



Ethical guidelines ("the Group")

These guidelines apply to	All employees (including substitutes and hired-in consultants during the performance of tasks for or on behalf of the Group) and elected officers insofar as appropriate
Basis in law	
Responsible for compliance	The board of directors and the group CEO with group executive directors and managing directors of the respective subsidiaries
Responsible for updating/revision	HR
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ETHICAL GUIDELINES

The SpareBank 1 SMN Group has great respect for the legislation. By complying with regulatory requirements, we protect our integrity and reputation.

Rules of an ethical nature that regulate conduct are to be found in the Financial Institutions Act, the Securities Trading Act and other statutes that regulate particular areas of activity in the Group. The Group's and the individual entity's internal ethical guidelines supplement these rules.

The ethical guidelines deal with attitudes and values and aim to contribute to an awareness of and compliance with the ethical standard that is required of employees and elected officers of the Group in their day-to-day decisions.

Each manager undertakes to familiarise his/her staff with the ethical guidelines and is required to be a good role model him/herself. All persons to whom the rules apply are expected to familiarise themselves with them and to abide by them.

MAIN PRINCIPALS

The ethical guidelines deal with four overarching principles: confidentiality, financial independence, loyalty and personal integrity. They are elaborated on below.

In many cases, there is no clear-cut answer to what action should be taken in a situation of ethical dilemma. In such a situation, it may help to ask oneself the following questions:

- *Would I dislike the matter coming to the knowledge of the management and my work colleagues?*
- *Might confidence in the entity or the Group as a whole be impaired in any way if the matter were to be covered in the media?*
- *Could the action or steps I take come into conflict with the interests I am required to safeguard as an employee of the undertaking, or might I be perceived to be gaining a personal advantage by virtue of my position?*
- *Could what I now say or do impair confidence in the undertaking?*
- *Might I, by accepting this offer, be creating ties or relations with the person from whom I receive the offer, which may subsequently restrict the undertaking's freedom of action? Or might this appear to be so from an outside vantage point?*

In situations of doubt such matters should be discussed with one's immediate superior.

Ethical rules of conduct in the Group

1. We comply with the duty of confidentiality
2. We maintain a professional relationship with our customers, suppliers, competitors and the world at large
3. We avoid conduct which may harm the Group's reputation
4. We safeguard our impartiality and maintain an awareness of conflicts of interest
5. We keep our personal finances in order
6. We actively promote a good work environment characterised by mutual trust and respect
7. We are aware of how we communicate
8. We give notice of any private business or board activities, which must be approved by the Group
9. We comply with the bank's whistleblowing procedures
10. We do not tolerate corruption

1. We comply with the duty of confidentiality

All staff members are subject to the duty of confidentiality. This duty covers any matter coming to the knowledge of staff members in the performance of their work regarding the Group or the Group's customers, regarding the Group's security measures and matters, which by their very nature must not come to the knowledge of others.

The duty of confidentiality also applies internally in relation to other staff members who have no need for the information in the performance of their work.

No staff member may, via the computer systems or by other means, actively search for information about other staff members, customers or outsiders when it is not necessary for the staff member's performance of work in the Group.

2. We maintain a professional relationship with our customers, suppliers, competitors and the world at large

Customers and suppliers

The individual staff member must avoid entering into any relationship of dependence on the Group's customers or suppliers. We shall in all relations maintain an alertness to attempted corruption or any form of facilitation payment.

Staff members may not, directly or indirectly, stipulate or receive any form of financial advantage from the Group's customers or suppliers. Discounts on purchases may only be accepted when they are part of an arrangement applying to all employees of the Group. Staff members may not use their position to achieve personal advantages in connection with purchases of goods or services.

Entertainment

The Group's relationship building should take place in an ethically proper manner.

Staff members should not participate in trips or social events offered by the Group's business connections without this being cleared by the relevant superior. Entertainment gifts may not be accepted where they may influence, or are intended to influence, the staff member's sense of loyalty to the Group.

A staff member's travel expenses are as a general rule to be paid by the Group. Participation by a staff member is decided by the staff member's executive director based on an assessment of professional relevance and/or benefit to the Group. The executive director sends his/her decision to the HR department for registration and follow up.

The recommendation shall contain an assessment of whether participation by the staff member renders him or her liable to tax. If so, an assessment must be made of whether that tax liability is to be met by the Group. Any invitation that includes a staff member's spouse or partner will be subject to separate assessment by the staff member's immediate superior.

Similar invitations to members of the Group's board of directors should be submitted to the board chair for decision. The board chair should submit any invitation concerning him personally to the board of directors as a collegiate body.

If the Group extends an invitation to events that involve travel and/or overnight stay(s), any expenses on travel and accommodation should as a rule be paid by the customer or business connection. Exceptions may be made where the person concerned is a contributor to the event programme, or to the holding of the programme.

Gifts

We should not accept any form of financial benefit from the Group's connections beyond small courtesy gifts, for example in connection with Christmas or other special occasions. If

there is a risk of doubts being cast over a staff member's impartiality or independence, the gift should not be accepted, regardless of value.

Staff members may under no circumstances accept gifts in the form of money or registered letter containing money.

If a staff member is exposed to acts that could be perceived to border on bribery or kickback, he or she should notify his or her superior immediately.

Particular alertness is required in the following situations:

- Where an agreement is to be entered into or renewed
- Where a gift is unusual or unreasonable
- Where an attempt is made to provide a gift in an unusual or concealed manner

Any attempt to hand over a gift in one of the above situations must be clearly and firmly rejected.

Where gifts are provided on behalf of the Group, they must be on a level that does not cast doubts over the Group's motives or the recipient's integrity. Relevant laws and rules governing accounting and reporting obligations must be complied with.

Competitors

Information that may be of a competitively sensitive nature may not be passed to unauthorised persons. The Group CEO is the only person able to clear the sharing of such information.

The Group shall have a good and business-like relationship with its competitors. The relationship should be correct, and dishonest methods should not be used to gain competitive advantages for ourselves or to harm our competitors. We should act with probity also in situations where a competitor is experiencing a crisis.

3. We avoid conduct that may harm the Group's reputation

When you represent the Group

You must at all times be aware of your role as representative of the Group and conduct yourself in accordance with the Group's values and ethical standards.

You should under all circumstances display sober-mindedness and moderation with regard to alcohol at events under the Group's auspices. This also applies when you attend external events as a representative of the Group,

Staff transactions

Staff members may not execute orders or transactions, make changes to terms or conditions or enter into agreements for their own account or for the account of related parties. This

also applies where a staff member has access to accounts in the bank other than his/her own. The prohibition of staff transactions also applies in relation to associations, companies or other amalgamations in which you or a related party are a board member or hold other office.

Loans

A staff member must not, in his or her own name or in the name of his or her closest family members, accept or take out a loan from Group customers or suppliers, except in the case of standardised arrangements.

Trading in securities for own account

As a staff member, you have the opportunity to invest in securities etc., within certain limits. Such trading presupposes that you familiarise yourself with and abide by the provisions applicable to this area. See separate guidelines for insider trading and own account trading.

Staff members are not entitled to use the Group's systems beyond those that are available to customers for the purpose of own account trading.

When trading for own account, a staff member must ensure that:

- The trade is compliant with the laws and rules applying to the securities area
- The trade is not in conflict, or in competition, with the interests of the Group or its customers
- He/she does not gain special advantages as a result of his/her position in the Group
- He/she does not exploit or make use of information which comes to his/her knowledge by virtue of his/her position

SpareBank 1 SMN issues equity certificates that are quoted on Oslo Børs, and staff members may trade in equity certificates. Staff members are required to acquaint themselves with the applicable body of rules, including internal guidelines regarding inside information.

4. We safeguard our impartiality

We should not participate in the consideration and decision of matters in which we or a related party have a vested interest of a financial or personal nature; see the Financial Institutions Act section 9-5 concerning incompetence.

The provisions of the Financial Institutions Act section 9-5 concerning incompetence should be made known and complied with. Members of the supervisory board or the board of directors, along with the Group CEO and managers, may not participate in the processing of, or in deciding, matters in which they themselves or their related parties have a vested interest of a financial or personal nature.

Regardless of whether a matter come under the Financial Institutions Act section 9-5, elected officers and the Group's staff members may not participate in the consideration and decision of the matter if doing so is likely to impair confidence in their impartiality. In that

connection importance shall be given to whether the decision in the matter could entail a particular advantage, loss or disadvantage for the person concerned, or for someone with whom the person concerned has close personal ties.

Where a staff member lacks impartiality and is therefore incompetent in relation to a matter, a decision may equally not be made by another staff member who is directly subordinate to him/her. In such cases, the matter shall be sent through the official channels for decision. Where a staff member is not competent to consider or decide a matter, the person concerned shall equally not sign agreements entered into by the Group in relation to the matter to hand. In cases where decision making authority rests with a collegiate body (board of directors, credit committee etc.), and one or more of its members is/are incompetent, it shall be clear from the resolution or decision that the person(s) involved recused themselves during the consideration of the matter.

No staff member shall use his/her position to influence appointments in such a way as to entail preferential treatment on the basis of criteria other than those that are directly relevant to the position concerned.

Family and related parties

A staff member's sibling, parent, child or spouse/partner shall not be directly subordinate to the same manager or in the same department as the staff member. Staff members with close family ties shall not hold positions where one of them has the opportunity to influence the work or work situation of the other. A staff member shall not consider matters or make a decision in a matter that concerns another family member, or a matter in which another family member indirectly holds interests of a financial nature.

Moreover, the individual staff member shall display great caution in investigating or enquiring about matters under consideration in the Group that concern another family member.

Conflicts of interest

The Group's undertakings should organise their activities so as to ensure that there is little risk of interest conflicts between the undertaking and its customers or among the undertaking's customers, and maintain satisfactory arrangements and procedures for identifying and in the event counteracting the above-mentioned risks in all areas of the business. Employees should be aware of circumstances where conflicts of interest may arise, and how one should conduct oneself in such situations. See a separate procedure for conflicts of interest.

5. We keep our personal finances in order

All staff members shall have well-ordered personal finances and keep their own customer relationships in order. This also applies to any customer relationships that the staff member concerned may have in another bank or financial institution.

6. We actively promote a good work environment characterised by mutual trust and respect

SpareBank 1 SMN wishes to create a positive, developmental and challenging work environment. Mutual confidence, cooperation and openness towards manager and colleagues alike are the basis for attaining this goal. All staff members have a responsibility to conduct themselves with respect and integrity towards colleagues and managers and to contribute to the creation of a good work environment. Managers have a special responsibility in that respect.

Discrimination and bullying are not accepted.

7. We are aware of how we communicate

Digital media

When engaging in social media, the distinction between employee and private individual is blurred. That is why it is important that you are aware of what you write, and that you make clear that you are speaking on behalf of yourself – particularly where banking-related themes are being discussed. When participating in discussions and conversations on the internet you must do so in a respectable and relevant manner that safeguards our brand and our reputation – and, of course, Norwegian law.

Whenever you use the Group's systems, you are regarded as an employee and representative of the Group. If, in that context, you will be participating in social media, internet communities, blogs and the like, your participation should invariably be initiated by the Group.

See also guidelines for social media.

Contact with the media

The risk of reputation loss relates especially to media coverage of the Group. The Director of Communications is the Group's principal contact with the media. You should inform your immediate superior and the information director immediately you become aware that the Group may become exposed to negative media coverage.

For further information, we refer to the Group's media policy.

8. We give notice of any private business or board activities, which must be approved by the Group

The individual staff member must avoid situations, professional or personal, in which his/her independence, integrity or loyalty may be called into question.

Unless he/she has written permission from SpareBank 1 SMN, the individual staff member shall refrain from:

- carrying on business
- holding a position and/or any paid assignment outside SpareBank 1 SMN
- holding office as a board member or alternate member in a business. Offices may in no event be held in a business that is a customer of or supplier to SpareBank 1 SMN, except where the staff member represents SpareBank 1 SMN's interests or it is otherwise unobjectionable. See also the Financial Institutions Act sections 9-1 to 9-3, setting out special regulatory provisions for senior employees.

A staff member or a staff member's related parties that hold ownership interests directly or indirectly in a business that is a customer of SpareBank 1 SMN shall report this fact. Business in which a staff member or a staff member's related parties hold ownership interests directly or indirectly may as a general rule not be a supplier to SpareBank 1 SMN.

A staff member should report any circumstances as mentioned above to his/her immediate superior, in accordance with applicable procedures.

The above applies to elected officers at SpareBank 1 SMN insofar as appropriate.

9. We comply with the bank's whistleblowing procedures

Staff members have the right, and in some cases the obligation, to give notification of censurable circumstances in the business; see the Working Environment Act sections 2 A-1 and 2 A-2. The bank has drawn up a whistleblowing procedure giving guidelines on action to be taken in such cases.

10. We do not tolerate corruption

Corruption is not tolerated, either in the Group or among its partners. Staff members who are involved in bribery or other forms of corruption may be reported to the police and rendered personally liable.