

## Key goals and strategies

### Vision and values

Since 2004 the bank's vision has been to be "the recommended bank" based on the values "close at hand and capable". In the second half of 2016 the entire organisation demonstrated a major, broad-based commitment to play their part in creating a new vision and new values which resulted in a resolution by the board of directors in February 2017.

Our new vision is about creating energy, results, change and development. For that reason we have chosen "Together we make things happen" as our vision. *Together* is the opening word, which is no coincidence. Achieving what we want to achieve is only possible together with others - with colleagues, customers, suppliers, partners and other local and regional capacities. We want to build relations and team up. *Making things happen* is about creating energy, results, change and development, Things happen when we enter the scene.

Our new values are:

**Wholehearted:** It is wonderful being together with committed people, and nothing is more inspiring than working with wholehearted colleagues. There's a pulse, force and passion in a wholehearted person – not to speak of a bank that is full of them.

**Responsible:** Upright, trustworthy, inspiring confidence, broad-minded, knowledgeable are all important qualities. We have summed them up in one word: Responsible. Being responsible is to say yes when it is right to do so and no when it is necessary.

**Likeable:** We are positive and easy to like. We are down-to-earth and straightforward. We are the real deal and on the customer's side. People choose a bank they like. One that is likeable.

**Capable:** Capable people are matter-of-fact and have no need to toss around grandiose terms and concepts. They exude professionalism and competence without setting themselves apart. Capable people win customers' confidence.

### Strategic ambition

SpareBank 1 SMN will continue to be an independent, regional finance house, a powerhouse for the development of the region. We will be profitable and best for customer experience.

SpareBank 1 SMN is unquestionably solid, and its return on equity puts it among the three best banks in Norway. SpareBank 1 SMN will strengthen its market position in particular in Trondheim, Molde and Ålesund – towns that will see strong population growth in the years ahead – and in the SMB market.

Our ambition is to remain an independent, regional, profitable bank that means more to firms and individuals in our market area than any other bank. The SpareBank 1 Alliance is the bank's strategic foundation and the basis for SpareBank 1 SMN's regional business strategies and independence. SpareBank 1 SMN will play an active role in developing the SpareBank 1 Alliance as a leading Norwegian financial services grouping.

## Central themes

SpareBank 1 SMN will in the period 2017-2020 launch concrete projects to help promote an efficient, customer-oriented and forward-looking bank. The main underlying themes are:

- To create the bank of the future. Launch sub-projects and measures to strengthen the bank's dominant position in the region, enhance selling power across all channels while at the same time building an infrastructure that ensures cost-efficient sales, distribution, production and operation.
- The SpareBank 1 Alliance to be the bank's strategic platform for cost-efficient operation, development and innovation. SpareBank 1 SMN will contribute to developing profitable product companies in the banking collaboration.
- SpareBank 1 SMN to be a powerhouse for the region's development and long-term value creation. Its activities span a broad set of measures in which the bank collaborates with private individuals, businesses, clubs and associations.

SpareBank 1 SMN will in 2017 initiate measures on the path to achieving the bank's strategic ambition. Developing the bank of the future and a distribution model for the future will have a particular focus in the form of development projects. These will ensure that the bank develops simple, efficient and effective solutions for the customer in all channels.

## Financial goals

SpareBank 1 SMN intends to be among the three best-performing banks in Norway by being:

- **Customer oriented:** The bank will be best for customer experience, and thereby strengthen its market position
- **Profitable:** The bank will post an annual return on equity of 12 per cent
- **Solid:** The bank will maintain a CET1 capital adequacy ratio of 15 per cent
- **Efficient:** The bank will post zero growth in nominal costs at the parent bank from 2014 to 2018
- **Dividend:** The bank will pay its equity certificate holders a dividend of 50 per cent on their rightful portion of the profit