUNTING CLASS NO. 5 Fire and other property damage (groups 8, 9)

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	138,216	133,197
1. Gross written premium	372,923	489,146
2. Reinsurers' share in gross written premium	250,308	344,409
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	(77,843)	107,742
4. Reinsurers' share in the movement in provision for unearned premiums	(62,242)	96,202
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	596	1,065
IV. Claims and benefits (1+2)	80,740	37,866
1. Net claims and benefits paid	42,711	50,874
1.1. Gross claims and benefits paid	145,246	209,781
1.2. Reinsurers' share in claims and benefits paid	102,535	158,907
2. Movement in provision for outstanding claims and benefits, net of reinsurance	38,029	(13,008)
2.1. Movement in provision for outstanding claims and benefits, gross	159,780	(6,411)
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	121,751	6,597
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	(1,999)	3,659
VII. Insurance activity expenses	8,361	7,980
1. Acquisition expenses, including:	23,731	19,385
– movement in deferred acquisition costs	3,108	(4,815)
2. Administrative expenses	3,543	4,162
3. Reinsurance commissions and profit participation	18,913	15,567
VIII. Other net technical charges	1,254	791
IX. Movement in loss ratio (risk) equalization provisions	(5,266)	6,660
X. Technical result of non-life insurance	55,722	77,306

Technical insurance account – inward reinsurance

ACCOUNTING CLASS NO. 6 Third party liability insurance (groups 11, 12, 13)

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	55,446	55,158
1. Gross written premium	126,126	93,214
2. Reinsurers' share in gross written premium	57,279	34,454
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	28,451	14,664
4. Reinsurers' share in the movement in provision for unearned premiums	15,050	11,062
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	109	79
IV. Claims and benefits (1+2)	33,220	70,732
1. Net claims and benefits paid	16,588	12,426
1.1. Gross claims and benefits paid	21,247	15,066
1.2. Reinsurers' share in claims and benefits paid	4,659	2,640
2. Movement in provision for outstanding claims and benefits, net of reinsurance	16,632	58,306
2.1. Movement in provision for outstanding claims and benefits, gross	41,523	65,234
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	24,891	6,928
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	-
VII. Insurance activity expenses	9,397	8,580
1. Acquisition expenses, including:	9,228	8,452
– movement in deferred acquisition costs	(1,451)	1,622
2. Administrative expenses	924	757
3. Reinsurance commissions and profit participation	755	629
VIII. Other net technical charges	827	90
IX. Movement in loss ratio (risk) equalization provisions	2,772	-
X. Technical result of non-life insurance	9,339	(24,165)

Technical insurance account – inward reinsurance

ACCOUNTING CLASS NO. 7 Loan and group guarantees (groups 14, 15)

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	408	294
1. Gross written premium	15,862	14,618
2. Reinsurers' share in gross written premium	15,487	14,253
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	1,380	3,201
4. Reinsurers' share in the movement in provision for unearned premiums	1,413	3,130
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	185	110
IV. Claims and benefits (1+2)	20	(22)
1. Net claims and benefits paid	6	2
1.1. Gross claims and benefits paid	1,821	472
1.2. Reinsurers' share in claims and benefits paid	1,815	470
2. Movement in provision for outstanding claims and benefits, net of reinsurance	14	(24)
2.1. Movement in provision for outstanding claims and benefits, gross	(442)	919
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	(456)	943
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	-
VII. Insurance activity expenses	(367)	294
1. Acquisition expenses, including:	5,070	5,182
– movement in deferred acquisition costs	(1,086)	(968)
2. Administrative expenses	163	154
3. Reinsurance commissions and profit participation	5,600	5,042
VIII. Other net technical charges	391	80
IX. Movement in loss ratio (risk) equalization provisions	-	-
X. Technical result of non-life insurance	549	52

Technical insurance account – inward reinsurance

ACCOUNTING CLASS NO. 8 Assistance (groups 18)

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	(3)	(10)
1. Gross written premium	313	307
2. Reinsurers' share in gross written premium	316	317
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	(1)	39
4. Reinsurers' share in the movement in provision for unearned premiums	(1)	39
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	8	8
IV. Claims and benefits (1+2)	-	(75)
1. Net claims and benefits paid	-	1
1.1. Gross claims and benefits paid	82	1
1.2. Reinsurers' share in claims and benefits paid	82	-
2. Movement in provision for outstanding claims and benefits, net of reinsurance	-	(76)
2.1. Movement in provision for outstanding claims and benefits, gross	(15)	(305)
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	(15)	(229)
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	-
VII. Insurance activity expenses	9	(8)
1. Acquisition expenses, including:	1	(6)
– movement in deferred acquisition costs	-	-
2. Administrative expenses	14	3
3. Reinsurance commissions and profit participation	6	5
VIII. Other net technical charges	4	-
IX. Movement in loss ratio (risk) equalization provisions	-	-
X. Technical result of non-life insurance	(8)	81

Technical insurance account – inward reinsurance

ACCOUNTING CLASS NO. 10 Other (groups 16)

Item	1 January – 31 December 2023	1 January – 31 December 2022
I. Premium income (1-2-3+4)	23,172	25,135
1. Gross written premium	50,138	69,540
2. Reinsurers' share in gross written premium	32,539	48,340
3. Movement in the provision for unearned premiums and provision for unexpired risks, gross	(14,837)	20,511
4. Reinsurers' share in the movement in provision for unearned premiums	(9,264)	24,446
II. Net investment income (including costs) transferred from the general profit and loss account	-	-
III. Other net technical income	4	79
IV. Claims and benefits (1+2)	5,462	47,331
1. Net claims and benefits paid	16,665	3,144
1.1. Gross claims and benefits paid	40,257	9,328
1.2. Reinsurers' share in claims and benefits paid	23,592	6,184
2. Movement in provision for outstanding claims and benefits, net of reinsurance	(11,203)	44,187
2.1. Movement in provision for outstanding claims and benefits, gross	(44,420)	146,651
2.2. Reinsurers' share in the movement in the provision for outstanding claims and benefits	(33,217)	102,464
V. Movement in other technical provisions, net of reinsurance	-	-
1. Movement in other technical provisions, gross	-	-
2. Reinsurers' share in the movement in other technical provisions	-	-
VI. Net bonuses and discounts with the movement in provisions	-	-
VII. Insurance activity expenses	7,349	9,318
1. Acquisition expenses, including:	9,519	10,881
– movement in deferred acquisition costs	6,498	8,176
2. Administrative expenses	289	562
3. Reinsurance commissions and profit participation	2,459	2,125
VIII. Other net technical charges	404	1,153
IX. Movement in loss ratio (risk) equalization provisions	1,159	(2,730)
X. Technical result of non-life insurance	8,802	(29,858)

Additional information and explanations

1. Intangible assets

Intangible assets	31 December 2023	31 December 2022
a) costs of completed development work	-	-
b) goodwill	-	-
c) acquired concessions, patents, licenses and similar values including:	252,761	223,985
– software	247,040	219,529
d) other intangible assets	-	-
e) advances for intangible assets	60,785	73,893
Intangible assets, total	313,546	297,878

Movement in intangible assets, total	1 January – 31 December 2023	1 January – 31 December 2022
a) gross value of intangible assets at the beginning of the period	922,725	865,021
b) increases (by virtue of)	191,996	101,888
– purchase	85,932	62,965
– transfers	101,696	38,374
– other (including estimates)	4,368	549
c) reductions (by virtue of)	117,038	44,184
– sale	-	-
– liquidation	15,316	5,810
– transfers	101,696	38,374
– other (including estimates)	26	-
a) gross value of intangible assets at the end of the period	997,683	922,725
e) accumulated amortization at the beginning of the period	622,076	564,597
f) amortization for the period (by virtue of)	59,290	57,479
– current year impairment charges	73,934	63,085
– sale	-	-
– liquidation	(14,636)	(5,606)
– other	(8)	-
g) accumulated amortization at the end of the period	681,366	622,076
h) impairment losses at the beginning of the period	2,771	1,209
– increases	-	1,562
– reductions	-	-
i) impairment losses at the end of the period	2,771	2,771
j) net value of intangible assets at the end of the period	313,546	297,878

Intangible assets – ownership structure	31 December 2023	31 December 2022
a) own	313,546	297,878
b) used under a rental, lease or other agreement, including a lease agreement	-	-
Intangible assets, total	313,546	297,878

Movement in intangible assets for the year ended 31 December 2023 (by type group)	a) costs of completed development work	b) goodwill	c) acquired concessions, patents, licenses and similar values	- of which computer software	d) other intangible assets	e) advances and non-tangible assets under construction	Intangible assets, total
a) gross value of intangible assets at the beginning of the period	-	-	846,700	833,530	8	76,017	922,725
b) increases (by virtue of)	-	-	103,408	100,044	-	88,588	191,996
– purchase	-	-	1,712	1,712	-	84,220	85,932
– transfers	-	-	101,696	98,332	-	-	101,696
– other (including estimates)	-	-	-	-	-	4,368	4,368
c) reductions (by virtue of)	-	-	15,334	15,098	8	101,696	117,038
– sale	-	-	-	-	-	-	-
– liquidation	-	-	15,316	15,098	-	-	15,316
– transfers	-	-	-	-	-	101,696	101,696
– other (including estimates)	-	-	18	-	8	-	26
a) gross value of intangible assets at the end of the period	-	-	934,774	918,476	-	62,909	997,683
e) accumulated amortization at the beginning of the period	-	-	622,068	614,001	8	-	622,076
f) amortization for the period (by virtue of)	-	-	59,298	57,435	(8)	-	59,290
– current year impairment charges	-	-	73,934	71,882	-	-	73,934
– sale	-	-	-	-	-	-	-
– liquidation	-	-	(14,636)	(14,447)	-	-	(14,636)
– other	-	-	-	-	(8)	-	(8)
g) accumulated amortization at the end of the period	-	-	681,366	671,436	-	-	681,366
h) impairment losses at the beginning of the period	-	-	647	-	-	2,124	2,771
– increases	-	-	-	-	-	-	-
– reductions	-	-	-	-	-	-	-
i) impairment losses at the end of the period	-	-	647	-	-	2,124	2,771
j) net value of intangible assets at the end of the period	-	-	252,761	247,040	-	60,785	313,546

Movement in intangible assets for the year ended 31 December 2022 (by type group)	a) costs of completed development work	b) goodwill	c) acquired concessions, patents, licenses and similar values	- of which computer software	d) other intangible assets	e) advances and non-tangible assets under construction	Intangible assets, total
a) gross value of intangible assets at the beginning of the period	-	-	814,724	803,269	242	50,055	865,021
b) increases (by virtue of)	-	-	37,552	35,604	-	64,336	101,888
– purchase	-	-	-	-	-	62,965	62,965
– transfers	-	-	38,374	35,604	-	-	38,374
– other (including estimates)	-	-	(822)	-	-	1,371	549
c) reductions (by virtue of)	-	-	5,576	5,343	234	38,374	44,184
– sale	-	-	-	-	-	-	-
– liquidation	-	-	5,576	5,343	234	-	5,810
– transfers	-	-	-	-	-	38,374	38,374
– other (including estimates)	-	-	-	-	-	-	-
a) gross value of intangible assets at the end of the period	-	-	846,700	833,530	8	76,017	922,725
e) accumulated amortization at the beginning of the period	-	-	564,544	558,207	53	-	564,597
f) amortization for the period (by virtue of)	-	-	57,524	55,794	(45)	-	57,479
– current year impairment charges	-	-	63,085	61,070	-	-	63,085
– sale	-	-	-	-	-	-	-
– liquidation	-	-	(5,561)	(5,276)	(45)	-	(5,606)
– other	-	-	-	-	-	-	-
g) accumulated amortization at the end of the period	-	-	622,068	614,001	8	-	622,076
h) impairment losses at the beginning of the period	-	-	-	-	-	1,209	1,209
– increases	-	-	647	-	-	915	1,562
– reductions	-	-	-	-	-	-	-
i) impairment losses at the end of the period	-	-	647	-	-	2,124	2,771
j) net value of intangible assets at the end of the period	-	-	223,985	219,529	-	73,893	297,878

2. Investments

2.1 Geographical structure of investments

Geographical structure of investments as of 31 December 2023	Domestic				Foreign – EU countries				Foreign – other countries				Total			
	Purchase price	Fair value	Net carrying amount	Impairment loss	Purchase price	Fair value	Net carrying amount	Impairment loss	Purchase price	Fair value	Net carrying amount	Impairment loss	Purchase price	Fair value	Net carrying amount	Impairment loss
I. Real property ¹⁾	704,508	498,041	279,741	131,052	-	-	-	-	-	-	-	-	704,508	498,041	279,741	131,052
II. Investments in related parties ²⁾	11,288,174	25,517,227	16,726,265	800,886	1,123,850	1,319,629	1,381,294	-	186,469	61,431	19,720	-	12,598,493	26,898,287	18,127,279	800,886
III. Other financial investments	19,454,050	22,462,698	23,444,889	18,828	1,540,514	1,631,634	1,630,055	-	3,157,276	3,171,157	3,146,215	-	24,151,840	27,265,489	28,221,159	18,828
1. Shares, stocks and other variable income debt securities	134,672	141,828	141,828	18,803	-	-	-	-	-	-	-	-	134,672	141,828	141,828	18,803
– measured at fair value	122,157	141,813	141,813	6,303	-	-	-	-	-	-	-	-	122,157	141,813	141,813	6,303
– valued at cost	12,515	15	15	12,500	-	-	-	-	-	-	-	-	12,515	15	15	12,500
2. Participation units and investment certificates of mutual funds	5,192,381	9,252,488	9,252,488	25	232,199	292,877	292,877	-	434,917	558,966	558,966	-	5,859,497	10,104,331	10,104,331	25
3. Debt securities and other fixed-income securities	12,105,034	10,976,124	11,956,261	-	1,158,315	1,102,958	1,102,958	-	2,722,359	2,607,212	2,582,270	-	15,985,708	14,686,294	15,641,489	-
– measured at fair value	4,404,932	4,245,135	4,245,134	-	1,158,315	1,102,958	1,102,958	-	2,486,735	2,345,011	2,345,011	-	8,049,982	7,693,104	7,693,103	-
– valued at adjusted cost or acquisition cost	7,700,102	6,730,989	7,711,127	-	-	-	-	-	235,624	262,201	237,259	-	7,935,726	6,993,190	7,948,386	-
4. Participations in joint ventures of investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Mortgage-backed loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Other loans	2,008,528	2,002,766	2,004,820	-	150,000	150,805	149,226	-	-	-	-	-	2,158,528	2,153,571	2,154,046	-
7. Term deposits with credit institutions	13,435	13,439	13,439	-	-	-	-	-	-	-	-	-	13,435	13,439	13,439	-
8. Other investments	-	76,053	76,053	-	-	84,994	84,994	-	-	4,979	4,979	-	-	166,026	166,026	-
IV. Deposits with ceding enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	31,446,732	48,477,966	40,450,895	950,766	2,664,364	2,951,263	3,011,349	-	3,343,745	3,232,588	3,165,935	-	37,454,841	54,661,817	46,628,179	950,766

¹⁾ The presented fair value of real property results from valuation measurements carried out in the years 2022–2023, based primarily on the application of the income approach.

²⁾ In the case of entities measured by the equity method, the presented fair value of investments in subsidiaries was applied at the level of the amount of net assets of these entities attributable to PZU as of the balance sheet date, plus the unamortized, as of the balance sheet date, portion of goodwill, taking into account impairment losses (except for Alior Bank and Bank Pekao, for which the stock market valuation was presented, and except for insurance entities subject to the Solvency II regime, for which the excess of assets over liabilities according to the Solvency II regime was applied). Possible regular estimates of the fair value of investments in subordinated entities, which would be performed solely for the purposes of PZU's standalone financial reporting, are not performed mainly because of the potential significant and recurring costs of such activities and the large margin of discretion and possible error that the results would be subject to.

Structure of investments as of 31 December 2023	Domestic – net carrying amount	Foreign – EU countries – net carrying amount	Foreign – other countries – net carrying amount	Total
I. Real property	279,741	-	-	279,741
II. Investments in subordinate entities	16,726,265	1,381,294	19,720	18,127,279
– with unlimited transferability, listed on a regulated market	9,746,716	-	-	9,746,716
– with unlimited transferability, not listed on a regulated market	6,979,549	1,381,294	19,720	8,380,563
– limited transferability	-	-	-	-
III. Other financial investments	23,444,889	1,630,055	3,146,215	28,221,159
1. Shares, stocks and other variable income debt securities	141,828	-	-	141,828
– with unlimited transferability, listed on a regulated market	141,828	-	-	141,828
– with unlimited transferability, not listed on a regulated market	-	-	-	-
– limited transferability	-	-	-	-
2. Participation units and investment certificates of mutual funds	9,252,488	292,877	558,966	10,104,331
– with unlimited transferability, listed on a regulated market	-	-	-	-
– with unlimited transferability, not listed on a regulated market	9,252,488	292,877	558,966	10,104,331
– limited transferability	-	-	-	-
3. Debt securities and other fixed-income securities	11,956,261	1,102,958	2,582,270	15,641,489
– with unlimited transferability, listed on a regulated market	11,956,261	1,102,958	2,582,270	15,641,489
– with unlimited transferability, not listed on a regulated market	-	-	-	-
– limited transferability	-	-	-	-
4. Participations in joint ventures of investment	-	-	-	-
– with unlimited transferability, listed on a regulated market	-	-	-	-
– with unlimited transferability, not listed on a regulated market	-	-	-	-
– limited transferability	-	-	-	-
5. Mortgage-backed loans	-	-	-	-
6. Other loans	2,004,820	149,226	-	2,154,046
7. Term deposits with credit institutions	13,439	-	-	13,439
8. Other investments	76,053	84,994	4,979	166,026
– with unlimited transferability, listed on a regulated market	-	-	-	-
– with unlimited transferability, not listed on a regulated market	76,053	84,994	4,979	166,026
– limited transferability	-	-	-	-
IV. Deposits with ceding enterprises	-	-	-	-
Total	40,450,895	3,011,349	3,165,935	46,628,179

Geographical structure of investments as of 31 December 2022	Domestic				Foreign – EU countries				Foreign – other countries				Total			
	Purchase price	Fair value	Net carrying amount	Impairment loss	Purchase price	Fair value	Net carrying amount	Impairment loss	Purchase price	Fair value	Net carrying amount	Impairment loss	Purchase price	Fair value	Net carrying amount	Impairment loss
I. Real property ¹⁾	704,527	463,326	282,935	138,950	-	-	-	-	-	-	-	-	704,527	463,326	282,935	138,950
II. Investments in related parties ²⁾	11,170,335	18,736,026	13,288,112	800,886	1,123,850	1,103,590	1,263,766	-	204,067	63,386	39,169	-	12,498,252	19,903,002	14,591,047	800,886
III. Other financial investments	17,661,060	18,767,643	20,757,586	18,828	1,535,603	1,617,658	1,620,227	-	2,707,441	2,912,991	2,912,991	-	21,904,104	23,298,292	25,290,804	18,828
1. Shares, stocks and other variable income debt securities	775,481	910,086	910,086	18,803	-	-	-	-	-	-	-	-	775,481	910,086	910,086	18,803
– measured at fair value	762,966	910,071	910,071	6,303	-	-	-	-	-	-	-	-	762,966	910,071	910,071	6,303
– valued at cost	12,515	15	15	12,500	-	-	-	-	-	-	-	-	12,515	15	15	12,500
2. Participation units and investment certificates of mutual funds	5,133,710	8,292,114	8,292,114	25	190,923	277,085	277,085	-	378,037	583,715	583,715	-	5,702,670	9,152,914	9,152,914	25
3. Debt securities and other fixed-income securities	10,470,407	8,233,852	10,213,151	-	1,116,214	1,091,469	1,091,469	-	2,329,404	2,329,276	2,329,276	-	13,916,025	11,654,597	13,633,896	-
– measured at fair value	2,641,024	2,228,985	2,228,985	-	1,116,214	1,091,469	1,091,469	-	2,329,404	2,329,276	2,329,276	-	6,086,642	5,649,730	5,649,730	-
– valued at adjusted cost or acquisition cost	7,829,383	6,004,867	7,984,166	-	-	-	-	-	-	-	-	-	7,829,383	6,004,867	7,984,166	-
4. Participations in joint ventures of investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Mortgage-backed loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Other loans	1,246,576	1,240,945	1,251,589	-	228,466	226,728	229,297	-	-	-	-	-	1,475,042	1,467,673	1,480,886	-
7. Term deposits with credit institutions	34,886	34,864	34,864	-	-	-	-	-	-	-	-	-	34,886	34,864	34,864	-
8. Other investments	-	55,782	55,782	-	-	22,376	22,376	-	-	-	-	-	-	78,158	78,158	-
IV. Deposits with ceding enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	29,535,922	37,966,995	34,328,633	958,664	2,659,453	2,721,248	2,883,993	-	2,911,508	2,976,377	2,952,160	-	35,106,883	43,664,620	40,164,786	958,664

¹⁾ The presented fair value of real property results from valuation measurements carried out in 2018 and 2022, based primarily on the application of the income approach.

²⁾ In the case of entities measured by the equity method, the presented fair value of investments in subsidiaries was applied at the level of the amount of net assets of these entities attributable to PZU as of the balance sheet date, plus the unamortized, as of the balance sheet date, portion of goodwill, taking into account impairment losses (except for Alior Bank and Bank Pekao, for which the stock market valuation was presented, and except for insurance entities subject to the Solvency II regime, for which the excess of assets over liabilities according to the Solvency II regime was applied). Possible regular estimates of the fair value of investments in subordinated entities, which would be performed solely for the purposes of PZU's standalone financial reporting, are not performed mainly because of the potential significant and recurring costs of such activities and the large margin of discretion and possible error that the results would be subject to.

Structure of investments as of 31 December 2022	Domestic – net carrying amount	Foreign – EU countries – net carrying amount	Foreign – other countries – net carrying amount	Total
I. Real property	282,935	-	-	282,935
II. Investments in subordinate entities	13,288,112	1,263,766	39,169	14,591,047
– with unlimited transferability, listed on a regulated market	7,314,572	-	-	7,314,572
– with unlimited transferability, not listed on a regulated market	5,973,540	1,263,766	39,169	7,276,475
– limited transferability	-	-	-	-
III. Other financial investments	20,757,586	1,620,227	2,912,991	25,290,804
1. Shares, stocks and other variable income debt securities	910,086	-	-	910,086
– with unlimited transferability, listed on a regulated market	910,049	-	-	910,049
– with unlimited transferability, not listed on a regulated market	37	-	-	37
– limited transferability	-	-	-	-
2. Participation units and investment certificates of mutual funds	8,292,114	277,085	583,715	9,152,914
– with unlimited transferability, listed on a regulated market	-	-	-	-
– with unlimited transferability, not listed on a regulated market	8,292,114	277,085	583,715	9,152,914
– limited transferability	-	-	-	-
3. Debt securities and other fixed-income securities	10,213,151	1,091,469	2,329,276	13,633,896
– with unlimited transferability, listed on a regulated market	10,213,151	1,091,469	2,329,276	13,633,896
– with unlimited transferability, not listed on a regulated market	-	-	-	-
– limited transferability	-	-	-	-
4. Participations in joint ventures of investment	-	-	-	-
– with unlimited transferability, listed on a regulated market	-	-	-	-
– with unlimited transferability, not listed on a regulated market	-	-	-	-
– limited transferability	-	-	-	-
5. Mortgage-backed loans	-	-	-	-
6. Other loans	1,251,589	229,297	-	1,480,886
7. Term deposits with credit institutions	34,864	-	-	34,864
8. Other investments	55,782	22,376	-	78,158
– with unlimited transferability, listed on a regulated market	-	-	-	-
– with unlimited transferability, not listed on a regulated market	55,782	22,376	-	78,158
– limited transferability	-	-	-	-
IV. Deposits with ceding enterprises	-	-	-	-
Total	34,328,633	2,883,993	2,952,160	40,164,786

2.2 Movement in financial instruments by portfolio

Movement in financial instruments by portfolio for the year ended 31 December 2023	Beginning of the period	Increases, including:		Reductions, including:		End of the period
		Acquisition	Increase in value	Sale or buyout	Decline in value	
a) financial assets held for trading, including:	78,158	1,060,463	164,149	61,518	301	1,240,951
Shares, stocks and other variable income securities and participation units and investment certificates in mutual funds	-	-	-	-	-	-
Debt securities and other fixed-income securities	-	1,060,463	14,759	-	297	1,074,925
Other investments	78,158	-	149,390	61,518	4	166,026
b) financial liabilities held for trading	318,419	-	7,210	293,200	31,484	945
c) loans granted and own receivables, including:	1,645,438	148,883,565	10,132	148,137,579	4,054	2,397,502
Debt securities and other fixed-income securities	129,688	1,132,497	4,152	1,036,312	7	230,018
Mortgage-backed loans	-	-	-	-	-	-
Other loans	1,480,886	141,250,230	5,921	140,578,945	4,047	2,154,045
Term deposits with credit institutions	34,864	6,500,838	59	6,522,322	-	13,439
d) financial assets held to maturity, including:	7,854,477	2,101,895	152,885	2,380,520	10,369	7,718,368
Debt securities and other fixed-income securities	7,854,477	2,101,895	152,885	2,380,520	10,369	7,718,368
e) available-for-sale financial assets, including:	15,712,731	1,932,423	1,339,507	1,639,250	481,073	16,864,338
Shares, stocks and other variable income securities and participation units and investment certificates in mutual funds	10,063,000	209,369	783,045	693,965	115,289	10,246,160
Debt securities and other fixed-income securities	5,649,731	1,723,054	556,462	945,285	365,784	6,618,178
Total assets in other entities	25,290,804	153,978,346	1,666,673	152,218,867	495,797	28,221,159
Investments in related parties	14,118,751	26,550	3,606,971	2,656	172,129	17,577,487
Loans granted to subordinate entities	298,890	-	14,017	6,722	1,947	304,238
Other investments in subordinate entities	173,406	21,140,835	49	21,068,736	-	245,554
Total assets in subordinate entities	14,591,047	21,167,385	3,621,037	21,078,114	174,076	18,127,279
Total liabilities	318,419	-	7,210	293,200	31,484	945

Movement in financial instruments by portfolio for the year ended 31 December 2022	Beginning of the period	Increases, including:		Reductions, including:		End of the period
		Acquisition	Increase in value	Sale or buyout	Decline in value	
a) financial assets held for trading, including:	13,499	-	78,158	13,421	78	78,158
Shares, stocks and other variable income securities and participation units and investment certificates in mutual funds	-	-	-	-	-	-
Debt securities and other fixed-income securities	-	-	-	-	-	-
Other investments	13,499	-	78,158	13,421	78	78,158
b) financial liabilities held for trading	434,098	-	67,539	152,887	30,331	318,419
c) loans granted and own receivables, including:	948,307	71,941,554	10,891	71,253,567	1,747	1,645,438
Debt securities and other fixed-income securities	126,675	-	3,816	778	25	129,688
Mortgage-backed loans	-	-	-	-	-	-
Other loans	816,154	68,376,350	7,072	67,716,993	1,697	1,480,886
Term deposits with credit institutions	5,478	3,565,204	3	3,535,796	25	34,864
d) financial assets held to maturity, including:	7,921,115	1,370,585	194,027	1,621,389	9,861	7,854,477
Debt securities and other fixed-income securities	7,921,115	1,370,585	194,027	1,621,389	9,861	7,854,477
e) available-for-sale financial assets, including:	15,428,731	3,539,874	969,834	3,277,028	948,680	15,712,731
Shares, stocks and other variable income securities and participation units and investment certificates in mutual funds	8,510,203	988,058	727,297	44,550	118,008	10,063,000
Debt securities and other fixed-income securities	6,918,528	2,551,816	242,537	3,232,478	830,672	5,649,731
Total assets in other entities	24,311,652	76,852,013	1,252,910	76,165,405	960,366	25,290,804
Investments in related parties	13,961,463	407,573	440,947	99,687	591,545	14,118,751
Loans granted to subordinate entities	536,288	42,140	9,570	289,108	-	298,890
Other investments in subordinate entities	143,831	17,472,350	25	17,442,800	-	173,406
Total assets in subordinate entities	14,641,582	17,922,063	450,542	17,831,595	591,545	14,591,047
Total liabilities	434,098	-	67,539	152,887	30,331	318,419

2.3 Investments in real properties

Investments in real properties (by group)	31 December 2023	31 December 2022
a) own land	19,184	17,084
– at purchase price	23,543	22,535
– at current value	77,716	54,959
b) the right of perpetual usufruct of land	-	47
c) buildings and structures	257,491	263,609
– at purchase price	652,363	654,266
– at current value	114,435	286,930
d) cooperative ownership right to the premises	1,976	2,088
e) construction investments	1,090	107
f) advances for construction projects	-	-
Investments in real properties (by group), total	279,741	282,935

Movement in investment in real properties	1 January – 31 December 2023	1 January – 31 December 2022
a) gross value at the beginning of the period	704,527	709,227
b) increases (by virtue of)	2,318	801
– investments	-	-
– from direct purchases	2,318	801
– other	-	-
c) reductions (by virtue of)	2,337	5,501
– liquidation	-	-
– sale	2,337	5,501
– donations	-	-
– other	-	-
d) gross value at the end of the period	704,508	704,527
e) accumulated amortization at the beginning of the period	282,642	273,314
f) amortization for the period (by virtue of)	11,073	9,328
– current year amortization charges	12,502	12,484
– amortization of liquidated fixed assets	-	-
– amortization of fixed assets sold	(1,429)	(3,156)
– amortization of donated fixed assets	-	-
– other	-	-
g) accumulated amortization at the end of the period	293,715	282,642
h) impairment losses at the beginning of the period	138,950	138,585
– increases	4,853	1,236
– reductions	12,751	871
i) impairment losses at the end of the period	131,052	138,950
j) net value at the end of the period	279,741	282,935

Movement in real property value for the year ended 31 December 2023 (by type groups)	Lands and the right of perpetual usufruct of land	Buildings and structures, premises	Rights to residential and commercial premises	Construction investments	Advances for construction projects	Real property, total
a) gross value at the beginning of the period	44,943	654,266	5,211	107	-	704,527
b) increases (by virtue of)	1,196	139	-	983	-	2,318
– investments	-	-	-	-	-	-
– from direct purchases	1,196	139	-	983	-	2,318
– transfers	-	-	-	-	-	-
c) reductions (by virtue of)	295	2,042	-	-	-	2,337
– liquidation	-	-	-	-	-	-
– sale	295	2,042	-	-	-	2,337
– donations	-	-	-	-	-	-
d) gross value at the end of the period	45,844	652,363	5,211	1,090	-	704,508
e) accumulated amortization at the beginning of the period	22,361	257,158	3,123	-	-	282,642
f) amortization for the period (by virtue of)	(61)	11,022	112	-	-	11,073
– current year amortization charges	47	12,343	112	-	-	12,502
– amortization of liquidated properties	-	-	-	-	-	-
– amortization of real property sold	(108)	(1,321)	-	-	-	(1,429)
– amortization of donated properties	-	-	-	-	-	-
– other	-	-	-	-	-	-
g) accumulated amortization at the end of the period	22,300	268,180	3,235	-	-	293,715
h) impairment losses at the beginning of the period	5,451	133,499	-	-	-	138,950
– increases	-	4,853	-	-	-	4,853
– reductions	1,091	11,660	-	-	-	12,751
i) impairment losses at the end of the period	4,360	126,692	-	-	-	131,052
j) net value at the end of the period	19,184	257,491	1,976	1,090	-	279,741

Movement in real property value for the year ended 31 December 2022 (by type groups)	Lands and the right of perpetual usufruct of land	Buildings and structures, premises	Rights to residential and commercial premises	Construction investments	Advances for construction projects	Real property, total
a) gross value at the beginning of the period	45,125	657,590	5,298	1,214	-	709,227
b) increases (by virtue of)	-	1,908	-	(1,107)	-	801
– investments	-	-	-	-	-	-
– from direct purchases	-	801	-	-	-	801
– other	-	1,107	-	(1,107)	-	-
c) reductions (by virtue of)	182	5,232	87	-	-	5,501
– liquidation	-	-	-	-	-	-
– sale	182	5,232	87	-	-	5,501
– donations	-	-	-	-	-	-
– other	-	-	-	-	-	-
d) gross value at the end of the period	44,943	654,266	5,211	107	-	704,527
e) accumulated amortization at the beginning of the period	22,347	247,892	3,075	-	-	273,314
f) amortization for the period (by virtue of)	14	9,266	48	-	-	9,328
– current year amortization charges	63	12,310	111	-	-	12,484
– amortization of liquidated properties	-	-	-	-	-	-
– amortization of real property sold	(49)	(3,044)	(63)	-	-	(3,156)
– amortization of donated properties	-	-	-	-	-	-
– other	-	-	-	-	-	-
g) accumulated amortization at the end of the period	22,361	257,158	3,123	-	-	282,642
h) impairment losses at the beginning of the period	5,451	133,134	-	-	-	138,585
– increases	-	1,236	-	-	-	1,236
– reductions	-	871	-	-	-	871
i) impairment losses at the end of the period	5,451	133,499	-	-	-	138,950
j) net value at the end of the period	17,131	263,609	2,088	107	-	282,935

Real property (by use)	31 December 2023	31 December 2022
a) real property for own activities	154,402	273,302
b) other real property	125,339	9,633
Real property (by use), total	279,741	282,935

Investments in real properties	31 December 2023	31 December 2022
a) short-term	5,054	5,933
b) long-term	274,687	277,002
Investments in real property, total	279,741	282,935

Investments in real property (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	279,741	282,935
b) in EUR or another currency (by currency and after conversion to PLN)	-	-
Investments in real property, total	279,741	282,935

Investments in real properties	31 December 2023	31 December 2022
Value of land in perpetual usufruct not used for own purposes	-	-
Total value of land in perpetual usufruct not used for own purposes	-	-

2.4 Investments in subordinate entities

Investments in subordinate entities (carrying amount)	31 December 2023	31 December 2022
a) shares in subsidiaries, including:	17,569,516	14,114,716
– long-term investments	17,569,516	14,114,716
b) shares in joint ventures, including:	-	-
– long-term investments	-	-
c) shares in related parties, including:	7,971	4,035
– long-term investments	7,971	4,035
d) loans granted to subsidiaries, including:	304,238	298,890
– long-term investments	304,238	298,890
e) loans granted to joint ventures, including:	-	-
– long-term investments	-	-
e) loans granted to related parties, including:	-	-
– long-term investments	-	-
g) debt securities of subsidiaries, including:	-	-
– long-term investments	-	-
h) debt securities of joint ventures, including:	-	-
– long-term investments	-	-
h) debt securities of related parties, including:	-	-
– long-term investments	-	-
j) other investments (by type), including:	245,554	173,406
– long-term investments	-	-
Investments in subordinate entities, total	18,127,279	14,591,047

Investments in subordinate entities accounted for using the equity method	31 December 2023	31 December 2022
a) shares, including:	17,577,487	14,118,751
– in subsidiaries	17,569,516	14,114,715
– in joint ventures	-	-
– in related parties	7,971	4,035
b) loans granted, including:	304,238	298,890
– to subsidiaries	304,238	298,890
– to joint ventures	-	-
– for related parties	-	-
c) debt securities, including:	-	-
– of subsidiaries	-	-
– of joint ventures	-	-
– of related parties	-	-
d) other, (by type), including:	245,554	173,406
d1) term deposits, including:	245,554	173,406
– in subsidiaries	245,554	173,406
– in joint ventures	-	-
– in related parties	-	-
d2) derivatives, including:	-	-
– in subsidiaries	-	-
– in joint ventures	-	-
– in related parties	-	-
d3) other, including:	-	-
– in subsidiaries	-	-
– in joint ventures	-	-
– in related parties	-	-
Investments in related parties measured by the equity method, total	18,127,279	14,591,047
Investments in related parties measured by the equity method, including:	31 December 2023	31 December 2022
a) goodwill of subordinate entities	1,221,595	1,369,866
– of subsidiaries	1,221,595	1,369,866
– of joint ventures	-	-
– of related parties	-	-
a) negative goodwill of subordinate entities	-	-
– of subsidiaries	-	-
– of joint ventures	-	-
– of related parties	-	-

Movement in goodwill – subsidiaries	1 January – 31 December 2023	1 January – 31 December 2022
a) gross goodwill at the beginning of the period, including:	3,586,945	3,586,945
– UAB PZU Lietuva Gyvybes Draudimas	81	81
– PrJSC IC PZU Ukraine	4,361	4,361
– PrJSC IC PZU Ukraine Life Insurance	1,595	1,595
– Lietuvos Draudimas AB	436,809	436,809
– Link4	221,377	221,377
– Bank Pekao	1,757,491	1,757,491
– AAS Balta	89,559	89,559
– Alior Bank	1,075,672	1,075,672
b) increases (by virtue of)	-	-
c) reductions (by virtue of)	-	-
d) gross goodwill at the end of the period	3,586,945	3,586,945
– UAB PZU Lietuva Gyvybes Draudimas	81	81
– PrJSC IC PZU Ukraine	4,361	4,361
– PrJSC IC PZU Ukraine Life Insurance	1,595	1,595
– Lietuvos Draudimas AB	436,809	436,809
– Link4	221,377	221,377
– Bank Pekao	1,757,491	1,757,491
– AAS Balta	89,559	89,559
– Alior Bank	1,075,672	1,075,672
e) impairment charge of goodwill at the beginning of the period	2,217,079	2,096,068
– UAB PZU Lietuva Gyvybes Draudimas	81	81
– PrJSC IC PZU Ukraine	4,361	4,361
– PrJSC IC PZU Ukraine Life Insurance	1,595	1,595
– Lietuvos Draudimas AB	158,086	123,472
– Link4	122,986	108,227
– Bank Pekao	809,362	743,595
– AAS Balta	44,936	39,065
– Alior Bank	1,075,672	1,075,672
e) impairment charge of goodwill for the period	148,271	121,011
– Lietuvos Draudimas AB	58,127	34,614
– Link4	14,759	14,759
– Bank Pekao	65,767	65,767
– AAS Balta	9,618	5,871
– Alior Bank	-	-
g) impairment charge for goodwill for the period	-	-
e) impairment charge of goodwill at the end of the period	2,365,350	2,217,079
– UAB PZU Lietuva Gyvybes Draudimas	81	81
– PrJSC IC PZU Ukraine	4,361	4,361
– PrJSC IC PZU Ukraine Life Insurance	1,595	1,595
– Lietuvos Draudimas AB	216,213	158,086
– Link4	137,745	122,986
– Bank Pekao	875,129	809,362
– AAS Balta	54,554	44,936
– Alior Bank	1,075,672	1,075,672
i) net goodwill at the end of the period	1,221,595	1,369,866
– Lietuvos Draudimas AB	220,596	278,723
– Link4	83,632	98,391
– Bank Pekao	882,362	948,129
– AAS Balta	35,005	44,623
– Alior Bank	-	-

Conversion differences and amortization are reported as changes in the impairment charge of goodwill.

Movement in goodwill – related parties	1 January – 31 December 2023	1 January – 31 December 2022
a) gross goodwill at the beginning of the period, including:	26,908	26,908
b) increases	-	-
c) reductions	-	-
d) gross goodwill at the end of the period	26,908	26,908
– RUCH SA	26,908	26,908
e) impairment charge of goodwill at the beginning of the period	26,908	5,382
– RUCH SA	26,908	5,382
f) impairment charge of goodwill for the period	-	21,526
– RUCH SA	-	21,526
g) impairment charge for goodwill for the period	-	-
h) impairment charge of goodwill at the end of the period	26,908	26,908
– RUCH SA	26,908	26,908
i) net goodwill at the end of the period	-	-
– RUCH SA	-	-

Amortization period of goodwill	In years	End date of amortization
Lietuvos Draudimas AB	15	Wednesday, October 31, 2029
Link4	15	Friday, August 31, 2029
Bank Pekao	20	Sunday, May 31, 2037
AAS Balta	15	Saturday, June 30, 2029

2.4.1. Impairment tests of interests in subordinate entities and impairment charges of goodwill and trademark

Goodwill impairment tests prepared as at 31 December 2023 for all significant subordinated entities measured by the equity method wherein goodwill is part of the measurement.

The recoverable amount is the higher of the fair value less costs of disposal or the value in use. As at 31 December 2023, the recoverable amount was based on the value in use that was estimated at the discount rates and growth rates after the forecast period given in the table below.

Subordinated entity	31 December 2023			31 December 2022		
	Discount rate	Growth rate after the projection period	Timeframe of financial projections	Discount rate	Growth rate after the projection period	Timeframe of financial projections
Bank Pekao	10.3%	3.5%	3 years	12.9%	3.5%	6 years
Lietuvos Draudimas AB	8.4%	3.0%	3 years	8.6%	3.0%	3 years
Link4	10.1%	2.5%	3 years	11.7%	2.5%	3 years
AAS Balta	8.5%	3.0%	3 years	8.8%	3.0%	3 years

Goodwill impairment tests prepared as at 31 December 2023 for all subordinated entities measured by the equity method wherein goodwill is part of the measurement did not show that there was a need for impairment loss on goodwill.

Movement in investments in subordinate entities (by type)	1 January – 31 December 2023	1 January – 31 December 2022
a) beginning of the period	14,591,047	14,641,582
– interests and shares in subordinate entities	14,118,751	13,961,463
– loans granted	298,890	536,288
– other	173,406	143,831
b) increases (by virtue of)	24,788,422	18,372,605
– acquisition	21,167,385	17,922,063
– revaluation adjustments	3,621,037	450,542
– other	-	-
c) reductions (by virtue of)	21,252,190	18,423,140
– sale or redemption	21,078,114	17,831,595
– revaluation adjustments	174,076	591,545
– other	-	-
d) end of the period	18,127,279	14,591,047
– interests and shares in subordinate entities	17,577,487	14,118,751
– loans granted	304,238	298,890
– other	245,554	173,406

Shares and securities in subordinate entities	31 December 2023	31 December 2022
a) admitted to trading on the regulated market	9,746,716	7,314,572
b) not admitted to trading on the regulated market	7,830,771	6,804,179
Shares and securities in subordinate entities, total	17,577,487	14,118,751

Shares, stocks and other financial instruments in subordinate entities (long-term deposits) – by transferability	31 December 2023	31 December 2022
A. With unlimited transferability, listed on a regulated market (carrying amount)	9,746,716	7,314,572
a) shares (carrying amount):	9,746,716	7,314,572
– revaluation adjustments (for the period)	2,432,144	(175,932)
– value at the beginning of the period	7,314,572	7,490,504
– value at purchase price	8,752,306	8,752,306
b) bonds (carrying amount):	-	-
– revaluation adjustments (for the period)	-	-
– value at the beginning of the period	-	-
– value at purchase price	-	-
c) other – by type group (carrying amount):	-	-
– revaluation adjustments (for the period)	-	-
– value at the beginning of the period	-	-
– value at purchase price	-	-
A. With unlimited transferability, not listed on a regulated market (carrying amount)	8,135,009	7,103,069
a) shares (carrying amount):	7,108,788	6,165,789
– revaluation adjustments (for the period)	942,999	316,297
– value at the beginning of the period	6,165,789	5,849,492
– value at purchase price	2,701,561	2,700,194
b) bonds (carrying amount):	-	-
– revaluation adjustments (for the period)	-	-
– value at the beginning of the period	-	-
– value at purchase price	-	-
c) other – by type group (carrying amount):	1,026,221	937,280
Interest in subordinate entities (carrying amount)	721,983	638,390
– revaluation adjustments (for the period)	83,593	16,923
– value at the beginning of the period	638,390	621,467
– value at purchase price	587,530	587,530
loans granted (carrying amount)	304,238	298,890
– revaluation adjustments (for the period)	5,348	(237,398)

Shares, stocks and other financial instruments in subordinate entities (long-term deposits) – by transferability	31 December 2023	31 December 2022
– value at the beginning of the period	298,890	536,288
– value at purchase price	282,647	284,843
other investments (carrying amount)	–	–
– revaluation adjustments (for the period)	–	–
– value at the beginning of the period	–	–
– value at purchase price	–	–
C. With limited transferability (carrying amount)	–	–
a) interest or shares (carrying amount)	–	–
– revaluation adjustments (for the period)	–	–
– value at the beginning of the period	–	–
– value at purchase price	–	–
b) bonds (carrying amount):	–	–
– revaluation adjustments (for the period)	–	–
– value at the beginning of the period	–	–
– value at purchase price	–	–
c) other – by type group (carrying amount):	–	–
– revaluation adjustments (for the period)	–	–
– value at the beginning of the period	–	–
– value at purchase price	–	–
Value at purchase price, total	12,324,044	12,324,873
Value at the beginning of the period, total	14,417,641	14,497,751
Revaluation adjustments (for the period), total	3,464,084	(80,110)
Carrying amount, total	17,881,725	14,417,641

Shares, stocks and other financial instruments in subordinate entities (short-term investments) – by transferability	31 December 2023	31 December 2022
A. With unlimited transferability, listed on a regulated market (carrying amount)	–	–
a) shares (carrying amount):	–	–
– fair value	–	–
– market value	–	–
– value at purchase price	–	–
b) bonds (carrying amount):	–	–
– fair value	–	–
– market value	–	–
– value at purchase price	–	–
c) other – by type group (carrying amount):	–	–
– fair value	–	–
– market value	–	–
– value at purchase price	–	–
A. With unlimited transferability, not listed on a regulated market (carrying amount)	–	–
a) shares (carrying amount):	–	–
– fair value	–	–
– market value	–	–
– value at purchase price	29,000	–
b) bonds (carrying amount):	–	–
– fair value	–	–
– market value	–	–
– value at purchase price	–	–
c) other – by type group (carrying amount):	–	–
– fair value	–	–
– market value	–	–
– value at purchase price	–	–
C. With limited transferability (carrying amount)	245,554	173,406
a) interest or shares (carrying amount)	–	–

Shares, stocks and other financial instruments in subordinate entities (short-term investments) – by transferability	31 December 2023	31 December 2022
– fair value	–	–
– market value	–	–
– value at purchase price	–	–
b) bonds (carrying amount):	–	–
– fair value	–	–
– market value	–	–
– value at purchase price	–	–
c) other – other investments (carrying amount):	245,554	173,406
c1) loans granted (carrying amount):	–	–
– fair value	–	–
– market value	–	–
– value at purchase price	–	–
c2) term deposits (carrying amount):	245,554	173,406
– fair value	245,554	173,406
– market value	245,554	173,406
– value at purchase price	245,450	173,380
c3) derivatives (carrying amount):	–	–
– fair value	–	–
– market value	–	–
– value at purchase price	–	–
Value at purchase price, total	274,450	173,380
Value at the beginning of the period, total	173,406	143,831
Revaluation adjustments (for the period), total	72,148	29,575
Carrying amount, total	245,554	173,406

2.4.2. Loans to subsidiaries

Loan – PZU Zdrowie SA

on 23 March 2015, a loan agreement was concluded between PZU and PZU Zdrowie SA for an amount not exceeding PLN 200,000 thousand. Repayment is to be in 120 equal installments, no later than by 31 December 2030. on 23 April 2018, Amendment No. 1 to the Loan Agreement was executed, which introduced its interest rate at WIBOR 6M without a margin. By Annex No. 2 dated 1 August 2018, the possible amount of the loan was increased to PLN 295,000 thousand. The entire increased loan amount was disbursed in tranches between 2015 and 2018.

on 1 July 2019, another loan agreement was concluded between PZU and PZU Zdrowie SA for an amount not exceeding PLN 95,000 thousand. Repayment of accrued interest and loan tranches will be made in one go on 30 May 2024. The interest rate on the loan is based on WIBOR 12M plus a margin. The first tranche of the loan in the amount of PLN 30,000 thousand was disbursed on 6 December 2019. The second tranche of the loan in the amount of PLN 45,000 thousand was disbursed on 13 May 2020, and the third in the amount of PLN 20,000 thousand on 18 December 2020.

On 30 June 2022, PZU entered into an agreement with PZU Zdrowie SA to acquire:

- 727,273 new Class E registered common shares, with a nominal value of PLN 10.00 each, at a price of PLN 110 per share, for PLN 80,000 thousand;
- 2,696,091 new Class F registered common shares, with a nominal value of PLN 10.00 each, at a price of PLN 110 per share, for PLN 296,570 thousand.

The amount of PLN 80,000 thousand was paid, while the amount of PLN 296,570 thousand was covered as a result of contractual set-off from the receivable owed by PZU Zdrowie SA to PZU under the loan agreements of 23 March 2015 and 1 July 2019. The shares were registered with the National Court Register on 9 August 2022.

After the loan conversion, PZU owns 80% of PZU Zdrowie SA shares.

The carrying amount of the loans with accrued interest as of 31 December 2023 was PLN 130,166 thousand (as of 31 December 2022: PLN 122,913 thousand).

Loan to TUW PZUW

on 9 November 2016, PZU and Towarzystwo Ubezpieczeń Wzajemnych Polski Zakład Ubezpieczeń Wzajemnych (“TUW PZUW”) entered into a subordinated loan agreement in the amount of PLN 80,000 thousand, with a repayment date of 4 January 2027, and an interest rate on market terms (WIBOR 6M plus a margin). The value of the loan with accrued interest as of 31 December 2023 was PLN 80,040 thousand (as of 31 December 2022: PLN 80,025 thousand).

Loan to Link4

On 16 September 2019, PZU and Link 4 Towarzystwo Ubezpieczeń SA (“Link4”) entered into a loan agreement in the amount of PLN 20,000 thousand, with a repayment date of 19 September 2029, and an interest rate on market terms (WIBOR 6M plus a margin). On 31 March 2022, Link4 took out another tranche of the loan in the amount of PLN 40,000 thousand, with a repayment date of 31 March 2032, and an interest rate on market terms (WIBOR 6M plus a margin). The total value of the loans of 31 December 2023 was PLN 69,867 thousand (as of 31 December 2022: PLN 65,090 thousand).

Loan to Armatura Kraków S.A.

On 19 November 2021, PZU and Armatura Kraków S.A. entered into a loan agreement in the amount of PLN 2,800 thousand, with a repayment date of 29 December 2028, and an interest rate on market terms (WIBOR 1M plus a margin). On 16 February 2022, Armatura Kraków S.A. took out another tranche of the loan in the amount of PLN 2,140 thousand, with a repayment date of 29 December 2028, and an interest rate on market terms (WIBOR 1M plus a margin). The total value of the loans of 31 December 2023 was PLN 4,118 thousand (as of 31 December 2022: PLN 4,941 thousand).

Shares/stocks in subordinate entities (long-term deposits) as of 31 December 2023 with financial data

a) Name (business name) of the entity, with indication of legal form	b) Registered office	c) The subject matter of the enterprise	d) Nature of the relation	e) The consolidation/measure by the equity method used, or indication that the entity is not subject to equity method of consolidation/measure	f) Date of assuming control/acquisition of significant influence	g) Value of shares/stocks at purchase price	h) Revaluation adjustments (total) ¹⁾	i) Carrying amount of stocks/shares	j) Percentage of share capital held directly by PZU	k) Share in the total number of votes at the general meeting	l) Other than under (j), (k) basis of control/co-control/significant influence
1. Bank Pekao SA („Bank Pekao”)	Warsaw	Conducting banking activities	dependent	valuation measurement by the equity method	6/7/2017	6,001,761	855,917	6,857,678	20.00%	20.00%	n.a.
2. Powszechny Zakład Ubezpieczeń na Życie SA („PZU Życie”)	Warsaw	Conducting life insurance business	dependent	valuation measurement by the equity method	12/18/1991	295,088	4,571,868	4,866,956	100.00%	100.00%	n.a.
3. Alior Bank SA („Alior Bank”)	Warsaw	Conducting banking activities	dependent	valuation measurement by the equity method	12/18/2015	2,750,545	138,493	2,889,038	31.91%	31.91%	n.a.
4. Lietuvos Draudimas AB	Vilnius-Lithuania	Conducting non-life insurance business	dependent	valuation measurement by the equity method	10/31/2014	807,166	138,756	945,922	100.00%	100.00%	n.a.
5. Link4 Towarzystwo Ubezpieczeń SA („Link4”)	Warsaw	Conducting non-life insurance business	dependent	valuation measurement by the equity method	9/15/2014	518,482	(245,461)	273,021	100.00%	100.00%	n.a.
6. Towarzystwo Ubezpieczeń Wzajemnych Polski Zakład Ubezpieczeń Wzajemnych (“TUW PZUW”)	Warsaw	Conducting non-life insurance business	dependent	valuation measurement by the equity method	11/20/2015	325,850	128,027	453,877	100.00%	100.00%	n.a.
7. Apdrošināšanas Akciju Sabiedrība Balta (“AAS Balta”)	Rīga-Latvia	Conducting non-life insurance business	dependent	valuation measurement by the equity method	6/30/2014	200,818	197,583	398,401	100.00%	100.00%	n.a.
8. Towarzystwo Funduszy Inwestycyjnych PZU SA („TFI PZU”)	Warsaw	Creation, representing and management of mutual funds.	dependent	valuation measurement by the equity method	9/27/2011	59,684	203,468	263,152	100.00%	100.00%	n.a.
9. Ogrodowa-Inwestycje Sp. z o.o. (“Ogrodowa Inwestycje”)	Warsaw	Business and management consulting, holding company activities	dependent	valuation measurement by the equity method	9/15/2004	142,255	912	143,167	100.00%	100.00%	n.a.
10. Tower-Inwestycje Sp. z o.o. („Tower Inwestycje”)	Warsaw	Other financial services, excluding insurance and pension funds.	indirectly dependent	valuation measurement by the equity method	8/17/1999	112,900	(6,554)	106,346	27.47%	27.47%	n.a.
11. PZU Pomoc SA	Warsaw	Provision of assistance services	dependent	valuation measurement by the equity method	3/18/2009	18,566	29,080	47,646	100.00%	100.00%	n.a.
12. PrJSC IC PZU Ukraine („PZU Ukraina”)	Kiev-Ukraine	Conducting non-life insurance business	dependent	valuation measurement by the equity method	7/1/2005	152,957	(152,957)	–	90.99%	90.99%	n.a.
13. PZU Centrum Operacji SA („PZU CO”)	Warsaw	Auxiliary activity associated with insurance and pension funds	dependent	valuation measurement by the equity method	9/27/2011	40,645	45,601	86,246	100.00%	100.00%	n.a.
14. UAB PZU Lietuva Gyvybes Draudimas	Vilnius-Lithuania	Conducting life insurance business	dependent	valuation measurement by the equity method	4/8/2004	40,235	(4,973)	35,262	99.34%	99.34%	n.a.
15. Pekao Financial Services Sp. z o.o. (“PFS”)	Warsaw	Transfer agent	indirectly subsidiary	valuation measurement by the equity method	6/4/2018	2,267	10,212	12,479	33.50%	33.50%	n.a.
16. PrJSC IC PZU Ukraine Life Insurance („PZU Ukraina Życie”)	Kiev-Ukraine	Conducting life insurance business	dependent	valuation measurement by the equity method	7/1/2005	33,512	(13,792)	19,720	53.47%	53.47%	n.a.
17. PZU Zdrowie SA (“PZU Zdrowie”)	Warsaw	Provision of medical services	dependent	valuation measurement by the equity method	9/2/2011	417,234	(285,433)	131,801	80.00%	80.00%	n.a.

a) Name (business name) of the entity, with indication of legal form	b) Registered office	c) The subject matter of the enterprise	d) Nature of the relation	e) The consolidation/measure by the equity method used, or indication that the entity is not subject to equity method of consolidation/measure	f) Date of assuming control/co-control/acquisition of significant influence	g) Value of shares/stocks at purchase price	h) Revaluation adjustments (total) ¹⁾	i) Carrying amount of stocks/shares	j) Percentage of share capital held directly by PZU	k) Share in the total number of votes at the general meeting	l) Other than under (j), (k) basis of control/co-control/significant influence
18. PZU Finance AB	Stockholm-Sweden	Financial services	dependent	valuation measurement by the equity method	6/2/2014	75,632	(73,924)	1,708	100.00%	100.00%	n.a.
19. PZU Finanse Sp. z o.o.	Warsaw	Other financial services, excluding insurance and pension funds.	dependent	valuation measurement by the equity method	10/30/2013	4,050	1,970	6,020	100.00%	100.00%	n.a.
20. PZU LAB SA	Warsaw	No business conducted by the Company	dependent	valuation measurement by the equity method	9/13/2011	1,700	1,571	3,271	100.00%	100.00%	n.a.
21. Omicron BIS SA	Warsaw	No business conducted by the Company	dependent	valuation measurement by the equity method	8/21/2014	150	(104)	46	100.00%	100.00%	n.a.
22. PZU Cash SA	Warsaw	Other monetary intermediation	dependent	valuation measurement by the equity method	9/15/2017	17,364	(17,364)	-	100.00%	100.00%	n.a.
23. Sigma BIS SA	Warsaw	Advertising activity	related	valuation measurement by the equity method	8/19/2015	4,177	3,794	7,971	34.00%	34.00%	n.a.
24. Tulare Investments Sp. z o.o.	Warsaw	No business conducted by the Company	dependent	valuation measurement by the equity method	9/15/2017	106	(23)	83	100.00%	100.00%	n.a.
25. Ipsilon Sp. z o.o.	Warsaw	Provision of assistance services and medical services	dependent	valuation measurement by the equity method	4/2/2009	102	(91)	11	100.00%	100.00%	n.a.
26. PZU Corporate Member Limited	London-UK	Investment activity	dependent	valuation measurement by the equity method	9/28/2017	1	-	1	100.00%	100.00%	n.a.
27. RUCH SA	Warsaw	Retail sale of newspapers and stationery in specialized stores	related	valuation measurement by the equity method	6/3/2020	29,000	(29,000)	-	14.50%	14.50%	n.a.
28. Armatura Kraków SA	Kraków	Production and sale of radiators and sanitary fittings and administration and management of the group	dependent	valuation measurement by the equity method	11/3/2020	18,000	9,572	27,572	100.00%	100.00%	n.a.
29. PZU Projekt 01 SA	Warsaw	No business conducted by the Company	dependent	valuation measurement by the equity method	9/1/2020	150	(58)	92	100.00%	100.00%	n.a.
Total						12,070,397	5,507,090	17,577,487			

¹⁾ Included in "Value adjustments (total)" is the revaluation resulting from the equity method valuation, including amortization of goodwill and impairment of goodwill.

a) Name (business name) of the entity, with indication of legal form	m) Equity of the entity, including:						n) Liabilities and provisions for liabilities, including:		o) Receivables of the entity:		p) Total assets of the entity	r) Sales revenue	s) Unpaid value of shares/stocks in the entity by the issuer	t) Dividends received or due from the entity for the last fiscal year	
	- share capital	- unpaid share capital (negative value)	- supplementary capital	- other equity, including:			- long-term liabilities	- short-term liabilities	- long-term	- short-term					
				- other equity	- retained earnings (losses)	- net profit (loss)									
1.	Pekao Bank ^{1) 2)}	262,470	-	9,467,785	12,404,810	1,615,000	6,580,000	34,830,203	238,650,792	116,842,000	44,411,000	305,723,000	21,675,000	-	284,518
2.	PZU Życie ²⁾	295,000	-	3,076,963	(190,862)	-	1,702,726	-	601,830	8,668	154,546	29,561,813	9,184,774	-	897,579
3.	Alior Bank ^{1) 2)}	1,305,540	-	6,027,552	(127,395)	13,768	2,030,125	3,091,207	77,481,332	45,285,337	20,295,180	90,134,134	8,616,258	-	-
4.	Lietuvos Draudimas AB ^{1) 2)}	48,537	-	10,208	(5,158)	696,194	149,773	7,809	113,091	-	18,836	2,174,422	-	-	35,923
5.	Link4 ²⁾	111,356	-	278,626	(13,564)	(152,472)	(34,155)	69,886	250,042	71,943	261,756	1,146,018	1,251,653	-	-
6.	TUW PZUW ²⁾	324,900	-	7,657	79,668	-	37,563	69	261,188	106,348	681,042	1,770,902	1,165,410	-	-
7.	AAS Balta ^{1) 2)}	34,182	-	5,488	12,719	241,276	82,575	6,692	34,027	117	15,061	908,010	-	-	22,688
8.	TFI PZU	15,013	-	164,730	0	(1,565)	86,127	271	76,599	-	96,622	341,665	262,627	-	24,009
9.	Ogrodowa Inwestycje	142,255	-	-	(0)	(891)	1,804	257	4,641	-	1,847	146,637	15,112	-	787
10.	Tower Inwestycje	411,000	-	805	1,015	(18,745)	(6,718)	-	7,033	11	7,207	396,081	-	-	-
11.	PZU Pomoc SA	4,886	-	43,271	-	326	(837)	-	19,411	-	30,295	65,869	87,433	-	-
12.	PZU Ukraina ^{1) 2)}	10,739	-	4,847	140,054	(146,416)	(16,085)	-	7,526	-	3,944	144,152	-	-	-
13.	PZU CO	500	-	65,826	(90)	1,533	18,487	11,027	58,796	-	44,872	153,541	-	-	6,000
14.	UAB PZU Lietuva Gyvybes Draudimas ^{1) 2)}	29,309	-	1,310	19,753	39,614	5,724	19,623	5,887	187	400	421,117	-	-	-
15.	PFS	6,767	-	143	23,422	-	6,917	3,986	14,367	-	8,861	56,925	76,221	-	1,793
16.	PZU Ukraina Życie ^{1) 2)}	8,961	-	6,678	12,120	4,299	18,768	-	7,189	-	4,695	218,110	-	-	-
17.	PZU Zdrowie	56,105	-	472,216	2,418	(205,857)	(80,650)	183,859	269,998	2,187	111,020	680,626	-	-	-
18.	PZU Finance AB ¹⁾	219	-	89,148	1,456	(73,858)	(313)	62,350	226	77,206	315	79,229	-	-	-
19.	PZU Finance Sp. z o.o.	50	-	1,320	4,000	167	483	156	1,835	-	994	7,864	-	-	-
20.	PZU LAB SA	260	-	1,892	-	(435)	1,460	-	1,038	-	303	4,184	-	-	-
21.	Omicron BIS SA	150	-	-	-	(91)	(12)	-	9	-	3	54	-	-	-
22.	PZU Cash SA	17,350	-	-	-	(13,282)	(5,906)	10,447	1,206	-	1,174	9,560	-	-	-
23.	Sigma BIS SA	12,284	-	-	-	(434)	11,596	3,895	149,346	-	161,750	176,687	528,429	-	-
24.	Tulare Investments Sp. z o.o.	5	-	-	95	(56)	(11)	-	11	-	3	44	-	-	-
25.	Ipsilon Sp. z o.o.	50	-	-	50	(78)	(10)	-	9	-	3	20	-	-	-
26.	PZU Corporate Member Limited ¹⁾	-	-	-	124	(5,086)	5,915	-	-	750	-	953	-	-	-
27.	RUCH SA	109,290	-	253,599	5,867	(474,812)	(59,316)	327	312,968	-	53,270	147,922	763,728	-	-
28.	Armatura Kraków SA ¹⁾	114,000	-	29,163	(463)	(115,696)	568	19,267	64,067	-	26,957	112,665	-	-	-
29.	PZU Projekt 01 SA	150	-	-	-	(41)	(17)	-	10	-	4	102	-	-	-

The above figures are shown on the basis of unaudited financial statements of companies, except for PZU Życie, Alior Bank, Bank Pekao.

¹⁾ IFRS data.

²⁾ In the case of insurance entities, gross premiums written and other technical income are presented under "sales revenue"; in the case of Alior Bank and Bank Pekao, interest income and fee and commission income are presented.

Shares/holdings in subordinate entities (long-term deposits) as of 31 December 2022 with financial data

a) Name (business name) of the entity, with indication of legal form	b) Registered office	c) The subject matter of the enterprise	d) Nature of the relation	e) The consolidation/measure by the equity method used, or indication that the entity is not subject to equity method of consolidation/measure	f) Date of assuming control/co-control/acquisition of significant influence	g) Value of shares/stocks at purchase price	h) Revaluation adjustments (total) ¹⁾	i) Carrying amount of stocks/shares	j) Percentage of share capital held directly by PZU	k) Share in the total number of votes at the general meeting	l) Other than under (j), (k) basis of control/co-control/significant influence
1. Bank Pekao SA („Bank Pekao”)	Warsaw	Conducting banking activities	dependent	valuation measurement by the equity method	6/7/2017	6,001,761	(589,443)	5,412,318	20.00%	20.00%	n.a.
2. Powszechny Zakład Ubezpieczeń na Życie SA („PZU Życie”)	Warsaw	Conducting life insurance business	dependent	valuation measurement by the equity method	12/18/1991	295,088	3,688,671	3,983,759	100.00%	100.00%	n.a.
3. Alior Bank SA (“Alior Bank”)	Warsaw	Conducting banking activities	dependent	valuation measurement by the equity method	12/18/2015	2,750,545	(848,291)	1,902,254	31.91%	31.91%	n.a.
4. Lietuvos Draudimas AB	Vilnius-Lithuania	Conducting non-life insurance business	dependent	valuation measurement by the equity method	10/31/2014	807,166	81,224	888,390	100.00%	100.00%	n.a.
5. Link4 Towarzystwo Ubezpieczeń SA („Link4”)	Warsaw	Conducting non-life insurance business	dependent	valuation measurement by the equity method	9/15/2014	518,482	(218,188)	300,294	100.00%	100.00%	n.a.
6. Towarzystwo Ubezpieczeń Wzajemnych Polski Zakład Ubezpieczeń Wzajemnych (“TUW PZUW”)	Warsaw	Conducting non-life insurance business	dependent	valuation measurement by the equity method	11/20/2015	325,850	48,925	374,775	100.00%	100.00%	n.a.
7. Apdrošināšanas Akciju Sabiedrība Balta (“AAS Balta”)	Riga-Latvia	Conducting non-life insurance business	dependent	valuation measurement by the equity method	6/30/2014	200,818	135,064	335,882	100.00%	100.00%	n.a.
8. Towarzystwo Funduszy Inwestycyjnych PZU SA („TFI PZU”)	Warsaw	Creation, representing and management of mutual funds.	dependent	valuation measurement by the equity method	9/27/2011	59,684	142,164	201,848	100.00%	100.00%	n.a.
9. Ogrodowa-Inwestycje Sp. z o.o. (“Ogrodowa Inwestycje”)	Warsaw	Business and management consulting, holding company activities	dependent	valuation measurement by the equity method	9/15/2004	142,255	(104)	142,151	100.00%	100.00%	n.a.
10. Tower-Inwestycje Sp. z o.o. („Tower Inwestycje”)	Warsaw	Other financial services, excluding insurance and pension funds.	indirectly dependent	valuation measurement by the equity method	8/17/1999	112,900	(9,225)	103,675	27.47%	27.47%	n.a.
11. PZU Pomoc SA	Warsaw	Provision of assistance services	dependent	valuation measurement by the equity method	3/18/2009	18,566	29,917	48,483	100.00%	100.00%	n.a.
12. PrJSC IC PZU Ukraine („PZU Ukraina”)	Kiev-Ukraine	Conducting non-life insurance business	dependent	valuation measurement by the equity method	7/1/2005	150,067	(150,067)	-	90.99%	90.99%	n.a.
13. PZU Centrum Operacji SA („PZU CO”)	Warsaw	Auxiliary activity associated with insurance and pension funds	dependent	valuation measurement by the equity method	9/27/2011	40,645	33,264	73,909	100.00%	100.00%	n.a.
14. UAB PZU Lietuva Gyvybes Draudimas	Vilnius-Lithuania	Conducting life insurance business	dependent	valuation measurement by the equity method	4/8/2004	40,235	(2,982)	37,253	99.34%	99.34%	n.a.
15. Pekao Financial Services Sp. z o.o. (“PFS”)	Warsaw	Transfer agent	indirectly subsidiary	valuation measurement by the equity method	6/4/2018	2,267	9,869	12,136	33.50%	33.50%	n.a.
16. PrJSC IC PZU Ukraine Life Insurance („PZU Ukraina Życie”)	Kiev-Ukraine	Conducting life insurance business	dependent	valuation measurement by the equity method	7/1/2005	32,584	(19,337)	13,247	53.47%	53.47%	n.a.
17. PZU Zdrowie SA (“PZU Zdrowie”)	Warsaw	Provision of medical services	dependent	valuation measurement by the equity method	9/2/2011	417,234	(149,884)	267,350	80.00%	80.00%	n.a.

a) Name (business name) of the entity, with indication of legal form	b) Registered office	c) The subject matter of the enterprise	d) Nature of the relation	e) The consolidation/measure by the equity method used, or indication that the entity is not subject to equity method of consolidation/measure	f) Date of assuming control/co-control/acquisition of significant influence	g) Value of shares/stocks at purchase price	h) Revaluation adjustments (total) ¹⁾	i) Carrying amount of stocks/shares	j) Percentage of share capital held directly by PZU	k) Share in the total number of votes at the general meeting	l) Other than under (j), (k) basis of control/co-control/significant influence
18. PZU Finance AB	Stockholm-Sweden	Financial services	dependent	valuation measurement by the equity method	6/2/2014	75,632	(73,390)	2,242	100.00%	100.00%	n.a.
19. PZU Finanse Sp. z o.o.	Warsaw	Other financial services, excluding insurance and pension funds.	dependent	valuation measurement by the equity method	10/30/2013	4,050	1,487	5,537	100.00%	100.00%	n.a.
20. PZU LAB SA	Warsaw	No business conducted by the Company	dependent	valuation measurement by the equity method	9/13/2011	1,700	17	1,717	100.00%	100.00%	n.a.
21. Omicron BIS SA	Warsaw	No business conducted by the Company	dependent	valuation measurement by the equity method	8/21/2014	150	(91)	59	100.00%	100.00%	n.a.
22. PZU Cash SA	Warsaw	Other monetary intermediation	dependent	valuation measurement by the equity method	9/15/2017	8,815	(8,815)	-	100.00%	100.00%	n.a.
23. Sigma BIS SA	Warsaw	Advertising activity	related	valuation measurement by the equity method	8/19/2015	4,177	(142)	4,035	34.00%	34.00%	n.a.
24. Tulare Investments Sp. z o.o.	Warsaw	No business conducted by the Company	dependent	valuation measurement by the equity method	9/15/2017	106	(12)	94	100.00%	100.00%	n.a.
25. Ipsilon Sp. z o.o.	Warsaw	Provision of assistance services and medical services	dependent	valuation measurement by the equity method	4/2/2009	102	(80)	22	100.00%	100.00%	n.a.
26. PZU Corporate Member Limited	London-UK	Investment activity	dependent	valuation measurement by the equity method	9/28/2017	1	-	1	100.00%	100.00%	n.a.
27. RUCH SA	Warsaw	Retail sale of newspapers and stationery in specialized stores	related	valuation measurement by the equity method	6/3/2020	29,000	(29,000)	-	14.50%	14.50%	n.a.
28. Armatura Kraków SA	Kraków	Production and sale of radiators and sanitary fittings and administration and management of the group	dependent	valuation measurement by the equity method	11/3/2020	-	7,212	7,212	100.00%	100.00%	n.a.
29. PZU Projekt 01 SA	Warsaw	No business conducted by the Company	dependent	valuation measurement by the equity method	9/1/2020	150	(42)	108	100.00%	100.00%	n.a.
Total						12,040,030	2,078,721	14,118,751			

¹⁾ Included in "Value adjustments (total)" is the revaluation resulting from the equity method valuation, including amortization of goodwill and impairment of goodwill.

a) Name (business name) of the entity, with indication of legal form	m) Equity of the entity, including:						n) Liabilities and provisions for liabilities, including:		o) Receivables of the entity:		p) Total assets of the entity	r) Sales revenue	s) Unpaid value of shares/stocks in the entity by the issuer	t) Dividends received or due from the entity for the last fiscal year	
	- share capital	- unpaid share capital (negative value)	- supplementary capital	- other equity, including:			- long-term liabilities	- short-term liabilities	- long-term	- short-term					
				- other equity	- retained earnings (losses)	- net profit (loss)									
1.	Pekao Bank ¹⁾²⁾	262,470	-	9,457,990	9,520,232	1,802,700	1,719,491	33,594,481	223,399,611	114,233,276	49,166,327	281,139,032	14,554,378	-	225,724
2.	PZU Życie ²⁾	295,000	-	3,076,915	(288,848)	-	900,691	-	554,226	10,763	150,246	27,221,659	8,648,044	-	547,449
3.	Alior Bank ¹⁾²⁾	1,305,540	-	5,407,101	(1,177,358)	(48,529)	683,111	4,510,443	71,926,829	43,608,329	16,375,210	82,877,172	6,599,180	-	-
4.	Lietuvos Draudimas AB ¹⁾²⁾	48,537	-	10,208	(23,593)	663,218	114,549	8,934	209,957	764	342,208	2,464,617	1,583,323	-	62,679
5.	Link4 ²⁾	111,356	-	278,626	(40,618)	(140,386)	(12,086)	80,469	373,128	1,247	118,800	1,144,871	1,236,900	-	-
6.	TUW PZUW ²⁾	324,900	-	5,771	16,559	-	23,571	92,285	736,524	111,681	690,139	1,484,945	1,045,786	-	-
7.	AAS Balta ¹⁾²⁾	34,182	-	5,488	(8,715)	240,338	46,184	32,032	84,742	211	130,239	1,036,243	678,130	-	-
8.	TFI PZU	15,013	-	164,730	0	(3,998)	26,442	254	50,653	-	32,641	253,422	173,770	-	39,251
9.	Ogrodowa Inwestycje	142,255	-	-	(0)	(174)	70	270	3,155	-	906	146,445	14,883	-	474
10.	Tower Inwestycje	411,000	-	805	(15,786)	(3,075)	(15,670)	-	2,852	11	24,262	377,245	-	-	-
11.	PZU Pomoc SA	4,886	-	48,983	-	(71)	(5,315)	-	14,184	-	20,118	62,162	66,977	-	-
12.	PZU Ukraina ¹⁾²⁾	7,430	-	4,109	143,032	(130,702)	(23,868)	-	38,809	547	34,813	186,237	176,344	-	-
13.	PZU CO	500	-	57,127	(90)	1,106	15,126	6,389	57,140	788	32,276	134,785	426,138	-	6,007
14.	UAB PZU Lietuva Gyvybes Draudimas ¹⁾²⁾	29,309	-	1,207	4,274	615	2,096	10,463	4,929	61	586	404,856	97,976	-	-
15.	PFS	-	-	-	-	-	-	-	-	-	-	-	-	-	1,560
16.	PZU Ukraina Życie ¹⁾²⁾	7,153	-	6,193	13,277	16,245	(19,222)	1,883	5,466	-	5,449	201,840	54,534	-	-
17.	PZU Zdrowie	56,105	-	487,810	(23)	(129,897)	(78,622)	281,959	121,901	2,004	82,145	729,504	641,091	-	-
18.	PZU Finance AB ¹⁾	219	-	89,148	2,777	(71,326)	(2,532)	67,253	319	83,616	-	85,863	-	-	-
19.	PZU Finanse Sp. z o.o.	50	-	599	4,000	60	828	204	1,420	-	850	7,106	8,004	-	-
20.	PZU LAB SA	260	-	1,440	-	(618)	635	-	2,054	-	1,011	3,556	4,327	-	-
21.	Omicron BIS SA	150	-	-	-	(77)	(14)	-	11	-	4	68	-	-	-
22.	PZU Cash SA	8,800	-	-	-	(7,937)	(5,345)	7,626	964	-	1,236	4,024	446	-	-
23.	Sigma BIS SA	12,284	-	-	-	(3,924)	3,509	894	157,191	-	164,199	169,954	349,570	-	-
24.	Tulare Investments Sp. z o.o.	5	-	-	95	(41)	(15)	-	12	-	2	56	-	-	-
25.	Ipsilon Sp. z o.o.	50	-	-	50	(67)	(11)	-	10	-	3	30	-	-	-
26.	PZU Corporate Member Limited ¹⁾	-	-	-	81	(2,286)	(2,800)	24,058	-	-	-	17,981	142	-	-
27.	RUCH S.A.	109,290	-	391,768	4,457	(510,975)	(81,703)	2,729	263,021	-	57,567	178,587	799,503	-	-
28.	Armatura Kraków SA ¹⁾	96,000	-	29,163	(284)	(119,343)	3,470	63,409	59,623	-	30,130	133,366	197,414	-	-
29.	PZU Projekt 01 SA	150	-	-	-	(23)	(18)	-	10	-	5	119	-	-	-

¹⁾ IFRS data.

²⁾ In the case of insurance entities, gross premiums written and other technical income are presented under "sales revenue"; in the case of Alior Bank and Bank Pekao, interest income and fee and commission income are presented.

Investments in subordinate entities (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	16,720,362	13,288,112
b) in EUR or another currency (by currency and after conversion to PLN)	1,406,917	1,302,935
b1. thousand. UAH	190,164	105,310
thous. PLN	19,720	13,248
b2. thousand. EUR	317,292	268,987
thous. PLN	1,379,585	1,261,524
b3. thousand. USD	1,341	-
thous. PLN	5,903	-
b4. thousand. GBP	-	4,895
thous. PLN	1	25,921
b5. thousand. SEK	4,358	5,322
thous. PLN	1,708	2,242
Investments in subordinate entities, total	18,127,279	14,591,047

2.5 Other financial investments

Other financial investments	31 December 2023	31 December 2022
a) shares, stocks and other variable income debt securities	141,828	910,086
b) participation units and investment certificates of mutual funds	10,104,331	9,152,914
c) debt securities and other fixed-income securities	15,641,489	13,633,896
d) participations in joint ventures of investment	-	-
e) mortgage-backed loans, including:	-	-
– additionally secured by policies	-	-
f) other loans, including:	2,154,046	1,480,886
– for insured whose main coverage is a policy	-	-
– for insured, uninsured by policies	-	-
g) term deposits with credit institutions	13,439	34,864
j) other investments (by type)	166,026	78,158
– derivatives	166,026	78,158
Other financial investments, total	28,221,159	25,290,804

Movement in other financial investments (by type)	1 January – 31 December 2023	1 January – 31 December 2022
a) beginning of the period	25,290,804	24,311,652
Shares, stocks and other variable income securities and participation units and investment certificates in mutual funds	10,063,000	8,510,203
Debt securities and other fixed-income securities	13,633,896	14,966,318
Other investments	1,593,908	835,131
b) increases (by virtue of)	155,645,019	78,104,923
– acquisition	153,978,346	76,852,013
– revaluation adjustments	1,666,673	1,252,910
– other	-	-
c) reductions (by virtue of)	152,714,664	77,125,771
– sale or redemption	152,218,867	76,165,405
– revaluation adjustments	495,797	960,366
– other	-	-
d) end of the period	28,221,159	25,290,804
Shares, stocks and other variable income securities and participation units and investment certificates in mutual funds	10,246,159	10,063,000
Debt securities and other fixed-income securities	15,641,489	13,633,896
Other investments	2,333,511	1,593,908

Other financial investments	31 December 2023	31 December 2022
a) long-term	25,342,479	22,607,083
b) short-term	2,878,680	2,683,721
Other financial investments, total	28,221,159	25,290,804

Other financial investments (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	23,454,982	20,783,187
b) in EUR or another currency (by currency and after conversion to PLN)	4,766,177	4,507,617
b1. thousand. EUR	431,159	384,888
thous. PLN	1,874,679	1,805,087
b2. thousand. USD	602,610	489,480
thous. PLN	2,371,269	2,154,591
b3. thousand. GBP	104,052	103,469
thous. PLN	520,229	547,939
b4. other currency thousand PLN	-	-
Other financial investments, total	28,221,159	25,290,804

Other financial investments by portfolio qualification	31 December 2023	31 December 2022
a) financial assets held for trading	1,240,951	78,158
c) loans granted and own receivables	2,397,502	1,645,438
d) financial assets held to maturity	7,718,368	7,854,477
d.) available-for-sale financial assets	16,864,338	15,712,731
Other financial investments, total	28,221,159	25,290,804

Other financial investments in financial instruments	31 December 2023	31 December 2022
a) issued by the State Treasury or international organizations of which Poland is a member	8,025,099	6,862,164
– long-term investments	7,344,850	5,384,480
– short-term deposits	680,249	1,477,684
a) guaranteed by the State Treasury or international organizations of which Poland is a member	4,968,729	4,282,495
c) issued by the National Bank of Poland	-	-
d) guaranteed by the National Bank of Poland	-	-
e) issued by a local government or an association of these units or the capital city of Warsaw	-	-
f) guaranteed by a local government or an association of these units or the capital city of Warsaw	-	-
g) other	15,227,331	14,146,145
Other financial investments in financial instruments, total	28,221,159	25,290,804

Securities (other financial investments)	31 December 2023	31 December 2022
a) admitted to trading on the regulated market	15,783,317	14,543,945
b) not admitted to trading on the regulated market	8,644,551	7,832,304
Securities (other financial investments), total	24,427,868	22,376,249

Shares, stocks and other variable income debt securities (carrying amount)	31 December 2023	31 December 2022
a) shares and stocks, including:	141,828	910,086
– long-term investments	-	910,086 ¹⁾
c) debt securities, including:	-	-
– long-term investments	-	-
c) other (by type)	-	-
Shares, stocks and other variable income debt securities, total	141,828	910,086

¹⁾ Long-term deposits mainly include Orlen S.A. shares in the amount of PLN 909,708 thousand acquired in 2022. In 2023, the shares whose fair value at the time of sale was PLN 793,320 thousand, were sold.

Movement in investments in shares, stocks and other variable income debt securities (by type)	1 January - 31 December 2023	1 January - 31 December 2022
a) beginning of the period	910,086	1,936
Shares, stocks and other variable income debt securities	910,086	1,936
b) increases (by virtue of)	127,349	916,036
– acquisition	-	757,013 ¹⁾
– value adjustment	127,349	159,023
– other	-	-
c) reductions (by virtue of)	895,607	7,886
– divestment	895,506	825
– value adjustment	101	7,061
– other	-	-
d) end of the period	141,828	910,086
Shares, stocks and other variable income debt securities	141,828	910,086

¹⁾ Increases by virtue of purchases mainly include Orlen S.A. shares in the amount of PLN 756,212 thousand acquired in 2022. In 2023, the shares whose fair value at the time of sale was PLN 793,320 thousand, were sold.

The above table does not include participation units and investment certificates in mutual funds, which are presented in item II.3 of the balance sheet assets.

Shares, stocks and other financial instruments with variable income amount (long-term deposits) – by transferability	31 December 2023	31 December 2022
A. With unlimited transferability, listed on a regulated market (carrying amount)	141,791	910,049
a) shares (carrying amount):	141,791	910,049
– revaluation adjustments (for the period)	(768,258)	910,049
– value at the beginning of the period	910,049	-
– value at purchase price	122,135	762,944
b) bonds (carrying amount):	-	-
– revaluation adjustments (for the period)	-	-
– value at the beginning of the period	-	-
– value at purchase price	-	-
c) other – by type group (carrying amount):	-	-
mortgage bonds (carrying amount)	-	-
– revaluation adjustments (for the period)	-	-
– value at the beginning of the period	-	-
– value at purchase price	-	-
participation units in open-ended funds (carrying amount)	-	-
– revaluation adjustments (for the period)	-	-
– value at the beginning of the period	-	-
– value at purchase price	-	-
A. With unlimited transferability, not listed on a regulated market (carrying amount)	10,104,368	9,152,951
a) shares (carrying amount):	37	37
– revaluation adjustments (for the period)	-	(1,899)
– value at the beginning of the period	37	1,936
– value at purchase price	12,537	12,537
b) bonds (carrying amount):	-	-
– revaluation adjustments (for the period)	-	-
– value at the beginning of the period	-	-
– value at purchase price	-	-
c) other – by type group (carrying amount):	10,104,331	9,152,914
Participation units and investment certificates of mutual funds (carrying amount)	10,104,331	9,152,914
– revaluation adjustments (for the period)	951,417	644,647
– value at the beginning of the period	9,152,914	8,508,267
– value at purchase price	5,859,497	5,702,670
Loans (carrying amount)	-	-
– revaluation adjustments (for the period)	-	-
– value at the beginning of the period	-	-

Shares, stocks and other financial instruments with variable income amount (long-term deposits) – by transferability	31 December 2023	31 December 2022
– value at purchase price	-	-
C. With limited transferability (carrying amount)	-	-
a) interest or shares (carrying amount)	-	-
– revaluation adjustments (for the period)	-	-
– value at the beginning of the period	-	-
– value at purchase price	-	-
b) bonds (carrying amount):	-	-
– revaluation adjustments (for the period)	-	-
– value at the beginning of the period	-	-
– value at purchase price	-	-
c) other – by type group (carrying amount):	-	-
– revaluation adjustments (for the period)	-	-
– value at the beginning of the period	-	-
– value at purchase price	-	-
Value at purchase price, total	5,994,169	6,478,151
Value at the beginning of the period, total	10,063,000	8,510,203
Revaluation adjustments (for the period), total	183,159	1,552,797
Carrying amount, total	10,246,159	10,063,000

In 2023 and 2022, PZU had no shares, stocks and other variable income financial instruments classified as short-term deposits.

2.5.1. Other loans

Other loans	31 December 2023		31 December 2022	
	Carrying amount	Security type	Carrying amount	Security type
Buy-sell-back transactions	1,538,170	Debt securities	1,072,950	Debt securities
Asset-backed loans, other than mortgages	615,876	Mainly pledges on stocks, debt portfolios, as well as on bank accounts, other loans and other	407,936	Mainly pledges on stocks, debt portfolios, as well as on bank accounts, other loans and other
Total other loans	2,154,046		1,480,886	

2.5.2. Exposure to debt securities issued by corporations and local government units

Carrying amount of debt securities issued by corporations, local government units	31 December 2023	31 December 2022
<i>K. Financial and insurance activities, of which:</i>	1,422,327	1,390,521
Foreign banks	849,304	904,471
Companies from the WIG-Banks Index	230,018	129,689
<i>C. Manufacturing, of which:</i>	338,987	422,156
Production and processing of crude oil refining products (including WIG-Fuels)	140,272	207,054
<i>U. Extra-territorial organizations and teams</i>	237,258	-
<i>D. Electricity, gas, steam, hot water and air conditioning production and supply, including:</i>	199,316	207,581
H. Transportation and storage	137,213	141,350
J. Information and communication	111,991	121,660
N. Administrative and support service activities	97,099	99,841
L. Real property activities	89,223	84,600
B. Mining and quarrying	19,440	21,529
Total	2,652,854	2,489,238

2.5.3. Securities issued by governments other than the Polish government

Country	31 December 2023	31 December 2022
Romania	129,370	87,007
Saudi Arabia	116,198	45,186
Columbia	113,771	72,349
Indonesia	98,295	116,200
Panama	86,126	63,750
Mexico	63,761	58,143
Serbia	47,369	15,112
Croatia	46,632	22,196
Brazil	44,308	63,015
Kazakhstan	43,858	45,166
Dominican Republic	42,100	44,244
Hungary	41,321	55,060
SOUTH AFRICA	38,901	42,157
Peru	38,503	42,233
Azerbaijan	37,935	41,882
Philippines	35,848	39,005
Qatar	35,293	39,119
Uruguay	34,915	41,983
Chile	28,985	22,182
Paraguay	28,688	40,283
Oman	24,585	0
Vietnam	23,490	4,338
Morocco	23,052	24,483
Guatemala	13,392	6,285
UAE	10,801	11,860
Trinidad and Tobago	6,397	7,077
Uzbekistan	5,993	6,591
Honduras	1,340	2,992
Kuwait	1,166	1,298
Total	1,262,393	1,061,196

2.5.4. Term deposits with credit institutions

Term deposits with credit institutions (by maturity) - with a remaining payment period from the balance sheet date	31 December 2023	31 December 2022
a) up to 3 months	13,439	34,864
b) 3 months to 1 year	-	-
c) 1 to 5 years	-	-
d) over 5 years	-	-
Term deposits with credit institutions, total	13,439	34,864

Term deposits with credit institutions (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	12,928	17,135
b) in Eur or another currency in domestic banks (by currency and after conversion to PLN)	511	17,729
b1. thousand. EUR	62	1,677
thous. PLN	271	7,866
b2. thousand. USD	61	2,241
thous. PLN	240	9,863
b3. other	-	-
b) in Eur or another currency in foreign banks (by currency and after conversion to PLN)	-	-
Term deposits with credit institutions, total	13,439	34,864

2.5.5. Derivatives

In its investing activities, PZU uses derivatives as a tool to limit risk (with or without hedge accounting) and to efficiently manage the portfolio. For the purposes of investment activities, PZU sets investment limits and a catalog of permitted instruments in defined investment portfolios. In terms of derivatives, the catalog includes: forward rate agreements (FRAs), forward contracts for sovereign bonds, short interest forward contracts, stock index forward contracts, stock price forward contracts, reciprocal interest payment swap agreements, standard commodity futures and standard derivatives.

The use of derivatives for efficient portfolio management, has no significant impact on changes in PZU's risk profile, nor does it result in additional risk exposures, as derivatives and their underlying instruments are subject to aggregate investment limits. The Company does not enter into derivative transactions whose underlying instruments are not covered by the risk management system.

The main type of risk associated with derivatives occurring at PZU is market risk, which includes interest rate risk and the risk of changes in the price of various instruments.

As of 31 December 2023, PZU held the following derivative instruments and achieved the following results on derivative transactions in 2023:

Type of risk being hedged	Purpose of acquisition / issuance	Scope and nature of the instrument	Currency	Date of pricing, maturity, expiration or execution of the instrument	Possibility of early settlement – period or day – if any	Ability to exchange or swap for another asset or liability	Additional security related to this instrument, accepted or deposited	Nominal value as of 31 December 2023 currency 000s	Nominal value as of 31 December 2023 converted into PLN PLN 000s	Quantity as of 31 December 2023	Position type as of 31 December 2023 (short / long)	Assets – carrying amount in PLN 000s	Liabilities – carrying amount in PLN 000s	Result realized in 2023 PLN 000s	Unrealized result in 2023 in PLN 000s
Foreign exchange risk	trade	Forward	EUR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	(325)	-
Foreign exchange risk	trade	Forward	USD	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1,462	-
Foreign exchange risk	trade	Forward	USD	1/11/2024	Yes	None	None	-	-	1	n/a	278	-	-	278
Foreign exchange risk	trade	Forward	USD	3/20/2024	Yes	None	None	-	-	1	n/a	382	-	-	382
Foreign exchange risk	trade	Forward	USD	1/22/2024	Yes	None	None	-	-	1	n/a	454	-	-	454
Foreign exchange risk	trade	Forward	USD	1/16/2024	Yes	None	None	-	-	1	n/a	1,754	-	-	1,754
Foreign exchange risk	securing the cash flow	CIRS	EUR	5/14/2029	Yes	None	None	5,000	21,740	1	n/a	-	130	-	1,706
Foreign exchange risk	securing the cash flow	CIRS	PLN	2/2/2027	Yes	None	None	20,000	85,782	1	n/a	-	1,345	-	6,838
Foreign exchange risk	securing the cash flow	CIRS	PLN	5/2/2029	Yes	None	None	3,000	14,967	1	n/a	924	-	-	910
Foreign exchange risk	securing the cash flow	CIRS	PLN	2/4/2026	Yes	None	None	23,000	98,735	1	n/a	-	161	-	8,134
Foreign exchange risk	securing the cash flow	CIRS	PLN	11/4/2024	Yes	None	None	20,000	86,056	1	n/a	-	898	-	6,832
Foreign exchange risk	securing the cash flow	CIRS	PLN	4/5/2026	Yes	None	None	24,000	92,460	1	n/a	-	4,160	-	11,203
Foreign exchange risk	securing the cash flow	CIRS	PLN	6/5/2028	Yes	None	None	21,000	90,231	1	n/a	-	1,729	-	7,180
Foreign exchange risk	trade	CIRS	PLN	1/7/2025	Yes	None	None	2,750	11,818	1	n/a	89	-	-	847
Foreign exchange risk	securing the cash flow	CIRS	PLN	1/7/2025	Yes	None	None	20,000	85,846	1	n/a	573	-	-	6,933
Foreign exchange risk	securing the cash flow	CIRS	PLN	10/3/2026	Yes	None	None	7,717	33,052	1	n/a	-	244	-	2,638
Foreign exchange risk	securing the cash flow	CIRS	PLN	4/10/2024	Yes	None	None	2,000	8,589	1	n/a	37	-	-	700
Foreign exchange risk	securing the cash flow	CIRS	PLN	11/13/2027	Yes	None	None	22,900	98,203	1	n/a	-	2,358	-	7,815
Foreign exchange risk	securing the cash flow	CIRS	PLN	1/14/2026	Yes	None	None	18,600	92,734	1	n/a	1,286	26	-	5,720
Foreign exchange risk	securing the cash flow	CIRS	PLN	5/14/2025	Yes	None	None	5,300	22,726	1	n/a	-	267	-	1,812
Foreign exchange risk	trade	CIRS	PLN	5/14/2029	Yes	None	None	5,000	22,198	1	n/a	-	854	-	1,389
Foreign exchange risk	securing the cash flow	CIRS	PLN	5/14/2029	Yes	None	None	5,000	21,486	1	n/a	-	44	-	1,741
Foreign exchange risk	securing the cash flow	CIRS	PLN	3/15/2026	Yes	None	None	12,500	47,943	1	n/a	-	2,564	-	5,835
Foreign exchange risk	securing the cash flow	CIRS	PLN	6/15/2026	Yes	None	None	5,000	19,241	1	n/a	-	740	-	2,334

Type of risk being hedged	Purpose of acquisition / issuance	Scope and nature of the instrument	Currency	Date of pricing, maturity, expiration or execution of the instrument	Possibility of early settlement – period or day – if any	Ability to exchange or swap for another asset or liability	Additional security related to this instrument, accepted or deposited	Nominal value as of 31 December 2023 currency 000s	Nominal value as of 31 December 2023 converted into PLN PLN 000s	Quantity as of 31 December 2023	Position type as of 31 December 2023 (short / long)	Assets – carrying amount in PLN 000s	Liabilities – carrying amount in PLN 000s	Result realized in 2023 PLN 000s	Unrealized result in 2023 in PLN 000s
Foreign exchange risk	securing the cash flow	CIRS	PLN	8/15/2025	Yes	None	None	8,000	34,324	1	n/a	-	528	-	2,735
Foreign exchange risk	securing the cash flow	CIRS	PLN	12/15/2025	Yes	None	None	15,500	66,539	1	n/a	-	1,501	-	5,299
Foreign exchange risk	trade	CIRS	PLN	8/16/2028	Yes	None	None	15,000	74,925	1	n/a	3,299	-	604	6,397
Foreign exchange risk	securing the cash flow	CIRS	PLN	8/16/2028	Yes	None	None	4,000	20,021	1	n/a	951	-	-	1,239
Foreign exchange risk	securing the cash flow	CIRS	PLN	1/18/2024	Yes	None	None	22,000	94,853	1	n/a	1,093	-	-	7,801
Foreign exchange risk	trade	CIRS	PLN	1/19/2026	Yes	None	None	1,000	4,290	1	n/a	-	27	-	257
Foreign exchange risk	securing the cash flow	CIRS	PLN	1/19/2026	Yes	None	None	21,000	90,262	1	n/a	-	394	-	7,238
Foreign exchange risk	trade	CIRS	PLN	5/20/2026	Yes	None	None	2,000	8,000	1	n/a	-	160	-	602
Foreign exchange risk	securing the cash flow	CIRS	PLN	5/20/2026	Yes	None	None	13,000	55,725	1	n/a	-	1,057	-	4,445
Foreign exchange risk	trade	CIRS	PLN	4/21/2026	Yes	None	None	1,000	4,880	1	n/a	2	-	-	264
Foreign exchange risk	securing the cash flow	CIRS	PLN	4/21/2026	Yes	None	None	17,500	87,467	1	n/a	2,155	-	-	5,272
Foreign exchange risk	securing the cash flow	CIRS	PLN	4/23/2025	Yes	None	None	5,000	19,265	1	n/a	-	749	-	2,334
Foreign exchange risk	securing the cash flow	CIRS	PLN	2/27/2025	Yes	None	None	7,500	32,307	1	n/a	133	-	-	2,632
Foreign exchange risk	securing the cash flow	CIRS	PLN	1/29/2026	Yes	None	None	17,500	87,494	1	n/a	1,561	-	-	5,417
Foreign exchange risk	trade	CIRS	PLN	1/29/2029	Yes	None	None	2,500	10,753	1	n/a	-	60	-	577
Foreign exchange risk	securing the cash flow	CIRS	PLN	1/29/2029	Yes	None	None	5,000	21,519	1	n/a	83	4	-	1,737
Foreign exchange risk	trade	CIRS	PLN	7/31/2028	Yes	None	None	13,000	65,245	1	n/a	4,120	-	294	6,700
Foreign exchange risk	securing the cash flow	CIRS	PLN	7/31/2028	Yes	None	None	1,000	4,997	1	n/a	281	-	-	317
Foreign exchange risk	securing the cash flow	CIRS	PLN	4/1/2025	Yes	None	None	25,000	95,450	1	n/a	-	4,798	-	11,670
Foreign exchange risk	securing the cash flow	CIRS	PLN	2/2/2026	Yes	None	None	5,000	24,465	1	n/a	50	-	-	1,544
Foreign exchange risk	securing the cash flow	CIRS	PLN	4/4/2025	Yes	None	None	8,000	38,230	1	n/a	-	1,384	-	2,368
Foreign exchange risk	securing the cash flow	CIRS	PLN	5/8/2025	Yes	None	None	8,000	30,433	1	n/a	-	1,642	-	3,734
Foreign exchange risk	securing the cash flow	CIRS	PLN	3/16/2025	Yes	None	None	20,000	75,145	1	n/a	-	5,020	-	9,336
Foreign exchange risk	securing the cash flow	CIRS	PLN	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	705	-
Foreign exchange risk	trade	FX Swap	EUR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	21,866	-

Type of risk being hedged	Purpose of acquisition / issuance	Scope and nature of the instrument	Currency	Date of pricing, maturity, expiration or execution of the instrument	Possibility of early settlement – period or day – if any	Ability to exchange or swap for another asset or liability	Additional security related to this instrument, accepted or deposited	Nominal value as of 31 December 2023 currency 000s	Nominal value as of 31 December 2023 converted into PLN PLN 000s	Quantity as of 31 December 2023	Position type as of 31 December 2023 (short / long)	Assets – carrying amount in PLN 000s	Liabilities – carrying amount in PLN 000s	Result realized in 2023 PLN 000s	Unrealized result in 2023 in PLN 000s
Foreign exchange risk	trade	FX Swap	EUR	1/16/2024	Yes	None	None	45,000	195,660	1	n/a	15,182	-	(623)	15,182
Foreign exchange risk	trade	FX Swap	EUR	1/23/2024	Yes	None	None	10,000	43,480	1	n/a	1,287	-	138	1,287
Foreign exchange risk	trade	FX Swap	EUR	1/24/2024	Yes	None	None	44,000	191,312	1	n/a	17,121	-	(343)	17,121
Foreign exchange risk	trade	FX Swap	EUR	3/28/2024	Yes	None	None	1,800	7,826	1	n/a	-	4	(1)	(4)
Foreign exchange risk	trade	FX Swap	EUR	1/5/2024	Yes	None	None	5,000	21,740	1	n/a	983	-	(39)	983
Foreign exchange risk	trade	FX Swap	EUR	1/12/2024	Yes	None	None	2,000	8,696	1	n/a	370	-	(19)	370
Foreign exchange risk	trade	FX Swap	EUR	11/29/2024	Yes	None	None	22,810	99,178	1	n/a	832	-	(376)	832
Foreign exchange risk	trade	FX Swap	USD	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	122,515	-
Foreign exchange risk	trade	FX Swap	USD	1/11/2024	Yes	None	None	83,000	326,605	1	n/a	21,647	-	14,286	21,647
Foreign exchange risk	trade	FX Swap	USD	3/20/2024	Yes	None	None	4,100	16,134	1	n/a	590	-	(50)	590
Foreign exchange risk	trade	FX Swap	USD	1/22/2024	Yes	None	None	1,800	7,083	1	n/a	92	-	21	92
Foreign exchange risk	trade	FX Swap	USD	1/16/2024	Yes	None	None	122,000	480,070	1	n/a	23,869	-	847	23,869
Foreign exchange risk	trade	FX Swap	USD	1/5/2024	Yes	None	None	36,000	141,660	1	n/a	6,647	-	(96)	6,647
Foreign exchange risk	trade	FX Swap	USD	3/8/2024	Yes	None	None	77,000	302,995	1	n/a	30,353	-	(942)	30,358
Foreign exchange risk	trade	FX Swap	USD	9/6/2024	Yes	None	None	48,000	188,880	1	n/a	2,566	-	96	2,566
Foreign exchange risk	trade	FX Swap	USD	3/11/2024	Yes	None	None	51,100	201,079	1	n/a	4,274	-	(72)	4,274
Foreign exchange risk	trade	FX Swap	USD	4/15/2024	Yes	None	None	51,000	200,685	1	n/a	20,708	-	(2,016)	20,708
Foreign exchange risk	trade	FX Swap	GBP	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	11	-
TOTAL									4,433,479			166,026	32,848	157,943	319,872

As of 31 December 2022, PZU held the following derivative instruments and achieved the following results on derivative transactions in 2022:

Type of risk being hedged	Purpose of acquisition / issuance	Scope and nature of the instrument	Currency	Date of pricing, maturity, expiration or execution of the instrument	Possibility of early settlement - period or day - if any	Ability to exchange or swap for another asset or liability	Additional security related to this instrument, accepted or deposited	Nominal value as of 31 December 2021 currency 000s	Nominal value as of 31 December 2021 converted into PLN PLN 000s	Quantity as of 31 December 2021	Position type as of 31 December 2021 (short / long)	Assets - carrying amount in PLN 000s	Liabilities - carrying amount in PLN 000s	Result realized in 2021 PLN 000s	Unrealized result in 2021 in PLN 000s
Foreign exchange risk	trade	Forward	EUR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	11,344	-
Foreign exchange risk	trade	Forward	EUR	12/01/2023	Yes	None	None	-	-	1	n/a	500	-	-	500
Foreign exchange risk	trade	Forward	USD	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	(4,463)	-
Foreign exchange risk	trade	Forward	USD	1/23/2023	Yes	None	None	-	-	1	n/a	365	-	-	365
Foreign exchange risk	securing the cash flow	CIRS	EUR	5/14/2029	Yes	None	None	10,000	46,899	1	n/a	-	8,205	-	(923)
Foreign exchange risk	securing the cash flow	CIRS	EUR	2/2/2027	Yes	None	None	20,000	85,782	1	n/a	-	12,597	-	(1,810)
Foreign exchange risk	securing the cash flow	CIRS	GBP	5/2/2029	Yes	None	None	3,000	14,967	1	n/a	-	2,069	-	567
Foreign exchange risk	securing the cash flow	CIRS	EUR	2/4/2026	Yes	None	None	23,000	98,735	1	n/a	-	12,450	-	(2,082)
Foreign exchange risk	securing the cash flow	CIRS	EUR	11/4/2024	Yes	None	None	20,000	86,056	1	n/a	-	11,470	-	(1,817)
Foreign exchange risk	securing the cash flow	CIRS	USD	4/5/2026	Yes	None	None	24,000	92,460	1	n/a	-	22,712	-	(8,203)
Foreign exchange risk	securing the cash flow	CIRS	EUR	6/5/2028	Yes	None	None	21,000	90,231	1	n/a	-	15,582	-	(1,901)
Foreign exchange risk	securing the cash flow	CIRS	EUR	1/7/2025	Yes	None	None	22,750	97,664	1	n/a	-	11,192	-	(2,059)
Foreign exchange risk	securing the cash flow	CIRS	EUR	10/3/2026	Yes	None	None	7,717	33,052	1	n/a	-	4,450	-	(698)
Foreign exchange risk	securing the cash flow	CIRS	EUR	4/10/2024	Yes	None	None	2,000	8,589	1	n/a	-	942	-	(181)
Foreign exchange risk	securing the cash flow	CIRS	EUR	11/13/2027	Yes	None	None	22,900	98,203	1	n/a	-	16,702	-	(2,093)
Foreign exchange risk	securing the cash flow	CIRS	GBP	1/14/2026	Yes	None	None	18,600	92,734	1	n/a	-	10,936	-	3,514
Foreign exchange risk	securing the cash flow	CIRS	EUR	5/14/2025	Yes	None	None	5,300	22,726	1	n/a	-	3,096	-	(480)
Foreign exchange risk	securing the cash flow	CIRS	EUR	5/14/2029	Yes	None	None	5,000	21,486	1	n/a	-	3,460	-	(453)
Foreign exchange risk	securing the cash flow	CIRS	USD	3/15/2026	Yes	None	None	12,500	47,943	1	n/a	-	13,195	-	(4,273)
Foreign exchange risk	securing the cash flow	CIRS	USD	6/15/2026	Yes	None	None	5,000	19,241	1	n/a	-	4,601	-	(1,709)
Foreign exchange risk	securing the cash flow	CIRS	EUR	8/15/2025	Yes	None	None	8,000	34,324	1	n/a	-	4,799	-	(724)

Type of risk being hedged	Purpose of acquisition / issuance	Scope and nature of the instrument	Currency	Date of pricing, maturity, expiration or execution of the instrument	Possibility of early settlement – period or day – if any	Ability to exchange or swap for another asset or liability	Additional security related to this instrument, accepted or deposited	Nominal value as of 31 December 2021 currency 000s	Nominal value as of 31 December 2021 converted into PLN PLN 000s	Quantity as of 31 December 2021	Position type as of 31 December 2021 (short / long)	Assets – carrying amount in PLN 000s	Liabilities – carrying amount in PLN 000s	Result realized in 2021 PLN 000s	Unrealized result in 2021 in PLN 000s
Foreign exchange risk	securing the cash flow	CIRS	EUR	12/15/2025	Yes	None	None	15,500	66,539	1	n/a	-	9,736	-	(1,403)
Foreign exchange risk	securing the cash flow	CIRS	GBP	8/16/2028	Yes	None	None	19,000	94,946	1	n/a	-	13,549	-	3,589
Foreign exchange risk	securing the cash flow	CIRS	EUR	1/18/2024	Yes	None	None	22,000	94,853	1	n/a	-	9,477	-	(1,991)
Foreign exchange risk	securing the cash flow	CIRS	EUR	1/19/2026	Yes	None	None	22,000	94,552	1	n/a	-	12,705	-	(1,991)
Foreign exchange risk	securing the cash flow	CIRS	EUR	5/20/2026	Yes	None	None	15,000	64,325	1	n/a	-	9,774	-	(1,358)
Foreign exchange risk	securing the cash flow	CIRS	GBP	4/21/2026	Yes	None	None	18,500	92,347	1	n/a	-	10,623	-	3,478
Foreign exchange risk	securing the cash flow	CIRS	USD	4/23/2025	Yes	None	None	5,000	19,265	1	n/a	-	4,283	-	(1,709)
Foreign exchange risk	securing the cash flow	CIRS	EUR	2/27/2025	Yes	None	None	7,500	32,307	1	n/a	-	3,918	-	(679)
Foreign exchange risk	securing the cash flow	CIRS	GBP	1/29/2026	Yes	None	None	17,500	87,494	1	n/a	-	10,169	-	3,306
Foreign exchange risk	securing the cash flow	CIRS	EUR	1/29/2029	Yes	None	None	7,500	32,271	1	n/a	-	5,464	-	(679)
Foreign exchange risk	securing the cash flow	CIRS	GBP	5/30/2028	Yes	None	None	0	0	1	n/a	-	-	(3,261)	-
Foreign exchange risk	securing the cash flow	CIRS	GBP	7/31/2028	Yes	None	None	14,000	70,242	1	n/a	-	10,755	-	2,645
Foreign exchange risk	securing the cash flow	CIRS	USD	4/1/2025	Yes	None	None	25,000	95,450	1	n/a	-	22,421	-	(8,545)
Foreign exchange risk	securing the cash flow	CIRS	GBP	2/2/2026	Yes	None	None	5,000	24,465	1	n/a	-	3,425	-	945
Foreign exchange risk	securing the cash flow	CIRS	GBP	4/4/2025	Yes	None	None	8,000	38,230	1	n/a	-	5,994	-	1,511
Foreign exchange risk	securing the cash flow	CIRS	USD	3/8/2023	Yes	None	None	0	0	1	n/a	-	-	(3,076)	-
Foreign exchange risk	securing the cash flow	CIRS	USD	5/8/2025	Yes	None	None	8,000	30,433	1	n/a	-	7,293	-	(2,734)
Foreign exchange risk	securing the cash flow	CIRS	GBP	11/15/2023	Yes	None	None	3,000	14,548	1	n/a	-	1,675	-	567
Foreign exchange risk	securing the cash flow	CIRS	USD	3/16/2025	Yes	None	None	20,000	75,145	1	n/a	-	18,622	-	(6,836)
Foreign exchange risk	trade	CIRS	PLN	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	(178)	-
Foreign exchange risk	trade	FX Swap	EUR	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	25,267	-
Foreign exchange risk	trade	FX Swap	EUR	12/01/2023	Yes	None	None	21,500	100,833	1	n/a	5,362	-	381	5,362
Foreign exchange risk	trade	FX Swap	EUR	1/23/2023	Yes	None	None	20,000	93,798	1	n/a	4,335	-	54	4,335
Foreign exchange risk	trade	FX Swap	EUR	3/13/2023	Yes	None	None	10,000	46,899	1	n/a	249	-	(29)	249

Type of risk being hedged	Purpose of acquisition / issuance	Scope and nature of the instrument	Currency	Date of pricing, maturity, expiration or execution of the instrument	Possibility of early settlement – period or day – if any	Ability to exchange or swap for another asset or liability	Additional security related to this instrument, accepted or deposited	Nominal value as of 31 December 2021 currency 000s	Nominal value as of 31 December 2021 converted into PLN PLN 000s	Quantity as of 31 December 2021	Position type as of 31 December 2021 (short / long)	Assets – carrying amount in PLN 000s	Liabilities – carrying amount in PLN 000s	Result realized in 2021 PLN 000s	Unrealized result in 2021 in PLN 000s
Foreign exchange risk	trade	FX Swap	EUR	1/17/2023	Yes	None	None	3,000	14,070	1	n/a	809	-	(25)	809
Foreign exchange risk	trade	FX Swap	EUR	3/15/2023	Yes	None	None	32,000	150,077	1	n/a	610	-	(45)	610
Foreign exchange risk	trade	FX Swap	EUR	3/20/2023	Yes	None	None	4,000	18,760	1	n/a	72	-	(16)	72
Foreign exchange risk	trade	FX Swap	EUR	2/27/2023	Yes	None	None	4,000	18,760	1	n/a	281	-	5	281
Foreign exchange risk	trade	FX Swap	EUR	1/30/2023	Yes	None	None	13,500	63,314	1	n/a	2,453	-	(302)	2,453
Foreign exchange risk	trade	FX Swap	EUR	1/24/2023	Yes	None	None	23,000	107,868	1	n/a	4,763	-	(336)	4,763
Foreign exchange risk	trade	FX Swap	USD	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	(105,810)	-
Foreign exchange risk	trade	FX Swap	USD	12/01/2023	Yes	None	None	2,000	8,804	1	n/a	1,165	-	64	1,165
Foreign exchange risk	trade	FX Swap	USD	3/13/2023	Yes	None	None	50,000	220,090	1	n/a	4,637	-	(2,050)	4,637
Foreign exchange risk	trade	FX Swap	USD	3/6/2023	Yes	None	None	42,000	184,876	1	n/a	2,077	-	(777)	2,077
Foreign exchange risk	trade	FX Swap	USD	3/9/2023	Yes	None	None	101,100	445,022	1	n/a	32,511	-	(2,057)	32,512
Foreign exchange risk	trade	FX Swap	USD	6/12/2023	Yes	None	None	20,000	88,036	1	n/a	215	-	348	215
Foreign exchange risk	trade	FX Swap	USD	4/14/2023	Yes	None	None	46,000	202,483	1	n/a	3,144	-	(823)	3,144
Foreign exchange risk	trade	FX Swap	USD	3/10/2023	Yes	None	None	27,000	118,849	1	n/a	-	78	400	(78)
Foreign exchange risk	trade	FX Swap	USD	3/1/2023	Yes	None	None	103,000	453,385	1	n/a	14,610	-	(707)	14,609
Equity risk	trade	Option	PLN	6/23/2022	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-	4,383	-
TOTAL									4,354,428			78,158	318,419	(81,709)	40,871

2.5.6. Hedge accounting

In 2023 and 2022, PZU applied hedge accounting using cash flow hedging. Cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability or a highly probable planned transaction and could affect profit or loss.

PZU hedges foreign currency cash flows generated by the portfolios of fixed-rate bonds denominated in EUR, USD or GBP using cross-currency interest rate swaps (CIRS).

	Currency	31 December 2023 Maturity					31 December 2022 Maturity				
		Up to 3 months	Over 3 months up to 1 year	Over 1 year to 5 years	Over 5 years	Total	Up to 3 months	Over 3 months up to 1 year	Over 1 year to 5 years	Over 5 years	Total
Par value	EUR/PLN	95,656	95,656	804,019	65,220	1,060,551	-	-	1,002,077	204,011	1,206,088
Par value	USD/PLN	0	0	391,533	0	391,533	-	-	437,979	0	437,979
Par value	GBP/PLN	0	0	357,979	14,999	372,978	-	15,887	357,989	190,645	564,521

Impact of the hedge relationship on the balance sheet and the financial result	31 December 2023	31 December 2022
Hedging instruments		
Par value	1,825,062	2,208,588
Carrying amount – assets (fair value)	9,127	-
Carrying amount – liabilities (fair value)	31,743	318,343
Amounts of write-offs increasing and decreasing the revaluation reserve, including:	131,421	42,567
Change in the fair value of the hedging instrument, on the basis of which hedge inefficiency is estimated	295,725	13,182
Amounts written off from revaluation reserve and included in financial income or expenses	173,523	(29,385)
Hedge inefficiency amount recognized in the profit and loss account	(1,528)	63
Hedged items		
Amount equal to the change in the fair value of a hypothetical derivative representing the hedged item, which forms the basis for estimating hedge inefficiency in the period	(297,253)	(13,119)
Balance of the hedge accounting capital item for relations, for which hedge accounting will be continued after the end of the reporting period	(4,609)	(126,812)

2.6 Information on the risk load of investments

The purpose of risk management is to ensure that PZU, in pursuit of its business objectives, monitors and manages its portfolios in a manner that is safe and appropriate to the scale of the risks incurred.

The main elements of PZU's risk management strategy include:

- risk management organizational structure, in which the Supervisory Board, the Management Board, the Risk Committee, the Asset and Liability Management Committee, the Investment Risk Committee, the Investment Committee (the "Committees"), the Investment Division and the Risk Department play key roles;
- processes involving the identification, measurement and assessment, monitoring and controlling, reporting and management measures pertaining to various risks;
- the system of limits and restrictions on the acceptable level of risk established by the Supervisory Board, the Management Board and the relevant Committees.

The Supervisory Board, the Management Board and the Committees, based on the regulations in place at the Company, supervise the implementation of the primary objective of the risk management policy, which is to increase the effectiveness of the implementation of tasks and the achievement of objectives through the use of appropriate control mechanisms and obtaining information on threats to the achievement of the set goals and objectives. The risk appetite and accompanying limit system take into account all relevant factors related to investment risk. The Company's primary investment risk management tools include:

- limits based on the standard formula for the calculation of the solvency capital requirement for the market risk module and individual sub-modules;
- bpv limits – basis point value, i.e., the change in the value of financial instruments and the portfolio if interest rate curves shift by 1 basis point upward;
- equity exposure limits taking into account equity derivative exposures;
- item limit for all foreign currencies combined;
- position limits in a single foreign currency;
- commitment limits;
- limits on the value of net credit exposure weighted by period to maturity;
- warning values based on VaR calculated by means of economic capital model – Value at Risk, a measure of risk quantifying (by means of a standard formula or economic capital model for market risk) the potential loss that, over a horizon of one year under normal market conditions, will not be exceeded with a probability of 99.5%;

Investment risk reports are prepared on a daily basis for operational purposes and periodically (monthly, quarterly) for management purposes. Recipients of periodic reports are primarily the Supervisory Board, Management Board and Committees.

The following provides information on PZU's most significant investment risks. The following statements also take into account the primary risk arising from the conversion based on the underlying instruments (the "look through approach") for funds in which PZU, together with PZU Życie, is the sole owner.

2.6.1. Interest rate risk

Interest rate risk – it is defined as the possibility of incurring a loss as a result of changes in the value of financial instruments or other assets and a change in the present value of projected cash flows from liabilities, caused by changes in the term structure of market rates or in the volatility of risk-free market interest rates.

The following table presents financial instruments exposed to interest rate risk.

Interest rate risk	31 December 2023 (PLN million)	31 December 2023 (% of investments)	31 December 2022 (PLN million)	31 December 2022 (% of investments)
Financial instruments in the held-for-trading and available-for-sale instrument portfolios	10,768.3	23.0%	6,921.0	17.2%
Financial instruments in the held-to-maturity portfolio	7,964.2	17.0%	7,984.1	19.9%
Debt securities held in the loan portfolio	-	-	-	-
Debt and money investment funds	200.4	0.4%	216.0	0.5%

Sensitivity analysis of interest rate risk as a result of a +/- 100 bps change in the yield curve, by currency of the instrument (PLN thousand)

Interest rate risk	31 December 2023				31 December 2022			
	Net profit		Equity		Net profit		Equity	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
PLN	(39,572)	40,960	(130,357)	138,218	(45,525)	47,486	(100,286)	105,402
EUR	20,488	(21,358)	(15,570)	17,239	29,403	(30,852)	(6,852)	7,767
USD	7,401	(7,569)	(60,919)	69,832	11,540	(11,893)	(53,870)	62,551
GBP	10,643	(11,096)	(155)	164	15,332	(16,114)	970	(1,034)
Other	0	0	0	0	0	0	0	0
Total	(1,040)	938	(207,001)	225,452	10,750	(11,372)	(160,038)	174,685

2.6.2. Equity risk

Share price risk – it is defined as the possibility of incurring loss as a result of changes in the values of assets, liabilities and financial instruments caused by changes in the level or in the volatility of market prices of equities.

Equity risk	31 December 2023 (PLN million)	31 December 2023 (% of investments)	31 December 2022 (PLN million)	31 December 2022 (% of investments)
Financial instruments exposed to share price risk including:	17,795.0	38.2%	16,200.9	40.3%
– unlisted shares	8,420.8	18.1%	7,790.1	19.4%
– listed shares	9,294.5	19.9%	8,279.1	20.6%
– other investments	-	-	-	-
– equity funds	79.7	0.2%	131.8	0.3%

2.6.3. Property risk

Property risk – it is defined as the possibility of incurring loss as a result of changes in the values of assets, liabilities and financial instruments caused by changes in the market prices of real property or in the volatility of market prices of real property.

Property risk	31 December 2023 (PLN million)	31 December 2023 (% of investments)	31 December 2022 (PLN million)	31 December 2022 (% of investments)
Value of investments exposed to property risk including:	279.7	0.6%	282.9	0.7%
– real property	279.7	0.6%	282.9	0.7%

2.6.4. Credit risk

Credit risk is defined as the risk of a loss or adverse change in the financial situation resulting from fluctuations in the trustworthiness and creditworthiness of issuers of securities, counterparties and all debtors, materializing through a counterparty's default on a liability or an increase in credit spread.

Assets with credit risk by rating category as of 31 December 2023 and 31 December 2022 are shown below. The presentation makes the following assumptions:

- Credit risk exposures arising from conditional transactions are presented as an exposure to the issuer of the underlying securities.
- investment ratings according to Fitch rating agency were adopted (in the absence of a Fitch rating, Standard&Poors or EuroRating ratings were used).

Assets subject to credit risk on 31 December 2023 (PLN million)	AAA	AA	A	BBB	BB	lower than BB or no rating	Total
Debt securities	241	489	13,337	3,186	806	673	18,732
– held to maturity	237	-	7,626	101	-	-	7,964
– available for sale	-	35	3,863	2,020	461	224	6,603
– measured at fair value	3	454	1,849	1,065	345	449	4,165
– loans	-	-	-	-	-	-	-
Bank deposits and contingent trans. on treas. securities	-	-	10	2,484	10	-	2,505
Mortgage loans	-	-	-	-	-	-	-
Other loans	-	-	-	-	210	2,797	3,007
Derivatives	-	-	331	123	-	116	570
Reinsurers' share in net claims provisions	-	-	-	-	-	-	-
Deposits with ceding enterprises	-	-	-	-	-	-	-
Reinsurance receivables	-	-	-	-	-	-	-
Total credit risk assets	241	489	13,679	5,793	1,026	3,586	24,815

Assets subject to credit risk on 31 December 2022 (PLN million)	AAA	AA	A	BBB	BB	lower than BB or no rating	Total
Debt securities	-	39	13,656	655	-	555	14,905
– held to maturity	-	-	7,984	-	-	-	7,984
– available for sale	-	39	5,125	486	-	-	5,650
– measured at fair value	-	-	547	169	-	555	1,271
– loans	-	-	-	-	-	-	-
Bank deposits and contingent trans. on treas. securities	-	-	2,635	-	-	99	2,734
Mortgage loans	-	-	-	-	-	-	-
Other loans	-	-	-	113	-	2,701	2,814
Derivatives	-	-	138	-	-	120	258
Reinsurers' share in net claims provisions	-	-	-	-	-	-	-
Deposits with ceding enterprises	-	-	-	-	-	-	-
Reinsurance receivables	-	-	-	-	-	-	-
Total credit risk assets	-	39	16,429	768	-	3,475	20,711

As of 31 December 2023, the maximum potential credit loss for PZU was PLN 1,213.0 million (as of 31 December 2022: PLN 1,029.6 million). This amount was calculated on the basis of the average cumulative probability of a default event over a 10-year horizon for a given rating group, as published by the Standard & Poor's rating agency, presented in the table below:

Credit risk assets	AAA	AA	A	BBB	BB	lower than BB or no rating
Coefficients for conversion as of 31 December 2023 (%)	0.69	0.85	1.22	2.65	9.91	21.89
Coefficients for conversion as of 31 December 2022 (%)	0.69	0.68	1.15	3.10	11.24	23.50

2.6.5. Concentration risk

Concentration risk	31 December 2023 (PLN million)	31 December 2023 (% of investments)	31 December 2022 (PLN million)	31 December 2022 (% of investments)
Treasury securities issued by the State Treasury of the Republic of Poland together with contingent transactions on these securities	13,955.0	29.8%	12,729.1	31.7%
Capital group risk – investments in subordinate entities	16,498.9	35.3%	14,591.0	36.3%

2.6.6. Foreign exchange risk

Foreign exchange risk – it is defined as the possibility of incurring loss as a result of changes in the value of assets, liabilities and financial instruments, caused by changes in the level or in the volatility of currency exchange rates.

PZU is exposed to foreign exchange risk arising from currency mismatches in technical provisions, the value of which is dependent on foreign exchange rates and assets denominated in foreign currencies, in particular: securities, investments in financial institutions, units in investment funds and derivative instruments, i.e. fx forward, fx swap, interest rate-currency swap, whose underlying instruments are foreign exchange rates.

Foreign exchange risk	31 December 2023 (PLN million)	31 December 2022 (PLN million)
Value of assets denominated in foreign currencies	8,172.7	6,407.0
Foreign currency position from derivatives	(8,997.2)	(7,845.1)
Value of technical provisions denominated in foreign currencies at own interest	(1,211.6)	(1,342.9)
Currency mismatch	(2,036.1)	(2,781.0)

3. Receivables

Geographical structure of receivables	31 December 2023				31 December 2022			
	Domestic	Foreign – EU countries	Foreign – other countries	Total	Domestic	Foreign – EU countries	Foreign – other countries	Total
I. Receivables on direct insurance	2,453,951	17,549	18,682	2,490,182	1,886,899	16,634	13,869	1,917,402
1. Receivables from policyholders	2,351,207	17,501	18,678	2,387,386	1,787,284	16,614	13,864	1,817,762
2. Receivables from intermediaries	96,487	10	4	96,501	96,494	11	4	96,509
3. Other receivables	6,257	38	-	6,295	3,121	9	1	3,131
II. Reinsurance receivables	232,424	26,120	15,009	273,553	154,682	1,648	16,458	172,788
III. Other receivables	161,810	25,998	2,192	190,000	193,108	240,189	3,442	436,739
1. Receivables from the state budget	13,937	-	-	13,937	31,846	-	-	31,846
2. Other receivables	147,873	25,998	2,192	176,063	161,262	240,189	3,442	404,893
Total receivables	2,848,185	69,667	35,883	2,953,735	2,234,689	258,471	33,769	2,526,929

3.1 Receivables on direct insurance

Receivables on direct insurance	31 December 2023	31 December 2022
a) receivables from policyholders, including:	2,387,386	1,817,762
– from subordinate entities	2,061	1,954
– domestic	2,061	1,954
– foreign	–	–
– from other entities	2,385,325	1,815,808
– domestic	2,349,146	1,785,330
– foreign	36,179	30,478
b) receivables from insurance intermediaries, including:	96,501	96,509
– from subordinate entities	5	17
– domestic	5	17
– foreign	–	–
– from other entities	96,496	96,492
– domestic	96,482	96,477
– foreign	14	15
c) other receivables, including:	6,295	3,131
– from subordinate entities	999	806
– domestic	999	806
– foreign	–	–
– from other entities	5,296	2,325
– domestic	5,258	2,315
– foreign	38	10
Receivables on direct insurance (net), total	2,490,182	1,917,402
d) impairment losses	635,214	607,559
Receivables on direct insurance (gross), total	3,125,396	2,524,961

Direct insurance receivables – with a remaining term from the balance sheet date	31 December 2023	31 December 2022
a) up to 3 months ¹⁾	1,413,138	1,144,668
b) 3 months to 1 year	1,048,575	743,293
c) 1 to 5 years	28,373	29,441
d) over 5 years	96	–
Receivables on direct insurance, total	2,490,182	1,917,402

¹⁾ The value of past due net direct insurance receivables is presented in section 3.4.2

Receivables on net direct insurance	31 December 2023	31 December 2022
a) from subsidiaries	2,066	1,971
b) from joint ventures	–	–
c) from related parties	999	805
d) from a major investor	–	–
e) from a shareholder of a joint venture	–	–
f) from the parent company	–	–
g) other	2,487,117	1,914,626
Receivables on direct insurance, total	2,490,182	1,917,402

Receivables on direct insurance (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	1,639,192	1,435,082
b) in EUR or another currency (by currency and after conversion to PLN)	850,990	482,320
b1. thousand. EUR	69,342	8,934
thous. PLN	301,498	41,899
b2. thousand. USD	138,708	100,055
thous. PLN	545,815	440,420
b3. other	3,677	-
Receivables on direct insurance, total	2,490,182	1,917,402

Balance of co-insurance settlements	31 December 2023	31 December 2022
Balance of co-insurance settlements	850,495	547,776

3.2 Reinsurance receivables

Reinsurance receivables	31 December 2023	31 December 2022
a) current receivables in active reinsurance, including:	220,525	141,088
– from cedents in the domestic market	211,279	126,954
– from foreign cedents	9,246	14,134
a) current receivables in passive reinsurance, including:	15,789	8,145
– from domestic reinsurers	4,668	4,219
– from foreign reinsurers	11,121	3,926
c) current receivables from retro-assignees, including:	37,239	23,555
– domestic	16,477	23,509
– foreign	20,762	46
d) time-settled reinsurance commission receivables	-	-
e) receivables from reinsurers' share of losses paid out	-	-
Receivables on reinsurance (net), total	273,553	172,788
f) impairment losses	-	186
Receivables on reinsurance (gross), total	273,553	172,974

Reinsurance receivables	31 December 2023	31 December 2022
a) from subsidiaries	219,216	139,417
b) from joint ventures	-	-
c) from related parties	-	-
d) from a major investor	-	-
e) from a shareholder of a joint venture	-	-
f) from the parent company	-	-
g) other	54,337	33,371
Receivables on reinsurance, total	273,553	172,788

Reinsurance receivables	31 December 2023	31 December 2022
a) current receivables in active reinsurance, including:	220,525	141,089
– from subsidiary cedents	219,216	139,416
– from cedents being joint ventures	–	–
– from cedents that are related parties	–	–
– from a cedent that is a significant investor	–	–
– from a transferor who is a shareholder of a joint venture	–	–
– from the ceding parent company	–	–
a) current receivables in passive reinsurance, including:	15,790	8,144
– from subsidiary reinsurers	–	–
– from cedents being joint ventures	–	–
– from reinsurers that are related parties	–	–
– from a reinsurer that is a significant investor	–	–
– from a reinsurer who is a shareholder of a joint venture	–	–
– from the reinsuring parent company	–	–
c) current receivables from retro-assignees, including:	37,238	23,555
– from subsidiary	–	–
– from cedents being joint ventures	–	–
– from those being related parties	–	–
– from one that is a significant investor	–	–
– from one that is a shareholder of a joint venture	–	–
– from one that is the parent company	–	–
d) other	–	–
Receivables on reinsurance, total	273,553	172,788

Net reinsurance receivables – with a remaining term from the balance sheet date	31 December 2023	31 December 2022
a) up to 3 months	188,079 ¹⁾	96,535
b) 3 months to 1 year	84,901	67,029
c) 1 to 5 years	573	9,224
d) over 5 years	–	–
Receivables on reinsurance (net), total	273,553	172,788

¹⁾ The value of past due net reinsurance receivables is presented in section 3.4.2

Receivables on reinsurance (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	233,464	159,414
b) in EUR or another currency (by currency and after conversion to PLN)	40,089	13,374
b1. thousand. EUR	5,413	596
thous. PLN	25,385	2,795
b2. thousand. USD	1,960	44
thous. PLN	7,712	193
b3. thousand. UAH	66,943	82,194
thous. PLN	6,942	10,340
b4. other currencies	50	–
Receivables on reinsurance, total	273,553	172,788

3.3 Other receivables

Other receivables	31 December 2023	31 December 2022
a) receivables from the state budget	13,937	31,846
b) settlements under guarantees and letters of credit	–	–
c) other receivables, including:	176,063	404,893
FFO settlements	62,052	58,412
prevention settlements	34,510	18,437
receivables from unsettled placement transactions and security deposits	23,662	263,857
receivables for acting as an emergency adjuster	16,392	26,752
retained guarantee deposits	16,082	11,495
receivables from direct claims handling on behalf of other insurance undertakings	6,538	15,679
prepayments to suppliers	3,055	518
receivables from settlements within the Tax Capital Group	1,397	2,776
bailiffs' seizures	1,097	1,320
receivables from shortages and damages	714	1,074
Total other receivables (net)	190,000	436,739
d) impairment losses	19,862	32,462
Total other receivables (gross)	209,862	469,201

Other receivables	31 December 2023	31 December 2022
a) from subsidiaries	14,960	30,564
b) from joint ventures	–	–
c) from related parties	–	–
d) from a major investor	–	–
e) from a shareholder of a joint venture	–	–
f) from the parent company	–	–
g) other	175,040	406,175
Other receivables, total	190,000	436,739

Other receivables – with a remaining repayment period from the balance sheet date	31 December 2023	31 December 2022
a) up to 3 months	107,669	102,247
b) 3 months to 1 year	5,805	265,364
c) 1 to 5 years	17,177	15,909
d) over 5 years	59,349	53,219
Other receivables, total	190,000	436,739

Other receivables (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	185,595	205,793
b) in EUR or another currency (by currency and after conversion to PLN)	4,405	230,946
b1. thousand. EUR	833	49,030
thous. PLN	3,624	229,948
b2. thousand. USD	15	227
thous. PLN	59	998
b3. thousand. GBP	141	–
thous. PLN	703	–
b4. thousand. CHF	4	–
thous. PLN	19	–
b5. other currencies	–	–
Other receivables, total	190,000	436,739

3.4 Other information on receivables

3.4.1. Movement in allowances for receivables by type of receivables

Movement in allowances for receivables by type of receivables	1 January – 31 December 2023	1 January – 31 December 2022
a) beginning of the period (by receivable type)	640,207	616,650
Impairment charges receivables under direct insurance	607,559	588,287
impairment charges on reinsurance receivables	186	188
Impairment charges on other receivables	32,462	28,175
b) increases (by virtue of)	55,052	46,814
Impairment charges receivables under direct insurance	40,804	35,115
impairment charges on reinsurance receivables	244	34
Impairment charges on other receivables	14,004	11,665
c) reductions (by virtue of)	40,183	23,257
– use of impairment charges	8,984	3,805
Impairment charges receivables under direct insurance	–	–
impairment charges on reinsurance receivables	–	–
Impairment charges on other receivables	8,984	3,805
– release of impairment charges for repayment and other titles	31,199	19,452
Impairment charges receivables under direct insurance	13,149	15,843
impairment charges on reinsurance receivables	430	36
Impairment charges on other receivables	17,620	3,573
d) end of the period (by receivable type)	655,076	640,207
Impairment charges receivables under direct insurance	635,214	607,559
impairment charges on reinsurance receivables	–	186
Impairment charges on other receivables	19,862	32,462

3.4.2. Information on overdue receivables (by title)

Overdue receivables (by title)	31 December 2023	31 December 2022
a) up to 3 months	233,506	206,614
– receivables on direct insurance	220,341	195,409
– reinsurance receivables	7,564	7,036
– other receivables	5,601	4,169
b) over 3 months	103,004	80,626
– receivables on direct insurance	84,590	61,929
– reinsurance receivables	12,445	15,052
– other receivables	5,969	3,645
Total overdue receivables (by title), including:	336,510	287,240
a) up to 3 months	233,506	206,614
b) over 3 months	103,004	80,626

As of 31 December 2023, the value of receivables overdue more than 1 year was: PLN 16,529 thousand (31 December 2022: PLN 5,062 thousand).

4. Other assets

4.1 Property, plant and equipment

Property, plant and equipment	31 December 2023	31 December 2022
a) plant and machinery	46,127	39,879
b) means of transport	59,806	64,420
c) other fixed assets	9,195	9,957
d) fixed assets under construction	18,150	19,600
e) advances for fixed assets under construction	-	-
f) provisions	-	-
g) recoveries after damage	26	-
Property, plant and equipment, total	133,304	133,856

Property, plant and equipment – ownership structure	31 December 2023	31 December 2022
a) own	133,304	133,856
b) foreign	-	-
Property, plant and equipment, total	133,304	133,856

Fixed assets (balance sheet) – ownership structure	31 December 2023	31 December 2022
a) own	133,304	133,856
b) used under a rental, lease or other agreement, including a lease agreement	-	-
Total balance sheet fixed assets	133,304	133,856

Fixed assets (shown off balance sheet)	31 December 2023	31 December 2022
a) used under a rental, lease or other agreement, including a lease agreement, including:	156,361	233,081
Lease	156,361	233,081
Fixed assets shown off balance sheet, total	156,361	233,081

In 2023 and 2022, PZU did not incur costs for construction in progress and fixed assets for its own use.

Movement in fixed assets (by type group) for the year ended 31 December 2023	Plant and machinery	Means of transport	Other fixed assets	Fixed assets under construction	Advances for fixed assets under construction	Inventories	Recoveries after damage	Property, plant and equipment, total
a) gross value of fixed assets at the beginning of the period	170,487	103,133	72,802	19,600	-	-	-	366,022
b) increases (by virtue of)	23,336	7,281	2,759	428	-	-	1,526	35,330
– investments	-	-	-	-	-	-	-	-
– from direct purchases	1,837	-	(15)	25,078	-	-	-	26,900
– transfers	21,430	7,239	2,735	(31,404)	-	-	-	-
– other (including estimates)	69	42	39	6,754	-	-	1,526	8,430
c) reductions (by virtue of)	24,536	1,256	937	1,878	-	-	1,501	30,108
– liquidation	23,935	-	496	-	-	-	-	24,431
– sale	592	1,256	437	-	-	-	1,501	3,786
– other	9	-	4	1,878	-	-	-	1,891
d) gross value of fixed assets at the end of the period	169,287	109,158	74,624	18,150	-	-	26	371,245
e) accumulated amortization at the beginning of the period	130,608	38,713	62,845	-	-	-	-	232,166
f) amortization for the period (by virtue of)	(7,448)	10,639	2,584	-	-	-	-	5,775
– current year amortization charges	16,967	11,406	3,467	-	-	-	-	31,840
– amortization of liquidated fixed assets	(23,910)	-	(488)	-	-	-	-	(24,398)
– amortization of fixed assets sold	(563)	(795)	(432)	-	-	-	-	(1,790)
– other	58	28	37	-	-	-	-	123
g) accumulated amortization at the end of the period	123,160	49,352	65,429	-	-	-	-	237,941
h) impairment losses at the beginning of the period	-	-	-	-	-	-	-	-
– increases	-	-	-	-	-	-	-	-
– reductions	-	-	-	-	-	-	-	-
i) impairment losses at the end of the period	-	-	-	-	-	-	-	-
j) net value of fixed assets at the end of the period	46,127	59,806	9,195	18,150	-	-	26	133,304

Movement in fixed assets (by type group) for the year ended 31 December 2022	Plant and machinery	Means of transport	Other fixed assets	Fixed assets under construction	Advances for fixed assets under construction	Inventories	Recoveries after damage	Property, plant and equipment, total
a) gross value of fixed assets at the beginning of the period	185,982	95,251	69,101	7,475	-	-	-	357,809
b) increases (by virtue of)	13,722	10,509	4,781	14,223	-	-	-	43,235
– investments	-	-	-	-	-	-	-	-
– from direct purchases	302	-	1,574	41,155	-	-	-	43,031
– transfers	13,358	10,384	3,190	(26,932)	-	-	-	-
– other (including estimates)	62	125	17	-	-	-	-	204
c) reductions (by virtue of)	29,217	2,627	1,080	2,098	-	-	-	35,022
– liquidation	28,619	-	364	-	-	-	-	28,983
– sale	583	2,627	400	-	-	-	-	3,610
– other	15	-	316	2,098	-	-	-	2,429
d) gross value of fixed assets at the end of the period	170,487	103,133	72,802	19,600	-	-	-	366,022
e) accumulated amortization at the beginning of the period	144,382	29,091	60,893	-	-	-	-	234,366
f) amortization for the period (by virtue of)	(13,774)	9,622	1,952	-	-	-	-	(2,200)
– current year amortization charges	15,012	11,107	2,873	-	-	-	-	28,992
– amortization of liquidated fixed assets	(28,287)	-	(359)	-	-	-	-	(28,646)
– amortization of fixed assets sold	(540)	(1,556)	(557)	-	-	-	-	(2,653)
– other	41	71	(5)	-	-	-	-	107
g) accumulated amortization at the end of the period	130,608	38,713	62,845	-	-	-	-	232,166
h) impairment losses at the beginning of the period	-	-	-	-	-	-	-	-
– increases	-	-	-	-	-	-	-	-
– reductions	-	-	-	-	-	-	-	-
i) impairment losses at the end of the period	-	-	-	-	-	-	-	-
j) net value of fixed assets at the end of the period	39,879	64,420	9,957	19,600	-	-	-	133,856

4.2 Cash

Cash	31 December 2023	31 December 2022
a) cash at bank and in hand	155,709	130,720
b) other cash	4,348	-
Total cash	160,057	130,720

Restricted cash is described in section 28.1 Supplementary information and notes.

Cash – currency structure	31 December 2023	31 December 2022
a) in Polish currency	117,444	116,276
b) EUR or another currency (by currency and after conversion to PLN)	42,613	14,444
b1. thousand. EUR	5,114	2,596
thous. PLN	22,235	12,174
b2. thousand. USD	1,529	440
thous. PLN	6,016	1,938
b3. thousand. GBP	2,710	43
thous. PLN	13,548	228
b4. other	813	104
Total cash	160,057	130,720

5. Prepayments and accruals

5.1 Deferred tax assets

Movement in deferred tax assets	1 January – 31 December 2023	1 January – 31 December 2022
1. Deferred tax assets at the beginning of the period, including:	904,337	700,529
a) through profit or loss¹⁾	618,628	583,032
b) related to equity²⁾	285,709	117,497
c) relating to goodwill or negative goodwill	-	-
2. Additions	92,992	253,446
a) applied to the financial result of the period due to negative temporary differences (by virtue of)	92,992	85,234
– formation of temporary differences, including:	92,992	85,234
accrued expenses	83,945	82,276
financial instruments	-	-
impairment charges on real property	-	-
other provisions	9,047	2,958
– changes in tax rates	-	-
– unrecognized temporary difference of the previous period	-	-
b) applied to the financial result of the period due to tax losses (by virtue of)	-	-
c) applied to equity due to negative temporary differences (by virtue of)	-	168,212
– formation of temporary differences, including:	-	168,212
financial instruments	-	168,212
– changes in tax rates	-	-
– unrecognized temporary difference of the previous period	-	-
d) relative to equity in connection with tax losses (by virtue of)	-	-
e) related to goodwill or negative goodwill due to deductible temporary differences (by virtue of)	-	-
3. Reductions	61,951	49,638
a) applied to the financial result of the period due to negative temporary differences (by virtue of)	28,088	49,638
– reversal of temporary differences, including:	28,088	49,638
insurance receivables	132	116
financial instruments	26,815	38,270

Movement in deferred tax assets	1 January – 31 December 2023	1 January – 31 December 2022
other provisions	7	10,962
accrued expenses	–	–
other temporary differences	1,134	290
– changes in tax rates	–	–
– impairment charges on deferred tax assets	–	–
b) applied to the financial result of the period due to tax losses (by virtue of)	–	–
c) applied to equity due to negative temporary differences (by virtue of)	33,863	–
– reversal of temporary differences, including:	33,863	–
financial instruments	33,863	–
– changes in tax rates	–	–
– impairment charges on deferred tax assets	–	–
d) relative to equity in connection with tax losses (by virtue of)	–	–
e) related to goodwill or negative goodwill due to deductible temporary differences (by virtue of)	–	–
4. Deferred tax assets at the end of the period, total, including:	935,378	904,337
a) through profit or loss³⁾	683,532	618,628
b) related to equity²⁾	251,846	285,709
c) relating to goodwill or negative goodwill	–	–

¹⁾ Refers to cumulative changes in deferred tax assets charged to earnings in 2022 and earlier years.

²⁾ Refers to the revaluation reserve.

³⁾ Refers to the cumulative impact of changes in deferred tax assets charged to earnings in 2023 and earlier years.

Deferred tax assets and liabilities are presented net of the appropriate amounts arising from deductible and taxable temporary differences.

Additional information on negative temporary differences	31 December 2023	31 December 2022
a) a negative temporary differences at the beginning of the period, including:	4,759,666	3,686,997
financial instruments	2,239,883	1,555,981
accrued expenses	1,904,640	1,526,333
insurance receivables	429,569	416,689
other temporary differences	139	1,460
impairment charges on real property	135,325	133,450
other provisions	50,110	53,084
b) negative temporary differences at the end of the period, including:	4,923,040	4,759,666
financial instruments	1,920,524	2,239,883
accrued expenses	2,362,444	1,904,640
insurance receivables	448,100	429,569
other temporary differences	6,216	139
impairment charges on real property	129,357	135,325
other provisions	56,399	50,110
negative temporary differences expiring within 1 year	4,327,427	4,164,053
negative temporary differences expiring in more than 1 year	595,613	595,613

5.2 Other active prepayments and accruals

Other prepayments and accruals	31 December 2023	31 December 2022
a) reinsurance prepayments and accruals ¹⁾	737,412	766,831
b) costs related to the direct costs of claims handling	46,277	45,743
c) IT expenses	53,368	67,448
d) other	45,068	44,131
Other prepayments and accruals, total	882,125	924,153

¹⁾ The item of reinsurance accruals mainly includes the gross accrued premium for active reinsurance in the amount of PLN 590,886 thousand (31 December 2022: PLN 657,049 thousand).

6. Movements in impairment losses

Movements in impairment losses in the year ended 31 December 2023.

Item	Impairment charges as of 1 January 2023, including:		Establishments, including:		Dissolutions, including:		Uses, including:		Impairment charges as of 31 December 2023, including:	
	- through profit or loss	- through equity	- through profit or loss	- through equity	- through profit or loss	- through equity	- through profit or loss	- through equity	- through profit or loss	- through equity
I. Intangible assets	2,771	-	-	-	-	-	-	-	2,771	-
II. Investments	956,315	2,349	4,802	51	(12,658)	-	(93)	-	948,366	2,400
1. Real property	136,601	2,349	4,802	51	(12,658)	-	(93)	-	128,652	2,400
2. Investments in subordinate entities	800,886	-	-	-	-	-	-	-	800,886	-
3. Other financial investments	18,828	-	-	-	-	-	-	-	18,828	-
a) shares, stocks and other variable income debt securities	18,803	-	-	-	-	-	-	-	18,803	-
b) participation units and investment certificates of mutual funds	25	-	-	-	-	-	-	-	25	-
c) debt securities and other fixed-income securities	-	-	-	-	-	-	-	-	-	-
d) participations in joint ventures of investment	-	-	-	-	-	-	-	-	-	-
e) mortgage-backed loans	-	-	-	-	-	-	-	-	-	-
f) other loans	-	-	-	-	-	-	-	-	-	-
g) term deposits with credit institutions	-	-	-	-	-	-	-	-	-	-
j) other investments (by type)	-	-	-	-	-	-	-	-	-	-
4. Deposits with ceding enterprises	-	-	-	-	-	-	-	-	-	-
III. Net assets of a life insurance company if the investment risk is borne by the policyholder	-	-	-	-	-	-	-	-	-	-
IV. Receivables	640,207	-	55,052	-	(31,199)	-	(8,984)	-	655,076	-
1. Receivables on direct insurance	607,559	-	40,804	-	(13,149)	-	-	-	635,214	-
2. Reinsurance receivables	186	-	244	-	(430)	-	-	-	-	-
3. Other receivables	32,462	-	14,004	-	(17,620)	-	(8,984)	-	19,862	-
3.1. Receivables from the budget	-	-	-	-	-	-	-	-	-	-
3.2. Other receivables	32,462	-	14,004	-	(17,620)	-	(8,984)	-	19,862	-
V. Other assets, including	-	-	-	-	-	-	-	-	-	-
1. Property, plant and equipment	-	-	-	-	-	-	-	-	-	-
2. Other assets	-	-	-	-	-	-	-	-	-	-
VI. Prepayments and accruals	65	-	65	-	(86)	-	-	-	44	-
1. Deferred tax assets	-	-	-	-	-	-	-	-	-	-
2. Deferred acquisition costs	-	-	-	-	-	-	-	-	-	-
3. Accrued interest and rents	-	-	-	-	-	-	-	-	-	-
4. Other prepayments and accruals	65	-	65	-	(86)	-	-	-	44	-

Movements in impairment losses in the year ended 31 December 2022.

Item	Impairment charges as of 1 January 2022, including:		Establishments, including:		Dissolutions, including:		Uses, including:		Impairment charges as of 31 December 2022, including:	
	- through profit or loss	- through equity	- through profit or loss	- through equity	- through profit or loss	- through equity	- through profit or loss	- through equity	- through profit or loss	- through equity
I. Intangible assets	1,209	-	-	-	1,562	-	-	-	2,771	-
II. Investments	946,141	2,349	11,045	-	(871)	-	-	-	956,315	2,349
1. Real property	136,236	2,349	1,236	-	(871)	-	-	-	136,601	2,349
2. Investments in subordinate entities	797,380	-	3,506	-	-	-	-	-	800,886	-
3. Other financial investments	12,525	-	6,303	-	-	-	-	-	18,828	-
a) shares, stocks and other variable income debt securities	12,500	-	6,303	-	-	-	-	-	18,803	-
b) participation units and investment certificates of mutual funds	25	-	-	-	-	-	-	-	25	-
c) debt securities and other fixed-income securities	-	-	-	-	-	-	-	-	-	-
d) participations in joint ventures of investment	-	-	-	-	-	-	-	-	-	-
e) mortgage-backed loans	-	-	-	-	-	-	-	-	-	-
f) other loans	-	-	-	-	-	-	-	-	-	-
g) term deposits with credit institutions	-	-	-	-	-	-	-	-	-	-
j) other investments (by type)	-	-	-	-	-	-	-	-	-	-
4. Deposits with ceding enterprises	-	-	-	-	-	-	-	-	-	-
III. Net assets of a life insurance company if the investment risk is borne by the policyholder	-	-	-	-	-	-	-	-	-	-
IV. Receivables	616,650	-	46,814	-	(19,453)	-	(3,804)	-	640,207	-
1. Receivables on direct insurance	588,287	-	35,115	-	(15,843)	-	-	-	607,559	-
2. Reinsurance receivables	188	-	34	-	(36)	-	-	-	186	-
3. Other receivables	28,175	-	11,665	-	(3,574)	-	(3,804)	-	32,462	-
3.1. Receivables from the budget	-	-	-	-	-	-	-	-	-	-
3.2. Other receivables	28,175	-	11,665	-	(3,574)	-	(3,804)	-	32,462	-
V. Other assets, including	-	-	-	-	-	-	-	-	-	-
1. Property, plant and equipment	-	-	-	-	-	-	-	-	-	-
2. Other assets	-	-	-	-	-	-	-	-	-	-
VI. Prepayments and accruals	86	-	65	-	(86)	-	-	-	65	-
1. Deferred tax assets	-	-	-	-	-	-	-	-	-	-
2. Deferred acquisition costs	-	-	-	-	-	-	-	-	-	-
3. Accrued interest and rents	-	-	-	-	-	-	-	-	-	-
4. Other prepayments and accruals	86	-	65	-	(86)	-	-	-	65	-

6.1 Carrying amount of interest accreted on assets subject to impairment losses

As of 31 December 2023 and 31 December 2022, there was no interest accreted on assets subject to impairment losses.

7. Equity

7.1 Share capital

Share capital structure as of 31 December 2023 and 31 December 2022

Share capital is recognized at the amount stated in the PZU Articles of Association and registered in the National Court Register.

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

Series/issue	Type of shares	Type of preference	Type of limitation on rights to shares	Number of shares	Value of series/issue at par value (PLN)	Capital coverage	Date of registration	Right to dividends (from the date)
A	bearer	none	none	604,463,200	60,446,320	cash	1/23/1997	12/27/1991
B	bearer	none	none	259 059 800	25 905 980	in-kind	3/31/1999	1/1/1999
Total number of shares				863,523 000				
Total share capital					86,352,300			

Shareholder structure as of 31 December 2023

No.	Shareholder's name	Number of shares and votes	Percentage held in the share capital and in the total number of votes at the Shareholder Meeting
1.	State Treasury	295,217,300	34.1875%
2.	BlackRock, Inc. ¹⁾	43,228,203	5.0060%
3.	Other shareholders	525,077 497	60.8065%
	Total	863,523,000	100%

¹⁾ Number of shares based on BlackRock, Inc. notice as of 13 December 2023.

Shareholder structure as of 31 December 2022

No.	Shareholder's name	Number of shares and votes	Percentage held in the share capital and in the total number of votes at the Shareholder Meeting
1.	State Treasury	295,217,300	34.1875%
2.	Funds managed by Nationale Nederlanden Powszechnie Towarzystwo Emerytalne Spółka Akcyjna ¹⁾	49,223 000	5.7003%
3.	Other shareholders	519,082,700	60.1122%
	Total	863,523,000	100%

¹⁾ Number of shares held by the funds at the Extraordinary Shareholder Meeting of PZU held on 1 September 2022.

Transactions with material blocks of PZU shares

On 5 January 2023, PZU was notified by Powszechnie Towarzystwo Emerytalne Allianz Polska SA of an increase in the shareholding and in the general number of votes of PZU over 5% held jointly by the funds managed by Powszechnie Towarzystwo Emerytalne Allianz Polska SA, i.e. by Allianz Polska Otwarty Fundusz Emerytalny, Allianz Polska Dobrowolny Fundusz Emerytalny and the

Second Allianz Polska Otwarty Fundusz Emerytalny, which held in total 48,183,212 PZU shares, corresponding to 5.5798% of the share capital and entitling to 5.5798% of shares at the General Meeting of Shareholders of PZU.

On 17 May 2023, PZU advised about the notification it had received from Powszechnie Towarzystwo Emerytalne Allianz Polska SA that on 12 May 2023 as a result of liquidation of the Second Allianz Polska Otwarty Fundusz Emerytalny and of transfer of its assets to Allianz Polska Otwarty Fundusz Emerytalny, Allianz Polska Otwarty Fundusz Emerytalny had held 45,736,958 PZU shares, corresponding to 5.2966% of the share capital and entitling to 5.2966 votes at the General Meeting of Shareholders of PZU.

On 24 November 2023, PZU advised about the notification it had received from Powszechnie Towarzystwo Emerytalne Allianz Polska SA that following the sale of PZU shares on 16 November 2023 by Allianz Polska Otwarty Fundusz Emerytalny, the fund had held 42,530,871 PZU shares, corresponding to 4.9253% of the share capital and entitling to 4.9253% of votes at the General Meeting of Shareholders of PZU.

On 27 November 2023, PZU was notified by Nationale-Nederlanden Powszechnie Towarzystwo Emerytalne SA that following the sale of PZU shares on 17 November 2023 by Nationale-Nederlanden Otwarty Fundusz Emerytalny, the fund had held 43,064,118 PZU shares, corresponding to 4.9870% of the share capital and entitling to 4.9870% of votes at the General Meeting of Shareholders of PZU. At the same time, funds managed by Nationale-Nederlanden Powszechnie Towarzystwo Emerytalne SA hold a total of 44,180,412 PZU shares, corresponding to 5.1163% of the share capital and entitling to 5.1163% of votes at the General Meeting of Shareholders of PZU.

On 1 December 2023, PZU was notified by Nationale-Nederlanden Powszechnie Towarzystwo Emerytalne SA – which manages the following funds: Nationale-Nederlanden Otwarty Fundusz Emerytalny, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2025, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2030, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2035, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2040, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2045, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2050, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2055, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2060, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2065 (the Funds) – that as a result of the sale of PZU shares in the transactions on WSE entered into on 23 November 2023, the Funds had reduced their total holding of PZU shares below 5% of votes at the PZU Shareholder Meeting. Before the transaction was settled, the Funds had held a total of 43,467,027 PZU shares, corresponding to 5.03% of the share capital and entitling to exercise 43,467,027 votes, that is 5.03% of the total number of votes at the General Meeting of Shareholders of PZU. After the transaction was settled, the Funds hold 43,120,753 PZU shares, corresponding to 4.99% of the share capital and entitling to exercise 43,120,753 votes, that is 4.99% of the total number of votes at the General Meeting of Shareholders of PZU.

On 13 December 2023, PZU was notified by BlackRock, Inc. that as at 12 December 2023, Black Rock, Inc. had held 43,228,203 PZU shares, corresponding to 5.0060% of the share capital and entitling to 5.0060% of votes at the General Meeting of Shareholders of PZU.

7.2 Distribution of net profit

7.2.1. Distribution of net profit for the financial year 2022

On 7 June 2023, the Annual General Meeting of PZU distributed net profit for fiscal year 2022 in the amount of PLN 1,636,774 thousand plus the amount of PLN 1,295,995 thousand transferred from the reserve capital created from net profit for fiscal year 2021, totaling PLN 2,932,769 thousand, allocating:

- PLN 2,072,456 thousand (i.e. PLN 2.40 per share) to disbursement of dividends;
- PLN 853,612 thousand for supplementary capital;
- PLN 6,701 thousand for the Company Social Benefit Fund.

The record date was set at 7 September 2023 and the dividend payout date was set for 28 September 2023.

The profit distribution is consistent with the PZU Group's Capital and Dividend Policy for 2021-2024, as adopted on 24 March 2021, and takes into account the recommendations contained in the Polish Financial Supervision Authority's (KNF) stance on the dividend policy in 2023 issued on 6 December 2022.

7.2.2. Proposed distribution of the 2023 profit

As at the date of signing these standalone financial statements, the PZU Management Board has not adopted a resolution in the matter of the proposed distribution of the 2023 profit.

7.3 Supplementary capital

Supplementary capital	31 December 2023	31 December 2022
a) share premium account	538,139	538,139
b) created by law	28,784	28,784
c) created in accordance with the statute or contract, in excess of the statutorily required (minimum) value	6,676,880	7,119,263
d) from shareholder surcharges	-	-
e) other	8,778	8,510
Total supplementary capital	7,252,581	7,694,696

7.4 Revaluation reserve

Revaluation reserve	31 December 2023	31 December 2022
a) due to revaluation of fixed assets	8,449	8,441
b) deferred tax assets	(749,358)	(518,757)
c) foreign exchange translation differences of foreign branches	-	-
d) other (by type):	10,303,024	6,916,637
– on account of revaluation of financial investments measured by the equity method	6,317,144	4,158,131
– on account of revaluation of financial investments held for hedge accounting purposes	(100,590)	(310,763)
– on account of revaluation of financial investments qualified to the portfolio of available-for-sale financial assets	4,086,470	3,069,269
Revaluation reserve, total	9,562,115	6,406,321

Revaluation reserve of financial instruments (gross)	1 January – 31 December 2023	1 January – 31 December 2022
1. Opening balance	6,916,637	6,848,604
2. Increases, due to:	3,645,233	1,099,389
a) effects of revaluation of available-for-sale financial assets, including:	3,513,812	1,027,374
– periodic valuation gains	3,465,554	1,020,504
– amounts written off as of the date of derecognition (i.e., sales, for example)	48,258	6,870
– revaluation amounts written off to the profit and loss account in the event of permanent impairment	–	–
– valuation gains determined as of the date of reclassification of assets to the available-for-sale category (from the held-to-maturity category)	–	–
– amounts settled in case of reclassification of assets to the held-to-maturity category (reclassification back to HTM, after the period referred to in Par. 8(4) of the Financial Instruments Regulation)	–	–
b) resulting from the application of hedge accounting:	131,421	72,015
– amounts settled in the case of hedging the fair value of an interest-bearing financial instrument	–	–
– periodic valuation of hedged items and hedging instruments in connection with hedging changes in cash flows	131,421	72,015
– periodic valuation of hedged items and hedging instruments in connection with hedging of net investment in foreign operations	–	–
c) other	–	–
d) determination, revaluation and impairment charges to profit or loss of deferred tax liabilities and assets	–	–
3. Reductions, due to:	258,846	1,031,356
a) effects of revaluation of available-for-sale financial assets, including:	83,795	1,031,356
– periodic valuation losses	(47,769)	1,009,515
– amounts written off as of the date of derecognition (i.e., sales, for example)	131,564	21,841
– valuation losses determined as of the date of reclassification of assets to the available-for-sale category (from the held-to-maturity category)	–	–
– amounts settled in case of reclassification of assets to the held-to-maturity category (reclassification back to HTM, after the period referred to in Par. 8(4) of the Financial Instruments Regulation)	–	–
b) resulting from the application of hedge accounting:	175,051	–
– amounts settled in the case of hedging the fair value of an interest-bearing financial instrument	–	–
– periodic valuation of hedged items and hedging instruments in connection with hedging changes in cash flows	175,051	–
– periodic valuation of hedged items and hedging instruments in connection with hedging of net investment in foreign operations	–	–
c) other	–	–
d) determination, revaluation and impairment charges to profit or loss of deferred tax liabilities and assets	–	–
4. Closing balance sheet	10,303,024	6,916,637

8. Subordinated liabilities

On 30 June 2017, PZU issued subordinated bonds with the total nominal value of PLN 2,250,000 thousand. The redemption date is 29 July 2027.

The issued bonds have the following parameters:

Parameter	Value
Total nominal value of the bonds	PLN 2,250,000 thousand
Nominal value and issue price per one bond	PLN 100,000
Redemption date	29 July 2027
Interest rate	WIBOR 6M + 1.80% margin
Interest payment dates	29 January and 29 July each year, from 29 January 2018 until 29 July 2027
Collateral	None

The bonds are not in the form of documents and are registered in the securities depository maintained by Krajowy Depozyt Papierów Wartościowych SA [National Depository for Securities] and listed in alternative trading systems run by BondSpot SA and the Warsaw Stock Exchange. As of 31 December 2023, the carrying amount of the subordinated bonds was PLN 2,327,793 thousand, and their fair value was PLN 2,373,380 thousand (as at 31 December 2022: carrying amount PLN 2,333,305 thousand and fair value PLN 2,269,564 thousand).

9. Technical provisions

Technical provisions	31 December 2023	31 December 2022
a) provision for premiums	8,178,063	7,539,664
– gross provisions	9,898,641	8,965,710
– reinsurers' share	1,720,578	1,426,046
b) provision for unexpired risk:	4,449	-
– gross provisions	4,449	-
– reinsurers' share	-	-
– life insurance provision	-	-
– gross provisions	-	-
– reinsurers' share	-	-
d) provision for outstanding claims and benefits:	16,292,689	15,702,614
– gross provisions	19,488,675	17,928,742
– reinsurers' share	3,195,986	2,226,128
e) provisions for bonuses and discounts for the insured:	5,841	7,779
– gross provisions	9,478	13,291
– reinsurers' share	3,637	5,512
f) provisions for (risk) equalization	665,480	663,199
g) provisions for reimbursement of contributions to members	-	-
h) other technical provisions referred to in the articles	-	-
– gross provisions	-	-
– reinsurers' share	-	-
i) provisions for life insurance if the deposit (investment) risk is borne by the policyholder	-	-
– gross provisions	-	-
– reinsurers' share	-	-
Total technical provisions	25,146,522	23,913,256

Technical provisions in life insurance – gross (currency structure)	31 December 2023	31 December 2022
a) provision for premiums	9,898,641	8,965,710
– in Polish currency	9,898,641	8,965,710
– in Euro or another currency (per currencies and converted into PLN)	-	-
b) provision for unexpired risk:	4,449	-
– in Polish currency	4,449	-
– in Euro or another currency (per currencies and converted into PLN)	-	-
– life insurance provision	-	-
– in Polish currency	-	-
– in Euro or another currency (per currencies and converted into PLN)	-	-
d) provision for outstanding claims and benefits:	19,488,675	17,928,742
– in Polish currency	16,014,001	16,000,914
– in Euro or another currency (per currencies and converted into PLN)	3,474,674	1,927,828
d1. thousand. EUR	305,383	311,758
thous. PLN	1,327,806	1,462,112
d2. thousand. GBP	53,929	55,806
thous. PLN	269,629	295,532
d3. thousand. CZK	102,894	76,447
thous. PLN	18,099	14,846
d4. thousand. SEK	17,165	11,792
thous. PLN	6,727	4,968
d5. thousand. CHF	836	783
thous. PLN	3,915	3,734
d6. thousand. UAH	236,789	287,313
thous. PLN	24,555	36,144
d7. thousand. USD	463,518	25,102
thous. PLN	1,823,943	110,492
e) provisions for bonuses and discounts for the insured:	9,478	13,291
– in Polish currency	9,478	13,291
– in Euro or another currency (per currencies and converted into PLN)	-	-
f) provisions for (risk) equalization:	665,480	663,199
– in Polish currency	665,480	663,199
– in Euro or another currency (per currencies and converted into PLN)	-	-
g) provisions for reimbursement of contributions to members:	-	-
– in Polish currency	-	-
– in Euro or another currency (per currencies and converted into PLN)	-	-
h) other technical provisions referred to in the articles:	-	-
– in Polish currency	-	-
– in Euro or another currency (per currencies and converted into PLN)	-	-
i) provisions for life insurance if the deposit (investment) risk is borne by the policyholder:	-	-
– in Polish currency	-	-
– in Euro or another currency (per currencies and converted into PLN)	-	-
Total technical provisions	30,066,723	27,570,942

Reinsurers' share in technical provisions (currency structure)	31 December 2023	31 December 2022
a) reinsurers' share in provision for premiums	1,720,578	1,426,046
– in Polish currency	1,720,578	1,426,046
– in Euro or another currency (per currencies and converted into PLN)	-	-
b) reinsurers' share in provision for unexpired risk:	-	-
– in Polish currency	-	-
– in Euro or another currency (per currencies and converted into PLN)	-	-
c) reinsurers' share in provision for life insurance:	-	-
– in Polish currency	-	-
– in Euro or another currency (per currencies and converted into PLN)	-	-
d) reinsurers' share in provision for outstanding claims and benefits:	3,195,986	2,226,128
– in Polish currency	932,902	1,641,172
– in Euro or another currency (per currencies and converted into PLN)	2,263,084	584,956
d1. thousand. EUR	106,025	103,764
thous. PLN	460,996	486,641
d2. thousand. USD	455,559	19,798
thous. PLN	1,792,623	87,147
d3. thousand. UAH	83,905	82,003
thous. PLN	8,701	10,316
d4. other	764	852
e) reinsurers' share in provisions for bonuses and discounts for the insured:	3,637	5,512
– in Polish currency	3,637	5,512
– Euro or another currency (per currencies and converted into PLN)	-	-
f) reinsurers' share in other technical provisions referred to in the articles:	-	-
– in Polish currency	-	-
– in Euro or another currency (per currencies and converted into PLN)	-	-
g) reinsurers' share in provision for life insurance if the deposit (investment) risk is borne by the policyholder:	-	-
– in Polish currency	-	-
– in Euro or another currency (per currencies and converted into PLN)	-	-
Total reinsurers' share in technical provisions	4,920,201	3,657,686

In the case of property and non-life insurance, inflation added to the increase in average claims paid. Nonetheless, there were no increases in terms of direct claims handling expenses. The maintained levels of technical provisions are adequate to cover the potential excessive inflation of claims. In the case of annuity provisions, higher indexation is compensated with higher discount rate.

9.1 Provision for unearned premiums and provision for unexpired risk

Provision for unearned premiums and provision for unexpired risk	31 December 2023	31 December 2022
a) provision for premiums	8,178,063	7,539,664
– gross provisions	9,898,641	8,965,710
– reinsurers' share	1,720,578	1,426,046
b) provision for unexpired risk:	4,449	-
– gross provisions	4,449	-
– reinsurers' share	-	-
Total provision for unearned premiums and provision for unexpired risk	8,182,512	7,539,664

9.2 Provision for outstanding claims and benefits

9.2.1. Gross value of provisions for outstanding claims and benefits

Gross value of provisions for outstanding claims and benefits	Provisions as at 31 December 2023	Value of provisions relating to losses
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		incurred in the current year
Accident and sickness insurance (groups 1 and 2)	213,413	68,788
MTPL insurance (group 10)	12,117,361	2,177,878
Other motor insurance (group 3)	1,069,656	508,935
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	90,256	50,309
Insurance against fire and other property damage (groups 8 and 9)	1,738,628	611,798
Third party liability (groups 11, 12, 13)	2,584,806	430,456
Credit and suretyship (groups 14 and 15)	34,592	9,552
Assistance (group 18)	93,833	59,599
Legal assistance insurance (group 17)	21,316	4,793
Other (group 16)	1,524,814	96,014
Total gross provisions for outstanding claims and benefits	19,488,675	4,018,122

Gross value of provisions for outstanding claims and benefits	Provisions as at 31 December 2022	Value of provisions relating to losses incurred in the current year
Accident and sickness insurance (groups 1 and 2)	193,595	74,118
MTPL insurance (group 10)	11,954,605	2,100,238
Other motor insurance (group 3)	951,547	433,936
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	69,368	34,629
Insurance against fire and other property damage (groups 8 and 9)	1,220,753	610,764
Third party liability (groups 11, 12, 13)	2,292,557	390,734
Credit and suretyship (groups 14 and 15)	174,424	147,787
Assistance (group 18)	71,965	40,516
Legal assistance insurance (group 17)	19,574	4,956
Other (group 16)	980,354	809,782
Total gross provisions for outstanding claims and benefits	17,928,742	4,647,460

9.2.2. Reinsurers' share in provision for outstanding claims and benefits

Reinsurers' share in provision for outstanding claims and benefits	Provisions as at 31 December 2023	Value of provisions relating to losses incurred in the current year
Accident and sickness insurance (groups 1 and 2)	173	106
MTPL insurance (group 10)	573,642	11,318
Other motor insurance (group 3)	1,485	1,339
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	8,058	3,304
Insurance against fire and other property damage (groups 8 and 9)	917,539	233,707
Third party liability (groups 11, 12, 13)	266,997	12,453
Credit and suretyship (groups 14 and 15)	18,441	6,873
Assistance (group 18)	22	11
Legal assistance insurance (group 17)	-	-
Other (group 16)	1,409,629	38,064
Total reinsurers' share	3,195,986	307,175

Reinsurers' share in provision for outstanding claims and benefits	Provisions as at 31 December 2022	Value of provisions relating to losses incurred in the current year
Accident and sickness insurance (groups 1 and 2)	258	178
MTPL insurance (group 10)	612,184	17,640
Other motor insurance (group 3)	257	93
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	6,862	6,273
Insurance against fire and other property damage (groups 8 and 9)	508,427	294,622

Third party liability (groups 11, 12, 13)	181,230	15,026
Credit and suretyship (groups 14 and 15)	48,961	35,033
Assistance (group 18)	29	16
Legal assistance insurance (group 17)	-	-
Other (group 16)	867,920	758,713
Total reinsurers' share	2,226,128	1,127,594

9.3 Total provisions for the capitalized value of annuities before discounts and gross allowances

Total provisions for the capitalized value of annuities before discounts and gross allowances	Provisions as at 31 December 2023	Reinsurers' share
Accident and sickness insurance (groups 1 and 2)	-	-
MTPL insurance (group 10)	10,303,870	429,139
Other motor insurance (group 3)	-	-
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	-	-
Insurance against fire and other property damage (groups 8 and 9)	-	-
Third party liability (groups 11, 12, 13)	963,183	5,753
Credit and suretyship (groups 14 and 15)	-	-
Assistance (group 18)	-	-
Legal assistance insurance (group 17)	-	-
Other (group 16)	-	-
Total gross provisions	11,267,053	434,892

Total provisions for the capitalized value of annuities before discounts and gross allowances	Provisions as at 31 December 2022	Reinsurers' share
Accident and sickness insurance (groups 1 and 2)	-	-
MTPL insurance (group 10)	9,904,469	393,835
Other motor insurance (group 3)	-	-
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	-	-
Insurance against fire and other property damage (groups 8 and 9)	-	-
Third party liability (groups 11, 12, 13)	837,873	281
Credit and suretyship (groups 14 and 15)	-	-
Assistance (group 18)	-	-
Legal assistance insurance (group 17)	-	-
Other (group 16)	-	-
Total gross provisions	10,742,342	394,116

10. Estimated salvage, subrogation and grants

10.1 Gross estimated salvage, subrogation and grants

Gross estimated salvage, subrogation and grants	31 December 2023	31 December 2022
Accident and sickness insurance (groups 1 and 2)	-	-
MTPL insurance (group 10)	50,195	45,662
Other motor insurance (group 3)	43,828	41,156
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	265	265
Insurance against fire and other property damage (groups 8 and 9)	16,586	13,627
Third party liability (groups 11, 12, 13)	471	-
Credit and suretyship (groups 14 and 15)	3,756	7,095
Assistance (group 18)	-	-
Legal assistance insurance (group 17)	-	-
Other (group 16)	-	-
Total gross estimated salvage, subrogation and grants	115,101	107,805

10.2 Reinsurers' share in estimated salvage, subrogation and grants

Reinsurers' share in estimated salvage, subrogation and grants	31 December 2023	31 December 2022
Accident and sickness insurance (groups 1 and 2)	-	-
MTPL insurance (group 10)	99	36
Other motor insurance (group 3)	11	11
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	25	10
Insurance against fire and other property damage (groups 8 and 9)	191	98
Third party liability (groups 11, 12, 13)	140	-
Credit and suretyship (groups 14 and 15)	1,508	3,645
Assistance (group 18)	-	-
Legal assistance insurance (group 17)	-	-
Other (group 16)	-	-
Total reinsurers' share	1,974	3,800

11. Other provisions

11.1 Provisions for pension benefits and other compulsory employee benefits

Provisions for pension benefits and other compulsory employee benefits	31 December 2023	31 December 2022
a) provisions for pension benefits	11,528	8,937
b) other obligatory employee benefits (per title):	38,311	34,576
provisions for vacations	27,854	26,158
provision for post-mortem benefits	10,457	8,418
Total provisions for pension benefits and other compulsory employee benefits	49,839	43,513

Movement in provisions for pension benefits and other compulsory employee benefits	1 January – 31 December 2023	1 January – 31 December 2022
a) reserves at the beginning of the period (per title)	43,513	46,361
provisions for pension benefits	8,937	11,336
provisions for vacations	26,158	24,635
provision for post-mortem benefits	8,418	10,390
b) increases (by virtue of)	8,200	3,120
provisions for pension benefits	3,382	-
provisions for vacations	2,743	3,120
provision for post-mortem benefits	2,075	-
c) utilization (by virtue of)	1,874	2,515
provisions for pension benefits	791	873
provisions for vacations	1,047	1,597
provision for post-mortem benefits	36	45
d) reversal (by virtue of)	-	3,453
provisions for pension benefits	-	1,526
provisions for vacations	-	-
provision for post-mortem benefits	-	1,927
e) provision at the end of the reporting period (per title)	49,839	43,513
provisions for pension benefits	11,528	8,937
provisions for vacations	27,854	26,158
provision for post-mortem benefits	10,457	8,418

Provisions for pension benefits and other compulsory employee benefits (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	49,839	43,513
b) EUR or another currency (by currency and after conversion to PLN)	-	-
Total provisions for pension benefits and other compulsory employee benefits	49,839	43,513

11.2 Deferred tax liabilities

Deferred tax assets and liabilities are presented net of the appropriate amounts arising from deductible and taxable temporary differences.

Movement in the provision for deferred tax liability	1 January – 31 December 2023	1 January – 31 December 2022
1. Provision for deferred tax liability at the beginning of the reporting period, including:	1,458,780	1,213,512
a) through profit or loss¹⁾	654,314	552,023
b) through equity²⁾	804,466	661,489
c) through goodwill or negative goodwill	-	-
2. Additions	228,945	246,977
a) through profit or loss from positive temporary differences (by virtue of)	32,207	104,000
– occurrence of temporary differences, including:	32,207	104,000
Prepayments and accruals	32,207	34,226
other temporary differences	-	-
financial instruments	-	69,774
– changes in tax rates	-	-
– unrecognized temporary difference of the previous period	-	-
b) through equity in relation to positive temporary differences (by virtue of)	196,738	142,977
– occurrence of temporary differences, including:	196,738	142,977
financial instruments	196,738	142,977
– changes in tax rates	-	-
– unrecognized temporary difference of the previous period	-	-
c) through goodwill or negative goodwill in relation to positive temporary differences (by virtue of)	-	-
3. Reductions	4,892	1,709

Movement in the provision for deferred tax liability	1 January – 31 December 2023	1 January – 31 December 2022
a) through profit or loss in relation to positive temporary differences (by virtue of)	4,892	1,709
– reversal of temporary differences (utilization of the provision of deferred tax liability), including:	4,892	1,709
Financial instruments and other calculations	4,892	1,709
– changes in tax rates	-	-
– release of provision when it is impossible to use it	-	-
b) through equity in relation to positive temporary differences (by virtue of)	-	-
– reversal of temporary differences (utilization of the provision of deferred tax liability)	-	-
financial instruments	-	-
– changes in tax rates	-	-
– release of provision when it is impossible to use it	-	-
c) through goodwill or negative goodwill in relation to positive temporary differences (by virtue of)	-	-
4. Total provision for deferred tax liability at the end of the reporting period	1,682,833	1,458,780
a) through profit or loss³⁾	681,629	654,314
b) through equity²⁾	1,001,204	804,466
c) through goodwill or negative goodwill	-	-

¹⁾ Pertains to cumulative changes in provisions for deferred tax liabilities recognized in the financial result of 2022 and earlier years.

²⁾ Refers to the revaluation reserve.

³⁾ Pertains to cumulative impact of provisions for deferred tax liabilities recognized in the financial result of 2023 and earlier years.

Additional information on positive temporary differences	31 December 2023	31 December 2022
a) positive temporary differences at the beginning of the reporting period	7,677,792	6,386,907
financial instruments	4,774,943	3,885,208
Prepayments and accruals	2,688,873	2,278,728
other temporary differences	213,976	222,971
b) positive temporary differences at the end of the reporting period, including:	8,857,014	7,677,792
financial instruments	5,797,971	4,774,943
Prepayments and accruals	2,849,916	2,688,873
other temporary differences	209,127	213,976
Positive temporary differences expiring within 1 year	8,647,887	7,463,806
Positive temporary differences expiring over a period of 1 year	209,127	213,986

Provision for deferred tax liability (currency structure)¹⁾	31 December 2023	31 December 2022
a) in Polish currency	747,455	554,443
b) in EUR or another currency (by currency and after conversion to PLN)	-	-
Total provision for deferred tax liability	747,455	554,443

¹⁾ Provision for deferred tax liability is presented net minus the deferred tax asset presented in the 5.1 Additional information and explanations section.

11.3 Other provisions

Other provisions	31 December 2023	31 December 2022
a) provisions for reinsurance settlements	4,078	2,804
b) provision for disputed claims and potential liabilities under concluded insurance contracts	-	-
c) provision for restructuring costs	6,071	6,071
d) provision for other administrative procedures	608	629
e) other provisions	9,816	7,568
Total other provisions	20,573	17,072

“Provisions for reinsurance settlements” only include provisions for the shares of reinsurers in technical provisions who are in arrears with payments to PZU or who are reasonably suspected to may have problems with the payment of their obligations in the future.

Movement in other provisions	1 January – 31 December 2023	1 January – 31 December 2022
a) at the end of the reporting period (per title)	17,072	15,312
Provision for restructuring costs	6,071	6,120
Provisions for reinsurance settlements	2,804	716
other provisions	8,197	8,476
b) increases (by virtue of)	9,515	5,233
Provision for restructuring costs	-	-
Provisions for reinsurance settlements	4,652	2,919
other provisions	4,863	2,314
c) utilization (by virtue of)	213	1,417
Provision for restructuring costs	-	48
Provisions for reinsurance settlements	-	-
other provisions	213	1,369
d) reversal (by virtue of)	5,801	2,056
Provision for restructuring costs	-	1
Provisions for reinsurance settlements	3,378	831
other provisions	2,423	1,224
e) at the end of the reporting period (per title)	20,573	17,072
Provision for restructuring costs	6,071	6,071
Provisions for reinsurance settlements	4,078	2,804
other provisions	10,424	8,197

Other provisions (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	20,573	17,072
b) in EUR or another currency (by currency and after conversion to PLN)	-	-
Total other provisions	20,573	17,072

12. Other liabilities and special-purpose funds

Structure of liabilities by geography	31 December 2023				31 December 2022			
	Domestic	Foreign – EU countries	Foreign – other countries	Total	Domestic	Foreign – EU countries	Foreign – other countries	Total
I. Liabilities for reinsurers' deposits	-	-	-	-	-	-	-	-
II. Liabilities on direct insurance	445,930	9,391	1,075	456,396	413,407	31,381	3,508	448,296
1. Liabilities to policyholders	89,024	469	440	89,933	87,549	317	455	88,321
2. Liabilities to insurance intermediaries	205,634	384	1	206,019	192,292	1,051	39	193,382
3. Other liabilities on account of insurance	151,272	8,538	634	160,444	133,566	30,013	3,014	166,593
III. Reinsurance liabilities	237,817	74,925	22,480	335,222	129,449	33,804	30,095	193,348
IV. Liabilities on the issue of own debt securities and drawn loans	-	-	-	-	-	-	-	-
V. Liabilities to loan institutions	-	-	-	-	-	-	-	-
VI. Other liabilities	529,625	94,496	11,255	635,376	429,576	222,284	48,007	699,867
1. Liabilities to the state budget	151,375	-	-	151,375	96,992	-	-	96,992
2. Other liabilities	378,250	94,496	11,255	484,001	332,584	222,284	48,007	602,875
Total liabilities	1,213,372	178,812	34,810	1,426,994	972,432	287,469	81,610	1,341,511

12.1 Liabilities on direct insurance

Liabilities on direct insurance	31 December 2023	31 December 2022
a) liabilities to policyholders, including:	89,933	88,321
– to subordinated entities	114	111
– domestic	114	111
– foreign	–	–
– to other entities	89,819	88,210
– domestic	88,910	87,438
– foreign	909	772
b) liabilities to insurance intermediaries, including:	206,019	193,382
– to subordinated entities	7,222	5,383
– domestic	7,222	5,383
– foreign	–	–
– to other entities	198,797	187,999
– domestic	198,412	186,909
– foreign	385	1,090
c) other liabilities on account of insurance, including:	160,444	166,593
– to subordinated entities	6,332	6,480
– domestic	6,286	5,872
– foreign	46	608
– to other entities	154,112	160,113
– domestic	144,986	127,694
– foreign	9,126	32,419
Total liabilities on direct insurance	456,396	448,296

Liabilities on direct insurance	31 December 2023	31 December 2022
a) subsidiaries	13,358	11,208
b) joint subsidiaries	–	–
c) associates	310	766
d) significant investor	–	–
e) partner of joint subsidiary	–	–
f) parent company	–	–
g) other	442,728	436,322
Total liabilities on direct insurance	456,396	448,296

Liabilities on direct insurance – with a remaining repayment period from the balance sheet date	31 December 2023	31 December 2022
a) up to 3 months	456,396	448,296
b) 3 months to 1 year	–	–
c) 1 to 5 years	–	–
d) over 5 years	–	–
Total liabilities on direct insurance	456,396	448,296

Liabilities on direct insurance (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	445,412	410,617
b) in EUR or another currency (by currency and after conversion to PLN)	10,984	37,679
b1. thousand. EUR	2,287	6,959
thous. PLN	9,944	32,635
b2. thousand. USD	144	599
thous. PLN	568	2,638
b3. thousand. GBP	1	355
thous. PLN	3	1,878
b4. thousand. CHF	28	6
thous. PLN	129	27
b5. other currencies in thousand PLN	341	501
Total liabilities on direct insurance	456,396	448,296

12.2 Reinsurance liabilities

Total reinsurance liabilities	31 December 2023	31 December 2022
a) current accounts in inward reinsurance, including:	117,257	17,177
– assignors from domestic market	72,588	5,875
– foreign assignors	44,669	11,302
b) current accounts in outward reinsurance, including:	76,422	72,518
– domestic reinsurers	27,612	19,921
– foreign reinsurers	48,810	52,597
c) liabilities on account of retrocession, including:	141,543	103,653
– domestic retrocessionaires	137,617	103,653
– foreign retrocessionaires	3,926	-
d) liabilities on reinsurance premiums calculated over time	-	-
Total reinsurance liabilities	335,222	193,348

Reinsurance liabilities	31 December 2023	31 December 2022
a) current liabilities in inward reinsurance, including those to:	117,256	17,177
– assignors that are subsidiaries	116,958	16,668
– assignors that are joint subsidiaries	-	-
– assignors that are associates	-	-
– assignor that is the significant investor	-	-
– assignor that is the partner in the joint subsidiary	-	-
– assignor that is the parent company	-	-
b) current liabilities in outward reinsurance, including to:	76,422	72,518
– reinsurers that are subsidiaries	-	-
– reinsurers that are joint subsidiaries	-	-
– reinsurers that are associates	-	-
– reinsurer that is the significant investor	-	-
– reinsurer that is the partner in the joint subsidiary	-	-
– reinsurer that is the parent company	-	-
b) current liabilities to retrocessionaires, including to:	141,544	103,653
– retrocessionaires that are subsidiaries	-	-
– retrocessionaires that are joint subsidiaries	-	-
– retrocessionaires that are associates	-	-
– retrocedent that is the significant investor	-	-
– retrocedent that is the partner in the joint subsidiary	-	-
– retrocedent that is the parent company	-	-
d) other	-	-
Total reinsurance liabilities	335,222	193,348

Liabilities on reinsurance – with a remaining repayment period from the balance sheet date	31 December 2023	31 December 2022
a) up to 3 months	211,473	77,079
b) 3 months to 1 year	117,731	96,366
c) 1 to 5 years	6,018	19,903
d) over 5 years	–	–
Total reinsurance liabilities	335,222	193,348

Liabilities on reinsurance (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	233,582	124,575
b) in EUR or another currency (by currency and after conversion to PLN)	101,640	68,773
b1. thousand. EUR	13,970	5,731
thous. PLN	60,743	26,879
b2. thousand. USD	8,169	6,951
thous. PLN	32,144	30,597
b3. thousand. UAH	84,407	89,801
thous. PLN	8,753	11,297
b4. other currencies	–	–
Total reinsurance liabilities	335,222	193,348

12.3 Liabilities on the issue of own financial instruments and drawn loans

As at 31 December 2023 and 31 December 2022, PZU had no liabilities on the issue of own financial instruments and drawn loans.

12.4 Liabilities to credit institutions

As at 31 December 2023 and 31 December 2022, PZU had no liabilities to credit institutions.

12.5 Other liabilities

Other liabilities	31 December 2023	31 December 2022
a) liabilities to the state budget	151,375	96,992
- CIT	113,067	62,293
- tax liabilities, referred to in the Act of 15 January 2016 on the Levy on Certain Financial Institutions ("Levy on Certain Financial Institutions")	19,342	16,704
- personal income tax (PIT)	12,262	10,477
- VAT	6,427	7,344
- other	278	174
b) other liabilities	484,001	602,875
- liabilities on outstanding investment transactions and collateral margins	155,342	38,774
- estimated non-insurance liabilities	79,549	52,590
- retained guarantee deposits	44,885	47,185
- liabilities on account of the settlements of the Tax Group	44,150	37,523
- settlements of direct claims handling	33,897	28,941
- valuation of derivatives	32,848	318,419
- ZUS premiums and benefits	19,913	16,473
- liabilities to the Insurance Guarantee Fund	14,511	13,590
- liabilities on account of donations	9,980	12,700
- liabilities on the construction of the Central Register of Vehicles and Drivers (CEPiK)	3,607	3,561
- settlements with shareholders on the dividend	2,667	2,668
- liabilities on account of legal representation	1,368	1,500
- other	41,284	28,951
Other liabilities, total	635,376	699,867

Other liabilities to	31 December 2023	31 December 2022
a) subsidiaries	77,820	66,531
b) joint subsidiaries	-	-
c) associates	3,497	1,602
d) significant investor	-	-
e) partner of joint subsidiary	-	-
f) parent company	-	-
g) other	554,059	631,734
Other liabilities, total	635,376	699,867

Other liabilities – with a remaining repayment period from the balance sheet date	31 December 2023	31 December 2022
a) up to 3 months	635,376	699,867
b) 3 months to 1 year	-	-
c) 1 to 5 years	-	-
d) over 5 years	-	-
Other liabilities, total	635,376	699,867

All derivatives held by PZU are qualified as liabilities for trading and are presented in other liabilities.

Other liabilities (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	634,613	697,386
b) in EUR or another currency (by currency and after conversion to PLN)	763	2,481
b1. thousand. USD	17	74
thous. PLN	66	325
b2. thousand. EUR	129	118
thous. PLN	563	552
b3. other currency thousand PLN	133	1,604
Other liabilities, total	635,376	699,867

12.6 Other information on liabilities

12.6.1. Liabilities secured on the assets of the issuer and related parties

As at 31 December 2023 as well as 31 December 2022, there were no liabilities secured on the assets of the issuer at PZU.

12.6.2. Information on overdue liabilities

As at 31 December 2023 as well as 31 December 2022, there were no overdue liabilities at PZU.

12.6.3. Liabilities to the state budget or local government units for obtaining ownership of buildings and structures

As at 31 December 2023 and 31 December 2022, there were no liabilities to the state budget or local government units for obtaining ownership of buildings and structures.

12.7 Special-purpose funds

Special-purpose funds	31 December 2023	31 December 2022
a) Prevention fund	37,224	35,144
b) Company Social Benefit Fund	72,711	73,306
Total special-purpose funds	109,935	108,450

13. Prepayments and accruals

Prepayments and accruals	31 December 2023	31 December 2022
a) accrued expenses, including:	2,092,328	1,653,158
– long-term	24,667	22,549
– short-term (per title):	2,067,661	1,630,609
– accrued reinsurance income and expenses	1,410,674	1,088,612
– accrued expenses of direct insurance commissions	367,676	309,142
– accrued payroll expenses	101,596	88,591
– accrued awards for employees	61,210	54,441
– other accruals	126,505	89,823
b) negative goodwill	-	-
c) prepayments, including:	272,345	250,186
– deferred reinsurance commissions	270,632	248,262
– investment returns	1,713	1,877
– perpetual usufruct of land received free of charge	-	47
– other	-	-
Total prepayments	2,364,673	1,903,344

Movement in prepayments and accruals	1 January – 31 December 2023	1 January – 31 December 2022
At the beginning of the reporting period (per title)	1,903,344	1,516,749
accrued expenses	1,653,158	1,316,816
Prepayments	250,185	199,933
a) additions (by virtue of):	8,705,272	7,332,972
accrued expenses	5,564,930	4,676,309
Prepayments	3,140,342	2,656,663
b) reductions (by virtue of)	8,243,942	6,946,377
accrued expenses	5,125,760	4,339,967
Prepayments	3,118,182	2,606,410
At the end of the reporting period (per title)	2,364,673	1,903,344
accrued expenses	2,092,328	1,653,158
Prepayments	272,345	250,186

14. Solvency of the insurance company

Pursuant to Article 284(1) and Article 488(3)(1) of the Insurance Activity Act, the PZU Group is obligated to prepare and publish an annual solvency and financial condition report at the group level drafted in accordance with the principles of Solvency II. For the 2023 report, the publication deadline is no later than 14 weeks after the year end, that is until 7 April 2024. Pursuant to Article 290(1) of the Insurance Activity Act, a solvency and financial condition report of an insurance company is audited by an audit firm.

15. Off-balance sheet items

15.1 Contingent receivables

Contingent receivables	31 December 2023	31 December 2022
a) received sureties and guarantees, including:	2,194	2,718
– from subsidiaries	-	-
b) other (per type):	3,073,294	3,042,554
– bills of exchange on account of granted insurance guarantee ¹⁾	-	-
– other bills of exchange, including:	-	-
– from subsidiaries	-	-
– other contingent receivables ²⁾	3,073,294	3,042,554
Total contingent receivables	3,075,488	3,045,272

¹⁾ Only quantitative records of bills of exchange are kept; these bills amounted to 214 units as at 31 December 2023 (276 units as at 31 December 2022).

²⁾ This item includes chiefly: security received in the form of a mortgage on the debtor's assets, other contingent receivables, etc.

Contingent receivables (currency structure)	31 December 2023	31 December 2022
a) received sureties and guarantees:	2,194	2,718
– in Polish currency	2,194	2,718
– Euro or another currency (per currencies and converted into PLN)	-	-
b) other (per type):	3,073,294	3,042,554
– in Polish currency	2,565,907	2,444,284
– in Euro or another currency (per currencies and converted into PLN)	507,387	598,270
b1. thousand. EUR	116,694	127,566
thous. PLN	507,387	598,270
Total contingent receivables	3,075,488	3,045,272

15.1.1. Guarantees received

The table below presents the received bid bonds and performance bonds (mainly required for insurance tender proceedings and securing rental agreements) received under the guarantee lines.

Bank	Date of the guarantee line agreement	Amount of the guarantee line	Line renewability	Amount of active guarantees as at 31 December 2023	Amount of active guarantees as at 31 December 2022
Bank Millennium SA	Monday, October 7, 2013	15,000	Yes	5,390	9,068
Bank Pekao SA	Friday, September 28, 2018	15,000	Yes	4,646	2,659
Total				10,036	11,727

15.2 Contingent liabilities

Contingent liabilities, by virtue of	31 December 2023	31 December 2022
a) granted sureties and guarantees, including:	7,446	9,082
– from subsidiaries	4,646	2,659
b) accepted and endorsed bills of exchange	-	-
c) assets subject to the obligation of resale	-	-
d) other liabilities secured on assets or income	-	-
e) other (per type):	2,048,005	1,135,789
– disputed claims, not recognized by the insurer referred by creditors to legal proceedings	1,850,489	1,078,921
– contingent liabilities under underwriting agreements	-	-
– other contingent liabilities ¹⁾	197,516	56,868
Total contingent liabilities	2,055,451	1,144,871

¹⁾ As at 31 December 2023 “other contingent liabilities” showed liabilities on unpaid loan tranches of PLN 197,516 thousand (31 December 2022: PLN 56,868 thousand).

Contingent liabilities (currency structure)	31 December 2023	31 December 2022
a) granted sureties and guarantees:	7,446	9,082
– in Polish currency	4,646	2,659
– in Euro or another currency (per currencies and converted into PLN)	2,800	6,423
a1. thousand. EUR	644	1,370
thous. PLN	2,800	6,423
b) accepted and endorsed bills of exchange	-	-
c) assets subject to the obligation of resale	-	-
d) other liabilities secured on assets or income (per type)	-	-
e) other (per type):	2,048,005	1,135,789
– disputed claims, not recognized by the insurer referred by creditors to legal proceedings:	1,850,489	1,078,921
– in Polish currency	1,850,489	1,078,921
– in Euro or another currency (per currencies and converted into PLN)	-	-
other contingent liabilities:	197,516	56,868
– in Polish currency	197,186	56,541
– in Euro or another currency (per currencies and converted into PLN)	330	327
Total contingent liabilities	2,055,451	1,144,871

15.3 Other off-balance sheet line items

Other off-balance sheet line items on	31 December 2023	31 December 2022
Other off-balance sheet line items (per type):	156,361	233,081
third party assets not recognized in assets, including:	156,361	233,081
– from subsidiaries	8,245	19,151
Total other off-balance sheet line items	156,361	233,081

Other off-balance sheet line items (currency structure)	31 December 2023	31 December 2022
a) in Polish currency	156,361	233,081
b) in EUR or another currency (by currency and after conversion to PLN)	-	-
Total other off-balance sheet line items	156,361	233,081

16. Premiums in property and personal insurance

Gross written premiums in property and personal insurance	1 January – 31 December 2023	1 January – 31 December 2022
a) in direct insurance, including:	14,823,673	13,247,529
– under agreements concluded outside the Republic of Poland, including:	55,544	54,957
– under agreements concluded in European Union states	21,001	22,333
b) in indirect insurance	1,363,824	1,444,194
Total gross written premiums	16,187,497	14,691,723

16.1 Gross written premiums in direct insurance

Gross written premiums in direct property and personal insurance (per accounting classes)	1 January – 31 December 2023	1 January – 31 December 2022
a) accident and sickness insurance (group 1 and 2)	556,561	545,009
b) motor third party liability insurance (group 10)	4,327,079	4,071,987
c) other motor insurance (group 3)	4,151,664	3,613,877
d) marine, aviation and transport insurance (groups 4, 5, 6, 7)	156,246	123,623
e) insurance against fire and other property damage (groups 8 and 9)	3,572,710	3,139,795
f) TPL insurance (groups 11, 12, 13)	934,692	837,366
g) credit and suretyship (groups 14, 15)	74,671	69,954
h) assistance (group 18)	606,283	485,813
i) legal protection (group 17)	15,588	14,385
j) other (group 16)	428,179	345,720
Total gross written premiums in direct insurance (per accounting classes)	14,823,673	13,247,529

Gross written premiums in direct property and personal insurance received with obligatory TPL, per accounting classes	1 January – 31 December 2023	1 January – 31 December 2022
Group 8	219,301	230,059
Group 9	395,132	408,451
Group 10	4,249,047	3,993,447
Group 11	16,128	15,954
Group 13	196,888	192,102
Total gross written premiums in direct property and personal insurance with obligatory TPL, per accounting classes	5,076,496	4,840,013

16.2 Gross written premiums in indirect insurance

Gross written premiums in indirect property and personal insurance	1 January – 31 December 2023	1 January – 31 December 2022
a) accident and sickness insurance (group 1 and 2)	921	5,804
b) motor third party liability insurance (group 10)	691,388	710,555
c) other motor insurance (group 3)	45,869	42,912
d) marine, aviation and transport insurance (groups 4, 5, 6, 7)	60,284	18,098
e) insurance against fire and other property damage (groups 8 and 9)	372,923	489,146
f) TPL insurance (groups 11, 12, 13)	126,126	93,214
g) credit and suretyship (groups 14, 15)	15,862	14,618
h) assistance (group 18)	313	307
i) legal protection (group 17)	-	-
j) other (group 16)	50,138	69,540
Total gross written premiums in indirect insurance (per accounting classes)	1,363,824	1,444,194

Gross written premiums in indirect property and personal insurance received with obligatory TPL, per accounting classes	1 January - 31 December 2023	1 January - 31 December 2022
Group 8	323	(150)
Group 9	-	-
Group 10	690,113	709,582
Group 11	240	481
Group 13	17,607	16,392
Total gross written premiums in indirect property and personal insurance with obligatory TPL, per accounting classes	708,283	726,305

17. Gross earned premium

17.1 Gross earned premiums in direct insurance

Gross earned premiums in direct property and personal insurance (per accounting classes)	1 January - 31 December 2023	1 January - 31 December 2022
a) accident and sickness insurance (group 1 and 2)	564,291	528,794
b) motor third party liability insurance (group 10)	4,200,260	4,075,265
c) other motor insurance (group 3)	3,902,617	3,377,399
d) marine, aviation and transport insurance (groups 4, 5, 6, 7)	136,072	99,369
e) insurance against fire and other property damage (groups 8 and 9)	3,202,169	2,839,838
f) TPL insurance (groups 11, 12, 13)	881,964	803,448
g) credit and suretyship (groups 14, 15)	65,666	84,639
h) assistance (group 18)	550,041	454,477
i) legal protection (group 17)	14,945	13,681
j) other (group 16)	333,367	239,492
Total gross earned premiums in direct property and personal insurance	13,851,392	12,516,402

Gross earned premiums in direct property and personal insurance received with obligatory TPL, per insurance group	1 January - 31 December 2023	1 January - 31 December 2022
Group 8	221,687	226,336
Group 9	364,910	400,906
Group 10	4,122,042	3,997,397
Group 11	16,572	11,288
Group 13	196,084	200,721
Total gross earned received premiums in direct property and personal insurance	4,921,295	4,836,648

17.2 Gross earned premiums in indirect insurance

Gross earned premiums in indirect property and personal insurance (per accounting classes)	1 January - 31 December 2023	1 January - 31 December 2022
a) accident and sickness insurance (group 1 and 2)	3,209	8,644
b) motor third party liability insurance (group 10)	702,758	682,542
c) other motor insurance (group 3)	44,395	23,483
d) marine, aviation and transport insurance (groups 4, 5, 6, 7)	20,150	12,659
e) insurance against fire and other property damage (groups 8 and 9)	450,767	381,404
f) TPL insurance (groups 11, 12, 13)	97,675	78,550
g) credit and suretyship (groups 14, 15)	14,483	11,417
h) assistance (group 18)	313	268
i) legal protection (group 17)	-	-
j) other (group 16)	64,975	49,029
Total gross earned premiums in indirect property and personal insurance	1,398,725	1,247,996

Gross earned premiums in indirect property and personal insurance received with obligatory TPL, per insurance group	1 January - 31 December 2023	1 January - 31 December 2022
Group 8	323	670
Group 9	-	-
Group 10	705,889	681,706
Group 11	372	421
Group 13	18,305	22,293
Total gross earned received premiums in indirect property and personal insurance	724,889	705,090

18. Reinsurance settlements

Reinsurance settlements	1 January - 31 December 2023	1 January - 31 December 2022
a) insurance premium received from abroad	80,645	59,266
b) reinsurance premiums transferred abroad	891,767	761,947
c) balance of outward reinsurance	2,103,738	1,872,047
d) balance of inward reinsurance	2,371,129	2,390,923
e) liabilities and receivables from outward reinsurance, including:	(164,938)	(144,472)
- receivables from reinsurers secured under guarantees of financial institutions	-	-
f) liabilities and receivables from inward reinsurance, including:	103,269	123,912
- receivables to assignors secured under guarantees of financial institutions	-	-
- receivables to retrocedents secured under guarantees of financial institutions	-	-

19. Amount of gross claims and benefits paid

Amount of gross claims and benefits paid	1 January – 31 December 2023	1 January – 31 December 2022
a) in direct insurance, including:	7,284,230	6,754,253
- claims handling expenses	763,530	723,187
b) in indirect insurance, including:	761,672	687,328
- claims handling expenses	29,935	31,027
Total amount of gross claims and benefits paid	8,045,902	7,441,581

19.1 Amount of gross claims and benefits paid

Gross claims and benefits paid in direct property and personal insurance (per accounting classes)	1 January – 31 December 2023	1 January – 31 December 2022
a) accident and sickness insurance (group 1 and 2)	104,239	94,515
b) motor third party liability insurance (group 10)	3,023,303	2,880,167
c) other motor insurance (group 3)	2,250,649	1,967,114
d) marine, aviation and transport insurance (groups 4, 5, 6, 7)	35,108	35,637
e) insurance against fire and other property damage (groups 8 and 9)	1,081,995	1,145,485
f) TPL insurance (groups 11, 12, 13)	407,512	368,942
g) credit and suretyship (groups 14, 15)	70,594	6,754
h) assistance (group 18)	288,855	219,996
i) legal protection (group 17)	5,841	5,088
j) other (group 16)	16,134	30,555
Total gross claims and benefits paid in direct property and personal insurance (per accounting classes)	7,284,230	6,754,253

Gross claims and benefits paid in indirect property and personal insurance (per accounting classes)	1 January – 31 December 2023	1 January – 31 December 2022
a) accident and sickness insurance (group 1 and 2)	5,210	8,283
b) motor third party liability insurance (group 10)	512,275	433,215
c) other motor insurance (group 3)	33,454	8,693
d) marine, aviation and transport insurance (groups 4, 5, 6, 7)	2,080	2,489
e) insurance against fire and other property damage (groups 8 and 9)	145,246	209,781
f) TPL insurance (groups 11, 12, 13)	21,247	15,066
g) credit and suretyship (groups 14, 15)	1,821	472
h) assistance (group 18)	82	1
i) legal protection (group 17)	-	-
j) other (group 16)	40,257	9,328
Total gross claims and benefits paid in indirect property and personal insurance (per accounting classes)	761,672	687,328

19.2 Claims handling expenses

Claims handling expenses in direct property and personal insurance (per accounting classes)	1 January - 31 December 2023	1 January - 31 December 2022
a) accident and sickness insurance (group 1 and 2)	14,590	15,510
b) motor third party liability insurance (group 10)	368,423	369,416
c) other motor insurance (group 3)	144,293	131,462
d) marine, aviation and transport insurance (groups 4, 5, 6, 7)	1,135	1,147
e) insurance against fire and other property damage (groups 8 and 9)	126,591	113,606
f) TPL insurance (groups 11, 12, 13)	73,576	65,330
g) credit and suretyship (groups 14, 15)	1,571	1,047
h) assistance (group 18)	28,094	20,985
i) legal protection (group 17)	4,250	3,976
j) other (group 16)	1,007	708
Total claims handling expenses in direct insurance (per accounting classes)	763,530	723,187

Claims handling expenses in indirect property and personal insurance (per accounting classes)	1 January - 31 December 2023	1 January - 31 December 2022
a) accident and sickness insurance (group 1 and 2)	28	32
b) motor third party liability insurance (group 10)	26,015	28,033
c) other motor insurance (group 3)	625	146
d) marine, aviation and transport insurance (groups 4, 5, 6, 7)	54	30
e) insurance against fire and other property damage (groups 8 and 9)	816	1,055
f) TPL insurance (groups 11, 12, 13)	2,334	1,605
g) credit and suretyship (groups 14, 15)	-	-
h) assistance (group 18)	1	-
i) legal protection (group 17)	-	-
j) other (group 16)	62	126
Total claims handling expenses in indirect insurance (per accounting classes)	29,935	31,027

20. Supplementary data for the technical insurance account

20.1 Supplementary data for the technical insurance account for the year ended 31 December 2023

Direct and indirect insurance, total for the year ended 31 December 2023	Gross written premium	Gross earned premium	Gross claims and benefits (payouts)	Claims handling expenses	Salvage, subrogation and subsidies	Net reinsurance balance	Operating (acquisition and administrative) expenses
Accident and sickness insurance (groups 1 and 2)	557,482	567,500	94,832	14,618	1	122,782	260,109
MTPL insurance (group 10)	5,018,467	4,903,018	3,189,096	394,438	47,957	1,484,100	1,201,609
Other motor insurance (group 3)	4,197,533	3,947,012	2,185,217	144,918	46,031	108,362	1,061,148
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	216,530	156,222	36,448	1,189	450	171,547	27,408
Insurance against fire and other property damage (groups 8 and 9)	3,945,633	3,652,936	1,131,516	127,407	31,681	1,670,113	1,001,066
Third party liability (groups 11, 12, 13)	1,060,818	979,639	358,423	75,910	5,573	295,498	312,583
Credit and suretyship (groups 14 and 15)	90,533	80,149	77,490	1,571	6,646	112,258	33,889
Assistance (group 18)	606,596	550,354	261,455	28,095	613	3,167	178,582
Legal assistance insurance (group 17)	15,588	14,945	1,591	4,250	-	-	5,762
Other (group 16)	478,317	398,342	55,390	1,069	69	507,040	106,353
Total direct and indirect insurance	16,187,497	15,250,117	7,391,458	793,465	139,021	4,474,867	4,188,509

Direct insurance for the year ended 31 December 2023	Gross written premium	Gross earned premium	Gross claims and benefits (payouts)	Claims handling expenses	Salvage, subrogation and subsidies	Net reinsurance balance	Operating (acquisition and administrative) expenses
Accident and sickness insurance (groups 1 and 2)	556,561	564,291	89,650	14,590	1	116,671	260,022
MTPL insurance (group 10)	4,327,079	4,200,260	2,691,173	368,423	36,294	90,152	1,011,521
Other motor insurance (group 3)	4,151,664	3,902,617	2,151,738	144,293	45,382	16,017	1,047,571
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	156,246	136,072	34,344	1,135	372	106,523	24,098
Insurance against fire and other property damage (groups 8 and 9)	3,572,710	3,202,169	986,883	126,591	31,478	1,132,456	968,230
Third party liability (groups 11, 12, 13)	934,692	881,964	338,552	73,576	4,614	137,127	302,398
Credit and suretyship (groups 14 and 15)	74,671	65,666	75,471	1,571	6,448	88,281	28,656
Assistance (group 18)	606,283	550,041	261,374	28,094	613	2,772	178,566
Legal assistance insurance (group 17)	15,588	14,945	1,591	4,250	-	-	5,762
Other (group 16)	428,179	333,367	15,195	1,007	69	413,739	95,386
Total direct insurance	14,823,673	13,851,392	6,645,971	763,530	125,271	2,103,738	3,922,210

Indirect insurance for the year ended 31 December 2023	Gross written premium	Gross earned premium	Gross claims and benefits (payouts)	Claims handling expenses	Salvage, subrogation and subsidies	Net reinsurance balance	Operating (acquisition and administrative) expenses
Accident and sickness insurance (groups 1 and 2)	921	3,209	5,182	28	-	6,111	87
MTPL insurance (group 10)	691,388	702,758	497,923	26,015	11,663	1,393,948	190,088
Other motor insurance (group 3)	45,869	44,395	33,479	625	649	92,345	13,577
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	60,284	20,150	2,104	54	78	65,024	3,310
Insurance against fire and other property damage (groups 8 and 9)	372,923	450,767	144,633	816	203	537,657	32,836
Third party liability (groups 11, 12, 13)	126,126	97,675	19,871	2,334	959	158,371	10,185
Credit and suretyship (groups 14 and 15)	15,862	14,483	2,019	-	198	23,977	5,233
Assistance (group 18)	313	313	81	1	-	395	16
Legal assistance insurance (group 17)	-	-	-	-	-	-	-
Other (group 16)	50,138	64,975	40,195	62	-	93,301	10,967
Total indirect insurance	1,363,824	1,398,725	745,487	29,935	13,750	2,371,129	266,299

20.2 Supplementary data for the technical insurance account for the year ended 31 December 2022

Direct and indirect insurance, total for the year ended 31 December 2022	Gross written premium	Gross earned premium	Gross claims and benefits (payouts)	Claims handling expenses	Salvage, subrogation and subsidies	Net reinsurance balance	Operating (acquisition and administrative) expenses
Accident and sickness insurance (groups 1 and 2)	550,813	537,438	87,256	15,542	-	139,123	234,409
MTPL insurance (group 10)	4,782,542	4,757,807	2,959,041	397,449	43,108	1,416,446	1,121,936
Other motor insurance (group 3)	3,656,789	3,400,882	1,884,950	131,632	40,775	74,798	885,537
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	141,721	112,028	37,420	1,177	471	91,858	20,072
Insurance against fire and other property damage (groups 8 and 9)	3,628,941	3,221,242	1,268,200	114,664	27,598	1,812,569	867,965
Third party liability (groups 11, 12, 13)	930,580	881,998	321,269	66,936	4,197	208,095	268,909
Credit and suretyship (groups 14 and 15)	84,572	96,056	18,159	1,047	11,980	96,519	31,361
Assistance (group 18)	486,120	454,745	199,748	20,985	736	2,104	143,003
Legal assistance insurance (group 17)	14,385	13,681	1,112	3,976	-	-	5,165
Other (group 16)	415,260	288,521	39,150	834	101	421,458	94,739
Total direct and indirect insurance	14,691,723	13,764,398	6,816,305	754,242	128,966	4,262,970	3,673,096

Direct insurance for the year ended 31 December 2022	Gross written premium	Gross earned premium	Gross claims and benefits (payouts)	Claims handling expenses	Salvage, subrogation and subsidies	Net reinsurance balance	Operating (acquisition and administrative) expenses
Accident and sickness insurance (groups 1 and 2)	545,009	528,794	79,005	15,510	-	124,897	234,057
MTPL insurance (group 10)	4,071,987	4,075,265	2,543,630	369,416	32,879	68,206	933,990
Other motor insurance (group 3)	3,613,877	3,377,399	1,875,978	131,462	40,326	8,879	877,055
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	123,623	99,369	34,895	1,147	405	69,317	18,381
Insurance against fire and other property damage (groups 8 and 9)	3,139,795	2,839,838	1,059,324	113,606	27,445	1,090,538	844,417
Third party liability (groups 11, 12, 13)	837,366	803,448	307,331	65,330	3,719	93,096	259,700
Credit and suretyship (groups 14 and 15)	69,954	84,639	17,414	1,047	11,707	75,032	26,025
Assistance (group 18)	485,813	454,477	199,747	20,985	736	1,803	143,006
Legal assistance insurance (group 17)	14,385	13,681	1,112	3,976	-	-	5,165
Other (group 16)	345,720	239,492	29,948	708	101	340,279	83,295
Total direct insurance	13,247,529	12,516,402	6,148,384	723,187	117,318	1,872,047	3,425,091

Indirect insurance for the year ended 31 December 2022	Gross written premium	Gross earned premium	Gross claims and benefits (payouts)	Claims handling expenses	Salvage, subrogation and subsidies	Net reinsurance balance	Operating (acquisition and administrative) expenses
Accident and sickness insurance (groups 1 and 2)	5,804	8,644	8,251	32	-	14,226	352
MTPL insurance (group 10)	710,555	682,542	415,411	28,033	10,229	1,348,240	187,946
Other motor insurance (group 3)	42,912	23,483	8,972	170	449	65,919	8,482
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	18,098	12,659	2,525	30	66	22,541	1,691
Insurance against fire and other property damage (groups 8 and 9)	489,146	381,404	208,876	1,058	153	722,031	23,548
Third party liability (groups 11, 12, 13)	93,214	78,550	13,938	1,606	478	114,999	9,209
Credit and suretyship (groups 14 and 15)	14,618	11,417	745	-	273	21,487	5,336
Assistance (group 18)	307	268	1	-	-	301	(3)
Legal assistance insurance (group 17)	-	-	-	-	-	-	-
Other (group 16)	69,540	49,029	9,202	126	-	81,179	11,444
Total indirect insurance	1,444,194	1,247,996	667,921	31,055	11,648	2,390,923	248,005

21. Information on the claims handling processes

Information on the claims handling processes for the year ended 31 December 2023 (data for direct insurance)	Average claim handling time	Value of losses incurred in the reporting period under insurance contracts concluded in this period, including:	
		Claims and benefits paid for these losses	Provision established at the end of the financial year for unpaid claims and benefits
Accident and sickness insurance (groups 1 and 2)	9.03	26,659	27,760
MTPL insurance (group 10)	43.99	703,629	742,506
Other motor insurance (group 3)	17.91	818,103	321,587
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	54.02	5,285	28,111
Insurance against fire and other property damage (groups 8 and 9)	15.37	418,607	167,913
Third party liability (groups 11, 12, 13)	29.19	60,711	178,970
Credit and suretyship (groups 14 and 15)	86.09	12,433	1,319
Assistance (group 18)	13.30	117,139	43,581
Legal assistance insurance (group 17)	45.22	100	1,189
Other (group 16)	36.62	2,043	12,646
Total (average)	24.28	2,164,709	1,525,582

Information on the claims handling processes for the year ended 31 December 2022 (data for direct insurance)	Average claim handling time	Value of losses incurred in the reporting period under insurance contracts concluded in this period, including:	
		Claims and benefits paid for these losses	Provision established at the end of the financial year for unpaid claims and benefits
Accident and sickness insurance (groups 1 and 2)	9.46	23,144	28,757
MTPL insurance (group 10)	44.71	634,407	701,991
Other motor insurance (group 3)	17.60	684,942	264,358
Marine, aviation and transport insurance (groups 4, 5, 6, 7)	63.34	5,742	17,480
Insurance against fire and other property damage (groups 8 and 9)	12.01	480,204	173,322
Third party liability (groups 11, 12, 13)	27.58	54,532	154,795
Credit and suretyship (groups 14 and 15)	90.71	1,484	1,004
Assistance (group 18)	14.87	81,379	28,416
Legal assistance insurance (group 17)	38.71	87	1,409
Other (group 16)	30.99	1,136	11,237
Total (average)	23.19	1,967,057	1,382,769

22. Insurance activity expenses

Net insurance activity expenses	1 January - 31 December 2023	1 January - 31 December 2022
(a) direct insurance	3,832,825	3,349,247
(b) indirect insurance	230,836	224,202
Total net insurance activity expenses	4,063,661	3,573,449

Insurance activity expenses (by type)	1 January - 31 December 2023	1 January - 31 December 2022
I. Administrative expenses	905,792	758,586
1. Internal:	564,537	495,254
(a) consumption of materials and energy	21,665	29,595
(b) remuneration and insurance with other benefits	495,483	421,696
(c) amortization	45,268	42,632
(d) other administrative expenses	2,121	1,331
2. External:	341,255	263,332
(a) third-party services	208,400	147,386
(b) commissions on premium collections	41,170	41,971
(c) advertising	71,466	53,810
(d) other expenses	20,219	20,165
II. Acquisition expenses	3,282,717	2,914,509
1. Internal:	473,892	422,420
(a) consumption of materials and energy	27,751	21,221
(b) remuneration and insurance with other benefits, classified as acquisition expenses	407,393	364,874
(c) commissions on direct activity	-	-
(d) amortization	38,748	36,325
(e) other acquisition expenses	-	-
2. External:	2,946,061	2,647,576
(a) remuneration and insurance with other benefits, classified as acquisition expenses	-	-
(b) commissions on direct activity, including:	2,559,983	2,251,710
- commissions on acquisition	1,304,883	1,131,247
- commissions on policy renewals	1,200,441	1,068,285
- commissions on servicing insurance or reinsurance contracts	54,659	52,178
(c) commissions on indirect activity	232,317	248,772
(d) third-party services	103,659	92,979
(e) advertising	39,505	41,348
(f) other expenses	10,597	12,767
3. Movement in deferred acquisition expenses	(137,236)	(155,487)
III. Expenditures for claims handling and pursuit of subrogation	793,465	754,242
1. Internal:	357,040	323,429
(a) consumption of materials and energy	11,432	11,155
(b) remuneration for experts and claim adjusters, and other remuneration related to claims handling and pursuit of subrogation	317,912	288,631
(c) amortization	27,696	23,643
2. External:	436,425	430,813
(a) third-party services	226,941	221,672
(b) other expenses	209,484	209,141
IV. Investment activity expenses	147,686	243,139
1. Internal:	19,776	9,436
(a) consumption of materials and energy	5,268	745
(b) employee remuneration and insurance with other benefits	8,238	7,056
(c) amortization	6,270	1,635
2. External:	127,910	233,703
(a) third-party services	30,800	23,414
(b) other expenses ¹⁾	97,110	210,289

¹⁾ The item 'other expenses' shows, among other things, the loss on realization and revaluation of investments.

22.1 Acquisition expenses

Acquisition expenses	1 January – 31 December 2023	1 January – 31 December 2022
(a) incurred in the reporting period, including:	3,419,953	3,069,996
- value of acquisition commissions from direct insurance	2,559,983	2,251,710
(b) carried forward to future reporting periods	1,893,946	1,756,710

22.2 Administrative expenses

Administrative expenses	1 January – 31 December 2023	1 January – 31 December 2022
(a) consumption of materials and energy	21,665	29,595
(b) third-party services	136,934	93,576
(c) taxes and charges	11,895	12,021
(d) remuneration	383,604	327,567
(e) insurance and other benefits	111,879	94,129
(f) amortization	45,268	42,632
(g) other, including:	194,547	159,066
- commissions on premium collections	41,170	41,971
- advertising	71,466	53,810
- business trips	2,121	1,331
- property insurance	1,461	1,309
Total administrative expenses	905,792	758,586

23. Other operating income

Other operating income	1 January – 31 December 2023	1 January – 31 December 2022
(a) financial income	12,445	11,118
(b) income from acting as an emergency adjuster	16,810	16,048
(c) income from direct claims handling	138,619	144,471
(d) other operating income, including:	75,038	47,861
- foreign exchange gains	29,388	24,490
- income from reversal of impairment losses and provisions for future expenses	17,483	3,274
- re-invoiced expenses	11,060	7,657
- revenue from financial intermediation for PZU Group entities	4,924	4,799
- settlements	4,635	-
- compensations received	2,124	2,035
- other	5,424	5,606
Total	242,912	219,498

24. Other operating expenses

Other operating expenses	1 January – 31 December 2023	1 January – 31 December 2022
(a) financial expenses	199,770	153,376
(b) expenses due to acting as an emergency adjuster	721	974
(c) expenses due to direct claims handling	151,304	155,420
(d) levy on certain financial institutions	216,810	195,347
(e) other operating expenses, including:	92,247	78,691
- foreign exchange losses	31,310	27,012
- donations	20,882	17,728
- expenses subject to re-invoicing	14,364	9,681
- receivables written off	12,206	12,141
- costs of the establishment of provisions for probable losses	4,007	1,960
- traffic damage to company vehicles	2,272	2,504
- other	7,206	7,665
Total	660,852	583,808

25. Interest income and expenses

The two following notes present interest as determined for the reporting period in accordance with the accrual principle.

25.1 Interest income calculated using interest rates as specified in contracts

Interest income calculated using interest rates as specified in contracts concluded in 2023	Interest accreted and realized in 2023	Interest accreted and unrealized in 2023 (by maturity from balance sheet date)		
		up to 3 months	from 3 to 12 months	over 12 months
(a) Investments in related parties	8,729	-	17,019	-
(b) Other financial investments, including:	410,706	5,387	308,732	-
- debt securities and other fixed-income securities	326,131	2,776	254,769	-
- shares in investment joint ventures	-	-	-	-
- mortgage-backed loans	-	-	-	-
- other loans	81,452	2,611	53,963	-
- term deposits with credit institutions	3,123	-	-	-
- other investments	-	-	-	-
(c) receivables	-	-	-	-
Total interest income	419,435	5,387	325,751	-

Interest income calculated using interest rates as specified in contracts concluded in 2022	Interest accreted and realized in 2022	Interest accreted and unrealized in 2022 (by maturity from balance sheet date)		
		up to 3 months	from 3 to 12 months	over 12 months
(a) Investments in related parties	17,374	-	13,088	-
(b) Other financial investments, including:	375,038	35,243	211,183	-
- debt securities and other fixed-income securities	307,538	32,501	208,549	-
- shares in investment joint ventures	-	-	-	-
- mortgage-backed loans	-	-	-	-
- other loans	66,706	2,742	2,634	-
- term deposits with credit institutions	794	-	-	-
- other investments	-	-	-	-
(c) receivables	-	-	-	-
Total interest income	392,412	35,243	224,271	-

25.2 Interest expenses calculated using interest rates as specified in contracts

Interest expenses calculated using interest rates as specified in contracts concluded in 2023	Interest accreted and realized in 2023	Interest accreted and unrealized in 2023 (by maturity from balance sheet date)		
		up to 3 months	from 3 to 12 months	over 12 months
(a) Liabilities for reinsurers' deposits	-	-	-	-
(b) Other liabilities, including:	114,430	-	81,341	-
- direct insurance liabilities	-	-	-	-
- reinsurance liabilities	-	-	-	-
- liabilities on the issue of own debt securities and drawn loans	114,325	-	81,341	-
- liabilities to credit institutions	105	-	-	-
- other liabilities	-	-	-	-
Total interest expenses in 2023, including:	114,430	-	81,341	-
- liabilities held for sale	-	-	-	-
- current liabilities	105	-	-	-
- non-current liabilities	114,325	-	81,341	-

Interest expenses calculated using interest rates as specified in contracts concluded in 2022	Interest accreted and realized in 2022	Interest accreted and unrealized in 2022 (by maturity from balance sheet date)		
		up to 3 months	from 3 to 12 months	over 12 months
(a) Liabilities for reinsurers' deposits	-	-	-	-
(b) Other liabilities, including:	63,316	-	87,154	-
- direct insurance liabilities	-	-	-	-
- reinsurance liabilities	-	-	-	-
- liabilities on the issue of own debt securities and drawn loans	61,684	-	87,154	-
- liabilities to credit institutions	1,632	-	-	-
- other liabilities	-	-	-	-
Total interest expenses in 2022, including:	63,316	-	87,154	-
- liabilities held for sale	-	-	-	-
- current liabilities	1,632	-	-	-
- non-current liabilities	61,684	-	87,154	-

26. Income tax

26.1 Tax Group

PZU has been part of the PZU Tax Group (“PZU Tax Group”) since 2015.

The PZU Tax Group, operating in the years 2021–2023, was registered on 11 December 2020, under an agreement concluded on 22 September 2020.

It is composed of: PZU SA, PZU Życie SA, PZU CO SA, PZU Pomoc SA, PZU Finanse Sp. z o.o., Ogrodowa Inwestycje Sp. z o.o., PZU Zdrowie SA, PZU Finanse sp. z o.o., PZU LAB SA, Omicron BIS SA, Ipsilon Sp. z o.o., Link 4 TU SA, Tulare Investments sp. z o.o, PZU CASH SA, PZU Projekt 01 SA.

The new PZU Tax Group, registered on 13 December 2023, is in operation from 1 January 2024 to 31 December 2026.

PZU is the parent company representing the PZU Tax Group. The PZU Tax Group performs settlements with the Tax Office on a monthly basis. PZU pays advances for corporate income tax that are due from all the companies to the Tax Office, while the companies transfer the CIT advances related to their business activities to PZU.

26.2 Current income tax

Current income tax	1 January – 31 December 2023	1 January – 31 December 2022
1. Profit (loss) before tax	4,392,324	1,952,652
2. Differences between gross profit (loss) and income tax base (by title)	(1,932,536)	(439,479)
2(a) Expenses and losses not recognized as deductible by tax law	1,174,216	1,420,985
Accrued outward reinsurance expenses	320,810	342,620
Accrued losses on investments	317,013	667,147
Accrued bonuses and allowances for prizes, along with provisions for employee benefits	8,049	(1,135)
Accrued and deferred acquisition expenses	92,336	39,079
Impairment losses for insurance, reinsurance and subrogation receivables	56,662	50,096
Donations	20,882	17,728
Provision for probable losses	58,488	50,961
Asset levy	216,918	195,347
Real property impairment losses	6,065	1,543
Other	76,993	57,599
2(b) Income not included in the tax base	3,478,079	1,736,522
Accrued gains on investments	2,100,551	539,997
Dividends	1,309,933	820,465
Other technical income – reversal of impairment losses and others	52,919	111,529
Accrued outward reinsurance income/expenses	(30,442)	178,536
Accrued income from direct claims handling	530	(6,506)
Premium income from contracts relating to previous years	44,588	92,501
2(c) Other changes in the tax base	371,327	(123,942)
Realization of accrued gains/losses on investments from previous years	389,385	(117,923)
Payments due to natural persons for mandate contracts and bonuses accrued in the previous year	(1,875)	(2,649)
Increases/reductions in tax income from unexplained payments	14,446	16,579
Realization of other expenses/income	(9,835)	(3,074)
Exempt income	(20,794)	(16,875)
3. Income tax base	2,459,788	1,513,173
4. Income tax at the rate of 19%	467,360	287,503
5. Other tax increases, waivers, exemptions, deductions and reductions	(20,634)	(38,320)
6. Current income tax recognized (reported) in the tax return for the period, including:	446,726	249,183
- reported in the profit and loss account	446,726	249,183
- pertaining to items that decreased or increased equity	-	-

Current income tax	1 January – 31 December 2023	1 January – 31 December 2022
- pertaining to items that decreased or increased goodwill or negative goodwill	-	-

Income tax by the type of activity	1 January – 31 December 2023	1 January – 31 December 2022
Differences between gross profit (loss) and income tax base	(1,932,536)	(439,479)
- for technical activities	416,659	72,314
- for extraordinary profits and losses	-	-
- other	(2,349,195)	(511,793)
Income tax base	2,459,788	1,513,173

Regulations governing corporate income tax, personal income tax, value added tax, corporate income tax or contributions to social security undergo frequent changes. The applicable regulations contain confusing provisions, which result in differences of opinion concerning their legal interpretation between various state authorities and enterprises. Tax and other settlements (e.g. regarding customs or foreign currencies) may be inspected by authorities, which may levy high fines and any additional liabilities assessed during the inspection bear interest. Tax settlements may be inspected for a period of five years. As a result, amounts reported in the financial statements may change at a later date after the final amounts are determined by tax authorities.

26.3 Deferred income tax

Deferred income tax reported in the profit and loss account	1 January – 31 December 2023	1 January – 31 December 2022
- decrease (increase) due to origination and reversal of temporary differences	(37,589)	66,695
- decrease (increase) due to tax rate changes	-	-
- decrease (increase) due to previously unrecognized tax loss, tax allowance or temporary difference of previous period	-	-
- decrease (increase) due to write-off of deferred tax assets or inability to use deferred tax liabilities	-	-
- other components of deferred tax (by title)	-	-
Total deferred income tax	(37,589)	66,695

In 2023 as well as in 2022, there was no income tax relating to discontinued operations or to profit (loss) on extraordinary operations.

Deferred income tax reported outside the profit and loss account	1 January – 31 December 2023	1 January – 31 December 2022
Total amount of deferred tax	749,358	518,757
- recognized in equity	749,358	518,757
- recognized in goodwill or negative goodwill	-	-

27. Share of the net profit (loss) of related parties measured by the equity method

Share of the net profit (loss) of related parties measured by the equity method	1 January – 31 December 2023	1 January – 31 December 2022
Share of the net profit (loss) of related parties measured by the equity method, including:	1,275,829	(339,030)
- impairment of subordinate entities' goodwill	(152,370)	(129,899)
- impairment of subordinate entities' negative goodwill	-	-
- write-off of the difference in net asset valuation	1,428,199	(209,131)

28. Notes on the cash flow statement

The item 'proceeds from other operating activity' includes the following:

Proceeds from other operating activity – selected data	1 January – 31 December 2023	1 January – 31 December 2022
Proceeds from reimbursements of advance CIT payments – participation in the Tax Group	89,369	283,942
Reimbursements of regulatory expenses	20,673	423
Proceeds on the ZFŚS and FP account	6,298	4,891
Other proceeds	186,135	144,759
Total proceeds from other operating activity	302,475	434,015

The item 'expenses from other operating activity' includes the following:

Expenses on other operating activity – selected data	1 January – 31 December 2023	1 January – 31 December 2022
CIT	396,888	302,715
Levy on certain financial institutions	214,281	194,761
Expenses on reimbursements of advance CIT payments – participation in the Tax Group	64,440	216,079
Expenses on the ZFŚS and FP account	83,063	68,273
VAT	25,947	26,691
Donations	18,530	16,751
Other expenses	447,721	519,616
Total expenses on other operating activity	1,250,870	1,344,886

28.1 Restricted cash

The cash flow statement shows restricted cash pertaining to the cash of the Preventive Fund, ZFŚS (Company Social Benefit Fund) and VAT split-payments. The restrictions are due to the fact that pursuant to the Polish regulations and the internal PZU regulations that are based on them, this cash may be spent only for specific purposes as part of preventive activities, social activities, or regulatory settlements, respectively.

29. Other notes and explanations

29.1 Capital expenditure incurred and planned in the next 12 months from the balance sheet date

Capital expenditure incurred for the financial year	1 January – 31 December 2023	1 January – 31 December 2022
Capital expenditure incurred, including:	229,998	104,951
- expenditures on non-financial fixed assets	65,349	62,408

Capital expenditure planned in the next 12 months from the balance sheet date¹⁾	1 January – 31 December 2023	1 January – 31 December 2022
Capital expenditure planned in the next 12 months from the balance sheet date, including:	316,623	169,695
- expenditures on non-financial fixed assets	88,352	111,116

¹⁾ The data was not audited by the statutory auditor.

30. Disputes

PZU participates in a number of litigations, arbitration disputes and administrative proceedings. Typical litigations involving PZU include disputes pertaining to concluded insurance contracts, disputes concerning labor relationships and disputes relating to contractual obligations. Typical administrative proceedings involving PZU 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 PZU.

In addition, PZU is a party to proceedings before the President of the Office of Competition and Consumer Protection (UOKiK).

Estimates of the provision amounts for individual cases take into account all information available on the preparation date of the standalone financial statements, however their value may change in the future. Disputed claims are taken 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.

In 2023 and up to the date of signing the standalone financial statements, PZU was not involved in any material proceedings pending before a court, an arbitration body or a public administration authority which concerned any PZU's liabilities or receivables.

As at 31 December 2023, the total value of the disputes in all 113,789 cases (as at 31 December 2022: 151,465 cases) pending before courts, arbitration bodies and public administration authorities in which PZU takes part, was PLN 4,522,952 thousand (as at 31 December 2022: PLN 3,549,881 thousand). This amount included PLN 4,205,318 thousand (as at 31 December 2022: PLN 3,172,796 thousand) relating to liabilities, and PLN 317,634 thousand (as at 31 December 2022: PLN 377,085 thousand) relating to PZU's receivables.

30.1 Resolutions of the Annual General 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 Annual General 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 3,280,883 thousand as follows:

- PLN 3,260,883 thousand was transferred to supplementary capital;
- PLN 20,000 thousand was transferred to the Company Social Benefit Fund.

In its judgment of 22 January 2010, the Regional Court in Warsaw repealed the aforementioned resolution adopted by PZU's Annual General 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 Annual General 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, Annual General 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 General Meeting be repealed. According to the plaintiff, the value of the litigation is PLN 5,054 thousand. 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 summoned PZU to pay PLN 264,865 thousand as compensation in connection with repealing Resolution No. 8/2007 adopted by the PZU Annual General Meeting on 30 June 2007 to distribute PZU's profit for the financial year 2006. PZU refused to effect 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 169,328 thousand with statutory interest from 2 January 2015 to the date of payment and the costs of the trial. The statement of claim includes a demand to pay compensation 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 Annual General Meeting. The case is pending before the Regional Court in Warsaw. On 18 December 2015, PZU's attorney submitted a statement of defense, requesting to dismiss the claim in its entirety. On 1 April 2016, MSC filed a pleading in which it responded to PZU's assertions, allegations and petitions 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 decision admitting evidence in the form of an opinion of a scientific institute 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 Annual General Meeting on 30 June 2007, excluding from distribution the profit for the 2006 financial year and the non-payment of this profit in 2007.

The Management Board of PZU believes that MSC's claims are groundless. As a result, as at 31 December 2023, 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 Annual General 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.

30.1.1. 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 34,117 thousand 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 claim to be dismissed in its entirety. PZU did not consent to mediation. In subsequent court sessions, evidentiary hearings have taken place.

30.2 Notification of PZU's claim to the bankruptcy estate of companies of the PBG Group

PZU is a creditor of PBG SA ("PBG") and Hydrobudowa Polska SA ("Hydrobudowa") on account of insurance guarantees (contractual guarantees) issued and paid out.

In 2012, bankruptcy proceedings were initiated against PBG and Hydrobudowa. On 21 September 2012, PZU joined the proceedings by notifying its claims to the bankruptcy estate of the two companies.

PBG and Hydrobudowa belong to the same group in which PBG is the parent company. The two companies provided sureties for each other's liabilities. As a consequence, all claims submitted against the bankruptcy estate of Hydrobudowa in the amount of PLN 100,996 thousand were concurrently submitted against the bankruptcy estate of PBG.

PBG's bankruptcy proceedings ended on 20 July 2016 with a final decision of the Bankruptcy Court.

The first list of claims presented by Hydrobudowa's trustee in bankruptcy to the judge commissioner contained PZU SA's claims in the amount of PLN 16,198 thousand and the fourth supplementary list of claims contained PZU SA's claims in the amount of PLN 15,944 thousand. Accordingly, the total value of claims pursued by PZU on this account was PLN 32,142 thousand. In respect of claims for the amount of over PLN 66,699 thousand, on 24 October 2018 PZU filed an objection to the judge commissioner against the refusal to accept the submitted claim. With the decision of 23 January 2020 the Court accepted PZU's objection and increased PZU's claim on the fourth supplementary list of claims to PLN 82,643 thousand. On 8 September 2022, the trustee in bankruptcy requested a statement regarding the possible disposal of the reported claim and an indication of the amount of repayments to satisfy it. PZU provided the relevant statement. The consequence of the above was an amendment to the fourth supplementary list of claims, based on a court order of 4 September 2023, reducing PZU's claim to PLN 70,344 thousand.

According to the partial distribution plan as announced on 23 November 2023, PZU is to receive 4% of the claims, that is the amount of about PLN 3,461 thousand. Some creditors (other than PZU) have filed objections to the distribution plan, which are being considered by the court. The distribution plan has not been implemented yet, and as of the date of signing the standalone financial statements, PZU has not received the above amount.

30.3 Other matters

30.3.1. Inspections by the KNF Office

During the period from 11 January to 10 March 2022, KNF conducted an inspection of PZU's operations and assets in terms of the solvency capital requirement. On 4 April 2022, PZU received the inspection report, to which it submitted objections, additional explanations and documents on 15 April 2022. On 8 June 2022 PZU received 2 post-inspection recommendations, which were implemented starting from statements prepared as at 31 December 2022, which PZU communicated on 6 February 2023.

In the period from 12 June to 10 August 2023, the PFSA carried out an inspection of claim handling procedures at PZU. On 1 December 2023, PZU received an inspection report and submitted its related comments on 15 December 2023. On 3 January 2024, PZU received KNF's response to these objections, and on 12 January 2024, PZU provided additional clarifications to the report. On 2 February 2024, KNF issued 8 post-inspection recommendations with the implementation deadline of 31 March 2024. PZU is in dialog with KNF on how to implement the recommendations.

On 11 March 2024, KNF initiated its inspection at PZU. The inspection concerns compliance with selected requirements for the management of areas involving information technology and ICT environment security. The expected inspection completion date is 19 April 2024.

31. Headcount

Average headcount by occupational group	1 January – 31 December 2023		1 January – 31 December 2022	
	Average annual headcount (in full-time equivalents)	Average annual number of persons employed (in persons)	Average annual headcount (in full-time equivalents)	Average annual number of persons employed (in persons)
(a) Supervisory Board	-	10	-	11
(b) Management Board	-	8	-	8
(c) Total headcount, including:	6,612	9,112	6,824	9,165
- management	324	569	324	557
- advisors	3	4	4	5
- actuaries	3	3	5	6
- other employees	6,281	8,536	6,491	8,597
- including agents in permanent positions	-	-	-	-
(d) Number of non-permanent agents in persons	n/a	7,584	n/a	7,969

32. Contracts for audit and review of financial statements

32.1 Audit fee payable to the audit firm auditing the financial statements

Audit fee payable to the audit firm auditing the financial statements	1 January – 31 December 2023	1 January – 31 December 2022
(a) mandatory audit of annual financial statements/consolidated financial statements	1,773	1,476
(b) other assurance services, including review of financial statements/consolidated financial statements	1,421	1,220
(c) tax consulting services	-	-
(d) other services	-	-
Total	3,194	2,696

The table above presents the amounts due to the PZU Group's audit firm for the audit of PZU's financial statements, paid or payable for the period, plus VAT.

32.2 Dates of conclusion and duration of the contract entered into with the audit firm auditing the financial statements

On 18 February 2014, the PZU Supervisory Board selected KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k. with its registered office in Warsaw, ul. Inflancka 4A, 00-189 Warsaw, entered by the National Chamber of Statutory Auditors in the list of audit firms under no. 3546 as an entity auditing financial statements for the years 2014-2016, and on 27 April 2017, the PZU Supervisory Board exercised the option of extending this cooperation to include the years 2017-2018. On 23 May 2019, after the Polish Financial Supervision Authority gave a permit to PZU to extend for another two years the maximum period for the engagement for KPMG Audyt to audit PZU's standalone and consolidated financial statements, the PZU Supervisory Board made the decision to select KPMG Audyt again as the audit firm to audit the 2019-2020 financial statements.

In connection with Article 49 of the Act of 31 March 2020 amending the Act on Special Solutions for Preventing, Counteracting and Combating COVID-19, Other Infectious Diseases And Crises Caused by Them And Certain Other Acts, which extended the maximum period of uninterrupted engagement to carry out statutory audit to ten years by abolishing the limit set forth in Article 134(1) of the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Supervision, on 28 May 2020, the PZU Supervisory Board gave its consent to renew the engagement for KPMG Audyt for reviews and audits of the standalone financial statements of PZU and the consolidated financial statements of the PZU Group for years 2021-2022 with an extension option to 2023 („Order for Reviews and Audits”). On 7 April 2021, the PZU Supervisory Board agreed to exercise the option and extend the Order for Reviews and Audits to 2023.

To enable performance of the work described above, relevant annexes to the previously signed agreements were concluded.

The existing cooperation with KPMG Audyt, pertaining to the reviews and audits of the standalone financial statements of PZU and consolidated financial statements of the PZU Group has continued without interruption since 2014.

32.3 Selection of a new audit firm to conduct financial statement audits

On 24 August 2022, the Supervisory Board of PZU passed a resolution on the selection of PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt Sp.k. ("PWC") as the audit firm to conduct audits and reviews of financial statements and audits of reports on the solvency and financial condition of PZU and the PZU Group for the five fiscal years, ending on 31 December 2024, 31 December 2025, 31 December 2026, 31 December 2027 and 31 December 2028, respectively, with an option to extend the contract for two more years, ending on 31 December 2029 and 31 December 2030.

On 15 December 2023, PZU signed a contract with PWC to carry out the above work.

33. Related party transactions

33.1 Transactions with Members of the PZU Management Board, Directors of the PZU Group and Members of the PZU Supervisory Board

In 2023 as well as in 2022, there were no transactions between PZU and members of the PZU's key management (Members of the PZU Management Board, higher level managers) and Members of the Supervisory Board, and also their cohabitants, spouses, relatives or relatives by affinity up to the second degree, adoptees or adopters, and persons over whom they had guardianship or curatorship, or other persons with whom members of the PZU's key management are personally related – other than transactions under non-life insurance contracts entered into on the arm's length basis.

In 2023 and in 2022, there were no material transactions between PZU and entities where members of the PZU's key management and Members of the Supervisory Board, and also their cohabitants, spouses, relatives or relatives by affinity up to the second degree, adoptees or adopters, and persons over whom they had guardianship or curatorship, directly or indirectly have at least 20% of the votes at the Shareholder Meeting – other than transactions under non-life insurance contracts entered into on the arm's length basis.

33.1.1. Information on the value of outstanding advances, credits, loans, guarantees, sureties, pensions and benefits of a similar nature or other contracts obliging to provide benefits

In 2023 as well as in 2022, there were no outstanding advances, credits, loans, guarantees, sureties and other contracts obliging to provide benefits, relating to members of the PZU's key management and the Supervisory Board. There were also no liabilities arising from pensions and benefits of a similar nature for previous managers or liabilities incurred in connection with such pensions.

33.1.2. Compensation of Members of the PZU Management Board, Directors of the PZU Group and Members of the PZU Supervisory Board, paid or payable or potentially payable

The following tables present the compensation of members of the PZU's key management and the Supervisory Board who performed their functions for at least one day in 2023 or 2022. The figures are presented in thousands of PLN.

Compensation and other short-term employee benefits paid by PZU	1 January – 31 December 2023		1 January – 31 December 2022	
		including part of variable compensation for 2019-2022		including part of variable compensation for 2017-2021
Management Board, of which:	17,413	7,761	15,462	7,084
Beata Kozłowska-Chyła	2,148	905	1,823	712
Ernest Bejda	2,059	858	1,744	670
Małgorzata Kot	2,015	814	1,701	626
Krzysztof Kozłowski	1,900	698	1,317	243
Tomasz Kulik	2,211	1,010	2,036	962
Piotr Nowak	1,640	438	731	-
Maciej Rapkiewicz	2,211	1,010	2,036	962
Małgorzata Sadurska	2,211	1,010	2,050	976
Aleksandra Agatowska	38	38	38	38
Adam Brzozowski	154	154	154	154
Marcin Eckert	268	268	466	466
Elżbieta Häuser-Schöneich	154	154	154	154
Roger Hodgkiss	40	40	179	179
Paweł Surówka	140	140	316	316
Krzysztof Szypuła	224	224	717	626
High-level managers (PZU Group Directors), including:	5,654	1,716	3,288	1,286
Aleksandra Agatowska	896	399	799	354
Andrzej Jaworski	665	185	308	-
Bartłomiej Litwińczuk	884	404	804	375
Dorota Macieja	884	404	804	375
Sylwia Matusiak	750 ¹⁾	-	n/a	n/a
Małgorzata Skibińska	495 ²⁾	-	n/a	n/a
Dominik Witek	432 ³⁾	-	n/a	n/a
Małgorzata Kot	20	20	20	20
Krzysztof Szypuła	559 ⁴⁾	235	391	-
Roman Pałac	56	56	103	103
Tomasz Karusewicz	13	13	59	59
Supervisory Board, of which:	2,435	-	2,381	-
Robert Jastrzębski	252	-	224	-
Paweł Górecki	250	-	224	-
Agata Górnicka	236	-	205	-
Marcin Chludziński	230	-	205	-
Marcin Kubicza	142	-	n/a	n/a
Krzysztof Opolski	250	-	224	-
Radosław Sierpiński	245 ⁵⁾	-	241 ⁶⁾	-
Józef Wierzbowski	230	-	205	-
Maciej Zaborowski	230	-	205	-
Elżbieta Mączyńska-Ziemacka	161	-	205	-
Robert Śnitko	109	-	224	-
Piotr Wachowiak	100	-	68	-
Paweł Mucha	n/a	n/a	151	-

¹⁾ Including annual bonus, compensation for holiday leave and special award for the position of Managing Director for Marketing, Sponsorship and Prevention held in 2022.

²⁾ Including fixed compensation and annual bonus for the position of Managing Director for Product Development and Maintenance held until 31 January 2023.

³⁾ Including fixed compensation, annual bonus and compensation for holiday leave for the position of Director of the Office of Medical Services held until 6 June 2023.

⁴⁾ Including a non-competition fee of PLN 216 thousand and a severance pay of PLN 108 thousand.

⁵⁾ Including PLN 15 thousand for serving as a member of the Scientific Council at PZU Zdrowie SA.

⁶⁾ Including PLN 36 thousand for serving as a member of the Scientific Council at PZU Zdrowie SA.

In 2023, PZU Management Board Members were paid part of the benefits for 2019-2022 under the variable compensation system. The payout of the remaining part of the bonus for 2020-2023 may be made in subsequent periods. A provision has been recognized for these benefits with the total amount of PLN 23,971 thousand as at 31 December 2023 (including the employer's burdens; as at 31 December 2022: PLN 19,948 thousand).

Compensation and other short-term employee benefits paid by other PZU Group entities	1 January – 31 December 2023 (PLN 000s)		1 January – 31 December 2022 (PLN 000s)	
		including part of variable compensation for 2019-2022		including part of variable compensation for 2017-2021
Management Board, of which:	27	27	27	27
Małgorzata Kot	27	27	27	27
High-level managers (PZU Group Directors), including:	7,927	2,523	4,897	1,892
Aleksandra Agatowska	1,338	593	1,194	527
Andrzej Jaworski	998	277	462	-
Bartłomiej Litwińczuk	1,320	599	1,203	558
Dorota Macieja	1,320	599	1,203	558
Sylwia Matusiak	841 ¹⁾	-	n/a	n/a
Małgorzata Skibińska	495 ²⁾	-	n/a	n/a
Dominik Witek	673 ³⁾	-	n/a	n/a
Krzysztof Szypuła	839 ⁴⁾	352	586	-
Roman Pałac	83	83	157	157
Tomasz Karusewicz	20	20	92	92

¹⁾ Including annual bonus, compensation for holiday leave and special award for the position of Managing Director for Marketing, Sponsorship and Prevention held in 2022.

²⁾ Including fixed compensation and annual bonus for the position of Managing Director for Product Development and Maintenance held until 31 January 2023.

³⁾ Including fixed compensation, annual bonus and compensation for holiday leave for the position of Director of the Office of Medical Services held until 6 June 2023.

⁴⁾ Including a non-competition fee of PLN 325 thousand and a severance pay of PLN 162 thousand.

Total estimated value of non-cash benefits granted by PZU and PZU's subsidiaries	1 January – 31 December 2023 (PLN 000s)	1 January – 31 December 2022 (PLN 000s)
Management Board, of which:	2,043	1,785
Beata Kozłowska-Chyła	276	265
Ernest Bejda	233	193
Małgorzata Kot	270	224
Krzysztof Kozłowski	233	189
Tomasz Kulik	238	273
Piotr Nowak	231	110
Maciej Rapkiewicz	243	211
Małgorzata Sadurska	319	312
Krzysztof Szypuła	n/a	8
High-level managers (PZU Group Directors), including:	1,549	942
Aleksandra Agatowska	322	270
Andrzej Jaworski	233	74
Bartłomiej Litwińczuk	281	238
Dorota Macieja	219	200
Sylwia Matusiak	195	n/a

Małgorzata Skibińska	105	n/a
Dominik Witek	135	n/a
Krzysztof Szypuła	59 ¹⁾	160

¹⁾ The benefits financed by PZU on the basis of the termination of the Management Services Provision Agreement.

Compensation of Members of the PZU Management Board, Directors of the PZU Group and Members of the PZU Supervisory Board, paid or payable or potentially payable	1 January – 31 December 2023	1 January – 31 December 2022
(a) classified as expenses	37,048	28,782
(b) arising from incentive or bonus programs based on the issuer's equity	-	-

33.2 Transactions with subsidiaries

In the period from 1 January to 31 December 2023, income and expenses related to transactions with subsidiaries were as follows:

Transactions with subsidiaries	Income							Expenses							
	on insurance premium	on real property	on ownership interests or shares	on borrowings and debt securities	on acting as an emergency adjuster	other	Total	on claims and benefits	on reinsurance commissions and profit sharing	on telephone and IT services	on bulk printing services	on finance	on commissions	other	Total
PZU Życie	1,503	-	897,579	-	-	2,731	901,813	301	-	-	-	-	-	2	303
Tower Inwestycje	14	-	-	-	-	55	69	-	-	-	-	-	-	-	-
PZU CO	168	(2)	6,000	-	-	706	6,872	42	-	-	-	-	-	13	55
Armatura Kraków SA	346	-	-	387	-	1	734	-	-	-	-	-	-	-	-
TFI PZU	945	126	24,009	-	-	1,467	26,547	116	-	-	-	-	-	20	136
Ogrodowa Inwestycje	84	-	787	-	-	3	874	-	-	-	-	-	-	-	-
PrJSC IC PZU Ukraine	7,312	-	-	-	10	441	7,763	4,962	898	-	-	-	-	1	5,861
AAS Bałta	33,211	-	22,688	-	1	257	56,157	17,137	2,439	-	-	-	-	-	19,576
Lietuvos Draudimas AB	56,150	-	35,923	-	15	1,079	93,167	25,625	3,838	-	-	-	-	-	29,463
PZU Corporate Member Limited	-	-	-	352	-	-	352	-	-	-	-	-	-	-	-
PZU Pomoc SA	2,776	42	-	-	-	165	2,983	5	-	-	-	-	-	801	806
PZU Zdrowie	110	-	-	7,253	-	1,923	9,286	-	-	-	-	-	-	-	-
PZU LAB SA	4	-	-	-	-	17	21	-	-	-	-	-	-	-	-
PZU Finanse Sp. z o.o.	11	98	-	-	-	119	228	-	-	-	-	-	-	-	-
Omicron BIS SA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Link4	717,908	-	-	4,777	-	13,778	736,463	508,853	189,862	-	-	-	-	250	698,965
Alior Bank	12,695	-	-	-	-	274	12,969	4,559	-	-	-	-	-	-	4,559
TUW PZUW	527,156	11	-	8,029	8,797	851	544,844	141,582	30,472	-	-	-	-	301	172,355
Bank Pekao	7,054	9	284,518	3	-	10,395	301,979	1,247	-	-	-	-	-	70	1,317
PZU Cash SA	8	-	-	-	-	24	32	2	-	-	-	-	-	-	2
Tulare Investments Sp. z o.o.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PZU Projekt 01 SA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PFS	265	-	1,793	-	-	1	2,059	6	-	-	-	-	-	-	6
Total	1,367,720	284	1,273,297	20,801	8,823	34,287	2,705,212	704,437	227,509	-	-	-	-	1,458	933,404

As at 31 December 2023, the balances of balance sheet items related to transactions with subsidiaries were as follows:

Transactions with subsidiaries	Receivables					Liabilities						
	on insurance premium	on reinsurance	on CIT	other	Total	towards policyholders	towards intermediaries	other for insurance	for reinsurance	on CIT	other	Total
PZU Życie	223	-	-	88	311	3	-	-	-	20,446	-	20,449
Tower Inwestycje	12	-	-	12	24	-	-	-	-	-	27	27
PZU CO	-	-	531	26	557	2	364	2,697	-	-	19,814	22,877
Armatura Kraków SA	232	-	-	-	232	-	-	8	-	-	-	8
TFI PZU	11	-	-	113	124	-	-	-	-	-	3,189	3,189
Ogrodowa Inwestycje	-	-	-	-	-	-	-	-	-	780	207	987
PrJSC IC PZU Ukraine	-	6,942	-	173	7,115	-	-	-	8,753	-	4,728	13,481
AAS Balta	-	229	-	-	229	-	-	14	11,950	-	-	11,964
Lietuvos Draudimas AB	-	1,686	-	159	1,845	-	-	32	23,909	-	-	23,941
PZU Corporate Member Limited	-	-	-	-	-	-	-	-	-	-	-	-
PZU Pomoc SA	1,196	-	628	433	2,257	3	-	2,962	-	-	1,530	4,495
Ipsilon Sp. z o.o.	-	-	-	-	-	-	-	-	-	2	-	2
PZU Zdrowie	-	-	-	168	168	3	-	296	-	19,419	124	19,842
PZU LAB SA	-	-	191	2,474	2,665	-	-	-	-	-	124	124
PZU Finanse Sp. z o.o.	-	-	46	3	49	-	-	-	-	-	3	3
Omicron BIS SA	-	-	-	-	-	-	-	-	-	3	-	3
Link4	1	59,243	-	149	59,393	-	-	-	60,328	2,339	757	63,424
Alior Bank	300	-	-	-	300	-	5	-	-	-	15	20
TUW PZUW	-	151,116	-	9,208	160,324	4	-	3	12,018	-	1	12,026
Bank Pekao	82	-	-	554	636	99	6,854	7	-	-	1,303	8,263
PZU Cash SA	-	-	-	5	5	-	-	-	-	1,155	1,837	2,992
Tulare Investments Sp. z o.o.	-	-	-	-	-	-	-	-	-	3	-	3
PZU Projekt 01 SA	-	-	-	-	-	-	-	-	-	4	-	4
PFS	6	-	-	-	6	-	-	3	-	-	10	13
Total	2,063	219,216	1,396	13,565	236,240	114	7,223	6,022	116,958	44,151	33,669	208,137

In the period from 1 January to 31 December 2022, income and expenses related to transactions with subsidiaries were as follows:

Transactions with subsidiaries	Income							Expenses							
	on insurance premium	on real property	on ownership interests or shares	on borrowings and debt securities	on acting as an emergency adjuster	other	Total	on claims and benefits	on reinsurance commissions and profit sharing	on telephone and IT services	on bulk printing services	on finance	on commissions	other	Total
PZU Życie	1,221	-	547,449	-	-	1,499	550,169	337	-	221	-	-	-	-	558
Tower Inwestycje	15	-	-	-	-	-	15	-	-	-	-	-	-	-	-
PZU CO	152	31	6,007	-	-	723	6,913	22	-	59,007	8,727	1,595	18,261	3,003	90,615
Armatura Kraków SA	118	-	-	346	-	-	464	3	-	-	-	-	-	25	28
TFI PZU	555	915	39,251	-	-	1,723	42,444	151	-	-	-	-	-	16,691	16,842
Ogrodowa Inwestycje	80	-	474	-	-	34	588	3	-	1	-	59	-	4,490	4,553
PrJSC IC PZU Ukraine	4,677	-	-	-	13	320	5,010	7,750	561	-	-	-	-	357	8,668
AAS Bałta	25,353	-	-	-	5	331	25,689	2,223	2,659	-	-	-	-	92	4,974
Lietuvos Draudimas AB	42,673	-	62,679	-	23	977	106,352	4,809	3,905	-	-	-	-	222	8,936
PZU Corporate Member Limited	-	-	-	555	-	-	555	-	-	-	-	-	-	909	909
PZU Pomoc SA	8,941	115	-	-	-	30	9,086	6	-	1,819	121	28,251	5	1,629	31,831
PZU Zdrowie	5	-	-	17,087	-	2,630	19,722	-	-	-	-	1	-	1,168	1,169
PZU LAB SA	3	-	-	-	-	8	11	-	-	-	-	42	-	-	42
PZU Finanse Sp. z o.o.	10	97	-	-	-	130	237	-	-	-	66	-	-	-	66
Omicron BIS SA	-	2	-	-	-	-	2	-	-	-	-	-	-	-	-
Link4	739,870	-	-	3,370	-	12,993	756,233	401,584	207,665	-	-	-	-	28,020	637,269
Alior Bank	213	-	-	-	-	5	218	753	-	-	-	-	45,017	34	45,804
TUW PZUW	608,876	24	-	6,465	9,859	871	626,095	221,611	31,057	-	-	-	-	2,963	255,631
Bank Pekao	5,606	13	225,724	-	-	8,347	239,690	919	-	279	2,777	527	83,925	445	88,872
PZU Cash SA	7	1	-	-	-	7	15	-	-	-	-	2	-	-	2
Tulare Investments Sp. z o.o.	-	1	-	-	-	-	1	-	-	-	-	-	-	-	-
PZU Projekt 01 SA	-	1	-	-	-	-	1	-	-	-	-	-	-	-	-
PFS	194	-	1,560	-	-	-	1,754	-	-	-	-	-	1,747	52	1,799
Total	1,438,569	1,200	883,144	27,823	9,900	30,628	2,391,264	640,171	245,847	61,327	11,691	30,477	148,955	60,100	1,198,568

As at 31 December 2023, the balances of balance sheet items related to transactions with subsidiaries were as follows:

Transactions with subsidiaries	Receivables					Liabilities						
	on insurance premium	on reinsurance	on CIT	other	Total	towards policyholders	towards intermediaries	other for insurance	for reinsurance	on CIT	other	Total
PZU Życie	178	-	23	74	275	-	-	-	-	23,484	-	23,484
Tower Inwestycje	6	-	-	-	6	-	-	-	-	-	-	-
PZU CO	-	-	1,199	405	1,604	-	353	2,272	-	-	8,764	11,389
Armatura Kraków SA	133	-	-	-	133	-	-	9	-	-	25	34
TFI PZU	9	-	-	160	169	-	-	-	-	-	1,351	1,351
Ogrodowa Inwestycje	-	-	42	-	42	-	-	-	-	264	235	499
PrJSC IC PZU Ukraine	-	14,134	-	219	14,353	-	-	21	11,297	-	5,731	17,049
AAS Balta	-	-	-	69	69	-	-	112	-	-	-	112
Lietuvos Draudimas AB	-	-	-	586	586	-	-	475	-	-	2	477
PZU Corporate Member Limited	-	-	-	-	-	-	-	-	-	-	1	1
PZU Pomoc SA	1,164	-	337	398	1,899	3	-	2,106	-	-	1,944	4,053
Ipsilon Sp. z o.o.	-	-	-	-	-	-	-	-	-	3	-	3
PZU Zdrowie	2	-	-	619	621	3	-	662	-	12,264	103	13,032
PZU LAB SA	-	-	-	2,030	2,030	-	-	-	-	285	-	285
PZU Finanse Sp. z o.o.	-	-	-	36	36	-	-	-	-	22	47	69
Omicron BIS SA	-	-	-	-	-	-	-	-	-	4	-	4
Link4	4	-	1,175	138	1,317	-	-	2	-	-	747	749
Alior Bank	305	-	-	16	321	-	4	-	-	-	77	81
TUW PZUW	-	125,282	-	18,340	143,622	-	-	47	5,371	-	1	5,419
Bank Pekao	153	-	-	4,701	4,854	105	5,026	6	-	-	5,322	10,459
PZU Cash SA	-	-	-	-	-	-	-	-	-	1,191	4,494	5,685
Tulare Investments Sp. z o.o.	-	-	-	-	-	-	-	-	-	2	-	2
PZU Projekt 01 SA	-	-	-	-	-	-	-	-	-	5	-	5
PFS	-	-	-	-	-	-	-	3	-	-	42	45
Total	1,954	139,416	2,776	27,791	171,937	111	5,383	5,715	16,668	37,524	28,886	94,287

The above transactions were entered into by PZU on the arm's length basis.

At the stage of acquisition of the shares in Alior Bank and Bank Pekao, respectively, 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.

33.2.1. Loans from PZU Życie

PZU and PZU Życie entered into the Master Agreement for Cash Loan Transactions on 7 August 2013. Loans are granted in Polish zlotys (PLN), for a fixed period, not exceeding 12 months. The value of loans granted by each party may not exceed PLN 1 billion. Loans as granted are shown under 'Investments in related parties' in the assets and loans as received – under 'Liabilities on the issue of own debt securities and drawn loans' in the liabilities.

In 2023 as well as in 2022, PZU did not grant any loans to PZU Życie and did not receive any loans from PZU Życie.

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

On 26 October 2023, PZU concluded with Alior Bank Annex No. 2 to the Mandate Agreement to Provide Unfunded Credit Protection from Time to Time, and concluded with the Counterparty Annex No. 2 to the Master Agreement to Provide Counter Guarantees from Time to Time.

Annex no. 2 to the Mandate Agreement to Provide Unfunded Credit Protection from Time to Time

Annex no. 2 to the Mandate Agreement to Provide Unfunded Credit Protection from Time to Time defines the rules for PZU to issue insurance guarantees for unfunded credit protection within an exposure limit under instructions from, and in favor of, Alior Bank. The maximum exposure limit for the guarantees issued pursuant to Annex no. 2 to the Mandate Agreement to Provide Unfunded Credit Protection from Time to Time is PLN 4,000 million. The limit is in force for a period of 3 years and is a revolving limit, meaning that the expiry of a guarantee makes the "freed up" amount available within the limit minus any possible disbursements under a guarantee.

The fee for extending the guarantee will depend, among other things, on portfolio amortization. In addition, a counter-guarantee premium may be included in the remuneration, the issuance of which PZU may instruct the Counterparty to issue.

At present, it is not possible to state the amount of the fee for a guarantee since it will depend on the amount of the guaranteed sum and the quality of the portfolio collateralizing the guarantee. The issuance of every guarantee will be preceded by an application from Alior Bank and an evaluation and valuation of the portfolio presented for that guarantee.

Details of individual guarantees issued by PZU under Annex No. 2 to the Mandate Agreement to Provide Unfunded Credit Protection from Time to Time will be made public separately by PZU.

Alior Bank will present a declaration of voluntary submission to enforcement in the form of a notary deed to collateralize the payment of the fee for a guarantee under the executed Annex no. 2 to the Mandate Agreement to Provide Unfunded Credit Protection from Time to Time.

The maximum term of the guarantees issued under Annex no. 2 to the Mandate Agreement to Provide Unfunded Credit Protection from Time to Time is 5 years. Alior Bank's share of the due and payable receivables by virtue of the accounts receivable is 10%.

Annex no. 2 to the Mandate Agreement to Provide Unfunded Credit Protection from Time to Time contemplates contractual penalties that may be due to PZU from Alior Bank if Alior Bank breaches certain obligations stemming from Annex no. 2 to the Agreement. The total maximum amount of contractual penalties cannot exceed PLN 3 million. Annex no. 2 to the Agreement does not rule out the possibility of pursuing damages exceeding the sum total of the contractual penalties.

Annex no. 2 to the Master Agreement to Provide Counter Guarantees from Time to Time.

Annex no. 2 to the Master Agreement to Provide Counter Guarantees from Time to Time defines the rules for the Counterparty to provide counter guarantees under instructions from PZU issued in favor of Alior Bank. The available counter guarantee limit is PLN 3,200 million. The available limit will be reduced each time when each counter guarantee is extended, by the guaranteed amount specified in the counter-guarantee; the available counter-guarantee limit is renewable, which means that the limit is renewed when a counter-guarantee expires.

33.2.3. Loans to subordinated entities

Loans to subordinated entities are described in section 2.4.2.

33.3 Transactions with affiliated entities

In the period from 1 January to 31 December 2023, income and expenses related to transactions with affiliated entities were as follows:

Transactions with affiliated entities	Income			Expenses	
	on borrowings and debt securities	other	Total	other	Total
Sigma BIS SA	-	3	3	-	-
Ruch SA	-	-	-	-	-
Total	-	3	3	-	-

As at 31 December 2023, the balances of balance sheet items related to transactions with affiliates were as follows:

Transactions with affiliated entities	Receivables		Liabilities		
	on insurance premium	Total	other on insurance	on other accounts	Total
Sigma BIS SA	-	-	309	3,443	3,752
Ruch SA	-	-	-	10	10
Total	-	-	309	3,453	3,762

In the period from 1 January to 31 December 2022, income and expenses related to transactions with affiliated entities were as follows:

Transactions with affiliated entities	Income			Expenses	
	on insurance premium	on borrowings and debt securities	Total	other	Total
Sigma BIS SA	29	2	31	16,000	16,000
Ruch SA	-	-	-	199	199
Total	29	2	31	16,199	16,199

As at 31 December 2022, the balances of balance sheet items related to transactions with affiliated entities were as follows:

Transactions with affiliated entities	Receivables		Liabilities		
	on insurance premium	Total	other on insurance	on other accounts	Total
Sigma BIS SA	-	-	765	1,537	2,302
Ruch SA	-	-	-	7	7
Total	-	-	765	1,544	2,309

34. Other information

34.1 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's operations, business continuity, financial position and going concern.

As at 31 December 2023, the measure by the equity method of the Ukrainian company: PrJSC IC PZU Ukraine and PrJSC IC PZU Ukraine Life Insurance was PLN 0 thousand and PLN 19,720 thousand, and as at 31 December 2022 – PLN 0 thousand and 13,248 thousand, respectively. Except for the assets of companies operating in Ukraine, as at 31 December 2023 and 31 December 2022, the Company did not have any debt exposure to markets affected by military actions or sanctions (Russia, Belarus, Ukraine).

With martial law in effect throughout Ukraine as of 24 February 2022 (extended till 13 May 2024), and active hostilities carried out in the east and south of the country, as well as the air strikes conducted throughout the territory, Ukrainian companies controlled by PZU are working with wartime restrictions in mind.

One of such war regulations enforced by the NBU on 24 February 2022 provided for a ban on international cash transfers from Ukraine, as a result of which insurance undertakings are not able, among others, to make international reinsurance payments to non-residents.

On 14 February 2023 the NBU's resolution of 10 February 2023 came into force. On the basis of that resolution insurers can pay international reinsurance liabilities (except mandatory motor liability insurance) provided that they are prior verified and recorded in the list of insurers authorized to make reinsurance operations with foreign reinsurers. On the basis of the NBU's decision, since 13 March 2023 PrJSC IC PZU Ukraine has been recorded in the list of authorized insurers.

A new Ukrainian law – “On Insurance” – came into force on 1 January 2024. The law changed requirements for licensing insurers, assessing their solvency and liquidity, corporate governance and risk management, termination of the insurer's business, and insurance portfolio transfer. Insurance companies must adapt to these new requirements by 1 July 2024.

In the last days of 2023, NBU adopted and published more than 20 resolutions that contain implementing regulations related to the “On Insurance” law coming into force.

The insurance market regulations, introduced by the law and NBU's resolutions, increase the security of the financial and capital market, implementing solutions from developed European markets.

Both companies meet the new minimum share capital requirement (min. UAH 48 million), as defined in the “On Insurance” law.

As at the date of signing the standalone financial statements, the statement of the possibility of maintaining business continuity (materialization of the risk of the full loss of operational capabilities) of the Ukrainian companies controlled by PZU is subject to uncertainty due to the following potential threats, among others:

- long-lasting military actions and their escalation;
- continuation of long-range weapons fire on civilian and military facilities, including critical infrastructure facilities, leading to significant civilian casualties and disruption of utility services such as energy, heating and water supply;
- lack of access to key systems, including by destroying the companies' physical infrastructure;
- unavailability of employees.

PZU analyzes the developments on an ongoing basis and examines forward-looking scenarios for the run of events. Due to the situation in Ukraine, the valuation measurement of assets and liabilities (in particular under insurance and reinsurance contracts) of Ukrainian companies, which are PZU subsidiaries, requires a number of assumptions and is subject to significant uncertainty.

34.2 Purchase of PG TUW and PG TUWnŻ

On 4 September 2023, PZU (the "Buyer") entered into a conditional agreement with Orlen SA (the "Seller") for the sale of 2,000,000 shares in the share capital of PG TUW constituting 100% of the shares in the share capital of PG TUW and entitling to 99.9997% of the votes at the Shareholder Meeting of PG TUW, with the Seller being the sole equity member of PG TUW.

PG TUW holds 1,525,000 shares in the share capital of PG TUWnŻ representing 100% of the shares in PG TUWnŻ and entitling PG TUWnŻ to 99.99992% of the votes at the Shareholder Meeting of PG TUWnŻ, with PG TUW being the sole equity member of PG TUWnŻ.

Upon fulfillment of the conditions precedent, the Seller entered into the final agreement with the Buyer on 25 January 2024. As at 25 January 2024, both PG TUW and PG TUWnŻ are subsidiaries of PZU.

The total price for the acquired shares was PLN 47 million and may be subject to adjustment due to the difference between the net asset value of the companies as at 31 December 2022 and the value as at 25 January 2024 (the closing date of the transaction).

Signatures of the PZU Management Board Members:

Name	Function	
Anita Elżanowska	Member of the Supervisory Board delegated to temporarily perform the function of the President of the PZU Management Board	signed with a qualified electronic signature
Michał Bernaczyk	Member of the Supervisory Board delegated to temporarily perform the function of the Member of the PZU Management Board	signed with a qualified electronic signature
Tomasz Kulik	Member of the PZU Management Board	signed with a qualified electronic signature
Maciej Rapkiewicz	Member of the PZU Management Board	signed with a qualified electronic signature

Person responsible for keeping the accounts

Katarzyna Łubkowska	Director of the Accounting Department	signed with a qualified electronic signature
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Actuary supervising the actuarial function

Paweł Chadysz	Director for Insurance Risk	signed with a qualified electronic signature
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Warsaw, Wednesday, March 20, 2024