SUSTAINABLE DEVELOPMENT
MISSION
Bank BPS mission is the optimum fulfillment of the union and commercial functions in order to create a friendly world of finance for existing and future customers.

VISION
Bank BPS will be an innovative and stable financial institution, focused on identifying and meeting the needs of customers.

VALUES
Security and Stability - Bank as the guarantor of security for affiliated cooperative banks and customers.
People, not systems - Bank close to customers, shareholders, employees.
Tradition in modernity - Bank based on indigenous traditions and local capital, providing innovative services at the highest standard.
The Aim

sustainable development while maintaining the security and stability of Bank BPS
Strategic objectives

Capital Adequacy Ratio of 12%

Increased efficiency in the commercial activity, by improving the quality and profitability of assets.

Systematic increase of competitiveness and quality of Customer service by developing – IT systems which will allow offering technologically advanced banking products.

Constant skills development of bank employees.

Enhancing the safety of cooperative banks by taking actions to meet necessary liquidity and solvency standards.

Steady increase in quality of services provided to affiliated cooperative banks.

Development of international cooperation with European and non-European cooperative banks and their associations, as well as international financial institutions.

Adjusting the structure of the BPS Group to the strategic needs of the association.

Increase in participation of affiliated and cooperating banks in the share capital.

Strengthening the positive image of cooperative banking and Bank BPS.
The accounting standards

On the 1st of January 2014, the Bank has applied IAS/IFRS standards in the preparation of statutory financial statements. This allows to eliminate differences resulting from the application of different standards between the data presented in the separate and consolidated financial statements. This also ensures the comparability of data and information presented in the financial statements of Bank BPS with other market participants.

The new regulations of the European Union

Important changes in the prudential requirements regarding liquidity and capital adequacy ratios (accepted on 26th of June 2013 Regulation no 575/2013 (CRR) and Directive 2013/36/UE European Parliament and Council (CDR IV) cause:

the need for changes in the liquidity management system in the association

work on the new association model.
In the period described by this strategy the bank’s key task is to strengthen the mechanisms and systems to ensure safe operation of the association by:

- **modernizing the** liquidity management model
- **transforming** the current model of the association into an integrated association
- **enriching the** services catalogue for cooperative banks
- **increasing** the number of syndicate loans to the level of 1/3 of Bank BPS’ loan portfolio
Aims:

The pace of growth of the Bank’s total assets, depending on the growth of total asset and the loan portfolio of affiliated banks.

Liquid assets of the Bank securing at least supervisory requirements of liquidity risk in the association.

The value of commercial assets, including primarily the loan portfolio, adjusted to the potential of supply the of Bank’s own funds.
Bank BPS guided by the principle of complementarity of action, does not compete with cooperative banks. Bank BPS will focus its sales activities in the following market segments:

- small and medium-sized enterprises, in particular from the broadly understood area of agriculture business and real estate financing
- retail customers with extraordinary needs for banking services with particular emphasis on mortgages
- local government
- cooperatives

With the expansion of the customer base serviced by cooperative banks, Bank BPS will develop complementary products and provide a possibility of co-financing by syndicated loans.
Institutional cooperation

Bank BPS will take following actions:

**expand** the product range in terms of loans supported by donors

**extend** the product range to new renewable energy sources products in cooperation with national and international institutions (including NFOŚiGW, WFOŚiGW, EBRD)

**develop** cooperation with national and international financial institutions (including EBRD, CEB, EIB and BGK S.A.) in order to obtain funds to launch new credit lines

**acquisition** of non-financial grants available for the banking sector in Poland, to finance Bank BPS’ development
Commercial activity of Bank BPS will be conducted based on the existing network of stationary units (branches and subsidiaries) and remote access channels (online banking, mobile banking and call center).

**Improvement for Customers:**

- development of mechanisms supporting purchasing decisions
- development of IT tools to improve access to services
- development advisory of skills
Support for cooperative banks

Bank BPS as a coordinator of cooperative banks’ activities, supports the branch network development by disseminating the concept of a universal branch and marketing consultancy in providing services to new customers.

The important element of the strategy is to support cooperative banks in servicing large companies that require financing in excess of the possibility of a single cooperative bank. The key role in this process is syndicate organization, as well as development of new products.
Risk management

The strategic objective of risk management in Bank BPS is to improve the quality of the loan portfolio, underwrite Bank liquidity in Bank BPS and affiliated banks, reduction and maximum control of market risk and continuous improvement of optimization and standardization of operational risk.
Communication strategy

The purpose of the communication activities is to strengthen the image and brand awareness of „COOPERTAIVE BANK“.

Important actions:

**education** about cooperative banking and differences from other forms of banking

**promotion** associated with the dissemination of cooperative banking advantages (Banks based on local capital, versatile, friendly, modern, with efficient services)

**social responsibility**, Bank takes into consideration the interests of society
In implementing this strategy, first of all, the Bank will take into consideration the care for the safe level of capital adequacy and systematic improvement of financial indicators. The Bank makes a public declaration that in pursuing its objectives it operates ethically towards public and private stakeholders. Rejects the policy of seeking profits at any cost. Bank operates in accordance with the values of cooperative banking. Bank is and will be a responsible and sensitive member of the Polish economy.