



Notes on the profit distribution agreement of 1 October 2026 between the FDF and the SNB for 2026 to 2030

1. Background

The profit distribution agreement of 29 January 2021 between the FDF and the SNB expired with the 2025 financial year. A new agreement therefore needs to be concluded for the 2026 financial year and the years thereafter.

The FDF and the SNB decided that the modalities of the previous agreement would remain unchanged for the new agreement. The new agreement covers the financial years 2026 to 2030. It thus replaces the agreement of 2021 which covered the financial years 2020 to 2025.

2. Maintenance of step model in 2021 agreement

The 2026 agreement on the distributions to the Confederation and the cantons provides for maintaining the step model used in the 2021 agreement, which was valid for the financial years 2020 to 2025:

The maximum annual distribution is CHF 6 billion. It comprises a base amount of CHF 2 billion and four possible supplementary distributions of CHF 1 billion each, which depend on thresholds for the net profit (CHF 10 billion, CHF 20 billion, CHF 30 billion and CHF 40 billion). If the net profit is between 0 and CHF 2 billion, the amount of the net profit – after deduction of the dividend – is distributed to the Confederation and the cantons.

3. Net profit

To ensure a robust balance sheet the SNB must have a solid equity capital base. The provisions for currency reserves serve to ensure that the SNB holds sufficient equity capital to adequately cover balance sheet risks. Allocations are made to these provisions every year.

The distribution reserve is also part of the equity capital. The distribution reserve serves to smooth the profit distributions to the Confederation and the cantons.

The significant lengthening of the SNB's balance sheet up to the end of 2021 meant that the balance sheet risks also increased sharply. Since then, the size of the SNB's balance sheet has decreased again somewhat. The equity ratio has recovered from its historic lows. At the end of 2025, the distribution reserve amounted to around CHF 22 billion. As the equity situation improved due to the balance sheet reduction and the substantial increase in provisions during the last agreement period (2020–2025: up CHF 61 billion), the SNB will lower the minimum allocation to the provisions from 10% to 8% (based on the previous year's level of provisions), subject to the annual approval by the Bank Council.

The portion of the annual result remaining after the allocations to the provisions together with the distribution reserve comprise the net profit. This is available for the dividend and the profit distribution to the Confederation and the cantons. A profit distribution can be made if there is a net profit. In the event of a net loss, no profit distribution is possible.

The distribution reserve can become negative as a result of losses or the allocation to the provisions. However, the profit distributions may not cause the distribution reserve to become negative.

4. The amount of the annual distribution depends on the level of the net profit

The thresholds used in the step model take account of the fact that the fluctuation range for the anticipated annual results corresponds to a multiple of the expected values. With a balance sheet length of around CHF 900 billion, and with the assets consisting almost exclusively of investments denominated in foreign currencies, positive or negative annual results in the double-digit billions are common. Against this backdrop, earnings forecasts are subject to a very high level of uncertainty.

The concept of a base amount and four thresholds depending on the net profit takes account of this uncertainty and ensures that the distributions to the Confederation and the cantons reflect the SNB's financial situation. The Confederation and the cantons participate to a certain extent in the high profits of the SNB, provided the thresholds for supplementary distributions are reached. If, on the other hand, profits are low and the distribution reserve shrinks, the profit distribution is reduced.