

Status of the execution of the strategic assumptions [IIRC]:



We respond to the needs of our clients

The PZU Group endeavors to be a stable and trustworthy partner for its clients. That is why it plans to have long-term relations with them and attempts to anticipate their needs.

These assumptions are pursued in PZU and PZU Życie under the formula known as the Client Experience Management Program. Client opinions and satisfaction are monitored on an ongoing basis, in particular by running satisfaction studies on service and products and by examining complaints. Client experience maps are prepared to identify which elements of service are in need of repair.

“New PZU” 2020 ambition

– NPS (satisfaction) indicator for retail clients in insurance

>higher than the competition

– indicator concerning the timeliness of examining complaints

95% up to 28 days

Clients were once again inclined to recommend PZU to a greater extent in 2019 in comparison to the competition. Its NPS (Net Promoter Score) was 10 p.p. higher than the competition's. This score is to a large extent the outcome client satisfaction studies enabling us to identify the organization's strengths and areas in need of modification and improvement.



We create an inspiring place of work

The PZU Group is striving to be the best employer on the markets where it renders services. Its objectives are as follows: being in the leadership position among the financial industry companies most frequently selected by people looking for employment, engaged and top of class staff on the market and maintaining a low level of turnover among the organization's top talents.

To achieve these goals the PZU Group:

- offers transparent development paths;
- facilitates employee development;
- advances entrepreneurship, innovation and teamwork instils better quality in organizational culture;
- tweaks processes related to counteracting employee attrition;
- develops a program to retain key employees;
- offers a friendly environment and atmosphere and development opportunities, while at the same time guaranteeing respect for life-work balance.

“New PZU” 2020 ambition

– employee engagement index
55%

– percentage of women in management position

min. 50%

The employee engagement index rose 11 p.p. in 2019 y/y to 51%. The participation ratio was 84% (73% in 2018).



We manage our environmental impact in a deliberate manner

The PZU Group is devising its own environmental standard to define the key assumptions pertaining to its governance approach to environmental issues. They are embodied by these principles:

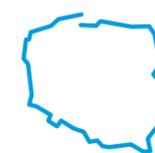
- sustainable development;
- high level of environmental protection;
- prudence and prediction of negative impact of our actions, if any;
- prevention, prevention of pollution and its elimination at its source;
- inclusion of environmental protection elements into the business policy and strategy;
- partnership, or the requirement for all PZU Group entities to take joint environmental protection actions.

“New PZU” 2020 ambition

– implementation of the “Green PZU” standard by 2020

complete implementation

The PZU Group's “Green PZU” Standard, along with the action plan document for the administration and real property area is aimed at ensuring informed management of the natural environment and mitigation of negative impact on the environment.



We are a leader in social activities focusing on security

Insurance companies are responsible for the risks of other persons. That is why social engagement among insurers takes on special meaning. For many years the PZU Group has taken specific and measurable efforts to attenuate risk at source by using the prevention fund.

On top of sponsoring activity or the charitable activity of the PZU Foundation, the PZU Group gets involved in social investments to reduce risk and simultaneously produce business and social benefits. These initiatives' major objective is to prevent accidents, reduce their repercussions and support those types of activities that advance health prevention.

The strategic pillars underpinning PZU's social involvement are as follows: safety (road and public safety, at the local level), health, culture and expert approach.

“New PZU” 2020 ambition

– financial commitment to social activity

>at the level of over PLN 50 million annually

Financial commitment to social activity in 2019: 84 million (PZU, PZU Życie, TUV PZU)



We are devising new standards in relations with suppliers

PZU has an awareness of its material impact on the procurement market and its responsibility for shaping the top business standards. The PZU Group companies advance the idea of corporate social responsibility in relations with their suppliers, cooperating only with business partners who observe human rights and act in compliance with legal regulations, in particular with regard to the prevention of corruption. They also expect their partners to provide safe and dignified work conditions, apply the highest ethical standards and care for the natural environment.

“New PZU” 2020 ambition

– percentage of suppliers adhering to the “Code of CSR Best Practices for PZU's Suppliers

90% of PZU's suppliers* covered by the tender process accept and comply with the “Code of CSR best practices for the PZU Group's suppliers”

In 2019 the work was underway to implement a new procurement platform that, according to the assumptions underpinning the CSR strategy, incorporates the necessity of affirming the obligation to abide by the “Code of CSR Best Practices.

*Suppliers of goods or services invited to participate in tenders organized by the Procurement Department at PZU and PZU Życie

The PZU Group is undergoing a process of updating its business strategy, including in the context of environmental, social and corporate governance (ESG) factors.