

## Key goals and strategies

### Vision and values

Our new vision is about creating energy, results, change and development. "Together we make things happen" is 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 resources. 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 values are:

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

**Responsible:** Integrity, credibility, trust, broadmindedness and knowledge 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 necessary.

**Likeable:** We are positive and easy to like. We are down-to-earth and unpretentious. 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.

The companies making up the SMN Group currently embrace a range of visions and values. The effort to bring about 'One SMN' (see below) gives priority to a vision and values that are shared across the group.

### New strategy: One SMN

The board of directors adopted a new strategy for the group in December. The strategy describes the group's overarching ambitions and priorities for the period to 2023.

SpareBank 1 SMN intends to be the leading finance house in Central Norway, and among the best performers in the Nordic region. SpareBank 1 SMN will create financial value, build society and take its share of the responsibility for sustainable development.

SpareBank 1 SMN aims to be among the best performers in the Nordic region. This involves

- **Being profitable**, with a 12 per cent return on equity
- **Being financially sound**, with a CET1 ratio of 16.9 per cent. Payout ratio about 50 per cent
- **Being efficient**. Annual cost growth in the group to be limited to 2.0 per cent within existing business
- **A strengthened market position**. Ambition to be no. 1 in the group's business lines

- **The most satisfied customers.** Ambition to have the most satisfied customers in all business lines and market areas
- **A proud and committed staff.** Ambition to have the most committed workforce in the financial industry in Norway
- **Quality** in all our work

SpareBank 1 SMN will further develop its strong aspects – the group has delivered high return over time and has robust customer relationships. Five strategic priorities are highlighted for the strategy period. These entail:

- The creation of One SMN
- Increased digitalisation and use of insight
- A leading role in the development of Norway's savings banks
- Integrating sustainability into the business
- Exploiting the power present in the ownership model

In order to achieve the goals of the group strategy and to increase competitive power, a comprehensive enhancement programme termed One SMN has been initiated. One SMN is a comprehensive programme designed to enhance profitability through increased exploitation of synergies, increased incomes, cost efficiencies and improved capital utilisation.