



Owner: Compliance unit

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## **Private financial investments and financial transactions by SNB staff**

### **1. Subject and purpose**

This Bank Directive defines restrictions on private financial investments and financial transactions made by Swiss National Bank (SNB) staff and contains specific provisions for handling information that is not (yet) publicly accessible (insider information).

Its purpose is to avoid the misuse of insider information, as well as the appearance of any such misuse of information. The Bank Directive thereby safeguards the SNB's good reputation, its integrity and standing, as well as the effectiveness of its monetary policy.

### **2. Scope of application**

The present Bank Directive shall apply to all SNB staff, including staff on fixed-term contracts and apprentices.

The provisions of this Bank Directive may, on a contractual basis, be declared fully or partially applicable to agents and other persons working for the SNB.

For persons subject to the Regulations on private financial investments and financial transactions by members of SNB management (regulation 6.3), that regulation alone shall apply.



## **3. Definitions**

### **3.1. Private financial investments and financial transactions**

Private financial investments shall comprise the following:

- certificated and uncertificated securities (e.g. shares, bonds, participation certificates, fund units, derivatives);
- precious metals and commodities (e.g. exchange-traded gold products, gold ingots, but not jewellery);
- time deposits and medium-term notes of financial intermediaries in Swiss francs and foreign currency;
- digital assets (e.g. cryptocurrencies).

Private financial transactions shall be defined as legal transactions that affect financial investments and that staff members conduct for their own account, for the account of a third party, based on a power of attorney, or via an account or a securities account of which they are a beneficial owner (e.g. as part of a community of heirs or co-holder of a joint account).

Private financial investments and financial transactions shall also include those that are undertaken with the purpose of evading the provisions of this Bank Directive, in particular by the engagement of a third party or use of a third-party account or securities account.

### **3.2. Insider information**

Insider information is information that is not yet accessible to the public. It includes, in particular, information about:

- the SNB's monetary policy intentions;
- the fulfilment of SNB tasks in accordance with art. 5 of the National Bank Act; and
- activities with an impact on the financial markets, or information on other market participants or contracting parties, which the SNB acquires in fulfilment of its statutory mandate but which is not (yet) publicly accessible.

### **3.3. Insiders**

In the context of this Bank Directive, the term 'insiders' refers to all staff members who have access to insider information pursuant to section 3.2 of this Bank Directive.

## **4. Prohibition on misuse of information**

Staff members are prohibited from using information that is not (yet) publicly accessible to conduct, recommend, advise against or otherwise comment on private financial transactions.

Moreover, staff members are prohibited from trading in assets for their own account,

beforehand or in parallel, if they are aware of future or current transactions by the SNB with regard to the same assets (known as ‘front running’ or ‘parallel running’). Also prohibited is any subsequent exploitation of price movements (‘after running’).

Should staff be privy to insider information relating to problems threatening the existence of a Swiss bank, they may only close (securities) accounts held at this bank, make extraordinary deposit withdrawals there or sell certificated or uncertificated securities of the bank in question if they have received prior approval from Compliance.

## **5. Holding periods**

Private financial investments must be held for at least 30 calendar days. The decisive factor regarding adherence to holding periods is the last movement in the position concerned (the principle of ‘last in, first out’ is applied for the calculation of the holding period).

There shall be no holding period for private financial investments that, based on subscription rights, have been accrued in connection with a capital increase, a stock split, or with conversion and option rights. Active trading with subscription rights is, however, subject to the holding period provision.

The rollover of expiring futures or forward contracts (i.e. entering into a new contract with a later expiry date) is not subject to the holding period, as long as the underlying asset does not change.

When purchasing securities, a stop-loss order may be placed for the purpose of avoiding losses.

## **6. Prohibited private financial investments and financial transactions**

The following shall be prohibited:

- purchasing, selling or holding shares, participation certificates or bonds of a Swiss bank pursuant to art. 3 of the Federal Act on Banks and Savings Banks, as well as purchasing, selling or holding SNB shares (exception: the holding, purchasing or selling of the share certificates of a Raiffeisen bank is permitted);
- purchasing, selling or holding derivatives or structured products whose underlying assets are shares, participation certificates or bonds of a Swiss bank pursuant to art. 3 of the Federal Act on Banks and Savings Banks (e.g. UBS AG options, but not Nestlé options issued by UBS AG);
- purchasing, selling or holding derivatives or structured products whose value is essentially determined by movements in Swiss franc exchange rates or interest rates;
- subscribing for SNB Bills (interest-bearing debt certificates issued by the SNB).

Exception: If staff hold private financial investments that may not – or may no longer – be traded under the provisions of this Bank Directive, or if through inheritance, as a gift or in any other manner, staff acquire assets that may be neither traded nor held under the provisions of this Bank Directive, these do not have to be sold. Staff may not make additional purchases, however, and they may only sell such assets with the prior written approval of Compliance. Concluding forward mortgages is admissible, provided the principles of section 4 are complied with.

## **7. Additional restrictions**

The Board of Deputies shall determine the group of staff members who have access to insider information by virtue of their special functions, and shall specify additional restrictions with regard to private financial investments and financial transactions for this group. Compliance shall inform these staff members in writing, and explain their obligations to them.

### **7.1. Staff members with monetary policy-related functions**

As soon as staff members become involved in the preparation of a monetary policy decision or take part in monetary policy decisions, they shall be prohibited from executing any private financial investment transactions, with the exception of payments into pension funds (incl. pillar 3a pension schemes). This restriction shall apply at least for the period starting three weeks before a scheduled monetary policy decision and ending one day after the publication of the monetary policy decision (hereinafter referred to as ‘black-out period’).

Executing private financial transactions during the black-out period is, however, permitted if the transaction order was given before the start of the black-out period.

### **7.2. Delegates for regional economic relations**

The following shall be prohibited for delegates for regional economic relations:

- purchasing, selling or holding shares, participation certificates or bonds of a Swiss company;
- purchasing, selling or holding derivatives or structured products whose underlying assets are shares, participation certificates or bonds of a Swiss company.

### **7.3. Staff members of the Cash division**

Staff members with special functions in connection with banknotes are prohibited from purchasing, selling or holding shares, participation certificates or bonds of a listed contractual partner (Orell Füssli Ltd) or a listed supplier of the SNB operating in the area of cash supply and distribution.

#### **7.4. Ad hoc determination of insiders**

The Board of Deputies shall inform Compliance about confidential projects, in connection with which staff members become privy to insider information, and shall, where necessary, specify additional restrictions for this group with regard to private financial investments and financial transactions.

Where appropriate, additional restrictions may be temporarily imposed on all staff members. Compliance shall maintain a list of insiders for each confidential project.

### **8. Foreign exchange transactions**

Any purchases or sales of foreign currencies (incl. cryptocurrencies) against Swiss francs that serve a private investment purpose (e.g. purchasing a USD bond or depositing EUR in a foreign currency account for saving purposes, in each case debited from a CHF account) are subject to notification and must be reported to Compliance in writing at least 24 hours before the planned transaction is executed. A holding period of at least 30 calendar days is to be observed.

Any purchases or sales of foreign currencies against Swiss francs that are made for consumption purposes (e.g. for furnishings, vehicles, holidays, real estate, food, etc.) do not need to be reported.

Compliance is entitled to refuse any foreign exchange transaction for investment purposes.

### **9. Management of private financial investments by third parties**

If staff have their private financial investments managed by a third party based on a written agreement (asset management mandate) that does not allow the staff member concerned to take any single investment decision or otherwise exert influence on the investment decisions to be taken by the third party, the provisions of sections 5, 6, 7 and 8 shall not apply within the scope of the said asset management mandate. All other provisions of this Bank Directive shall be applicable.

Should the asset management mandate outlined above be terminated, staff members must ensure, within six months, that their private financial investments comply with this Bank Directive.

### **10. Duty of confirmation**

When required to do so, all staff members shall confirm to Compliance once a year that they are aware of and comply with the provisions of this Bank Directive.

## **11. Duty to keep documentation**

All staff members shall retain, for a period of five years, all the necessary documents that enable them to provide information about their private financial investments and financial transactions (incl. asset management mandates pursuant to section 9), as well as about foreign exchange transactions that are subject to reporting.

## **12. Monitoring and reporting**

Compliance shall monitor adherence to this Bank Directive on a spot-check basis. At these spot-checks, the staff members concerned are asked questions in connection with the restrictions applying to their private financial investments and financial transactions pursuant to this Bank Directive. Upon request, the staff members shall provide confirmation – over and above the general confirmation detailed in section 10 – of individual financial investments and financial transactions and also, upon request, submit related documentation.

In cases of justified suspicion that staff members are violating the provisions laid down in this Bank Directive, Compliance may at any time demand that they supply information on their private financial investments and financial transactions.

Compliance reports annually to the Board of Deputies on adherence to the provisions laid down in this Bank Directive.

## **13. Measures and sanctions**

In the event of an infringement of the provisions of this Bank Directive, the SNB may refuse to execute the relevant transaction for the staff member's own-account, or may demand that the position concerned be closed out.

If a profit has been made from a prohibited financial investment or a prohibited financial transaction as defined in this Bank Directive, it shall, in consultation with the employee concerned, be donated to a charitable organisation.

A grave infringement of the provisions of this Bank Directive may have consequences under employment law.

## **14. Exceptions**

Exceptions to the restrictions in this Bank Directive may be granted by Compliance in justified individual cases. Compliance is entitled to refuse the granting of an exception.

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

## 15. Transitional provisions

Any exceptions granted under an earlier version of this Bank Directive remain valid as long as the underlying situation on which the granting of the exception was based does not change.

Any adjustment periods issued at an earlier date with a view to achieving conformity with this Bank Directive are unaffected.

## History of amendments

<b>Former name:</b>	Directive 184: Private financial investments and financial transactions by SNB staff		
<b>Basis:</b>	Sections 2.15, 8.2 General Terms of Employment; art. 321a Swiss Code of Obligations		
<b>Replaces:</b>	Directive 184 of 1 January 2010: Own-account transactions with financial instruments Directive 185 of 23 January 2012: Directive on implementing emergency measures of 20 January 2012 in the area of own-account foreign exchange transactions		
<b>Associated annexes:</b>	-		
<b>Associated procedural instructions:</b>	-		
<b>Issuer:</b>	<b>Date BD/EGB:</b>	<b>Amendment valid from:</b>	<b>Amendment:</b>
Board of Deputies	3 April 2012	1 May 2012	First issue
Board of Deputies	1 September 2014	1 January 2015	Complete revision
Board of Deputies	7 December 2021	1 January 2022	Complete revision
Board of Deputies	22 November 2023	1 January 2024	Complete revision