

Key goals and strategies

Vision and values

Vision

We intend to be the recommended bank. This vision entails a weighty commitment to our customers, partners, staff and ECC holders. To fulfill this vision we must strive continuously to improve ourselves and to stay abreast of market and customer needs.

Values

We want our customers to perceive us as close at hand and capable. This means being close to our customers through personal contact, taking the initiative to meet the customer with the best advice and products, and being an active mainstay of the region. 'Capable' means offering a broad product range that is right for the times, and employing staff with solid professional competence and first rate skills. We aim to maintain a high ethical standard in everything we do, and want our customers to feel that their needs for financial advice and services are met in a professional manner. Our values of being close at hand and capable are our guiding principle, qualities we strive for every single day. They help us to achieve our goals and to make the right priorities.

Strategic ambition

At the end of the strategy period SpareBank 1 SMN will continue to be an independent, regional finance house – a powerhouse for development of the region. SpareBank 1 SMN will come across as profitable and known for excellent 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 has a strengthened market position and has significantly improved its market shares in Trondheim, Molde and Ålesund, as well as its position in the SMB market and the deposit market.

Our ambition is to **remain an independent, regional and 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 financial services grouping.

Some main strategy themes in the run-up to 2015

- solid and profitable with a return on equity among the three best-performing comparable banks
- continued growth in market shares
- developing a position as bank with Excellent Customer Experience
- further develop and renew the brand and position in the market area
- further develop an organisation that generates commitment and good performances
- continuous improvement of work processes to create maximum customer value

Solid, with profitability ratios among the three best-performing comparable banks

Profitability ratios on a par with the three best-performing comparable banks. SpareBank 1 SMN intends to be unquestionably solid with funding that enables it to survive at least 12 months without access to money market finance. SpareBank 1 SMN has a good supply of deposit financing and aims to continue to increase shares in the savings and deposit markets.

Continued growth in market shares

SpareBank 1 SMN is a clear cut market leader in Trøndelag and Nordvestlandet, but sees further growth potentials in retail markets and the corporate market. Growth will be achieved by further developing customer portfolios across the Group and increasing customer migration from competitors. SpareBank 1 SMN sees potentials in further developing and strengthening the group's position in the larger towns and urban areas and in maintaining a very strong market position in the districts. Skilled advisers that meet customer needs by identifying the right product range and product coverage for the individual customer will promote continued sound growth for SpareBank 1 SMN.

Excellent Customer Experience

Based on an assessment of opportunities present in the market, the competitive situation and customers' expectations, the Bank will in the strategy period take measures to develop and take its place as the best bank Excellent Customer Experience. A strategic position in which the bank is regarded as a bank with "Excellent Customer Experience" is a position that affords competitive power and considerable potential for continued growth.

Further develop and renew the brand and position in the market area

SpareBank 1 SMN holds a prominent position and is the most familiar banking group to existing and potential customers in the Bank's market area and the one of which people are most aware. We see further potential for growth by strengthening the content of the SpareBank 1 SMN brand and the market's awareness of what it stands for.

Further develop an organisation that generates commitment and good performances

Further development of organisational and managerial capability will be a central area for development in the strategy period. Opportunities exist to strengthen and further develop customer relationships by profiling the competence and skills possessed by staff at SpareBank 1 SMN.

Coming across as service-minded and enthusiastic

SpareBank 1 SMN sees possibilities for and potentials in strengthening customers' experience of the bank and their meeting with the bank's staff. Through the programme "Excellent Customer Experience" we wish to generate a commitment and passion in the organisation that inspires us to turn every point of contact with the customer into an opportunity to confirm and reinforce their choice of SpareBank 1 SMN as their main bank.

Continuous improvement

Potential gains can be made by applying a structured approach to optimise, on a continuous basis, processes and tasks that create customer value. The Group will launch improvement projects designed to

create increased value for the customer, shorten delivery times and establish a consistent and predictable customer experience. SpareBank 1 SMN will escalate work on continuous improvement, developing processes to assure a constant effort to create maximum value for our customers.