

Regulations on the Audit Committee of the Swiss National Bank

of 14 May 2004 (as at 1 May 2010)

I. General

Art. 1 Purpose

These Regulations lay down the tasks and powers of the Audit Committee of the Swiss National Bank (SNB), its composition, organisation and reporting activities.

Art. 2 Basis

Pursuant to art. 11 of the Organisation Regulations of the SNB, the Bank Council shall establish an Audit Committee. The Audit Committee shall assist the Bank Council in monitoring financial accounting and financial reporting as well as compliance with law and regulations. It shall assess the effectiveness of the internal control system (ICS) and supervise the activity of external and internal auditors.

Art. 3 Composition

¹ The Audit Committee shall consist of three members of the Bank Council. Each year, at its first meeting following the ordinary General Meeting of Shareholders, the Bank Council shall appoint the members and the chairperson of the Audit Committee.

² The members of the Audit Committee shall be Bank Council members who are independent of internal and external auditors as well as of the Governing Board. The majority of Audit Committee members shall have knowledge and experience in the area of finance and accounting.

II. Tasks

Art. 4 Financial accounting and financial reporting

¹ The Audit Committee shall critically review the annual financial statements as well as financial budgeting and financial controlling.

² It shall discuss the financial report with the head of the Finance unit, the head of the Internal Auditors unit and the chief external auditor; it shall make a

recommendation to the Bank Council as to the approval of the annual financial statements.

³ It shall assess material modifications to the accounting principles, as well as to the structure of the financial report and the interim results.

Art. 5 Internal control system and compliance

¹ The Audit Committee shall assess the effectiveness and adequacy of the SNB's internal control system and verify the security and integrity of business processes.

² It shall assess the procedures for the monitoring of compliance with laws, regulations and directives.

Art. 6 External auditors

¹ The Audit Committee shall determine the selection procedure for the external Audit Board, verify its independence and professional competence, and make a recommendation to the Bank Council regarding the motion for election.

² On the basis of a risk assessment of its own, it shall review the audit plan of the external Audit Board and coordinate the collaboration between external and internal auditors, in particular with regard to the type and scope of the audits and the resources to be used.

³ It shall approve – for the attention of the Bank Council – the fee budget submitted by the external Audit Board. It shall assess the quality of the work performed by the external Audit Board, the fees and the conditions of the mandate on an annual basis.

⁴ It shall discuss with the Audit Board the result of the audit of the financial report as well as any differences of opinion with the members of the Governing Board that may have arisen during the audit. It may call upon the head of the Internal Auditors unit and the CFO to attend the discussion.

⁵ It shall examine the findings and recommendations of the external Audit Board, including the management letter, and explain the Audit Board's reports to the Bank Council.

Art. 7 Internal Auditors

¹ The Audit Committee shall make a recommendation to the Bank Council regarding the appointment of the head of the Internal Auditors unit and his/her deputy.

² It shall approve the annual audit targets and the audit plan of the Internal Auditors unit after they have been submitted to the Enlarged Governing Board and the President of the Bank Council.

³ It shall assess the quality of the work performed by the Internal Auditors unit as well as the efficiency of the collaboration between Internal Auditors and the external Audit Board.

⁴ It shall determine the remuneration of the management of the Internal Auditors unit in agreement with the head of Department I.

⁵ It shall discuss significant events and fundamental issues relating to the conduct of the audit with the head of the Internal Auditors unit.

⁶ It shall comment on the findings reported and recommendations made by the Internal Auditors unit in their ordinary reports and immediate notifications; it shall take note of the comments submitted by the members of the Governing Board and of any restrictions on access to the information required.

Art. 8 Additional tasks

¹ It is in the Audit Committee's discretion to deal with additional aspects and areas which are connected to its mandate pursuant to art. 2.

² The Audit Committee shall regularly assess its area of activity, the way it carries out its responsibilities, and its performance. It shall periodically verify the adequacy of these regulations and submit any proposals for modification to the Bank Council.

³ The Audit Committee shall coordinate its activities with those of the Risk Committee.

III. Powers

Art. 9 Right of inspection and right of information

The Audit Committee shall be given access to all records and information. If necessary, it may question SNB employees. As a matter of principle, the Chair of the Governing Board must be notified beforehand. The President of the Bank Council shall decide on any exceptions.

Art. 10 Further investigations

The Audit Committee may conduct further investigations that it considers necessary for the purpose of these Regulations. In doing so, it may instruct the Internal Auditors unit and the external Audit Board to perform certain tasks.

Art. 11 Special investigations

If there are grounds to suspect serious irregularities or a lack of risk control, the Audit Committee may conduct special investigations in agreement with the President of the Bank Council; for this purpose, additional internal and/or external resources (e.g. experts) may be called upon. As a matter of principle, the Chair of the Governing Board must be notified prior to a special investigation. The President of the Bank Council shall decide on any exceptions.

IV. Organisation

Art. 12 Meetings

¹ The Audit Committee shall convene at least twice a year. Additional meetings may be convened if necessary.

² The head of the Finance unit and the head of the Internal Auditors unit shall generally attend the meetings of the Audit Committee in an advisory capacity. The chairperson shall decide on any exceptions.

³ If necessary, representatives of the external Audit Board, heads of other organisational units and/or SNB experts shall be called upon to attend meetings.

⁴ The President of the Bank Council is entitled to attend meetings of the Audit Committee (without voting rights), as is the Chair of the Governing Board, unless the President of the Bank Council decides to the contrary.

Art. 13 Chair

¹ The chairperson shall organise the work of the Audit Committee and fix the agenda for the meetings. He/she shall convene the meetings at least five days in advance, chair the meetings and report on them to the Bank Council.

² If the chairperson is unavailable, the meeting shall be chaired by a deputy.

Art. 14 Resolutions and minutes

¹ The Audit Committee shall constitute a quorum if at least two members are present. Resolutions shall be passed with a majority of the votes cast. In the event of a tie, the chairperson shall have the casting vote.

² In urgent cases, resolutions may also be passed by conference call or by circular letter, unless one member requests that a meeting be held. Such resolutions shall be included in the minutes of the next meeting.

³ Minutes shall be kept of the meetings. They shall contain the wording of the resolutions and, in case of discussions on key matters, the justification for the resolutions.

V. Reporting

Art. 15 Informing the Bank Council

¹ The Bank Council shall receive the minutes of the Audit Committee's meetings. The chairperson of the Audit Committee shall immediately notify the President of the Bank Council of any significant events of an urgent nature.

² The chairperson shall inform the Bank Council at its next meeting of any significant findings and decisions of the Audit Committee. He/she shall submit the necessary recommendations to the Bank Council.

VI. Final provisions

Art. 16 Entry into force

These regulations shall enter into force on 1 July 2004.

Issued by the Governing Board on 14 May 2004.

Amended on 1 April 2005 and 16 April 2010.