

KPF Strategy 2020

Competences, Ethics, Integration, Education

Strategy of the Conference of Financial Companies in Poland
for the years 2018–2020



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Introduction

The year 2018 is the nineteenth year of self-government activity for our organization. During this period, KPF became an inter-branch organization, integrating and representing 10 sectors of the financial services market, gathering over 100 member entities. It is an active and committed social side of the Polish legislative process, a member and strongly substantially supporting partner of EUROFINAS – an organization representing the European credit market. We have also become an expert organization, with a recognizable output in the field of business ethics, conducted research, and implemented educational projects.

Today, KPF is a mature organization built on solid foundations.

The Management Board recognizes the current year as the demarcation line for the Conference of Financial Enterprises, also because of the fact that one year before the 20th anniversary of its establishment, KPF needs a new impulse to develop, so as to use the potential of our organization even more effectively in the near future. This is the reason why the Management Board, with inspiration and with the support of the Council, decided to prepare the KPF 2020 Strategy.

Its creation is the result of the involvement of the entire KPF Team.

We are convinced that the full implementation of the KPF 2020 Strategy will well serve the idea of the common good. Thanks to this, in an even more specific way, we will respond to the expectations of our stakeholders and the challenges that the fast-changing financial market is facing.

We are KPF – we build social capital on the financial market.

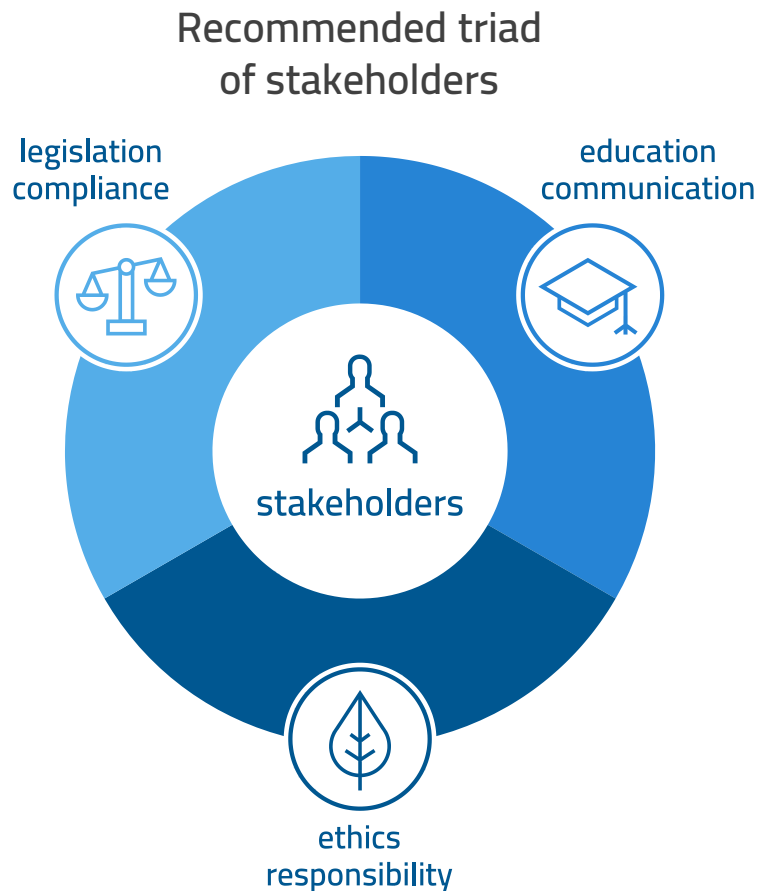
Andrzej Roter
President of the Board

Marcin Czugan
Vice-president of the Board

Dominik Wieliński
Vice-president of the Board

Expectations of stakeholders in the spotlight

Good communication, aimed at constant monitoring of the expectations of internal and external stakeholders will enable effective implementation of the strategy and moderating the way of implementing strategic initiatives, in accordance with the priorities of our stakeholders.



Legislation and compliance

The primary expectation of stakeholders towards the KPF is a further increase in involvement in the legislative process as its social side. An equally important expectation is the support of internal stakeholders in the area of legislative compliance.

Standards of business practices

The business credibility, the responsibility of the practices and high standards are the expectations most often communicated by the stakeholders. They emphasize the need to improve the standards of business practices in the financial services market. The intention of stakeholders is to strengthen the prestige of membership in the KPF.

Education and communication

The expectation of stakeholders is the further increase of the KPF's involvement in the area of education through research, congresses, conferences and workshops. KPF's involvement in financial education and intensification of communication with stakeholders is also expected.

KPF's mission



We build social capital
on the financial market

How we implement the KPF's Mission



We represent entrepreneurs on the financial services market

towards the legislator, public administration in Poland and in the European Union, through the publication of positions, opinions and recommendations, based on reliable, expert knowledge, taking into account the idea of the common good and sustainable development of the financial services market.



We implement a comprehensive and coherent ethics program

by covering all important aspects of running business by member institutions, setting high standards of business practice in the financial services market, implementing monitoring tools – and enforcing the obligation to adhere to the Principles of Good Practices adopted in the KPF.



We organize a professional environment

by putting at the disposal of stakeholders the internal resources and the expertise of our organization and the forum and tools for exchanging knowledge and experience between them. We promote mutual respect, responsibility and honor for ethical principles, actively caring for partner-like, substantial relationships with all stakeholders in this market.



We create financial education projects

by providing current and reliable knowledge about the functioning of the financial services market, organizing congresses and conferences, distinguishing themselves with a high substantive level, providing reports on our research activities and patronizing important initiatives in this area.

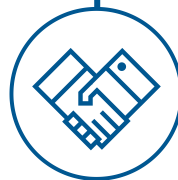
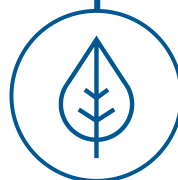
Values on which we build

Common good

As an inter-branch organization, we care about taking into account legitimate interests of entrepreneurs from 10 sectors of the financial market, combining them with the idea of the common good, understood as a balanced development of individual industries and the entire market. This idea is the foundation of integration within one self-government platform.

Expertise and competences

We build substantive, partner relationships with financial market stakeholders, basing them on expert knowledge, research conducted by the KPF and conclusions from an in-depth analysis of phenomena essential for its harmonious development. We take care of broad dissemination of this knowledge among our stakeholders.



Business ethics

An important element of caring for the common good is the consistent implementation and continuous improvement of the KPF's ethics program, the foundation of which is the Principles of Good Practices. It includes their effective monitoring, the obligation to annually perform an ethics audit, systematic updating of existing ethical principles and their promotion.

Market development

While maintaining conservative values and principles of ethical business operations, we broaden the scope of our organization, including companies that co-create modern technological solutions. We actively support the development of the Fintech market, increasing the competences of the KPF as well as the subject of substantive interest.

KPF's vision

Nothing without us in the financial market

We want to be an organization that is:

- ✓ unique, covering a wide range of sectors of entities from the financial services market
- ✓ clearly recognizable, effectively working for the common good
- ✓ keeping up with the market, maintaining conservative values and ethical principles
- ✓ which is a local government legislative compliance for KPF Members

Strategic objectives



Methods and tools of strategy implementation

– KPF is a desirable social side of legislation and local government compliance



Partner relations with stakeholders

An important feature of the KPF's local government is building partner relations with stakeholders: offices, consumer organizations and industry self-government organizations from the financial market. As a result, the KPF is invited to consult all the changes that are important to our environment in its legal environment. We will intensify substantive cooperation to improve communication – in the area of monitoring of needs in the field of legislation as well as initiatives and phenomena that may affect the legislative process.



European involvement

One of the essential conditions for the KPF's expert involvement is active membership in EUROFINAS (EF). The substantive scope of EF's activity is at the center of interest for all sectors represented by the KPF. Representatives of KPF statutory bodies will be involved in the work of the Management Board, Legal and Political Committee and EF work teams.

member of
eurofinas



Legislative Compliance

We will support the Members with the expertise of the Legal and Legislative Department of the KPF, indicating the relevant issues and legal risks to be included in the process of implementation of new legal provisions for business practice. An important justification for this is the growing complexity of the financial services market and the need to intensify cooperation between Fintech and traditional sectors – in new ecosystems.



Sharing competences

Access to the most up-to-date and useful knowledge, the source of which will be sharing competences of KPF members, also in the process of creating industry positions in the legal area, will be ensured through the efficient functioning of working teams.

Methods and tools of strategy implementation

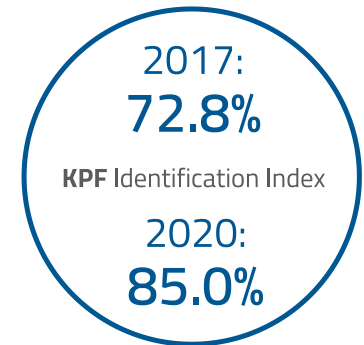
– New version of the ethics program

The expectation of both internal and external stakeholders is to improve the quality of the ethical program and its continuous improvement. Its basis is the Principles of Good Practices(ZDP).



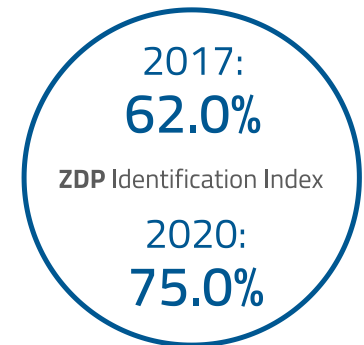
Sensitizing the stakeholders

Good law has to be effective – also in the case of soft law, which is ZDP. We will ensure increased effectiveness of business practices monitoring through even closer cooperation with those stakeholders who professionally deal with the protection of consumer rights. We will systematically carry out a series of information campaigns on the subject of ZDP and the Ethics Committee (EC) as well as regular meetings and exchange of experience with key EC stakeholders. As a result, we will strengthen the image of the EC and the scope of its positive impact on the market.



Strengthening ethical awareness

We will build local government competences in the area of ethical awareness in cooperation with the Ethics Committee (EC), by carrying out cyclical information campaigns about the EC, ZDP, ethics audit and the value of the ethical certificate to internal stakeholders. In cooperation with the European Commission, we will conduct a review of the KPF Members' websites to increase the level of ethical self-government identification. The level of this formal identification will be measured.



ZDP update and supplementation

Changes occurring on the market, growing expectations of stakeholders regarding the quality of business practices standards, enlargement of the KPF's personal scope, require periodic review and update of the content of the ZDP. This process will, in principle, include broad public consultations to broaden the scope of ZDP's impact as a social contract. Membership in the KPF will be even more related to the exercise of local ethical responsibilities.

Methods and tools of strategy implementation

– Education for entrepreneurs

Congress projects specialist workshops, implemented by the KPF, due to their high quality, have become appreciated – and expected by entrepreneurs. The recognizable achievements of the KPF are also educational projects inspired by the principles of good practice. Each of these projects plays a very important, educational role. We will develop this basic value in the coming years.



Educational program

The dynamic development of the financial market in recent years, moderated, among others, by the increase in household wealth in Poland and their growing activity on the financial services market, is accompanied by a relatively large scale of excessive obligations, with insufficient level of financial morality. In response to these facts, we are completing an educational program addressed to entrepreneurs from the primary and secondary creditors sector, based on KPF Good Practices and to consumers, trying to attract stakeholders to cooperate in this area.



Congresses and conferences

We will keep the number and the substantive quality of 6 congresses, carried out independently. We will develop this type of educational activity based on good experience of cooperation with external partners, in particular such projects as: National Consumer Conference (University of Wrocław, UOKiK), Consumer Finance Congress (Gdańsk Banking Academy), Antifraud Congress (EY).



Specialist workshops

We will meet the expectations of internal stakeholders to provide useful, specialist knowledge in the most current issues, important from the point of view of business practice development. To this end, we will increase the number of specialist workshops organized by the KPF. Special significance will be given to Fintech phenomenon, barriers and legal solutions related to this phenomenon, cooperation within new ecosystems, practical use of fintech solutions, including blockchain.

Methods and tools of strategy implementation

– Good external communication and PR activities

KPF's achievements in many areas of local government activities to strengthen the effects, also for inspiring to take up activities around the common good by a wider circle of stakeholders, need good communication. The positive effects we have already achieved will be successfully developed over the next three years. Good communication is one of the essential conditions for using the development potential and implementing the KPF strategy.



Expectations of stakeholders in improving communication :

- Broaden publicity of information on KPF positions, opinions and initiatives related to Polish legislation
- Enlargement of the presence in the media with a message about European legislation and self-government activities implemented by EUROFINAS
- Making the rules of functioning and actions taken by the Ethics Committee public
- Wider information about the results of the research conducted by the KPF
- Implementation of the KPF image campaign
- Communication with the market using various information distribution channels
- Greater activity in industry media, also thanks to the involvement of KPF Members and their experts
- Increasing the importance of the website www.kpf.pl as a useful and important source of information



The expectations of stakeholders will be met through :

- Developing a model of cooperation with internal stakeholders to increase presence in industry media and implementation of KPF image campaign projects
- Providing adequate resources to the planned strategic goals in this area
- An effective model of cooperation with selected external stakeholders to increase the scope of information published on www.kpf.pl

Methods and tools of strategy implementation

– Strong self-government relations

The KPF's effective activity for the protection of professional rights of financial market participants strengthens the phenomenon of integration of entrepreneurs' environment on this market. The strength of local government relations will inspire the member institutions to be even more active in the common good, sharing their competences on the local government platform.



Membership satisfaction as a criterion for evaluation

We will conduct an annual survey of the member institutions' satisfaction with the functioning of their local government organization. We will use the Net Promoter Score (NPS) research tool for this purpose, which is a recognized, alternative assessment method for traditional customer satisfaction surveys. The results of the study will be used to improve the KPF's methods, tools and communication with its internal stakeholders.



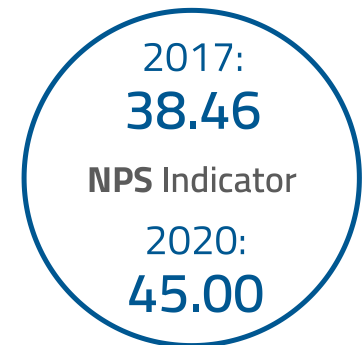
High local government activity

In a systematic, consistent manner, we will inspire members of the KPF to increase their local government activity in such areas as increasing KPF recognition, improving the image and trust in individual industries and the entire financial market, acquiring new member institutions for effective implementation of the goal of building a strong organizations.



Good internal communication

The goal of this strategic initiative is to confirm the status of the KPF member institution well informed in all areas of the KPF's substantive activity, in particular in the sphere of law and legislation. In addition to ongoing and dedicated communication with specialists from specific areas, internal communication will also be supported through the newsletter. Good internal communication will strengthen self-government awareness and competence, deepening even more the phenomenon of identification with the KPF.



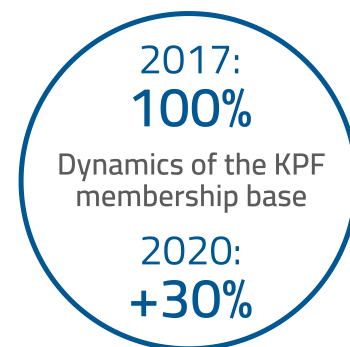
Methods and tools of strategy implementation

– Sources of development financing

KPF's achievements in many areas allow for constructing realistic assumptions as to strengthening the sources of financing for the development of local government activities of our organization based not only on membership fees, but also through statutory business conducted by the KPF.

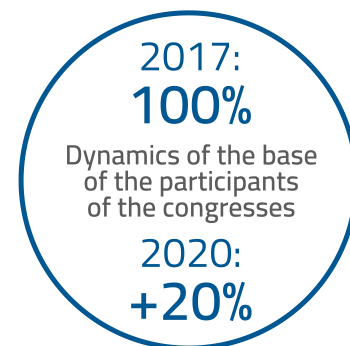
✓ Membership base

Very consistently, treating this activity as an important source for financing the KPF's development strategy, we will work to increase the total number of our organization members. Over the next three years, we will convince the institutions to enter the KPF local government platform, implementing approx. 30% dynamics in this period.



✓ Database of congress participants

We are an expert organization, among others thanks to the appreciated substantive quality of congresses organized by us. It is not only an achievement, but also a source of development capital of the KPF. By using it, we will strengthen their market value, increasing the base of participants by 20% by 2020. In connection with the commencement of economic activity by KPF, this will increase the possibilities of financing strategic goals..



✓ Reports and specialist workshops

An important expectation of internal and external stakeholders is providing useful, specialist knowledge in the most current market and legal matters. We will meet these expectations in a consistent manner, offering reports prepared at KPF and participation in specialist workshops. We will organize these workshops with the participation of recognized consulting companies and companies specialized in specific areas of business practice. This is another source of financing for the development of the KPF.

Key measures of KPF strategy

– the years 2018–2020

THE SIZE OF ORGANIZATION AND ITS ACTIVITIES

Number of KPF member institutions		Number of KPF Educational Projects	
2017	2020	2017	2020
102	133	7	14

Number of Educational Projects with the patronage		Dynamics of the Number of Participants in Educational Projects	
2017	2020	2017	2020
17	25	100%	+20

SELF-GOVERNMENT IDENTIFICATION

NPS Indicator of the Member Institutions		The Member Identification Index	
2017	2020	2017	2020
38.46	45.00	72.8%	85.0%

Indicator of Timeliness of Ethical Audits		ZDP Identification Index	
2017	2020	2017	2020
88.8%	94.0%	62.0%	75.0%

GOOD INTERNAL AND EXTERNAL COMMUNICATION

Number of published information	
2017	2020
130	172

Average Monthly Number of Views www.kpf.pl	
2017	2020
120 thousand	140 thousand

Number of Unique Users www.kpf.pl	
2017	2020
28 thousand	34 thousand

Number of Followers of KPF Social Media Profiles	
2017	2020
692	1200

Definitions of key measures

THE SIZE OF ORGANIZATION AND ITS ACTIVITIES

Number of KPF Member Institutions – is the total number of entities that have membership rights in the KPF on the last day of the calendar year, including also those entities that could be in the period of termination of membership.

Number of Educational Projects – it is the number of conferences, specialist workshops organized by the KPF independently in terms of organization and logistics, taking responsibility for the project in terms of content and finances.

Dynamics of the Number of Participants in Educational Projects – it is a relative (percentage) increase in the number of people participating in conferences, specialized workshops organized by the KPF independently in terms of organization and logistics.

Number of Educational Projects Under the Patronage of KPF – is the number of conferences, specialized, organized in a given calendar year by external stakeholders of the KPF, which highly-rated level of substantive quality has been recognized by KPF as the honorary patron or substantive patron.

SELF-GOVERNMENT IDENTIFICATION

NPS index of KPF member institutions – is a synthetic index illustrating the level of satisfaction of member institutions regarding the functioning of the KPF, calculated based on the results of the annual survey using the Net Promoter Score research tool (NPS).

The Member Identification Index – determines the participation of member entities in the total number of Members, who posted on their website information about membership in the KPF, as confirmed by the annual review, commissioned by the Ethics Committee.

ZDP Identification Index – determines the participation of member entities in the total number of KPF Members that posted on their website information about the adoption of the Good Practice Principles in force at the KPF in business practice, as confirmed by the annual review commissioned by the Ethics Committee.

Indicator of Timeliness of Ethical Audits – determines the participation of KPF member entities, which, on a date specified by the KPF Ethics Committee, conducted a mandatory annual ethics audit and sent to the Ethics Committee an appropriate form from this audit.

GOOD INTERNAL AND EXTERNAL COMMUNICATION

The number of published information – index informing about the total number of press releases prepared by KPF PR services in a given calendar year and distributed among the media and on the home page www.kpf.

The number of unique website users – number of individual users using a given website, determined at the end of the calendar year on the basis of unique numbers of IP computers or individual programs, identifying the user, so-called cookies.

The number of website views – index informing about the total number of page visits by all users during the calendar year. It is usually higher than the number of unique website users, as one user may visit the website more than once in a given period.

Number of Followers of KPF Social Media Profiles – index informing about the total number of people observing KPF social profiles (Facebook, LinkedIn, Twitter), recorded at the end of a given calendar year.

We are KPF

**We build social capital
on the financial market**

