

The people

SpareBank 1 SMN's definitively greatest competitive edge is, and will continue to be, its skilled and competent staff.

Salary and bonus arrangements

Salary and bonus arrangements are further described in the board of directors' declaration on the determination of salary and other remuneration to senior employees in note 20 to the annual accounts.

Worker rights, equal status and diversity

SpareBank 1 SMN respects and takes account of international worker and human rights. We have drawn up and published a policy document that specifies the conventions, frameworks and policies by which the group abides.

The right to organise is important. A substantial proportion of our employees are members of a trade union, and the group attaches much importance to good cooperation with the unions. The proportion of employees in the group who were covered by a collective bargaining agreement in 2020 was 66 per cent. (This figure refers to permanent employees, and includes all companies in the group with the exception of SpareBank 1 Invest, SpareBank 1 Kapitalforvaltning and Spire Finans).

SpareBank 1 SMN seeks to promote equal status and avoid discrimination in all aspects of the employment relationship, from vacancy announcement to termination of the employment relationship. The group also wishes to maintain a wide diversity – the employees should reflect the community of which SpareBank 1 SMN is a part. This applies to cultural background, gender, age, ethnicity and sexual orientation. No instances of discrimination were reported in 2020.

A good balance between the genders is sought at all levels of the organisation; in 2020 the proportion of women in managerial positions with personnel responsibilities was 39 per cent. The group management team now comprises nine persons, two of whom are women. Overall, women's share of men's pay across the group stands at 72 per cent. The corresponding figure for the parent bank is 87 per cent. The main reason for this disparity is the substantial preponderance of men high up in the job hierarchy and in weightier managerial positions. No material differences in pay between women and men in comparable positions are in evidence. SpareBank 1 SMN will in 2021 as previously focus on pay equality, while setting the stage for recruitment of more women to weightier specialist and managerial positions.

SpareBank 1 SMN's objective is that women should account for a minimum of 45 per cent of managerial positions at all times. Our development programme for young managers targets a minimum women's share of 50 per cent.

Ethical guidelines

The group's employees and elected officers must maintain and be recognised for their high ethical standard. All, regardless of role and position, are expected to display conduct which inspires confidence, and is honest

and fair and square. The ethical guidelines embody four overarching key principles: the duty of confidentiality, financial independence, loyalty and personal integrity. Conduct and actions must underpin the group's role as a responsible and central social actor, and underpin our goals and strategies with regard to corporate social responsibility and sustainability.

All customer treatment and advice must conform to the industry's requirements as to good practices. Customers' needs and interests must be safeguarded through good information and advice that enables them to make conscious and well-informed choices.

The group has drawn up a set of guidelines specifically to prevent bribery and corruption. The ethical guidelines also emphasise that group staff members may in no circumstance receive financial benefits in any form from the group's clients or suppliers. Persons with managerial responsibility have an obligation to familiarise their staff members with the ethical guidelines of SpareBank 1 SMN. New staff members receive a thorough introduction to the guidelines at an early stage.

In 2020 we will continue our task of instilling awareness of the ethical guidelines and will consider new methods to intensify our managers' and staff members' focus in this area.

The group's ethical guidelines are revised annually.

Whistleblower programme

SpareBank 1 SMN has internal guidelines on whistleblowing. Employees are urged to report censurable circumstances of which they become aware or personally experience. Staff can report via a number of internal channels, including their immediate superior, the HR manager and legal services director. An external reporting channel has also been established for a whistleblower to report anonymously if he or she so wishes.

Information on employees' right and obligation to report censurable circumstances is readily accessible on SpareBank 1 SMN's intranet pages.

Three reports were registered via the whistleblowing facility in 2020. One report resulted in a written warning; the second was adjudged groundless after a review of the matter, and the third was cleared up with no basis found for a formal reaction.

Commitment and staff development

SpareBank 1 SMN aims to be an attractive employer with a committed and competent workforce who experience a good balance between work and leisure. The stage is set for such a balance through flexible working hours and a life phase policy which accommodates staff members' need to adapt to their life situation.

No organisation survey was conducted in 2020. In its place a modified poll was conducted in the bank focusing on employees' situation during the Covid-19 pandemic.

Here are some of the poll's chief findings

- 60 per cent of employees experience a satisfying working day compared with previously, while 40 per cent report a neutral or dissatisfying working day.
- 97 per cent consider the communication flow from the employer to have been good, that guidelines and measures have been clear-cut and that they have confidence in the employer's ability to handle the situation in a responsible manner.
- 90 per cent report feeling well attended to both by the group management team and their immediate superior.
- The bank has maintained virtually normal operations with 60 per cent of staff working from home, and 34 per cent combining home working with working at the office. 90 per cent report being able to deliver good customer service, 80 per cent that they have access to equipment and systems needed to work effectively, 88 per cent that necessary support is at hand when required, and 87 per cent that they pull together well with colleagues when working from home.

Competence raising in 2020

SpareBank 1 SMN's decidedly most important resource is its employees. Skills development, career development and recruitment accordingly have a high priority when the group is to meet the future and mark itself out from its competitors. The group also has a major focus on internal mobility. In 2020, 21 staff members moved to new positions within the group, while 44 persons were recruited externally.

The advisers in both the retail and corporate divisions completed a number of training and competence-updating programmes in banking skills, products, advising, and ethics in 2020. The object is to assure high quality, trust and a sense of security when dealing with customers.

Training programmes were also held in data and information security for all staff members, as well as mandatory courses in personal data protection and anti-money laundering.

Focal areas in 2020:

- For advisers in the corporate banking division, the bank introduced the DISC model in sales and customer service. The object is to develop competence and relational skills by:
 - Understanding strong aspects and limitations in one's selling style
 - Identifying the customer's buying style and adapting one's selling techniques
 - Further developing and adapting one's selling strategies and selling style in one's interaction with the customer
- For managers in the corporate banking division, a sales manager programme was completed including topics such as
 - Management platform
 - Sales management in perspective
- Managers and advisers/salespersons in the retail banking division completed the financial industry's authorisation scheme for personal insurance.
 - Knowledge test and practical test

- Staff in the corporate and retail banking divisions completed a digital e-learning programme entitled Sustainability in Finance:
 - Knowledge of the industry's role, objectives, tools and the significance of one's own role of adviser.
 - Awareness of the main elements of central agreements and standards in the sustainability field: the UN sustainability goals, Paris Agreement, OECD corporate responsibility guidelines and Global Compact. Awareness of EU work on sustainability, including the main features and purpose of the Classification Regulation
- Staff in the corporate and retail banking divisions completed the digital e-learning programme on EPK ('own pension account') and God Skikk ('good practices')
 - Necessary factual knowledge regarding the introduction of EPK, which was launched in February 2021.
- Staff across the group completed training in the use of Teams which will promote:
 - Effective interaction within the group.

Health and physical activity

SpareBank 1 SMN wishes to lay a basis for employees to stay in good physical shape.

Substantial resources were invested in the Better Shape programme in 2020. The programme encourages individuals and departments to keep fit by organising competitions, by subsidising fitness centre membership and through keep-fit activities in connection with work. We also encourage employees to spend their journey time to and from work keeping fit, and make available a bicycle garage with a workshop and bicycle wash station to that end.

It is well documented that physical activity helps to reduce sickness absence. As a party to the Inclusive Employment Agreement, SpareBank 1 SMN considers it very important for employees on sick leave to stay in touch with their work colleagues, thereby making it as easy as possible to make a rapid return to work. In collaboration with the Norwegian Labour and Welfare Administration (NAV), the group accepts employees who need job training.

Sickness absence in the group totalled 4.1 per cent in 2020. This figure is weighted sickness absence based on figures and share of employees in the parent bank, SpareBank 1 Regnskapshuset SMN, EiendomsMegler 1 Midt-Norge and SpareBank 1 Markets.

Staffing

Group	2020
No. of FTEs, incl. subsidiaries ¹⁾	1,546
No. of FTEs, parent company	660
Sickness absence	4.10 %
Share of women	53 %
Share of women in management positions	39 %
Women's share of men's pay	72 %
Average age	43.5 år
Average time of employment	10 år
No. of recruitments, internal	32
No. of recruitments, external	125
Turnover	10 %
Share of employees covered by collective bargaining agreement	66 %

1) Number of FTE's has been adjusted for vacancy rate

Age groups' gender distribution

The figures refer to employees of the SpareBank 1 SMN group exc. SMN Invest, SpareBank 1 Kapitalforvaltning and Spire Finans, and represent the number of employees in respect of whom the SpareBank 1 SMN group has obligations.

Includes trainees and temporary employees.

18-29	289
Women	126
Men	163
30-39	367
Women	192
Men	175
40-49	358
Women	187
Men	171
50-59	364
Women	210
Men	154
60-70	212
Women	117
Men	95
Total	1.590

Distribution of new employees

In 2020 there was a total of 125 new employees, of which 73 were women and 52 men (permanent employees).

Women	73
18-29	27
30-39	24
40-49	19
50-59	3
Men	52
18-29	20
30-39	15
40-49	12
50-59	5
Total	125

Distribution by employee type and gender

Permanent	1,529
Women	807
Men	722
Midlertidig	53
Women	19
Men	34
Lærling	8
Women	6
Men	2
Total	1,590

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