



ANG

Integrated Report for 2017
(abbreviated version)

On duty



FOR FINANCIAL PARTNERS

ANG Spółdzielnia (ANG Cooperative) in numbers:

- ➔ **224** members
- ➔ **728** experts
- ➔ **10,389** loans granted through the ANG Cooperative for a total amount of PLN 2.3 billion
- ➔ **3,248** insurance products sold through the ANG Cooperative
- ➔ **21** insurance partners, **19** loan partners
- ➔ With the ANG Cooperative participation, an average of **34** loans were disbursed per day
- ➔ an average value of the mortgage loan in 2017 is **PLN 255,976.53**
- ➔ an average value of the cash loan in 2017 is **PLN 52,363.46**
- ➔ **89%** -- the indicator of our community commitment (based on the AON Hewitt's Best Employer's program)
- ➔ In 2017, we achieved **PLN 51,808,817.96** revenue (28.2% more than in 2016) and **PLN 350,972.19** net profit.
- ➔ Active expert of the ANG Cooperative has disbursed in 2017 an average of **16.65** mortgage loans and **4.81** cash loans.
- ➔ **99%** of our community is definitely or rather satisfied with the work (based on the AON Hewitt's Best Employer's program)





**Artur Nowak-
Goctawski,**
ANG Cooperative
member,
president of
the Manage-
ment Board

Colleagues, partners, friends of the ANG. We put on your hands, hands of our business partners, the next annual report, which aims at summarizing not only the economic effects of our activity in 2017, but the placement of this activity in a broader context. This year, we gave our report the title “On duty”. From the beginning of the ANG existence, this phrase builds our identity, is close to us, reflects our vision of the social role we play as the financial industry. We are here to provide our customers with financial products they need and understand, at a fair price and which they can afford. Our primary goal is not only to build the economic value, but to fulfill the social role entrusted to financial institutions. Of course, we want to run an effective business, earn and grow, but it should be the result of our servient approach to customers and we try to remember it all the time.

Our business fate is connected with you. Thank you very much, on behalf of the ANG community, for cooperation and I hope that we will be able to fulfill our social role together.

I am pleased to present you a brief, printed version of our report, dedicated to you, dear partners. The full version of the report (in Polish) can be found on our website: www.angspoldzielnia.pl

I wish you all the best on behalf of the Management Board.

About the Cooperative

We are a professional organization providing financial brokerage and we have been building the community of experienced and reliable experts for 8 years. At the end of 2017, there were exactly 728 of us. We offer both loan and insurance products.

We are a cooperative. This form of organization guarantees cooperative members the co-ownership and co-decision about the direction of the organization's activities. Our cooperative was established as an alternative to corporations workplace for experienced financial experts. Our goal is not only running an effective business, but also building social and human capital. We want to develop in a sustainable and responsible manner, bearing in mind the servient role towards the customer.

We promote responsible sales in the entire financial sector, among others through the Notirresponsible project (Nienieodpowiedzialni.pl), which reflects our vision of an effective, wise and sensitive financial industry, aware of its servient role towards customers, associates and society.



Ethics and integrity

Our mission is to provide people with financial services they need and understand, at a fair price and which they can afford. This is responsible sales for us. Our biggest challenge is **0% misselling**.

Together, we created the Code of Ethics and the Cooperative Order, we have the Ethics Committee, which ensures compliance with the adopted ethical standards. Everyone can report their problem, comment or possible violations to the following e-mail address: etyka@grupaang.pl

„The adopted Code of Ethics is vividly present in our everyday work. The Cooperative created the group of people who share similar values and philosophy of cooperation with the customer.”

Wojciech Płodowski, ANG Cooperative member



On duty

Our awards for 2017



The AON Hewitt Best Employer
(for the third time in a row)



Ethical Company of Puls Biznesu
(for the third time in a row)



The CSR Leaf of Polityka
(for the third time in a row)



Business Gazelle (for the third time in a row)



On duty

Initiatives in which we engage

- Working party for education and popularization of CSR at the former Ministry for Development
- Diversity Charter
- Presidents-Volunteers Coalition
- UN GC Ethics Officers Coalition
- "Lewiatan" Private Employers Confederation
- The Conference of Financial Companies in Poland
- Competition for the Social Enterprise of the Year of Jacek Kuroń, conducted by the Foundation for Social and Economic Initiatives (FISE)
- Partnership for the Implementation of Sustainable Development Goals
- Mieszkanicznik Association
- UN Global Compact



Financial results



Katarzyna Dmowska,
ANG Cooperative
member, deputy
president of the
Management Board

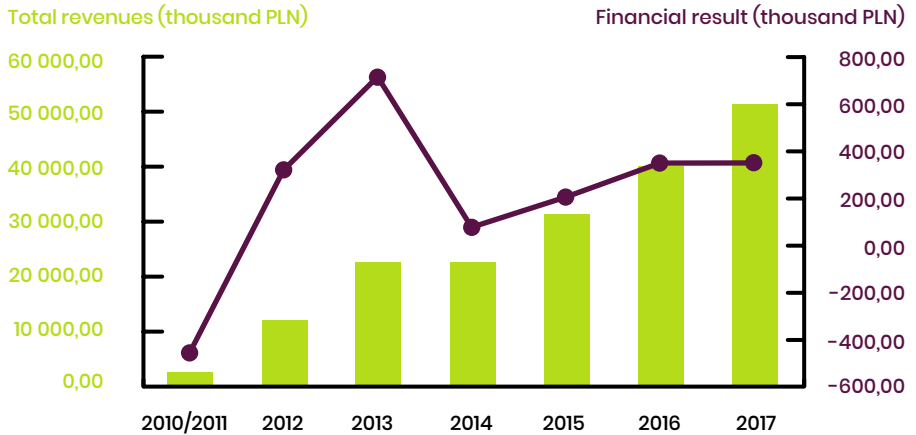
„I can state with full responsibility that despite many fears at the beginning of the year, associated with the implementation of the act on mortgage loans and on supervision over the mortgage loan brokers and agents, 2017 was another successful year for our Cooperative, which brought further increases in sales. The results show, looking at the structure of the products, that we are still mainly the mortgage loan

brokerage. After the merger with the ANG Cooperative of Insurance Brokers in January 2017, in the structure of our revenues, there appeared revenues from insurance sales, however, they account for less than 1% of total revenues, while mortgage loans accounted for over 95% of the volume of all disbursed loans. We will work on changing the structure of revenues for cash loans and insurances, while not reducing the sale of mortgage loans, as basing business on one product group is too risky for our organization. In addition, we want to be a versatile partner for our customers and provide them with products that meet their various financial needs.”

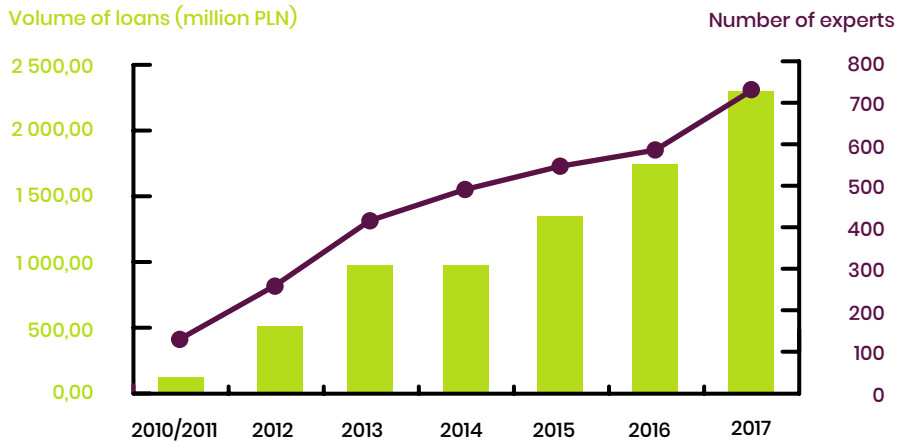
Product type	Revenues	Percentage share in the Cooperative's revenues
loans	PLN 51,257,433.10	99.13%
insurances	PLN 448,910.00	0.87%

On duty

Financial results

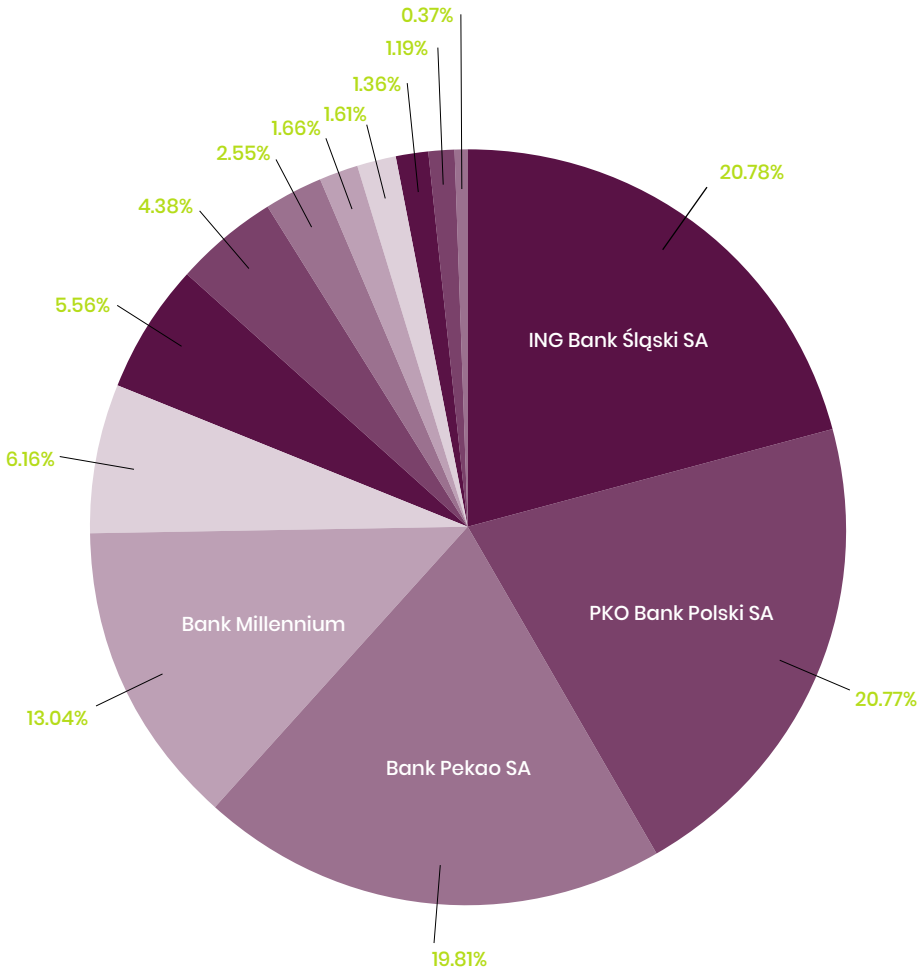


Operating results



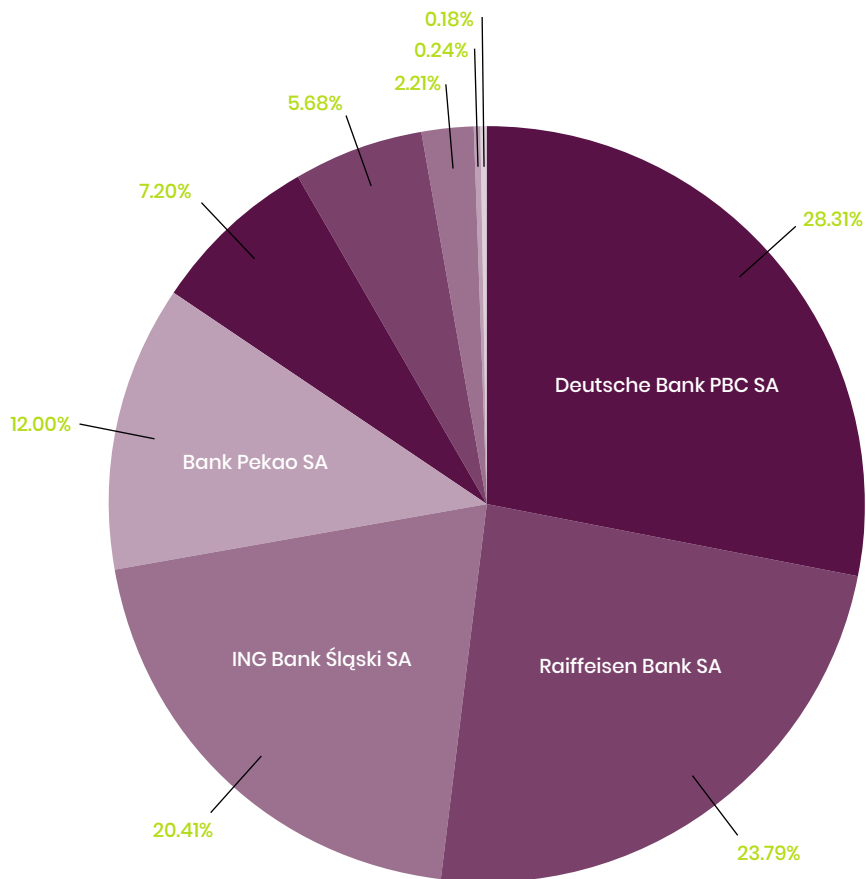
	Percentage share of products (according to the number)		Percentage share of products (according to the volume)	
	2016	2017	2016	2017
mortgage loans	84.63%	82.80%	95.17%	95.92%
cash loans	15.37%	17.20%	4.83%	4.08%

Mortgage loans – division into banks



- ING Bank Śląski SA 20.78%
- PKO Bank Polski SA 20.77%
- Bank Pekao SA 19.81%
- Bank Millennium SA 13.04%
- mBank SA 6.16%
- Alior Bank SA 5.56%
- Bank Zachodni WBK SA 4.38%
- BGŻ BNP Paribas SA 2.55%
- Citibank Handlowy SA 1.66%
- Raiffeisen Bank SA 1.61%
- Eurobank SA 1.36%
- Deutsche Bank PBC SA 1.19%
- Pekao Bank Hipoteczny SA, BOŚ SA, Crédit Agricole SA 0.37%

Cash loans – division into banks



Deutsche Bank PBC SA 28.31%

Raiffeisen Bank SA 23.79%

ING Bank Śląski SA 20.41%

Bank Pekao SA 12.00%

Alior Bank SA 7.20%

Eurobank SA 5.68%

mBank SA 2.21%

Bank Pocztowy SA 0.24%

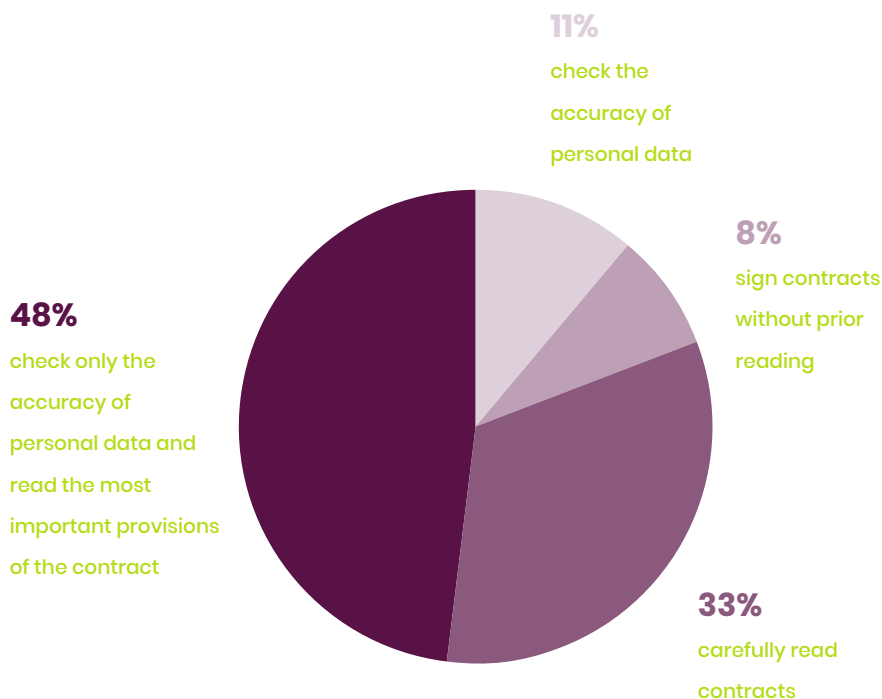
Nest Bank SA 0.18%



Consumer in the world of finance

Our role is to be a guide to the world of finance for customers. It is an important and necessary task, because – according to research – Poles do not understand financial products.

Only 53% of Poles recognize that they understand the content of most financial contracts that they have signed so far. But do we read contracts at all?



On duty

As many as 1/3 people who have the insurance policy or any savings product claim that as a result of the purchase of such products, they suffered a loss, although according to the offer, this product was supposed to bring profit. Worryingly, as many as 59% of respondents who suffered this type of loss, did not know when it is possible to withdraw funds without incurring additional costs.

Where does it come from? First of all, financial products are complicated, and the language they are described with is full of difficult and generally unknown concepts. On the one hand, this is a consequence of applicable regulations, aimed at customer safety, and on the other hand, the inability of financial institutions to use simple and understandable language. We are under the obligation to thoroughly explain to the customer the intricacies of the products in such a way that they are 100% clear to them. The second aspect is low economic knowledge of Poles. In this context, financial education is necessary, especially for children, young people and seniors.

Data based on research conducted by the Maison & Partners research house in 2017 as part of the Notirresponsible project.



Counteracting misselling

Our mission is to provide people with financial services they need and understand, at a fair price and which they can afford. This is responsible sales for us. Our biggest challenge is **0% misselling**. How do we strive for this?

- We carefully choose products for our offer or withdraw products that may not be in line with our policies.
 - We do our best to explain to customers well all the conditions related to the financial product.
 - We monitor our sales in terms of responsible sales, analyzing, for example, sales that is too high, inconsistent with the trends in the company, sales for one of the institutions, sales on high commissions or sales of several products to one customer at the same time.
 - We developed the Code of Ethics and the Cooperative Order, which apply to all associates and clearly define the principles we follow.
 - We offer support and training to our associates, including in the field of ethical rules.
 - We treat the complaint process seriously – anyone, including our customer, may raise doubts to our Ethics Committee to the following e-mail address: etyka@grupaang.pl or to the Conference of Financial Companies in Poland (KPF) – etyka@kpf.pl
 - We promote a responsible approach to sales throughout the industry. We are the initiator of the Notirresponsible project (Nienieodpowiedzialni.pl).
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Challenges for the sector

- ➔ **Restoring a servient role of financial institutions:** the financial sector's role should be to serve, and its primary goal should be to put customers first. In order to achieve this, all financial institutions must make a joint effort.
- ➔ **New technologies:** we must answer the following questions: how to use modern technologies wisely so that they support us in providing our customers with comprehensive services? How to prevent negative consequences of the technological revolution and how to deal with threats that it involves?
- ➔ **Increasing regulation:** The ever more complex financial services and the globalising financial institutions with their growing social impact cause a significant growth of regulations that the sector has to face due to its failure to self-regulate.



Our partnership

We cooperate with the largest banks and insurance companies. We have 19 loan partners and 21 insurance partners. Mutual trust and sense of shared responsibility are key in our relationships.

What do you get by working with us?

- new customers,
 - new channels of reaching customers, independent of your own network,
 - reaching customers outside your own network,
 - access to the network of experienced financial experts without fixed costs,
 - the cost of the intermediary is the cost incurred only in the situation of actual customer acquisition.
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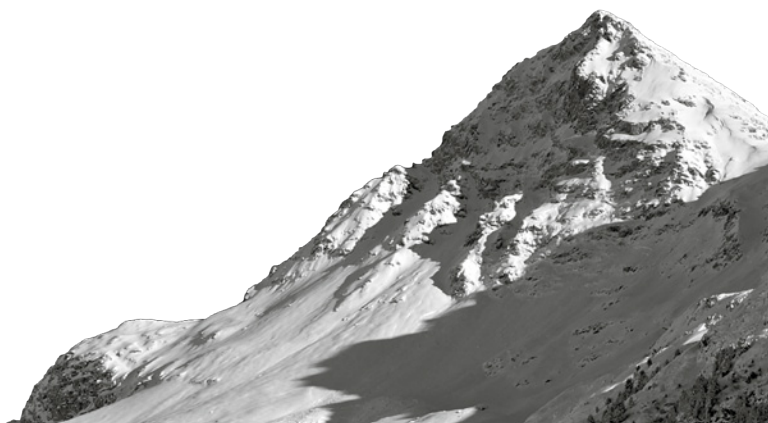
On duty

„We assess the previous relationships very well, both in terms of content, communication and quality. Mutual trust and similar values that guide us, are crucial for us. We focus on responsible business for the good of the customer.”

Mariusz Bielaszewski, director of the Alternative
Sales Department, Alior Bank

„In our daily cooperation, what counts above all is mutual trust and joy of pursuing a common goal. And this is the satisfaction of our customers. We are connected by the awareness of responsibility for decisions of ordinary people. The purchase of a house or a flat is for many not only the largest investment of life, but also the moment of realization of dreams.”

Anna Nolbrzak-Jasińska, deputy director of the Customer
Service Department, Pekao Bank Hipoteczny



What should you expect from us?

- knowledge of the product offer and processes, as well as on-going monitoring of changes in the offer,
 - active acquisition of customers,
 - care for customer's needs and interest,
 - informing the customers of the features of offered products in a reliable manner,
 - reliable verification of data and information on the customers submitted to partners,
 - care for the completeness of customer documentation,
 - care for interests and image of the financial institution,
 - active and reliable intermediation in communication between the financial institution and the customer.
-

„Focusing on stable development, responsible business and ethical cooperation at every level are consistent with our principles. (...) We particularly appreciate the contribution put into the development of the competence of experts, always representing the interests of customers. Providing professional service in the most important financial transaction, which is the purchase of your dreamy property.”

Jarosław Procyk, manager of mortgage products, Bank Zachodni WBK



What do we expect from you?

- being treated as a stakeholder,
 - a consistent offer for the customers in each sales channel (both in your own branches and at brokerage),
 - equal treatment of customers from the brokers and own customers,
 - on-going provision of information about changes in the offer,
 - provision of product trainings,
 - comprehensive and fast communication concerning information on the processed applications,
 - honest remuneration for the sold products, reliable and timely settlement of due commissions,
 - paying attention not only to the sales, but also to qualitative and ethical elements of relations with brokers,
 - co-operation in the area of market repair and building social trust in our industry.
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Cooperative of involved people

We are a cooperative of involved people. We want to share our knowledge, experience and resources. We want to engage in initiatives for the common good, so as to change the world for the better. Only together we can make a real change in the world around us. We conduct our activities both through our “Będe Kim Zechę” Foundation, as well as through the Cooperative. In many projects, we work in cooperation with other organizations, believing that we will not change the world by acting alone. We must join forces to have a real impact on our reality.

What are we involved in and what projects we implement?

- ➔ **Notirresponsible** – we not only care about the maintenance of high ethical standards in our organization, but also try to promote them throughout the industry. Since 2013, we conduct the Notirresponsible project whose aim is to discuss the biggest challenges and ethical issues in the financial sector. The 2017 edition gathered over 350 conference participants, 3,000 copies of the newspaper, over 60 articles and interviews published at www.nienie-odpowiedzialni.pl. We encourage you to join this project!
- ➔ **OdpowiedzialneFinanse.pl** – a portal through which we help our customers to find a reliable expert who will match the financial product in terms of needs.
- ➔ **Financial education for children** – our volunteers run workshops on finance and entrepreneurship at schools.

On duty

- ➔ **Presidents-Volunteers Coalition** – a project coordinated by the Academy for the Development of Philanthropy in Poland, under which the presidents and members of the management board share their time, experience, knowledge and skills as part of voluntary activities, promoting their attitudes and pro-social behavior with their example.
- ➔ **Cooperation with Youth Care Center and Educational Center “Trampoline”** –we support alumni of Trampoline and promote reading among them.
- ➔ **Foundation for Social and Economic Initiatives (FISE)** – we are a strategic partner of the Competition for the Social Enterprise of the Year of Jacek Kuroń, the aim of which is to select the social enterprises most effectively combining the achievement of economic and social profit.
- ➔ **Christmas Charity Action** – instead of organizing our annual Dragon Event for business partners, we donated the equivalent of planned expenses (PLN 30,000) to charity.



About the report

The ANG Cooperative is the only entity in the industry of financial brokers to issue an integrated report. Anybody who is interested in what we managed to achieve in 2017 is invited to visit the website www.angspoldzielnia.pl, which presents the full version of the report (in Polish), developed in compliance with international reporting standards.

Feel free to share your opinion about the report. Contact details: Magdalena Mitraszewska,
magdalena.mitraszewska@grupaang.com



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676 kg mniej odpadów



19 772 litry mniej
zużytej wody



1 000 km krótszą podróż
samochodem średniej
klasy europejskiej



1 162 kWh mniej
zużytej energii



100 kg mniej gazów
cieplarnianych



1 098 kg mniej
zużytego drewna



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