Regulations on private financial investments and financial transactions by members of SNB management

of 9 March 2012 (as at 1 January 2023)

I. General

1. Purpose and subject

These regulations set out restrictions on private financial investments and financial transactions by Governing Board members, their deputies and other staff designated by the Bank Council (hereinafter 'Members of Management') of the Swiss National Bank ('SNB').

Their purpose is to prevent the misuse or the appearance of misuse of non-public information. These regulations thereby safeguard the SNB's good reputation, its integrity and standing, as well as the effectiveness of its monetary policy.

2. Scope of application

These regulations shall apply to all members of the SNB's Governing Board and their deputies.

On the proposal of the Governing Board, the Bank Council can declare these regulations to be fully or partially applicable to other staff if these individuals' access to non-public information in the course of their work is comparable in scope and type to that enjoyed by members of the Governing Board.

Members of Management shall ensure and confirm that they have made related parties aware of the restrictions under these regulations. They shall also make every effort to ensure that related parties implement the restrictions appropriately.

The Compliance unit shall define 'appropriate implementation' in an instruction sheet.

3. Definitions

3.1 Private financial investments and financial transactions

Private financial investments within the meaning of these regulations shall comprise investments in the following:

a) certificated and uncertificated securities (e.g. shares, bonds, participation certificates, units in collective investment schemes);

b) derivatives and structured products;

c) precious metals and commodities (e.g. gold products for investment purposes, but excluding jewellery, collectible coins and the like);

d) receivables from financial intermediaries in Swiss francs and foreign currencies on accounts;

e) time deposits and medium-term notes of financial intermediaries in Swiss francs and foreign currencies;

f) deposits in occupational pension funds or private pension fund savings schemes;

g) real estate in Switzerland and abroad; and

h) digital assets (e.g. cryptocurrencies).

Private financial transactions within the meaning of these regulations are legal transactions which affect private financial investments and which staff members conduct for their own account, for the account of a third party or on the basis of a power of attorney, or via an account/custody account of which they are one of the beneficial owners (e.g. in the case of a community of heirs or co-holders of a joint account).

Actions that circumvent these regulations, in particular the engagement of a third party or the use of a third-party account or custody account, shall also be considered to be private financial investments and financial transactions.

3.2 Non-public information

Information that is not – or not yet – accessible to the public includes, in particular, information about:

- the SNB’s monetary policy intentions;
- the fulfilment of the SNB’s tasks in accordance with art. 5 of the National Bank Act; and
- activities with an impact on the financial markets, or non-public information about other financial market participants or contractual partners which the SNB acquires in fulfilment of its statutory mandate.

3.3 Related parties

Related parties within the meaning of these regulations are:

a) spouses, including common-law partners, of Members of Management;

b) persons living with Members of Management in the same household.

II. Restrictions on private financial investments and financial transactions

4. Prohibition of misuse of information

Members of Management are prohibited from using non-public information in order to conduct, recommend, advise against or otherwise comment on private financial transactions.

5. Management of private financial investments

5.1 General

Members of Management shall ensure that their private financial investments are managed in such a way that any appearance of misuse of information can be excluded from the outset.

Members of Management shall not grant any powers of attorney on their accounts, except with respect to an asset management mandate in accordance with section 5.3, a payment account in accordance with section 6, or their own death or incapacity.

Members of Management may manage their financial investments themselves or have them managed by a third party.

5.2 Personal asset management

If Members of Management manage their private financial investments themselves, they shall hold them in the form of:

a) A deposit on a Swiss franc account at the SNB or on Swiss franc accounts at banks, which are used solely to carry out payment transactions.

b) An investment in collective capital investment schemes as defined in the list annexed to these regulations. The permitted investments are so broadly diversified that conflicts of interest can be excluded. Such investments are to be held in a custody account at the SNB. Changes to the list of permitted investments must be approved by the President of the Bank Council.

c) A deposit in an occupational pension fund (second pillar) and/or a private pension fund savings scheme (third pillar). Or

d) A direct investment in domestic or foreign real estate.

For a period beginning three weeks before a scheduled monetary policy assessment and ending one day after the publication of the monetary policy decision, Members of Management are prohibited from initiating or carrying out any private investment transactions unless an exemption is granted by Compliance, with the exception of investments under a) and c) above.

5.3 Management by a third party

Members of Management may have their private financial investments managed by a bank supervised by FINMA as part of an asset management mandate. The asset management mandate should not permit any investment decisions or other exertion of influence by the Member of Management without the approval of Compliance.

The conclusion of a new asset management mandate or modification of an existing one requires the approval of Compliance.

The contract shall:

a) outline the mandate in broad and general terms, and exclude investment strategies that might create the appearance of misuse of information;
b) regulate admissible contacts between the individual Member of Management and the asset manager, and explicitly prohibit any other contact or exertion of influence.

Members of Management must require the asset manager to confirm to the SNB once a year that there has been no inadmissible contact or exertion of influence, and that no financial transactions which are prohibited for Members of Management have been carried out.

Sections 7 and 8 below shall not apply to such a mandate. In all other respects, the provisions of these regulations shall apply.

Under an asset management mandate, Members of Management are prohibited from conducting the following financial investments and financial transactions:

a) purchasing, selling or holding shares, participation certificates or bonds issued by a bank as defined in art. 3 of the Federal Act on Banks and Savings Banks of 8 November 1934;
b) purchasing, selling or holding derivatives whose underlying asset is a financial instrument as set out in part a);
c) purchasing, selling and holding derivatives or structured products whose value is essentially determined by movements in exchange rates or interest rates.

Members of Management must inform Compliance without delay of the termination of an asset management mandate.

6. Payment accounts

The total deposits in all accounts which are used solely for payment transactions must be proportionate to the payments carried out via such accounts.

7. Reporting of financial transactions and holding periods

Private financial transactions, with the exception of the financial investments specified under a) and c) in section 5.2, are to be reported to Compliance by Members of Management at least 14 days in advance.

Furthermore, a holding period of at least 180 calendar days applies to self-managed financial investments with the exception of Swiss franc accounts. The last movement in the position concerned is decisive for compliance with the holding period. The principle of 'last in – first out' is applied when calculating the holding period. In justified cases, private financial transactions are possible during the reporting or holding period, with the prior approval of Compliance.

8. Foreign exchange transactions

The purchase or sale of foreign currencies against Swiss francs in connection with a permissible private financial investment (cf. section 5.2) is allowed and must be reported as per section 7.

Purchases and sales of foreign currencies against Swiss francs do not have to be reported if the transactions are for consumption purposes.

9. Mortgages

The taking out of a new mortgage loan or modification of an existing one by Members of Management requires the prior approval of Compliance.

10. Withdrawals

Should Members of Management be privy to non-public information concerning existential threats to a bank, they may only withdraw deposits from this bank, close accounts or terminate an authorised asset management mandate at this bank with the prior approval of Compliance.

11. Conduct when acquiring assets

If Members of Management acquire assets through inheritance, as a gift, as a result of termination of an approved asset management mandate or in any other manner, which may be neither traded nor held under the provisions of these regulations, they must dispose of them within six months, provided they have the exclusive right of disposal over these assets. Otherwise, they are to refer to Compliance to discuss how to proceed.

12. Exemptions

Exemptions from the restrictions under these regulations may be granted by Compliance in justified cases. Compliance is entitled to refuse an exemption, without stating a reason.

If an exemption is granted, any changes in the underlying situation must be reported to Compliance without delay. Disposal over the private financial investment affected by the exemption is subject to prior consent by Compliance.

Compliance shall immediately inform the President of the Bank Council of exemptions it has granted or refused.

III. Reporting, monitoring and sanctions

13. Declaration

Members of Management shall confirm to the President of the Bank Council in writing, at the beginning of each calendar year, that they are familiar with the provisions of these regulations and that they complied with them during the previous year. Compliance shall provide a corresponding document to Members of Management at the beginning of each year for this purpose. A copy of the confirmation is to be submitted to Compliance on request.

14. Regular reporting and provision of documentation

Members of Management shall provide Compliance with the documents below on a quarterly basis (in each case, by the end of the following month):

a) all bank account statements, including securities and safe custody accounts but excluding payment accounts;

b) all powers of attorney that they have granted, as well as all powers of attorney granted to them;

c) documentation on real estate transactions as well as the taking out or modification of mortgage loans, irrespective of whether these are at their own risk and on their own account, or at the risk or on the account of a third party.

Members of Management shall submit the list of securities, real estate and debts from their tax return to Compliance annually. Upon request by Compliance, any associated documentation is also to be submitted.

Members of Management shall provide additional appropriate documentation on their assets and the management of these assets at any time, if required to do so by Compliance.

Members of Management shall submit a list of related parties to Compliance biannually. This shall include surnames, first names and date of birth, as well as occupation and any affiliations, together with confirmation that the related parties have been made aware of the content of the regulations.

15. Reporting and provision of documentation on becoming subject to these regulations

Individuals who become subject to these regulations for the first time as a result of election, appointment or promotion shall submit to Compliance the following documentation upon taking up their position:

- the most recent list of securities, real estate and debts from their tax return as filed;
- a list of all bank accounts as well as securities and safe custody accounts;
- powers of attorney that they have granted, as well as all powers of attorney granted to them;
- existing asset management mandates.

Within a period of six months of taking up their position, they shall also ensure that their financial investments comply with these regulations.

16. Monitoring

Compliance shall monitor adherence to these regulations based on the reports and documents it receives from Members of Management. It may also carry out spot checks and request further relevant documents on private financial investments and financial transactions.

17. Reporting

Compliance shall submit an annual report on observance of these regulations to the President of the Bank Council. The Bank Council’s Audit Committee shall also be informed on an annual basis of the submission of the report.

Compliance shall notify the President of the Bank Council immediately of significant breaches of the regulations.

18. Sanctions

In the event of an infringement of the provisions of these regulations, the Bank Council is entitled to request the reversal or closing out of the relevant financial transaction. If such a reversal results in a profit, this shall, in consultation with the individual concerned, be donated to a charitable organisation.

Such an infringement may also have consequences under employment law.

Issued by:	Bank Council	**Issued on:**	09.03.2012
Entry into force:	01.05.2012	**Owner:**	Compliance unit
Legal basis:	Regulations on the Governing Board No. 6, sect 1.2, para. 8 Code of Obligations Employment contract		
Replaces:	Regulations on own-account transactions in financial instruments by members of the Enlarged Governing Board, 16 April 2010		
Amended on:	**Amended by:**	**Amendment valid from:**	**Section(s):**
08.04.2016	Bank Council	01.07.2016	Total revision
23.09.2022	Bank Council	01.01.2023	2; 3.1; 3.3; 5.2; 7; 8; 14; 15; 18

Annex

Permitted exchange traded funds (ETFs) in accordance with section 5.2

1. Shares

Product	Provider	Trading currency	ISIN Valor number
World:			
MSCI World Core Global large/mid-cap shares of advanced economies	iShares BlackRock	CHF USD EUR	IE00B4L5Y983 10608388
MSCI World Global large/mid-cap shares in advanced economies	Xtrackers	CHF USD EUR	IE00BJ0KDQ92 24869934
MSCI World Global large/mid-cap shares in advanced economies	UBS	CHF USD EUR	LU0340285161 3726774
All Country:			
MSCI All Country World All large/mid-cap shares of advanced and emerging economies	iShares BlackRock	USD USD EUR	IE00B6R52259 14137311
FTSE All Country World All large/mid-cap shares of advanced and emerging economies	Vanguard	USD EUR	IE00B3RBWM25 18575459
World Small Caps:			
MSCI World Small Cap All small-cap shares of advanced economies	iShares BlackRock	USD EUR	IE00BF4RFH31 37986235
MSCI World Small Cap All small-cap shares of advanced economies	SPDR SSgA	CHF USD EUR	IE00BCBJG560 22178032

Emerging Markets:			
MSCI Emerging Markets All large/mid-cap shares of emerging economies	SPDR SSgA	USD EUR	IE00B469F816 12931510
MSCI Emerging Markets All large/mid-cap shares of emerging economies	iShares BlackRock	USD EUR	IE00BKM4GZ66 24209517
MSCI Emerging Markets All large/mid-cap shares of emerging economies	Xtrackers	CHF USD EUR	IE00BTJRMP35 35987944

2. Bonds

Product	Provider	Trading currency	ISIN Valor number
FTSE World Government Bond Global investments in government bonds issued by G7 countries	iShares BlackRock	CHF USD EUR	IE00B3F81K65 10012744
Bloomberg Global Aggregate All global fixed interest bonds with a minimum BBB– rating	iShares BlackRock	USD	IE00BZ043R46 37977783
Barclays Global Aggregate All global fixed interest bonds with a minimum BBB– rating	Xtrackers	CHF	LU0942970442 23971272
Global High Yield Corp All fixed interest corporate bonds of advanced economies with a rating below BBB–	iShares BlackRock	CHF USD EUR	IE00B74DQ490 20026095

3. Commodities

Product	Provider	Trading currency	ISIN Valor number
Bloomberg Commodity Index 22 commodities from the agriculture, energy, metals and livestock sectors	UBS	CHF	IE00B598DX38 11926022
Bloomberg Commodity Index Diversified investments in metals, energy, agricultural products and livestock	iShares BlackRock	USD EUR	IE00BDFL4P12 36082553

4. Real estate

Product	Provider	Trading currency	ISIN Valor number
FTSE NAREIT All Equity REITS Index Global investments in listed real estate stocks and real estate operators	iShares BlackRock	USD EUR	IE00B1FZS350 2758588
Dow Jones Global Real Estate Securities Market Index Global investments in listed real estate stocks and real estate operators	SPDR SSgA	CHF USD EUR	IE00B8GF1M35 19440157

5. Infrastructure

Product	Provider	Trading currency	ISIN Valor number
S&P Global Infrastructure Global infrastructure fund	Xtrackers	CHF USD EUR	LU0322253229 3614442
FTSE Global Core Infrastructure Index Global infrastructure fund	iShares BlackRock	USD EUR	IE00B1FZS467 2758574