

# 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 EC holders. To fulfil 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

SpareBank 1 SMN will continue to be an independent, regional finance house, a powerhouse for development of the region. SpareBank 1 SMN 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. In 2015 SpareBank 1 SMN will have strengthened its market position and significantly improved market shares in particular in the towns of 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, 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.

## Main strategy themes in the period 2013 - 2015

- Solid and profitable with a return on equity among the three best-performing comparable banks
- A common equity tier 1 capital ratio of 13.5 per cent by July 2016
- Continued growth in market shares
- Developing a position as best for 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 efficiency and work processes to create maximum customer value

SpareBank 1 SMN intends to be unquestionably solid with funding that enables it to survive at least 12 months without access to external funding. SpareBank 1 SMN has ample access to deposit financing and aims to continue to increase its market shares in savings and deposits.

### **Continued growth in market shares**

SpareBank 1 SMN leads the market in Trøndelag and in Møre og Romsdal, but sees further potentials for growth in market shares on the retail and corporate front alike. Growth will be achieved by further developing customer portfolios across the group and by increasing the influx of new customers. 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.

### **Best for customer experience**

A strategic position whereby the Bank is regarded as the best for customer experience is a position that affords competitive power and considerable potential for continued growth.

### **Coming across as service-minded and enthusiastic**

SpareBank 1 SMN sees possibilities for and potentials in enhancing customers' experience of the Bank and their meeting with the Bank's staff. Through the programme "Best for 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.

### **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. The Bank will further develop customer relationships by highlighting the competence and skills possessed by staff at SpareBank 1 SMN.

### **Continuous improvement**

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. By intensifying its effort to continuously improve, SpareBank 1 SMN will develop processes to assure a constant effort to create maximum value for its customers.