



Sustainability at SpareBank1 SMN

Standard presentation



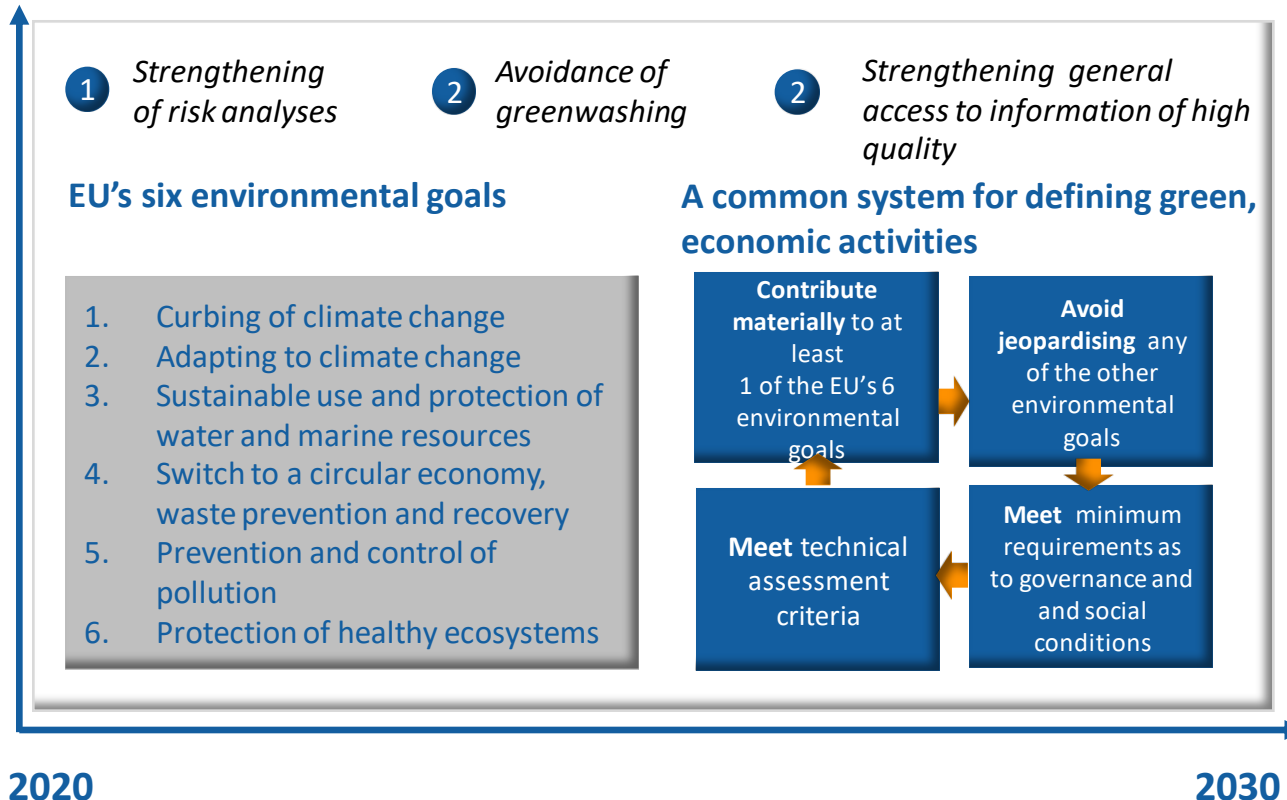
SpareBank
SMN 

We say a loud and clear 'no' to greenwashing



“Greenwashing is a form of misleading marketing in which a product or company is portrayed as better than it actually is in terms of its impact on climate, nature and people.”

The EU action plan for sustainable finance introduces a common standard and logic for classification of sustainable economic activities

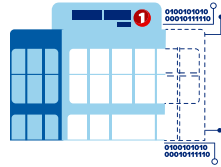


Five strategic priorities at SpareBank 1 SMN



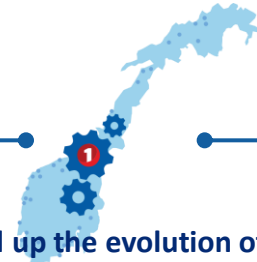
Create one SMN

- Strengthened customer offering
- Simplification and efficiency gains
- Attractive jobs



Increase digitalisation and use of insight

- New digital solutions
- New income flows
- Efficiency gains



Head up the evolution of Norway's savings banks

- Cooperation as a competitive advantage
- Growth



Integrate sustainability into the business

- Sustainable development
- Reduce risk
- Realise business opportunities



Exploit the power inherent in our ownership model

- Regional development and value creation
- Pride and commitment

The group's strategy for sustainability aims to make our financial goals achievable and to give our business lines direction and flexibility

Growth

Increased
efficiency

Simplification

Responsible finance house

Our financial goals

1. Return among the best in the Nordic region. P.t. ROE of 12%
2. Financially solid with a CET1 ratio of 16.9%. Payout ratio of approx. 50%
3. Annual cost growth in the group to be limited 2% in existing business

Our vision and social role

The group's social role is to stimulate sustainable development (of Central Norway)

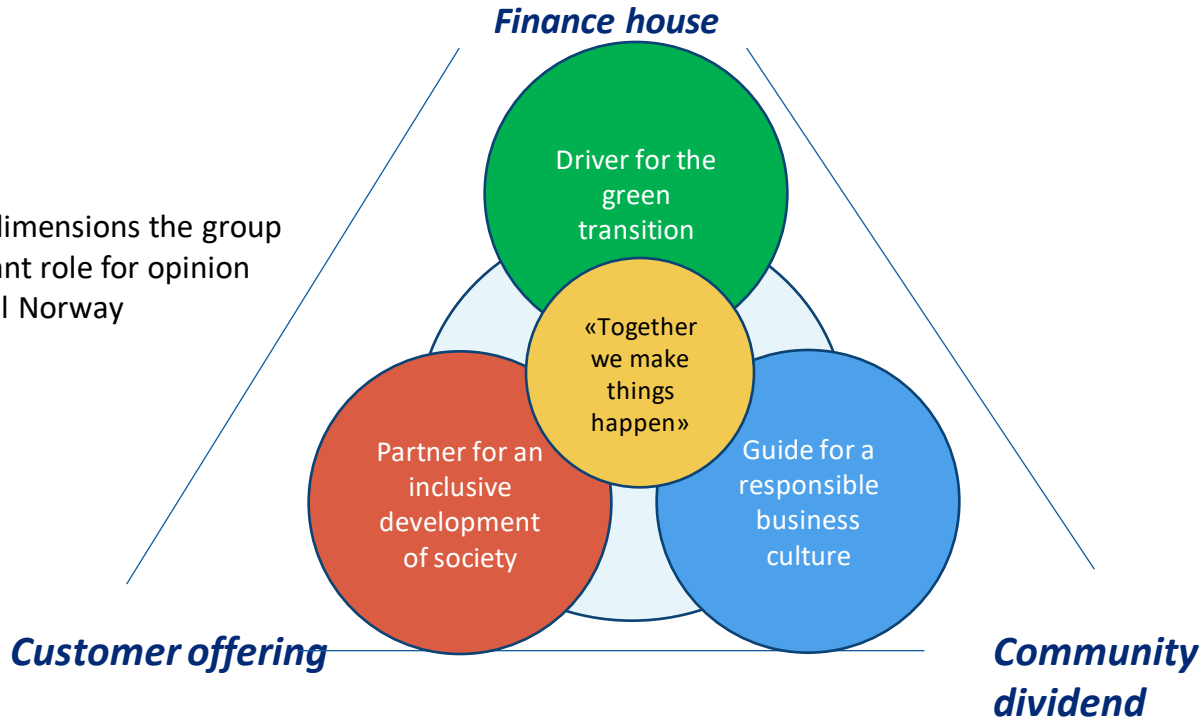
Systematic mapping identifies material focal areas



Materiality for stakeholders' decisions	High	<div style="background-color: #4CAF50; color: white; padding: 5px; text-align: center;">Green transition in group operations</div> <div style="background-color: #F44336; color: white; padding: 5px; text-align: center;">Gender equality and diversity</div>	<div style="background-color: #4CAF50; color: white; padding: 5px; text-align: center;">Increase customer competence</div> <div style="background-color: #0070C0; color: white; padding: 5px; text-align: center;">Economic crime and corruption</div> <div style="background-color: #F44336; color: white; padding: 5px; text-align: center;">Develop group employees' competence</div> <div style="background-color: #4CAF50; color: white; padding: 5px; text-align: center;">Stimulate green transition</div>
	Medium		<div style="background-color: #0070C0; color: white; padding: 5px; text-align: center;">Ethical standards</div> <div style="background-color: #0070C0; color: white; padding: 5px; text-align: center;">Data and cyber security</div> <div style="background-color: #0070C0; color: white; padding: 5px; text-align: center;">Standards for procurement and responsible marketing</div> <div style="background-color: #F44336; color: white; padding: 5px; text-align: center;">Stimulate innovation and sustainable economic</div> <div style="background-color: #F44336; color: white; padding: 5px; text-align: center;">Strengthen social rights in products and services</div>
		Medium	High
			Impact of SpareBank 1 SMN's activities

The group's social role is to stimulate a sustainable development of Central Norway

Along these three dimensions the group will play an important role for opinion formation in Central Norway



Objectives of the group's sustainability strategy towards 2023

Driver for the green transition

Ambitions and goals

Reduce the group's direct and indirect CO2 emissions in keeping with national obligations under the Paris Agreement.

Finance house

At least 50% reduction by 2030.

Customer offering

Share of lending/turnover that qualifies as sustainable economic activity.

Partner for an inclusive development of society

Ambitions and goals

Profile international worker and human rights. The group promotes inclusive and sustainable innovation.

Finance house

A workforce that reflects the diversity of the population by 2030.

Customer offering

Share of lending/turnover that qualifies as sustainable economic activity.

Guide for a responsible business culture

Ambitions and goals

Maintain an efficient, responsible and open business culture at all levels.

Finance house

Zero tolerance of breaches of the group's ethical standards.

Customer offering

Share of lending/turnover that qualifies as sustainable economic activity.

Community Dividend establishes a climate account that shows the effect of funds employed

Examples of measures at SpareBank 1 SMN

Finance house	Customer offering	Ownership model and community dividend
Revised framework and issuance of green bond	ESG analysis tool for classification of the corporate portfolio	New investment strategy
Group-wide climate and energy account	Development of climate calculator for retail customers	'Takk for maten' (Hurrah for the region's food producers) project
Revised credit strategy, group	Sustainability barometer	
Climate risk strategy, group	Sustainability labelling of mutual funds	
E-learning to strengthen employees' sustainability competence	New green products for businesses and retail customers	
Changes in purchasing standards	Trondheim municipality makes SMN its main bank	
	Mortgage payment holidays for corporate and retail customers	
	Advances of unemployment benefit	

SMN's method – the group's sustainability rules



«SMN's method»

1. Contribute materially to achieving at least one of EU's environmental goals
2. Avoid jeopardising any of the others
3. Meet requirements as to governance and social conditions
4. Meet the technical assessment criteria

Together we make things happen!

