

# **Instruction for the CEO of SpareBank 1 Sør-Norge ASA**

*(Approved in board meeting, November 25, 2020)*

## **1. ORGANIZATIONAL PLACEMENT**

### **1.1 POSITION LEVEL**

The CEO is the top administrative leader in the group and the managing director of the company.

### **1.2 IMMEDIATE SUPERIOR**

The board of SpareBank 1 Sør-Norge ASA.

### **1.3 SUBSTITUTE**

The person appointed by the CEO in their absence.

### **1.4 LEADERSHIP GROUP AFFILIATION**

The CEO's leadership group is the group management in SpareBank 1 Sør-Norge ASA, which is the top leadership group in SpareBank 1 Sør-Norge ASA.

## **2. RESPONSIBILITY AND AUTHORITY**

### **2.1 IN LINE WITH ARTICLES OF ASSOCIATION, POLICIES, LAWS, AND REGULATIONS**

The CEO is responsible for ensuring that the company's and the group's operations are anchored in the overarching strategies for SpareBank 1 Sør-Norge ASA, as well as business plans and goals. Operations should be conducted in accordance with applicable laws and regulations, as well as instructions, guidelines, and authorizations from the board, including the board's instructions to which this instruction is an attachment. The CEO shall ensure proper internal control through rational operational and control procedures and internal and external reporting in accordance with instructions, laws, and regulations. In addition to this instruction, the general guidelines for the operations and management in SpareBank 1 Sør-Norge ASA apply, as well as the regulations and rules that are established for the company's employees at any given time. If the set goals, frameworks, and guidelines are not comprehensive, or otherwise necessitate changes, the CEO is responsible for proposing such changes.

### **2.2 RESPONSIBILITY**

The CEO has/shall:

- Keep the board continuously informed about the company's position and operations.
- Develop proposals for goals, policies, and strategies for the operations and anchor these in the board.
- Implement and follow up on decisions made by the board.

- Ensure that the company at all times has an efficient and appropriate organization.
- Ensure that the company has a competence platform to ensure efficient operations and goal achievement.
- Be responsible for ensuring that all those exercising delegated authority have the prerequisites for this and have sufficient knowledge of the frameworks, authorizations, and instructions in place.
- Be responsible for contact with public authorities, alliance partners, investors/owners, and other key stakeholders for the group.
- Establish and implement sound governance and reporting procedures for the group's activities – including ensuring that those exercising authority have knowledge of laws, regulations, and instructions relevant to the operations.
- Ensure that the group's situation with regard to equity, capital management, and liquidity/funding is sound.
- Ensure the establishment of an effective and appropriate risk management process and ensure that the board is adequately informed about the group's risks at all times.
- Ensure that forecasting with an explanation of forecast assumptions is presented to and anchored in the board.
- Ensure the preparation of quarterly and annual financial statements.
- Be responsible for physical and digital security.

### **2.3 AUTHORITY**

The CEO has the authority to make decisions on all matters falling under the operation of the company and the group, which are not to be handled by the board in accordance with law, instructions, or guidelines. The CEO has signing authority.

The day-to-day management does not include decisions on matters that, in the bank's context, are of an unusual nature or of great significance. The CEO can only make decisions on such matters if the board has authorized him to do so in each specific case, or if the board's decision cannot be awaited without significant inconvenience to the bank's operations. In such cases, the board should be promptly informed about the matter.

### **2.4 REPORTING AND OBLIGATIONS TO THE BOARD**

The CEO shall keep the board informed about everything of significant importance to the group's operations. The CEO has the right and obligation to participate in the board's consideration of matters and to express opinions unless otherwise determined by the board in each specific matter. The CEO shall, at least once every month, in a meeting or in writing, provide the board with information about the company's and the group's operations, position, and results development. The CEO shall conduct annual internal control in accordance with the guidelines adopted by the board and present the results to the board. The board can at any

time request the CEO to provide the board with a more detailed account of specific matters. Such an account can also be requested by each individual board member. The CEO shall prepare an annual plan for the board's work and meeting schedule. The CEO shall, in agreement with the chairman of the board, send out invitations to board meetings. Invitations shall be sent in a reasonable time before the board meeting. Shorter notice periods can be given if there are special reasons. The CEO shall prepare all items on the agenda, as well as any background documentation to be sent to the board members in consultation with the chairman of the board.

## **2.5 IMPARTIALITY AND INTEREST IN AGREEMENTS/TRANSACTIONS**

The CEO has an independent obligation to assess his own impartiality in the exercise of the position. The CEO must not assume external directorships or engage in business activities contrary to ethical rules and applicable legislation. External directorships that can be held within the applicable legislation shall be approved by the chairman of the board on behalf of the board. In case of doubt, the matter shall be submitted to the entire board.

The CEO shall immediately notify the board in writing if he has a direct or indirect non-negligible interest in a transaction or agreement involving the company or other companies in the group. This obligation applies regardless of whether the CEO is considered impartial with regard to participation in the matter.

## **2.6 CONFIDENTIALITY**

The CEO is bound by confidentiality in accordance with applicable legislation and the group's ethical guidelines