

Annual financial statements

1

Balance sheet as at 31 December 2021

ASSETS

In CHF millions

	Item in Notes	31.12.2021	31.12.2020	Change
Gold holdings	01	55 690.7	55 747.1	-56.4
Foreign currency investments	02, 25	966 202.2	910 001.0	+56 201.2
Reserve position in the IMF	03, 23	2 000.8	1 849.6	+151.2
International payment instruments	04, 23	11 912.5	4 363.9	+7 548.6
Monetary assistance loans	05, 23	908.0	907.6	+0.4
Claims from US dollar repo transactions		2 147.2	8 841.7	-6 694.5
Claims from Swiss franc repo transactions	22	3 216.0	549.9	+2 666.1
Swiss franc securities	06	4 031.7	4 072.9	-41.2
Secured loans		9 202.4	11 176.4	-1 974.0
Tangible assets	07	437.2	438.0	-0.8
Participations	08, 24	135.6	134.0	+1.6
Other assets	09, 26	891.9	945.6	-53.7
Total assets		1 056 776.2	999 027.9	+57 748.3

LIABILITIES

In CHF millions

	Item in Notes	31.12.2021	31.12.2020	Change
Banknotes in circulation	10	90 685.3	89 013.6	+ 1 671.7
Sight deposits of domestic banks		651 091.0	628 825.2	+22 265.8
Liabilities towards the Confederation	11	12 617.1	13 755.3	- 1 138.2
Sight deposits of foreign banks and institutions		28 156.2	28 120.2	+ 36.0
Other sight liabilities	12	35 297.9	32 160.9	+3 137.0
Liabilities from Swiss franc repo transactions		-	-	-
SNB debt certificates		-	-	-
Other term liabilities		2 173.8	9 027.1	-6 853.3
Foreign currency liabilities	13, 25	20 888.5	9 573.0	+ 11 315.5
Counterpart of SDRs allocated by the IMF	04	11 325.1	4 214.0	+7 111.1
Other liabilities	14, 26	292.4	387.9	-95.5
Equity				
Provisions for currency reserves ¹		86 981.0	79 073.6	+ 7 907.4
Share capital	15	25.0	25.0	-
Distribution reserve ¹		90 943.1	83 982.4	+ 6 960.7
Annual result		26 300.0	20 869.6	+ 5 430.4
Total equity		204 249.1	183 950.6	+ 20 298.5
Total liabilities		1 056 776.2	999 027.9	+ 57 748.3

¹ Before appropriation of profit, cf. p. 174.

Income statement and appropriation of profit for 2021

INCOME STATEMENT

In CHF millions

	Item in Notes	2021	2020	Change
Net result from gold		-56.4	6 636.3	-6 692.7
Net result from foreign currency positions	16	25 656.4	13 286.3	+ 12 370.1
Net result from Swiss franc positions	17	1 064.9	1 332.6	-267.7
Net result, other	18	17.0	-5.8	+22.8
Gross income		26 681.9	21 249.5	+5 432.4
Banknote expenses		-33.7	-34.3	+0.6
Personnel expenses	19, 20	-182.8	-182.0	-0.8
General overheads	21	-127.8	-125.0	-2.8
Depreciation on tangible assets	07	-37.7	-38.5	+0.8
Annual result		26 300.0	20 869.6	+ 5 430.4

APPROPRIATION OF PROFIT

In CHF millions

	2021	2020	Change
- Allocation to provisions for currency reserves	-8 698.1	-7 907.4	-790.7
= Distributable annual result	17 601.9	12 962.2	+ 4 639.7
+ Profit carried forward (distribution reserve before appropriation of profit)	90 943.1	83 982.4	+ 6 960.7
= Net profit	108 545.0	96 944.6	+ 11 600.4
- Payment of a dividend of 6%	-1.5	-1.5	-
- Profit distribution to Confederation and cantons	-6 000.0	-6 000.0	-
= Balance carried forward to following year's financial statements (distribution reserve after appropriation of profit)	102 543.5	90 943.1	+ 11 600.4

3

Changes in equity

In CHF millions

	Share capital	Provisions for currency reserves	Distribution reserve	Annual result	Total
Equity as at 1 January 2020	25.0	73 216.3	44 989.5	48 851.7	167 082.5
Endowment of provisions for currency reserves pursuant to NBA		5 857.3		-5 857.3	
Allocation to distribution reserve			38 992.9	-38 992.9	
Distribution of dividends to shareholders				-1.5	-1.5
Profit distribution to Confederation and cantons				-4 000.0	-4 000.0
Annual result				20 869.6	20 869.6
Equity as at 31 December 2020 (before appropriation of profit)	25.0	79 073.6	83 982.4	20 869.6	183 950.6
Equity as at 1 January 2021	25.0	79 073.6	83 982.4	20 869.6	183 950.6
Endowment of provisions for currency reserves pursuant to NBA		7 907.4		-7 907.4	
Allocation to distribution reserve			6 960.7	-6 960.7	
Distribution of dividends to shareholders				-1.5	-1.5
Profit distribution to Confederation and cantons				-6 000.0	-6 000.0
Annual result				26 300.0	26 300.0
Equity as at 31 December 2021 (before appropriation of profit)	25.0	86 981.0	90 943.1	26 300.0	204 249.1
Proposed appropriation of profit					
Endowment of provisions for currency reserves pursuant to NBA		8 698.1		-8 698.1	
Allocation to distribution reserve			11 600.4	-11 600.4	
Distribution of dividends to shareholders				-1.5	-1.5
Profit distribution to Confederation and cantons				-6 000.0	-6 000.0
Equity after appropriation of profit	25.0	95 679.1	102 543.5	-	198 247.6

4.1 ACCOUNTING AND VALUATION PRINCIPLES

GENERAL

Basic principles

The Swiss National Bank is a special-statute joint-stock company with head offices in Berne and Zurich. The present financial statements have been drawn up in accordance with the provisions of the National Bank Act (NBA) and the Swiss Code of Obligations (CO) as well as the accounting principles detailed in these notes. The statements present a true and fair view of the financial position and the results of operations of the SNB. Unless otherwise stated, the accounting principles are based on the Swiss GAAP FER standards (Accounting and Reporting Recommendations). Departures from Swiss GAAP FER occur only if an accounting principle runs counter to the provisions of the NBA or if the special nature of the SNB needs to be taken into account. In a departure from Swiss GAAP FER, no cash flow statement is prepared. The structure and designation of the items in the annual financial statements take into consideration the special character of the business conducted at a central bank.

At its meeting of 4 March 2022, the Bank Council approved the 2021 financial report for submission to the Federal Council and the General Meeting of Shareholders.

Changes from previous year

Compared with the previous year, no changes were made to the accounting and valuation principles.

Cash flow statement

In accordance with art. 29 NBA, the SNB is exempt from the requirement to prepare a cash flow statement.

Financial liabilities

Swiss GAAP FER 31 requires that the conditions for financial liabilities be disclosed. Given the special status of a central bank, such a disclosure is of limited informative value. The majority of the liabilities presented directly reflect the implementation of the SNB's monetary policy, i.e. the provision of liquidity to or the absorption of liquidity from the money market. By virtue of its exclusive right to issue banknotes, the SNB runs no liquidity or refinancing risks from liabilities in Swiss francs. Because the SNB can create the necessary liquidity and determine the level and structure of its financing itself, it is always in a position to meet its obligations. In light of this, the SNB will not be publishing a detailed report of the conditions which apply to its financial liabilities.

Consolidated financial statements

The SNB does not hold any material participating interests which are subject to consolidation. It therefore does not draw up consolidated financial statements.

Recording of transactions

The SNB's business transactions are recorded and valued on the day the transaction is concluded (trade date accounting). However, they are not posted until the value date. Transactions already concluded, with a value date after the balance sheet date, are stated under off-balance-sheet business.

Expenses are recognised in the financial year in which they are incurred, and income in the financial year in which it is earned.

Accrual accounting

Under art. 8 NBA, the SNB is exempt from taxation on profits. Tax exemption applies both to direct federal taxes and to cantonal and municipal taxes.

Profit tax

The rights of the SNB's shareholders are restricted by law. The shareholders cannot exert any influence on financial or operational decisions. Banking services provided to members of the executive management are carried out at normal banking industry conditions. No banking services are provided to members of the Bank Council. In the 2021 financial year, there were no disclosable transactions with companies in which the SNB has a significant participation.

Transactions with related parties

Foreign currency positions are translated at year-end rates. Income and expenses in foreign currency are translated at the exchange rates applicable at the time when such income and expenses were posted to the accounts. All valuation changes are reported in the income statement.

Foreign currency translation

BALANCE SHEET AND INCOME STATEMENT

Gold holdings consist of gold ingots and gold coins. The gold is stored in Switzerland (roughly 70%) and abroad (roughly 30%). These holdings are stated at market value. Valuation gains and losses are reported under net result from gold.

Gold holdings

Negotiable securities (money market instruments, bonds and equities) as well as credit balances (sight deposits and call money, time deposits) and claims from foreign currency repo transactions are recorded under foreign currency investments. Securities, which make up the bulk of the foreign currency investments, are stated at market value inclusive of accrued interest, while credit balances and claims from repo transactions are stated at nominal value inclusive of accrued interest.

Foreign currency investments

Gains and losses from revaluation at market value, interest income and expenses, dividends and exchange rate gains and losses are stated under net result from foreign currency positions. Negative interest is recorded as a reduction of interest income.

The management of foreign currency investments also includes securities lending transactions. Securities lent by the SNB from its own portfolio are secured by appropriate collateral. The SNB receives interest on the securities loaned. Loaned securities remain in the foreign currency investments item and are disclosed in the notes to the annual financial statements. Interest income from securities lending is stated under net result from foreign currency positions.

Reserve position in IMF

The reserve position in the International Monetary Fund (IMF) consists of the Swiss quota less the IMF's sight deposit account balance at the SNB as well as of claims based on the New Arrangements to Borrow (NAB).

The quota is Switzerland's portion of the IMF capital which is financed by the SNB. It is denominated in Special Drawing Rights (SDRs), the IMF's unit of account. The part of the quota that is not drawn on remains in a sight deposit account at the SNB. The IMF can access these Swiss franc assets at any time.

With the NAB, the IMF can – in the event of a crisis or if its own resources are in short supply – draw on credit lines from participants in these arrangements. Credit lines not drawn by the IMF are recorded as irrevocable lending commitments under the SNB's off-balance-sheet business.

The reserve position is stated at nominal value inclusive of accrued interest. The income from interest on the reserve position as well as the exchange rate gains and losses from a revaluation of the reserve position are stated under net result from foreign currency positions.

International payment instruments

International payment instruments comprise sight deposits in SDRs with the IMF. These deposits result from the allocation of SDRs and the purchase and sale of SDRs under the voluntary trading arrangement with the IMF. Sight deposits in SDRs are stated at nominal value inclusive of accrued interest. They attract interest at market conditions. Interest income and exchange rate gains and losses are stated under net result from foreign currency positions.

The liability entered into with the allocation is stated on the liabilities side of the balance sheet under counterpart of SDRs allocated by the IMF.

On the basis of the Monetary Assistance Act, Switzerland can participate in multilateral assistance operations aimed at preventing or remedying serious disruptions to the international monetary system. In such an event, the Confederation can instruct the SNB to grant a loan. Switzerland can also contribute to special funds or other IMF facilities, particularly those in favour of low-income countries, or grant bilateral monetary assistance loans to individual countries. In both of these cases, the Confederation can request that the SNB grant a loan. In return, the Confederation guarantees the SNB the interest and principal repayment on the loan in all of the above cases.

Monetary assistance loans

Currently outstanding are claims from the loans to the Poverty Reduction and Growth Trust (PRGT) as well as from the loan to the National Bank of Ukraine. The PRGT is administered by the IMF and is used to finance long-term loans at subsidised interest rates to low-income countries. These claims are stated at nominal value inclusive of accrued interest. Interest income and exchange rate gains and losses are stated under net result from foreign currency positions.

This item records claims from US dollar repo transactions arising from the coordinated central bank action to further enhance the provision of US dollar liquidity via the standing US dollar swap arrangements. The SNB uses repo auctions to provide US dollar liquidity. It engages in foreign exchange swaps with the US Federal Reserve for this purpose.

Claims from US dollar repo transactions

Claims from US dollar repo transactions are fully backed by collateral eligible for SNB repos. They are stated at nominal value inclusive of accrued interest. Net interest income is stated under net result from foreign currency positions.

The amount in Swiss francs for the account of the US Federal Reserve is stated on the liabilities side under other term liabilities.

Claims from repo transactions are fully backed by collateral eligible for SNB repos. They are stated at nominal value inclusive of accrued interest. Interest income is stated under net result from Swiss franc positions. Negative interest is recorded as a reduction of interest income.

Claims from Swiss franc repo transactions

Swiss franc securities are made up exclusively of negotiable bonds. They are stated at market value inclusive of accrued interest. Price gains and losses and interest income are stated under net result from Swiss franc positions.

Swiss franc securities

Secured loans

Claims arising from the SNB COVID-19 refinancing facility are stated under secured loans. The facility allows banks to obtain liquidity from the SNB by assigning as collateral loans that have been granted under surety and loan guarantee programmes provided by the federal government or the cantons. The interest rate corresponds to the SNB policy rate. The claims are stated at nominal value. Net interest income is stated under net result from Swiss franc positions. Negative interest is recorded as a reduction of interest income.

Tangible assets

Tangible assets comprise land and buildings, fixed assets under construction, software, and sundry tangible assets. For individual purchases, the minimum value for recognition as an asset is CHF 20,000. Other investments resulting in an increase in value (projects) are recognised as an asset from an amount of CHF 100,000. Tangible assets are stated at acquisition cost less required depreciation.

PERIOD OF DEPRECIATION

Land and buildings	
Land	No depreciation
Buildings (building structure)	50 years
Conversions (technical equipment and interior finishing work)	10 years
Fixed assets under construction ¹	No depreciation
Software	3 years
Sundry tangible assets	3–12 years

¹ Finished fixed assets are reclassified under the corresponding tangible assets category once they are in operational use.

The recoverable value is checked periodically. If this results in a decrease in value, an impairment loss is recorded. Scheduled and unscheduled depreciations are reported in the income statement under depreciation on tangible assets.

Profits and losses from the sale of tangible assets are stated under net result, other.

Participations

In principle, participations are valued at acquisition cost less required value adjustments. However, the participation in Orell Füssli Ltd is valued on the basis of the pro rata book value of equity. The result from participations is stated under net result, other.

The SNB uses forward foreign exchange transactions (including foreign exchange swaps), foreign exchange options, credit derivatives, futures and interest rate swaps to manage its foreign currency investments. These are used to manage positioning with regard to shares, interest rates, credit risk and currencies (cf. also accountability report, chapter 5.4). Whenever possible, derivative financial instruments are stated at market value. If no market value is available, fair value is determined in accordance with generally recognised actuarial methods. Positive or negative replacement values are stated under other assets or other liabilities respectively. Valuation changes are recorded in the income statement and stated under net result from foreign currency positions.

Derivative financial instruments

The SNB does not state accrued expenses and deferred income as separate items in its balance sheet. For materiality reasons, they are reported under other assets or other liabilities, and are disclosed in the notes to the accounts.

Accrued expenses and deferred income

The banknotes in circulation item shows the nominal value of all the banknotes issued from any valid series as well as from series that have been recalled but can be exchanged for an unlimited period of time.

Banknotes in circulation

Sight deposit account balances of domestic banks in Swiss francs form the basis on which the SNB steers monetary policy. They also facilitate the settlement of cashless payments in Switzerland. These balances are stated at nominal value. The SNB can apply positive or negative interest on sight deposits. Negative interest is applied on balances that exceed a given exemption threshold, the level of which is determined by the SNB. Up until the introduction of an interest rate of -0.75% on 22 January 2015, sight deposit account balances did not bear interest. Interest income is recorded under net result from Swiss franc positions.

Sight deposits of domestic banks

The SNB holds sight deposit accounts in Swiss francs for the Confederation. These accounts are currently non-interest-bearing. In addition, the Confederation may place time deposits with the SNB at market rates. The liabilities towards the Confederation are stated at nominal value.

Liabilities towards Confederation

The SNB holds sight deposits for foreign banks and institutions which facilitate payment transactions in Swiss francs. The accounting and valuation principles as well as the interest rate conditions are the same as those for sight deposits of domestic banks.

Sight deposits of foreign banks and institutions

Other sight liabilities

The main components in other sight liabilities in Swiss francs are sight deposits of non-banks, the SNB pension fund's account and the accounts of active and retired SNB staff members.

The accounting and valuation principles as well as the interest rate conditions for non-banks are the same as those for sight deposits of domestic banks, with the exception of the sight deposit account of the compensation funds for old age and survivors' insurance, disability insurance and the fund for loss of earned income (compenswiss), which does not bear interest.

The SNB pension fund account is stated at nominal value; the rate of negative interest applied is the same as that on sight deposits of domestic banks. Interest income is stated under net result from Swiss franc positions.

Accounts of active and retired staff members are stated at nominal value inclusive of accrued interest. These accounts bear modest interest up to a certain amount. Interest expenses are stated under net result from Swiss franc positions.

Liabilities from Swiss franc repo transactions

Liabilities arising from repo transactions are stated at nominal value inclusive of accrued interest. Interest expenses are stated under net result from Swiss franc positions.

At the end of 2021, there were no outstanding liabilities from Swiss franc repo transactions.

SNB debt certificates

To absorb liquidity from the market, the SNB can issue its own, interest-bearing debt certificates (SNB Bills) in Swiss francs. Money market management requirements dictate the frequency, term and amount of these issues. SNB Bills are valued at issue price plus cumulative discount accretion (i.e. the discount is amortised over the term of the issue). Interest expenses are stated under net result from Swiss franc positions.

At the end of 2021, there were no SNB Bills outstanding.

Other term liabilities

This balance sheet item contains term liabilities in Swiss francs arising from swap transactions with the US Federal Reserve. These are stated at nominal value.

Foreign currency liabilities comprise different sight liabilities and short-term term liabilities as well as short-term repo transactions related to the management of foreign currency investments. The latter are carried out at market conditions. These repo transactions (temporary transfer of securities against sight deposits, with reverse settlement at maturity) result in a short-term increase in the balance sheet total. On the one hand, the securities remain on the SNB's books, while on the other, the cash received as well as the obligation to repay it at maturity are stated in the balance sheet. Foreign currency liabilities are stated at nominal value inclusive of accrued interest. Interest expenses and exchange rate gains and losses are stated under net result from foreign currency positions. Negative interest is recorded as a reduction of interest expenses.

Foreign currency liabilities

This item comprises the liability vis-à-vis the IMF for the SDRs allocated to Switzerland. It attracts the same rate of interest as the SDRs on the assets side of the balance sheet. Interest expenses and exchange rate gains and losses are stated under net result from foreign currency positions.

Counterpart of SDRs allocated by IMF

Art. 30 para. 1 NBA stipulates that the SNB set up provisions permitting it to maintain the currency reserves at a level necessary for monetary policy. In so doing, it must take into account economic developments in Switzerland. These special-law provisions are equity-like in nature and are incorporated in the 'Changes in equity' table (cf. p. 175). The allocation is made as part of the profit appropriation. The Bank Council approves the level of these provisions annually.

Provisions for currency reserves

With the exception of the dividend, which – pursuant to the NBA – may not exceed 6% of the share capital, the Confederation and the cantons are entitled to the SNB's remaining profit after adequate provisions for currency reserves have been set aside. To achieve a steady flow of payments in the medium term, the annual profit distributions are fixed in advance for a certain period in an agreement concluded between the Federal Department of Finance and the SNB. The distribution reserve contains profits that have not yet been distributed. It is offset against losses and can therefore also be negative.

Distribution reserve

The SNB's pension plans are incorporated into one pension fund scheme under the defined contribution system. In accordance with Swiss GAAP FER 16, any share of actuarial surplus or deficit (overfunding or underfunding) is shown on the assets side of the balance sheet or reported as a liability.

Pension fund

There are no events after the balance sheet date which need to be mentioned or considered in the 2021 annual financial statements.

Events after balance sheet date

Valuation rates

VALUATION RATES

	31.12.2021 In CHF	31.12.2020 In CHF	Change In percent
1 euro (EUR)	1.0366	1.0803	-4.0
1 US dollar (USD)	0.9137	0.8806	+3.8
100 yen (JPY)	0.7939	0.8545	-7.1
1 pound sterling (GBP)	1.2351	1.2027	+2.7
1 Canadian dollar (CAD)	0.7202	0.6921	+4.1
100 Korean won (KRW)	0.0768	0.0810	-5.2
1 Australian dollar (AUD)	0.6635	0.6808	-2.5
100 Chinese yuan (CNY)	14.3751	13.4795	+6.6
100 Danish krone (DKK)	13.9394	14.5187	-4.0
100 Swedish krona (SEK)	10.0734	10.7779	-6.5
1 Singapore dollar (SGD)	0.6774	0.6667	+1.6
1 Special Drawing Right (SDR)	1.2841	1.2816	+0.2
1 kilogram of gold	53 548.29	53 602.51	-0.1

4.2 NOTES TO THE BALANCE SHEET AND INCOME STATEMENT

Item 01

GOLD HOLDINGS**Breakdown by type**

	31.12.2021		31.12.2020	
	In tonnes	In CHF millions	In tonnes	In CHF millions
Gold ingots	1 001.0	53 600.5	1 001.0	53 654.8
Gold coins	39.0	2 090.2	39.0	2 092.3
Total	1 040.0	55 690.7	1 040.0	55 747.1

FOREIGN CURRENCY INVESTMENTS

Item 02

Breakdown by investment type in CHF millions

	31.12.2021	31.12.2020	Change
Sight deposits and call money	129 098.2	80 130.1	+48 968.1
Claims from repo transactions	21 705.5	17 754.4	+3 951.1
Money market instruments	9 904.3	20 453.2	-10 548.9
Bonds ¹	582 198.9	599 673.4	-17 474.5
Equities	223 295.3	191 990.0	+31 305.3
Total	966 202.2	910 001.0	+56 201.2

1 Of which CHF 612.4 million (2020: CHF 420.9 million) lent under securities lending operations.

Breakdown by issuer and borrower category in CHF millions

	31.12.2021	31.12.2020	Change
Governments	548 791.5	581 059.5	-32 268.0
Monetary institutions ¹	134 537.9	83 626.9	+50 911.0
Corporations	282 872.8	245 314.7	+37 558.1
Total	966 202.2	910 001.0	+56 201.1

1 BIS, central banks and multilateral development banks.

Breakdown by currency¹ in CHF millions

	31.12.2021	31.12.2020	Change
EUR	368 945.8	368 444.4	+501.4
USD	362 607.2	319 202.7	+43 404.5
JPY	77 316.1	76 883.9	+432.2
GBP	65 223.3	58 683.1	+6 540.2
CAD	23 883.0	25 701.8	-1 818.8
KRW	15 549.6	13 975.1	+1 574.5
AUD	15 516.4	11 900.5	+3 615.9
CNY	11 130.1	8 954.8	+2 175.3
DKK	6 601.4	7 650.3	-1 048.9
SEK	4 109.6	4 045.5	+64.1
SGD	3 507.2	3 277.9	+229.3
Other	11 812.4	11 280.9	+531.5
Total	966 202.2	910 001.0	+56 201.2

1 Excluding foreign exchange derivatives.

RESERVE POSITION IN THE IMF

In CHF millions

	31.12.2021	31.12.2020	Change
Swiss quota in the IMF ¹	7 410.9	7 396.6	+ 14.3
Less: IMF's Swiss franc sight deposit at the SNB ²	-5 577.6	-5 851.4	+ 273.8
Claim from participation in the IMF	1 833.3	1 545.2	+ 288.1
Loan based on New Arrangements to Borrow (NAB) ³	167.5	304.4	- 136.9
Total reserve position in the IMF	2 000.8	1 849.6	+ 151.2

1 SDR 5,771.1 million; change due entirely to exchange rates.

2 Corresponds to the untransferred portion of the quota.

3 Including accrued interest.

Details: New Arrangements to Borrow (NAB)¹ in CHF millions

	31.12.2021	31.12.2020	Change
Lending commitment	14 229.6	7 101.0	+ 7 128.6
Amount drawn	167.5	304.4	- 136.9
Amount not drawn	14 062.1	6 796.6	+ 7 265.5

1 Maximum lending commitment totalling SDR 11,081.3 million (2020: SDR 5,540.7 million), arising from liabilities from NAB, in favour of the IMF for special cases; revolving and without a federal guarantee (for information on the increase in 2021, cf. accountability report, chapter 7.2.1).

INTERNATIONAL PAYMENT INSTRUMENTS

Item 04

In CHF millions

	31.12.2021	31.12.2020	Change
SDRs from allocation ¹	11 325.1	4 214.0	+ 7 111.1
SDRs purchased/sold (net)	587.4	149.9	+ 437.5
Total	11 912.5	4 363.9	+ 7 548.6

1 Corresponds to the IMF's allocation of SDR 8,819 million (2020: SDR 3,288 million). The liability entered into with the allocation is stated in the balance sheet under counterpart of SDRs allocated by the IMF (for information on the increase in 2021, cf. accountability report, chapter 7.2.1).

Details: Exchange arrangement for international payment instruments (voluntary trading arrangement)¹

In CHF millions

	31.12.2021	31.12.2020	Change
Purchase/sale commitment	5 662.9	2 107.0	+ 3 555.9
SDRs purchased	-587.4	-149.9	-437.5
SDRs sold	-	-	-
Total commitment ²	5 075.5	1 957.1	+ 3 118.4

1 The SNB has committed to purchasing or selling SDRs against foreign currencies (USD, EUR) up to an agreed maximum of SDR 4,410 million (2020: SDR 1,644 million; for information on the increase in 2021, cf. accountability report, chapter 7.2.1).

2 Maximum purchase commitment.

MONETARY ASSISTANCE LOANS

In CHF millions

	31.12.2021	31.12.2020	Change
Claims from PRGT loan ^{1,2}	816.6	819.1	-2.5
Claims from interim PRGT loan ²	-	0.4	-0.4
Claims from bilateral loans ²	91.4	88.1	+3.3
Total	908.0	907.6	+0.4

1 Poverty Reduction and Growth Trust of the IMF.

2 Including accrued interest.

Details: Drawn lending commitments in CHF millions

	31.12.2021	31.12.2020	Change
Lending commitment to PRGT ¹	1 926.2	1 281.6	+644.6
Amount drawn	820.8	818.5	+2.3
Amount repaid	4.3	-	+4.3
Claims ²	816.6	819.1	-2.5
Amount not yet drawn	1 105.4	463.1	+642.3
Lending commitment from bilateral loans ^{3,4}	182.7	176.1	+6.6
Amount drawn	91.4	88.1	+3.3
Amount repaid	-	-	-
Claims ²	91.4	88.1	+3.3
Amount not yet drawn	91.4	88.1	+3.3

1 Poverty Reduction and Growth Trust of the IMF; limited-term lending commitment to the PRGT in the amount of SDR 1,500 million (2020: SDR 1,000 million); not revolving and with a federally guaranteed repayment of principal and payment of interest (for information on the increase in 2021, cf. accountability report, chapter 7.2.1).

2 Including accrued interest.

3 Lending commitment to the National Bank of Ukraine in the maximum amount of USD 200 million; not revolving and with a federally guaranteed repayment of principal and payment of interest.

4 Change due entirely to exchange rates.

SWISS FRANC SECURITIES

Item 06

Breakdown by borrower category in CHF millions

	31.12.2021	31.12.2020	Change
Governments	1 542.5	1 615.7	-73.2
Corporations	2 489.2	2 457.2	+32.0
Total	4 031.7	4 072.9	-41.2

Breakdown of governments borrower category in CHF millions

	31.12.2021	31.12.2020	Change
Swiss Confederation	906.3	932.0	-25.7
Cantons and municipalities	448.7	490.2	-41.5
Foreign states ¹	187.6	193.4	-5.8
Total	1 542.5	1 615.7	-73.2

1 Including public authorities.

Breakdown of corporations borrower category in CHF millions

	31.12.2021	31.12.2020	Change
Domestic mortgage bond institutions	1 931.1	1 882.4	+48.7
Other domestic corporations ¹	46.0	44.4	+1.6
Foreign corporations ²	512.1	530.4	-18.3
Total	2 489.2	2 457.2	+32.0

1 Primarily international organisations with their head office in Switzerland.

2 Banks, international organisations and other corporations.

TANGIBLE ASSETS

In CHF millions

	Land and buildings ¹	Fixed assets under construction	Software	Sundry tangible assets ²	Total
Historical cost					
1 January 2021	697.6	6.5	85.2	84.7	874.0
Additions	1.3	20.4	7.4	7.8	36.8
Disposals	-0.9	-	-3.7	-14.0	-18.6
Reclassified	9.0	-13.4	1.1	3.4	
31 December 2021	707.0	13.4	90.0	81.8	892.3
Cumulative value adjustments					
1 January 2021	299.7		76.6	59.7	436.0
Scheduled depreciation	19.0		7.3	11.5	37.7
Disposals	-0.8		-3.7	-14.0	-18.6
Reclassified	-		-	-	
31 December 2021	317.8		80.2	57.1	455.1
Net book values					
1 January 2021	397.8	6.5	8.6	25.1	438.0
31 December 2021	389.2	13.4	9.8	24.7	437.2

1 Insured value: CHF 622.4 million.

2 Insured value: CHF 71.7 million.

Tangible assets from previous year in CHF millions

	Land and buildings ¹	Fixed assets under construction	Software	Sundry tangible assets ²	Total
Historical cost					
1 January 2020	689.9	8.1	79.1	77.0	854.1
Additions	0.8	9.0	5.6	11.4	26.8
Disposals	–	–	–0.2	–6.7	–6.9
Reclassified	6.9	–10.6	0.7	3.0	
31 December 2020	697.6	6.5	85.2	84.7	874.0
Cumulative value adjustments					
1 January 2020	279.2		69.7	55.4	404.3
Scheduled depreciation	20.5		7.1	11.0	38.5
Disposals	–		–0.2	–6.7	–6.9
Reclassified	–		–	–	
31 December 2020	299.7		76.6	59.7	436.0
Net book values					
1 January 2020	410.6	8.1	9.5	21.6	449.8
31 December 2020	397.8	6.5	8.6	25.1	438.0

1 Insured value: CHF 622.4 million.

2 Insured value: CHF 65.9 million.

Item 08

PARTICIPATIONS

In CHF millions

	BIS ¹	Orell Füssli ²	Landqart ³	Other	Total
Equity interest	3%	33%	97%		
Book value as at 1 January 2020	90.2	45.0	0.0	0.0	135.3
Investments	–	–	–	–	–
Divestments	–	–	–	–	–
Valuation changes	–	–1.2	–	–	–1.2
Book value as at 31 December 2020	90.2	43.8	0.0	0.0	134.0
Book value as at 1 January 2021	90.2	43.8	0.0	0.0	134.0
Investments	–	–	–	0.1	0.1
Divestments	–	–	–	–	–
Valuation changes	–	1.5	–	–	1.5
Book value as at 31 December 2021	90.2	45.2	0.0	0.2	135.6

1 Interest in the BIS, based in Basel, is held for reasons of monetary policy collaboration.

2 Orell Füssli Ltd, based in Zurich, which produces Switzerland's banknotes.

3 Landqart AG, based in Landquart, which manufactures the special paper for Swiss banknotes.

Item 09

OTHER ASSETS

In CHF millions

	31.12.2021	31.12.2020	Change
Coins ¹	250.7	260.8	–10.1
Foreign banknotes	0.9	0.7	+0.2
Other accounts receivable	205.9	103.3	+102.6
Prepayments and accrued income	107.0	125.9	–18.9
Positive replacement values ²	327.5	454.9	–127.4
Total	891.9	945.6	–53.7

1 Coins acquired from Swissmint destined for circulation.

2 Unrealised gains on financial instruments and on outstanding spot transactions (cf. item 26, p.206).

BANKNOTES IN CIRCULATION

Item 10

Breakdown by series¹ in CHF millions

	31.12.2021	31.12.2020	Change
9th series	68 334.2	52 470.5	+ 15 863.7
8th series	21 322.1	35 501.9	- 14 179.8
6th series	1 029.0	1 041.3	- 12.3
Total	90 685.3	89 013.6	+ 1 671.7

1 For information on the recall and exchange of banknotes, cf. accountability report, chapter 3.3. The seventh banknote series, which was created as a reserve series, was never put into circulation.

LIABILITIES TOWARDS THE CONFEDERATION

Item 11

In CHF millions

	31.12.2021	31.12.2020	Change
Sight liabilities	11 617.1	12 755.3	- 1 138.2
Term liabilities	1 000.0	1 000.0	-
Total	12 617.1	13 755.3	- 1 138.2

OTHER SIGHT LIABILITIES

Item 12

In CHF millions

	31.12.2021	31.12.2020	Change
Sight deposits of non-banks ¹	34 889.5	31 755.3	+ 3 134.2
Deposit accounts ²	408.4	405.6	+ 2.8
Total	35 297.9	32 160.9	+ 3 137.0

1 Clearing offices, insurance corporations, etc.

2 Primarily accounts of employees and retirees. Also contains current account liabilities towards the SNB pension fund of CHF 18.4 million (2020: CHF 38.3 million).

Item 13

FOREIGN CURRENCY LIABILITIES

In CHF millions

	31.12.2021	31.12.2020	Change
Sight liabilities ¹	15.6	18.5	-2.9
Liabilities from repo transactions ²	20 873.0	9 554.5	+ 11 318.5
Total	20 888.5	9 573.0	+ 11 315.5

1 Contains current account liabilities towards the SNB pension fund of CHF 0.7 million (2020: CHF 1.3 million).

2 Relating to the management of foreign currency investments.

Item 14

OTHER LIABILITIES

In CHF millions

	31.12.2021	31.12.2020	Change
Other accounts payable	12.0	15.9	-3.9
Accrued liabilities and deferred income	17.0	18.3	-1.3
Negative replacement values ¹	263.4	353.7	-90.3
Total	292.4	387.9	-95.5

1 Unrealised losses on financial instruments and on outstanding spot transactions (cf. item 26, p.206).

SHARE CAPITAL

Item 15

Shares¹

	2021	2020	2019
Share capital in CHF	25 000 000	25 000 000	25 000 000
Nominal value in CHF	250	250	250
Number of shares	100 000	100 000	100 000
Ticker symbol/ISIN ²	SNBN/CH0001319265		
Closing price on 31 December in CHF	5 240	4 680	5 390
Market capitalisation in CHF	524 000 000	468 000 000	539 000 000
Annual high in CHF	5 500	6 260	5 980
Annual low in CHF	4 590	3 280	4 000
Average daily trading volume in number of shares	41	97	90

1 Swiss GAAP FER 31 requires the presentation of earnings per share. This has no informative value in view of the special statutory provisions for the SNB. Shareholders' rights are determined by the NBA and their dividends, in particular, may not exceed 6% of share capital (with a nominal value of CHF 250 per share, a maximum of CHF 15); the Confederation is entitled to one-third and the cantons to two-thirds of the remaining distributable profit. Therefore, no presentation of earnings per share is made.

2 Listed in the Swiss Reporting Standard on SIX Swiss Exchange.

Breakdown of share ownership as at 31 December 2021

	Cantons	Cantonal banks	Other public law corporations/institutions ¹	Total public sector shareholders	Total private sector shareholders	Total
Registered shareholders	26	24	23	73	2 320	2 393
Voting shares	38 802	11 966	364	51 132	14 276	65 408
In percent	59.32%	18.29%	0.56%	78.17%	21.83%	100.00%
Non-voting shares					34 592	34 592
Of which shares pending registration of transfer ²					23 084	23 084
Of which registered shares held in trust ³					2 508	2 508
Of which shares with statutory limitation of voting rights ⁴					9 000	9 000
Total shares	38 802	11 966	364	51 132	48 868⁵	100 000

1 Other public law corporations include 20 municipalities.

2 Shares pending registration of transfer are registered shares not entered in the share register.

3 Registered shares held in trust are shares held on behalf of the beneficiary by a bank or asset manager, where the bank or asset manager is listed in the share register without voting rights.

4 Voting rights are limited to a maximum of 100 shares. This limitation shall not apply to Swiss public law corporations and institutions or to cantonal banks pursuant to art. 3a of the Federal Act of 8 November 1934 on Banks and Savings Banks (in accordance with art. 26 para. 2 NBA). In 2021, 25 shareholders, each with more than 100 shares, were affected by the statutory limitation of voting rights.

5 Of which 9,531 shares are in foreign ownership (accounting for 2.96% of voting rights).

Principal shareholders: Public sector

	Number of shares	31.12.2021 Participation	Number of shares	31.12.2020 Participation
Canton of Berne	6 630	6.63%	6 630	6.63%
Canton of Zurich	5 200	5.20%	5 200	5.20%
Canton of Vaud	3 401	3.40%	3 401	3.40%
Canton of St Gallen	3 002	3.00%	3 002	3.00%

Principal shareholders: Private sector¹

	Number of shares	31.12.2021 Participation	Number of shares	31.12.2020 Participation
Theo Siegert, Düsseldorf	5 039	5.04%	5 039	5.04%

1 Non-public sector shareholders are subject to legal restrictions (art. 26 NBA), i.e. voting rights are limited to 100 shares.

NET RESULT FROM FOREIGN CURRENCY POSITIONS

Item 16

Breakdown by origin in CHF millions

	2021	2020	Change
Foreign currency investments	25 653.1	13 395.2	+ 12 257.9
Reserve position in the IMF	0.6	- 70.1	+ 70.7
International payment instruments	- 5.6	- 4.6	- 1.0
Monetary assistance loans	8.3	- 34.1	+ 42.4
Total	25 656.4	13 286.3	+ 12 370.1

Breakdown by type in CHF millions

	2021	2020	Change
Interest income	7 041.4	7 976.4	- 935.0
Price gain/loss on interest-bearing paper and instruments	- 16 148.6	12 098.7	- 28 247.3
Interest expenses	41.1	- 29.7	+ 70.8
Dividend income	3 789.2	3 381.0	+ 408.2
Price gain/loss on equity securities and instruments	37 101.3	27 601.9	+ 9 499.4
Exchange rate gain/loss	- 6 130.7	- 37 709.3	+ 31 578.6
Asset management, safe custody and other fees	- 37.3	- 32.6	- 4.7
Total	25 656.4	13 286.3	+ 12 370.1

Breakdown of overall net result by currency in CHF millions

	2021	2020	Change
EUR	-15 326.7	4 415.7	-19 742.4
USD	40 731.4	9 244.4	+31 487.0
JPY	-3 314.2	-610.8	-2 703.4
GBP	1 423.2	-1 830.7	+3 253.9
CAD	1 784.1	-138.1	+1 922.2
KRW	-980.7	464.2	-1 444.9
AUD	-348.0	593.0	-941.0
CNY	1 070.3	174.9	+895.4
DKK	21.3	466.6	-445.3
SEK	188.7	435.7	-247.0
SGD	-3.4	-147.8	+144.4
SDR	0.0	-100.2	+100.2
Other	410.6	319.5	+91.1
Total	25 656.4	13 286.3	+12 370.1

Breakdown of exchange rate gain/loss by currency in CHF millions

	2021	2020	Change
EUR	-14 425.3	-96.2	-14 329.1
USD	12 387.8	-28 474.3	+40 862.1
JPY	-5 427.6	-2 852.0	-2 575.6
GBP	1 380.2	-2 837.2	+4 217.4
CAD	1 112.6	-1 591.1	+2 703.7
KRW	-855.9	-400.0	-455.9
AUD	-520.0	25.7	-545.7
CNY	542.2	-248.4	+790.6
DKK	-251.8	5.6	-257.4
SEK	-318.8	157.1	-475.9
SGD	52.8	-248.6	+301.4
SDR	-4.3	-107.7	+103.4
Other	197.3	-1 042.2	+1 239.5
Total	-6 130.7	-37 709.3	+31 578.6

NET RESULT FROM SWISS FRANC POSITIONS

Item 17

Breakdown by origin in CHF millions

	2021	2020	Change
Negative interest on sight deposit account balances	1 256.6	1 377.6	-121.0
Swiss franc securities	-109.4	42.4	-151.8
Liquidity-providing Swiss franc repo transactions	-0.7	-28.9	+28.2
Liquidity-absorbing Swiss franc repo transactions	-	-	-
Secured loans	-79.9	-57.4	-22.5
Liabilities towards the Confederation	-	-	-
SNB debt certificates	-	-	-
Other Swiss franc positions	-1.7	-1.1	-0.6
Total	1 064.9	1 332.6	-267.7

Breakdown by type in CHF millions

	2021	2020	Change
Negative interest on sight deposit account balances	1 256.6	1 377.6	-121.0
Interest income	-45.1	-47.3	+2.2
Price gain/loss on interest-bearing paper and instruments	-135.9	11.5	-147.4
Interest expenses	-1.7	-1.1	-0.6
Trading, safe custody and other fees	-9.0	-8.1	-0.9
Total	1 064.9	1 332.6	-267.7

Item 18

NET RESULT, OTHER

In CHF millions

	2021	2020	Change
Commission income	3.0	3.0	0.0
Commission expenses	-2.9	-2.8	-0.1
Result from participations	15.2	-7.8	+23.0
Income from real estate	1.6	1.6	0.0
Other income	0.1	0.2	-0.1
Total	17.0	-5.8	+22.8

Item 19

PERSONNEL EXPENSES¹

Breakdown by type in CHF millions

	2021	2020	Change
Wages, salaries and allowances	140.1	141.0	-0.9
Social security expenses	33.7	33.4	+0.3
Other personnel expenses ²	8.9	7.6	+1.3
Total	182.8	182.0	+0.8

1 In terms of full-time equivalents, the number of employees averaged 871 for 2021 (2020: 865).

2 Various social benefits; expenses for staff development, training and recruitment; events, etc.

Remuneration for members of the Bank Council¹ (including employer social security contributions) in CHF thousands

	Total remuneration (gross)	Employer contributions to pension plans and OASI, VAT ²	2021 Total	2020 Total	Change
Barbara Janom Steiner, President ^{3, 4, 5}	184.2	60.1	244.3	229.1	+ 15.2
Romeo Lacher, Vice President ^{3, 4, 5} (since 1.5.2021)	63.2	4.0	67.2	–	+ 67.2
Olivier Steimer, Vice President ^{3, 4, 5} (until 30.4.2021)	28.0	1.2	29.2	82.1	–52.9
Vania Alleva ³	53.0	4.1	57.1	48.5	+ 8.6
Christoph Ammann	45.0	–	45.0	45.0	–
Monika Bütler ^{4, 7}	56.2	3.6	59.8	53.8	+ 6.0
Heinz Karrer ^{3, 6} (until 30.4.2021)	24.6	1.6	26.2	60.3	–34.1
Christoph Lengwiler ^{3, 6}	76.0	4.9	80.9	69.4	+ 11.5
Christoph Mäder ^{3, 6} (since 1.5.2021)	42.4	2.7	45.1	–	+ 45.1
Shelby Robert du Pasquier ⁷	62.4	4.0	66.4	66.4	0.0
Ernst Stocker ⁶	59.0	4.5	63.5	54.5	+ 9.0
Cédric Pierre Tille ^{5, 7}	61.8	4.0	65.8	59.8	+ 6.0
Christian Vitta	45.0	–	45.0	45.0	–
Total	800.8	94.7	895.5	813.8	+ 81.7

1 In accordance with SNB regulations; participation in committee meetings not held on the same day as Bank Council meetings is compensated at a rate of CHF 2,800 per meeting. Special assignments are compensated at a rate of CHF 2,800 per day or CHF 1,400 per half-day.

2 If transferred to the Bank Council member's employer, value added tax may, where applicable, be paid instead of social security contributions.

3 Member of the 'HR processes and strategies' ad hoc committee. A flat-rate fee of CHF 8,000 was paid for associated work in the year under review, or CHF 4,000 for work during part of the year.

4 Member of Compensation Committee.

5 Member of Nomination Committee.

6 Member of Audit Committee.

7 Member of Risk Committee.

Remuneration for members of the Regional Economic Councils in CHF thousands

	2021	2020	Change
Chairpersons ^{1, 3}	54.4	60.0	–5.6
Members ^{2, 3}	114.0	108.0	+ 6.0

1 Remuneration per chairperson (8 persons in total, one of whom has opted to forgo compensation from May 2021): CHF 7,500 gross per year.

2 Remuneration per member (19 persons in total, one of whom opted to forgo compensation until April 2021): CHF 6,000 gross per year.

3 Changes are due to vacancies.

The list of Regional Economic Councils can be found on p. 223.

Remuneration for members of executive management¹ (excluding employer social security contributions) in CHF thousands

	Salaries (gross)	Miscellaneous ²	2021 Total remuneration	2020 Total remuneration	Change
Three members of the Governing Board	2 744.2	129.0	2 873.2	2 835.1	+ 38.1
Thomas J. Jordan, Chairman ³	914.7	30.3	945.0	945.0	–
Fritz Zurbrügg, Vice Chairman	914.7	30.3	945.0	945.0	–
Andréa M. Maechler	914.7	68.4	983.1	945.0	+ 38.1
Three alternate members of the Governing Board ⁴	1 420.7	106.4	1 527.1	1 487.6	+ 39.5
Total	4 164.9	235.4	4 400.3	4 322.7	+ 77.6

Remuneration for members of executive management¹ (including employer social security contributions) in CHF thousands

	Total remuneration	Employer contributions to pension plans and OASI	2021 Total	2020 Total	Change
Three members of the Governing Board	2 873.2	758.7	3 631.9	3 713.9	–82.0
Thomas J. Jordan, Chairman ³	945.0	307.6	1 252.6	1 250.3	+ 2.3
Fritz Zurbrügg, Vice Chairman	945.0	178.7	1 123.7	1 250.3	–126.6
Andréa M. Maechler	983.1	272.4	1 255.5	1 213.2	+ 42.3
Three alternate members of the Governing Board ⁴	1 527.1	386.6	1 913.7	1 908.5	+ 5.2
Total	4 400.3	1 145.4	5 545.7	5 622.3	–76.6

1 All remuneration is specified in SNB regulations (cf. also 'Corporate governance', p. 150).

2 Representation expenses, General Abonnement travel card, jubilee benefits and further compensation in accordance with regulations.

3 Excluding remuneration in the amount of CHF 73,178 for serving as member of the Board of Directors at the BIS.

4 Excluding remuneration in the amount of CHF 37,885 for an alternate member of the Governing Board for serving as member of the Board of Directors of Orell Füssli Ltd.

Like all employees, members of executive management are entitled to reduced-rate mortgage loans granted by the SNB pension fund as well as to preferential interest rates on the credit balances of their SNB staff accounts. No additional remuneration as defined by art. 663b^{bis} para. 1 CO was paid.

Of the members of executive management, Dewet Moser, Alternate Member of the Governing Board, held one SNB share as at 31 December 2021 (no change compared to previous year). In addition, as at 31 December 2021, a party related to Thomas J. Jordan, Chairman of the Governing Board, held one SNB share (no change compared to previous year).

In accordance with the 'Code of Conduct for members of the Bank Council', members of the Bank Council may not hold shares in the SNB.

EMPLOYEE BENEFIT OBLIGATIONS^{1, 2}

Item 20

Share of overfunding/underfunding of pension plans³ in CHF millions

	31.12.2021	31.12.2020	Change
Overfunding/underfunding in accordance with Swiss GAAP FER 26 ^{3,4}	156.2	57.5	+ 98.7
SNB's share of overfunding/underfunding in accordance with Swiss GAAP FER 16	–	–	–

1 The pension fund does not have any employer contribution reserves.

2 The pension fund by-laws contain a restructuring clause. The clause will come into effect if it appears likely that the pension fund coverage ratio will drop below 100%. In such a case, a restructuring concept must be drawn up to ensure that the shortfall in coverage can be remedied within a reasonable timeframe with the support of the SNB. The restructuring clause ensures a long-term solution to the problem of a shortfall.

3 The overfunding recorded as at 31 December 2021 is unaudited at the time of reporting.

4 Coverage ratio in accordance with art. 44 of the Ordinance on Occupational Old Age, Survivors' and Invalidity Pension Provision (BVV2) is 136.9% as at 31 December 2021, and is unaudited at the time of reporting.

Employee benefit expenses in CHF millions

	2021	2020	Change
Employer contributions	23.5	23.4	+ 0.1
Change in share of overfunding/underfunding	–	–	–
Employee benefit expenses as part of personnel expenses	23.5	23.4	+ 0.1

GENERAL OVERHEADS

Item 21

In CHF millions

	2021	2020	Change
Premises	24.9	25.6	– 0.7
Maintenance of mobile tangible assets and software	23.8	20.6	+ 3.2
Consulting and other third-party support ¹	41.7	41.2	+ 0.5
Administrative expenses	20.6	20.5	+ 0.1
Contributions ²	7.2	5.8	+ 1.4
Other general overheads	9.7	11.4	– 1.7
Total	127.8	125.0	+ 2.8

1 Auditing fees for the 2021 financial year totalled CHF 0.3 million (2020: CHF 0.3 million). The External Auditor did not provide any consulting services (2020: none).

2 Mainly contributions towards the Study Center Gerzensee (SNB foundation).

4.3 NOTES REGARDING OFF-BALANCE-SHEET BUSINESS

Item 22

LIQUIDITY-SHORTAGE FINANCING FACILITY

The liquidity-shortage financing facility is a credit line for eligible counterparties to bridge unexpected short-term liquidity bottlenecks. Liquidity can be drawn by way of special-rate repo transactions. The amounts stated are the maximum amounts that can be drawn.

In CHF millions

	31.12.2021	31.12.2020	Change
Lending commitment	36 312.0	36 840.5	-528.5
Amount drawn	-	-	-
Amount not drawn	36 312.0	36 840.5	-528.5

Item 23

COMMITMENTS GRANTED IN THE CONTEXT OF INTERNATIONAL COOPERATION

Commitments to the IMF include irrevocable lending commitments and other commitments which the SNB has granted in the context of international cooperation. The amounts stated are the maximum liabilities arising from these commitments.

Overview: Undrawn lending commitments and exchange arrangement for international payment instruments in CHF millions

	31.12.2021	31.12.2020	Change
New Arrangements to Borrow (NAB) ¹	14 062.1	6 796.6	+ 7 265.5
Lending commitment to PRGT ²	1 105.4	463.1	+ 642.3
Bilateral lending commitment to National Bank of Ukraine ²	91.4	88.1	+ 3.3
Bilateral lending commitment to IMF ³	3 662.0	8 500.0	- 4 838.0
Total undrawn lending commitments	18 920.8	15 847.8	+ 3 073.0
Exchange arrangement for international payment instruments (voluntary trading arrangement) ⁴	5 075.5	1 957.1	+ 3 118.4

1 For further details, cf. item 03, p. 186.

2 For further details, cf. item 05, p. 188.

3 Bilateral lending commitment to the IMF in the maximum amount of CHF 3.7 billion (2020: CHF 8.5 billion); revolving and with a federally guaranteed repayment of principal and payment of interest (cf. accountability report, chapter 7.2.1).

4 For further details, cf. item 04, p. 187.

OTHER LIABILITIES NOT CARRIED ON BALANCE SHEET

Item 24

In CHF millions

	31.12.2021	31.12.2020	Change
Additional funding for the BIS ¹	82.9	82.8	+ 0.1
Liabilities from long-term rental, maintenance and leasing contracts ²	49.0	51.6	- 2.6
Liabilities from procurement of banknotes	87.0	-	+ 87.0
Total	218.9	134.3	+ 84.6

1 BIS shares are 25% paid up. The additional funding obligation is calculated in SDRs.

2 Including leasehold interest on Metropol building in Zurich.

ASSETS PLEDGED OR ASSIGNED AS COLLATERAL FOR SNB LIABILITIES

Item 25

In CHF millions

	Book value	31.12.2021 Liabilities or amount drawn	Book value	31.12.2020 Liabilities or amount drawn
Foreign currency investments in EUR	13 340.0	12 354.7	8 053.4	7 035.1
Foreign currency investments in USD	2 224.5	1 818.0	857.1	175.1
Foreign currency investments in GBP	6 667.6	6 700.3	2 351.7	2 344.2
Total¹	22 232.1	20 873.0	11 262.2	9 554.5

1 Mainly collateral lodged in connection with repo transactions and futures.

Item 26

OUTSTANDING FINANCIAL INSTRUMENTS¹

In CHF millions

	Contract value	31.12.2021		Contract value	31.12.2020	
		Replacement value Positive	Replacement value Negative		Replacement value Positive	Replacement value Negative
Interest rate instruments	340 692.1	81.1	204.1	120 037.1	157.3	140.5
Repo transactions in CHF ²	–	–	–	–	–	–
Forward contracts ¹	131.8	0.2	0.0	44.3	0.2	0.0
Interest rate swaps	167 424.6	78.8	199.3	63 749.6	155.6	140.1
Futures	173 135.7	2.1	4.7	56 243.2	1.6	0.3
Foreign exchange	16 483.6	210.3	44.3	22 538.9	234.7	209.4
Forward contracts ¹	14 677.4	210.3	43.2	20 513.5	234.7	205.3
Options	1 806.2	–	1.2	2 025.3	0.0	4.0
Equities/indices	15 507.0	34.0	0.5	14 151.4	61.4	0.0
Forward contracts ¹	4.0	0.0	0.0	0.7	0.0	0.0
Futures	15 502.9	34.0	0.5	14 150.7	61.4	–
Credit instruments	731.2	2.1	14.6	249.6	1.5	3.9
Credit default swaps	731.2	2.1	14.6	249.6	1.5	3.9
Total	373 413.9	327.5	263.4	156 976.9	454.9	353.7

1 Including spot transactions with value date in the new year.

2 Only transactions to be settled in the new year.

FIDUCIARY INVESTMENTS

Item 27

Fiduciary business covers investments which the SNB makes in its own name but on the basis of a written contract exclusively for the account of and at the risk of the counterparty (mainly the Confederation). The transactions are stated at nominal value inclusive of accrued interest.

In CHF millions

	31.12.2021	31.12.2020	Change
Fiduciary investments for the Confederation	1 383.1	1 153.3	+ 229.8
Other fiduciary investments	7.2	6.9	+ 0.3
Total	1 390.2	1 160.1	+ 230.1

Report of the External Auditor for the General Meeting of Shareholders

REPORT OF THE STATUTORY AUDITOR ON THE FINANCIAL STATEMENTS

As statutory auditor, we have audited the financial statements of the Swiss National Bank, which comprise the balance sheet, income statement, statement of changes in equity and notes (pp. 171–207 of the financial report) for the year ended 31 December 2021.

Bank Council's responsibility

The Bank Council is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the accounting principles detailed in the notes. Unless otherwise stated, the accounting principles are based on the Swiss GAAP FER standards. Departures from Swiss GAAP FER occur only if the special nature of the Swiss National Bank needs to be taken into account. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Bank Council is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making these risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements for the year ended 31 December 2021 comply with Swiss law and give a true and fair view of the financial position and the results of operations in accordance with the accounting and valuation principles detailed in the notes.

Opinion

REPORT ON KEY AUDIT MATTERS BASED ON THE CIRCULAR 1/2015 OF THE FEDERAL AUDIT OVERSIGHT AUTHORITY

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter: In absolute figures, foreign currency investments constitute the Swiss National Bank's most important balance sheet position. Due to their composition and amount, even small changes to the negotiable securities prices and the Swiss franc exchange rates can lead to material effects on the valuation in the balance sheet as well as on gross income, and therefore also on the Swiss National Bank's equity. Therefore, the valuation of the negotiable securities within foreign currency investments was considered to be an area of focus in our audit.

Foreign currency investments

Our audit approach for the foreign currency investments comprised, among others, the following main audit procedures: we compared the valuation of the negotiable securities (money market instruments, bonds and equities) included within foreign currency investments with reference values that we obtained by applying our own valuation approach. The valuation methodology we used took into account, among other things, market liquidity and other characteristics relevant to the valuation of the individual negotiable securities. Further, we tested the valuation approach used in the relevant IT applications.

Further information on foreign currency investments can be found in items 02 and 25 of the notes to the annual financial statements.

REPORT ON OTHER LEGAL REQUIREMENTS

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (art. 47 NBA in conjunction with art. 728 CO and art. 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with art. 728a para. 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Bank Council.

We further confirm that the proposed appropriation of available earnings complies with the provisions of the National Bank Act and recommend that the financial statements submitted to you be approved.

KPMG LTD

PHILIPP RICKERT
Licensed Audit Expert
Auditor in Charge

ADRIAN WALDER
Licensed Audit Expert

Zurich, 4 March 2022