

Sustainability Report 2019

SCHWEIZERISCHE NATIONALBANK
BANQUE NATIONALE SUISSE
BANCA NAZIONALE SVIZZERA
BANCA NAZIUNALA SVIZRA
SWISS NATIONAL BANK



Contents

Preface	5
1 Introduction	6
2 Employees	8
2.1 Human resources strategy	8
2.2 Workforce	9
2.3 Employee development	10
2.4 Working conditions	11
3 Society	14
3.1 Economic education	14
3.2 Standards and values	17
3.3 Art and culture	19
4 Environment	20
4.1 Conserving natural resources	20
4.2 Environmental performance	20
4.3 Climate protection	28

Preface

Ladies and Gentlemen

The Enlarged Governing Board of the Swiss National Bank is pleased to present its *Sustainability Report 2019*. This report explains how the SNB puts the principle of operational sustainability into practice in its interactions with employees, society and the environment.

The 'Employees' chapter presents the SNB's strategy and performance as an employer, and highlights key developments in the area of human resources. The 'Society' chapter first looks at the SNB's role as a centre of expertise and its contribution to economic education. It then outlines the measures the SNB as a company implements to foster conduct among its employees based on integrity and respect. This chapter also shows how the SNB supports culture and creates a contemporary image by way of its art collection and works of art in architecture. The third and final chapter – 'Environment' – contains information on how the SNB deals with the impact of its operational activities on the environment and the steps it takes to ensure the responsible use of resources.

The *Sustainability Report* is published annually in English, German, French and Italian. Information on how the SNB fulfils its statutory tasks continues to be provided in the accountability report submitted to the Federal Assembly.

Berne and Zurich, 19 March 2020

1

Introduction

Operational sustainability – guiding principles

The Swiss National Bank has a long-standing commitment to recognising its responsibility with regard to sustainability in conducting its operational activities. It introduced systematic environmental management in 1996 and has since presented its objectives and performance in this regard on an annual basis, initially in the form of an eco-performance report and from 2010 with an environmental report. In its Charter, the SNB sets out the values underpinning its operational activities, and commits to meeting standards with regard to effectiveness, efficiency and sustainability. Furthermore, it seeks to ensure an open corporate culture based on respect, and attaches importance to progressive employment conditions.

These guiding principles are reflected in operational decisions and specific projects ranging from human resources management to the improvement of operational processes and procurement. Against this backdrop it had also become increasingly apparent that reporting needed to be extended beyond the previously limited focus on environmental issues to include these additional aspects of operational sustainability. As a result, the SNB published its first Sustainability Report in 2019.

Material aspects

The SNB has developed its sustainability strategy in several stages. Based on international sustainability reporting standards, such as those defined by the Global Reporting Initiative, the first step was to identify the economic, social and environmental issues that are material to the SNB and its stakeholders. As regards operational responsibility, these issues can be assigned to three key pillars – employees, society and the environment. Information on how the SNB fulfils its statutory mandate can be found in the accountability report submitted to the Federal Assembly.

The first key pillar examines the Swiss National Bank's commitment to its employees and its social responsibility as an employer, and addresses topics such as equal opportunities and career development, work-life balance, and the advancement and development of employees. The 'Society' pillar encompasses the SNB's commitment to economic education. It also sets out the standards and values underpinning the conduct expected of the SNB's employees, conduct that is based on respect and integrity. It also highlights the cultural contribution made by the SNB's art holdings and works of art in architecture, as well as their role in lending the organisation a contemporary image. The third pillar deals with the impact of the SNB's operational activities on the environment and measures for ensuring the responsible use of resources. One area of focus here is the SNB's strategies for avoiding and reducing greenhouse gas emissions and climate protection projects for offsetting them.

Key pillars

2

Employees

2.1 HUMAN RESOURCES STRATEGY

The SNB's HR strategy is aimed at ensuring that it always has the necessary number of employees with the required skills to best fulfil its mandate. The strategy thus creates a basic framework that allows employees to operate purposefully and successfully within their area of competence.

A learning organisation

The SNB sees itself as a learning organisation. Its HR strategy is geared to the ongoing development of processes, instruments and capabilities. Strategic personnel planning is aimed at making it possible to anticipate the skills needed in the future, and to focus recruitment and development accordingly.

Importance of leadership

Leadership is an important factor in the long-term success of any company. The SNB's leadership culture is centred on trust and appreciation, and the recognition of performance and mutual feedback form the basis for the ongoing development of the skills required. The newly designed performance review process conducted for the first time in 2019 is based on the interplay of regular feedback during the year and a formal annual meeting between employees and their line managers. The dialogue centres on clarifying mutual expectations and agreeing on objectives and development measures.

Attractive and socially responsible employer

The SNB is an attractive employer with a strong awareness of social responsibility. In particular, it offers a professional challenge, progressive working conditions, and a job that provides a public service. Salaries and fringe benefits are appropriate and in line with market conditions. As a socially responsible employer, the SNB is committed to ensuring equal opportunities and has a zero tolerance policy on discrimination or harassment of any kind.

2.2 WORKFORCE

The SNB has approximately 930 employees, mostly comprising economists, political scientists, legal, banking, IT and logistics specialists, as well as technical staff and commercial training graduates. They form the basis for the performance of the SNB's statutory mandate.

Diversity

The average age of employees is relatively high at approximately 45 years. This is attributable to both the long average length of service of around ten years and the fact that employees join the SNB at a relatively older age, as is typical for an organisation employing a large number of university graduates (cf. table 'Key figures').

Just under one-third of SNB employees are women. The proportion of women in senior management positions has steadily increased over the years, and at the end of 2019 stood at 18.4%. All areas and language regions of Switzerland are represented among the SNB's staff. At the end of 2019, the proportion of foreign national employees was 11.9%.

The SNB offers employees with high performance and potential the opportunity to pursue managerial or specialist career paths. When filling management and specialist positions, the SNB looks both for the requisite skills and the fundamental attitude and values necessary to assume these roles. A large proportion of vacant positions are filled from within the SNB, thereby fostering internal mobility.

Career opportunities –
also part-time

The SNB offers a framework that also provides career progression opportunities for employees who wish to work part-time. In 2019, around 50% of female members of middle management worked part-time, the corresponding figure for their male counterparts being 15% and rising slightly. 47% of female senior managers at the SNB held part-time positions; the figure for their male counterparts was 9%.

2.3 EMPLOYEE DEVELOPMENT

Mastering the challenges of the future hinges on a systematic and forward-looking approach to continuing professional development. This can also help to ensure that the level of professional competence among employees is maintained and in line with the market.

Training and further education

The SNB provides employees assuming new tasks with specific training geared to the requirements of the job. Particular emphasis is placed on training and further education for employees in management roles. In 2019, the SNB created a new management development programme spanning offerings specific to the various levels of technical and staff management. The SNB worked with a university of applied sciences in a number of areas, one being to develop a Certificate of Advanced Studies course (CAS FH in Leadership SNB) to prepare and train new managers for their demanding roles. In autumn 2019, five women and four men began the first course. A CAS course is also being developed for employees wishing to embark on a specialist career path.

Apprenticeships and internships

The SNB offers commercial and IT apprenticeships, and eight young people successfully completed their vocational training in 2019.

Internships at the SNB provide career-starting opportunities to motivated university graduates with very good degrees, and experience has shown that many go on to take up permanent positions. At the end of 2019, there were 34 interns working at the SNB. The SNB is a highly attractive employer in the fields of economics and law, as evidenced by the annual survey of more than 12,000 students conducted by Universum.

2.4 WORKING CONDITIONS

The SNB encourages a healthy work-life balance with a range of different measures, such as the option of part-time positions. Its annual working time model offers additional flexibility in that fluctuations in workload can be used to meet professional and private obligations alike, operational requirements permitting. The SNB allows employees to work from home, also subject to operational requirements. At the end of 2019, 47 employees were making regular use of this option. Added to this, in 2019 paternity leave was extended from five days to three weeks.

Work-life balance

The staff committee strives to ensure the well-being of employees and is actively involved in shaping working conditions. It promotes communication between management and employees. The members of the committee are elected by the SNB's employees for a four-year term.

Staff committee

Occupational health management at the SNB is aimed at maintaining the well-being of employees, and thus their ability to perform over the long term. To this end, it offers staff a broad range of preventive measures such as health checks, flu vaccinations and ergonomic workstations, in addition to a contribution towards individual health promotion. Employees can also attend health-related seminars and courses or pursue diverse sporting and exercise activities as members of the SNB sports club.

Occupational health management

Staff restaurants at both the Berne and Zurich locations offer a balanced diet, with emphasis on seasonal as well as local and sustainable produce. Menus are put together in accordance with the guidelines issued by the Swiss Society for Nutrition (cf. chapter 4.2, box 'Staff catering and sustainability').

For the health management offering to realise its full impact, people have to make use of it. This is where the ‘SNB Fit Challenge 2019’ came in. Its engaging approach encouraged staff to inform themselves about health-relevant topics and respond by taking part in the diverse activities on offer. Over the course of three weeks, the competition motivated 235 employees in 42 teams to engage with the issue of health and performance.

Social responsibility

The SNB provides a case management service focused on the needs of the individual, aimed at ensuring that employees receive the best possible care if they are affected by illness or accident. It also seeks to provide optimal conditions for their rapid reintegration into the workplace. In addition, employees experiencing personal or work-related problems have access to external counselling services, anonymously and free of charge.

Volunteer work

The SNB promotes the social commitment and soft skills of its employees by organising volunteer work and allowing each member of staff one day off per year to participate. The SNB primarily works together with the organisation ‘Alpkooperation Hasliberg’ in this respect.

KEY FIGURES

	2015	2016	2017	2018	2019
Employees					
Headcount ¹	860	870	902	923	934
Full-time equivalents ¹	794.3	800.8	826.4	848.7	855.2
women (in percent)	31.2	30.5	31.7	31.6	31.8
men (in percent)	68.2	69.5	68.3	68.4	68.2
Staff fluctuation rate, total ² (in percent)	2.7	4.1	3.2	3.9	4.4
women	4.0	7.5	4.0	6.2	5.1
men	2.2	2.5	2.8	2.9	4.1
Occupational health and safety					
Days lost per employee	5.4	5.1	4.9	5.5	5.2
due to sickness	4.9	4.4	4.4	5.0	4.5
due to accident (at work or otherwise)	0.5	0.7	0.5	0.5	0.7
Training and further education					
Average no. of days training and further education per employee	3.8	3.8	3.4	2.7	3.8
Costs for training per employee (in CHF)	2 537	2 672	2 449	1 668	2 164
Staff participation in training and further education (at least one course per year, in percent)	71.9	63.9	49.3	67.6	45.9
Development of young talent					
Apprentices (commercial and IT)	24	25	20	21	22
Graduate interns	–	–	28	32	34
Diversity and equal opportunities					
Proportion of part-time employees ³ (in percent)	21.5	22.9	25.7	24.5	26.0
women	50.7	56.2	56.3	52.9	54.9
men	8.3	8.3	11.5	11.4	12.6
Women in middle management (in percent)	29.1	26.8	26.4	26.3	26.0
Women in senior management (in percent)	14.9	16.3	17.4	18.3	18.4
Average age	44.4	44.6	43.9	44.9	45.2
Average length of service (in years)	10.4	10.5	9.5	9.8	9.8
Internal recruitment ⁴ (in percent)	52.4	35.4	50.0	45.5	55.1
Foreign national employees (in percent)	10.6	11.0	12.0	12.3	11.9
Volunteer work (no. of employees)	57	50	46	28	22

1 Core staff as at 31 December, i.e. all permanent employees including those at the International Monetary Fund and at the Organisation for Economic Co-operation and Development but excluding apprentices.

2 Net change, i.e. all employees leaving the company, excluding retirements and deaths.

3 In keeping with the practice adopted by the Swiss Federal Statistical Office, only working hours of less than 90% are recorded as part-time.

4 Number of vacant positions filled by internal candidates.

– not available (data collected only from 2017 onwards)

3 Society

3.1 ECONOMIC EDUCATION

The SNB as a centre of expertise

The Swiss National Bank serves as a centre of economic expertise. It conducts in-house analysis and research in carrying out its statutory tasks. In so doing, the SNB consolidates and expands its existing knowledge base for its monetary policy decisions, while also ensuring that its economists keep up to date with the latest developments.

The SNB attaches great importance to passing on its economic expertise to the population, and to ensuring that the general public has a good basic understanding of economic matters. Its endeavours in this regard range from a study centre for central bankers and economists in Gerzensee, and an educational programme for schools, to an SNB information and events centre in Zurich. Added to this, the SNB makes part of its research available to the public.

Study Center Gerzensee – venue for academic research and training

The Study Center Gerzensee was set up as a foundation by the SNB in 1984 and acts as a venue for academic research and dialogue as well as a training centre for economists and bankers from Switzerland and abroad. The main areas of focus are doctoral programmes for economists and two to three-week courses for employees of foreign central banks. Gerzensee also hosts a number of academic conferences every year.

In 2019, six courses were held over a total of 15 weeks for employees of foreign central banks. All in all, 161 representatives from 86 central banks took part.

The Swiss Program for Beginning Doctoral Students ran for 13 weeks and six examination days. The 2018/2019 course was successfully completed by 34 participants, and 33 doctoral students are taking part in 2019/2020.

The Advanced Courses in Economics and Courses in Law and Economics for Doctoral Students and Faculty Members took place over eight weeks and were attended by 189 doctoral students, researchers and practitioners from Switzerland and abroad.

Five academic conferences were held at the Study Center Gerzensee on a range of economic topics. They ran for a total of 26 days with some 200 participants.

The SNB is particularly keen to promote basic economic and financial literacy. In light of the fact that the Swiss people are directly affected by monetary policy and regularly exercise their direct democratic rights to vote on economic issues, the SNB launched Iconomix (www.iconomix.ch) in 2007. This educational offering is aimed at stimulating interest in economic issues and explaining economic interrelationships.

Iconomix – an educational offering for schools

Iconomix supports the teaching of economics in Swiss upper secondary schools. The focus is on active, experiential learning. Accordingly, the offering includes educational games, simulations and case studies on various economic issues, such as the division of labour and trade, market and price formation, and monetary policy. In 2019, 1,410 economics and humanities teachers at upper secondary level – around one-third of the target audience of some 4,200 – made active use of the Iconomix web platform.

In 2019, Iconomix offered 103 teaching units in English, German, French and Italian. In addition to the units themselves, Iconomix has also put together links to resources on relevant and topical economic issues provided by third parties, including articles, videos, websites and interactive graphics. At the end of 2019, around 1,430 such links were available on the web platform. In the year under review, the freely accessible platform registered around 115,000 individual visits and nearly 73,000 downloads of digital teaching material. Added to this, some 900 class sets, including physical teaching resources in the form of game boxes and brochures, were ordered by schools. Furthermore, 22 events were held in the German-speaking and French-speaking parts of Switzerland, in which 540 teachers participated.

**Our National Bank –
information resource
for the general public**

‘Our National Bank’ is a resource aimed at schools and the general public. It consists of a website (our.snb.ch) and a brochure, providing easy-to-understand information about the SNB, its monetary policy, the importance of price stability, the history of the minimum exchange rate, and other topics. It is available in English, German, French and Italian.

**Lecture series, specialist
publications and university
lectureships**

In 2016, the SNB launched the ‘Karl Brunner Distinguished Lecture Series’ to publicly mark the centenary of the birth of Swiss economist Karl Brunner (1916–1989). In 2019, the guest speaker was Raghuram Rajan, a professor at the University of Chicago who was formerly Chief Economist at the International Monetary Fund and Governor of the Reserve Bank of India. His lecture was entitled ‘The Spillovers from Monetary Policy’.

In 2019, the first volume accompanying the lecture series, based on the lecture given by Stanford University professor John Taylor in autumn 2017, was published by the university publishing house MIT Press. The title of the book is ‘Reform of the International Monetary System – Why and How?’ The second volume, entitled ‘The Long Journey of Central Bank Communication’, also appeared in 2019. It is based on the lecture given in autumn 2018 by Otmar Issing, former Chief Economist and Executive Board member of the European Central Bank.

The SNB makes part of its research publicly available in two series of publications, *SNB Working Papers* and *SNB Economic Studies*. In addition to this, the SNB’s research activities are set out in detail for the general public in the annual *SNB Research Report*, and are summarised in the accountability report submitted to the Federal Assembly, which forms part of the SNB’s *Annual Report*.

SNB economists also lecture at Swiss universities, imparting practical macroeconomic knowledge and specific expertise in particular areas such as financial stability and the money market. In 2019, they gave a total of 21 lecture series, with a focus on macroeconomics and monetary economics.

In October 2019, the Swiss National Bank inaugurated the SNB Forum in Zurich. Open to the public, it is designed to provide a broad range of information. In the reception area visitors can find out about what the Forum has to offer and the events being held there. They can also spend time exploring an interactive digital media wall featuring banknotes and selected SNB-related topics, while a small walk-in gallery with a wall book shows how the new banknote series was developed. Visitors interested in learning more about the SNB can obtain additional resources from the information centre's service desk, including literature from the library, archive material, statistics and publications.

SNB Forum information and events centre in Zurich

The information centre also provides workstations for visitors and an opportunity to talk with SNB employees. The conference infrastructure in the Forum is used by the SNB for events. Visitors' offices are available to external researchers and advisors working temporarily at the SNB.

3.2 STANDARDS AND VALUES

The SNB subscribes to overarching standards and values which guide its conduct. These are set out in its Charter, among other places. Credibility is the SNB's most important asset. In performing its activities, it aims to foster confidence and safeguard its reputation. Its corporate governance ensures that the organisation and processes are geared to fulfilling its mandate and protecting its standing as an institution. The SNB is committed to operational sustainability, and takes the conservation of natural resources into account when carrying out its operational activities.

Charter and Code of Conduct

In its Code of Conduct, the SNB sets out the values and principles underlying the behaviour expected of employees. This is of paramount importance since the SNB's reputation is largely determined by the integrity, professionalism and behaviour of each and every one of its employees. The Code of Conduct is supplemented by internal requirements such as directives and guidelines that are binding on all employees.

Compliance unit	Compliance is an essential element of good corporate governance. It promotes a corporate culture of integrity and adherence to rules, thereby protecting the good reputation of a company and contributing to a business environment based on good faith. The SNB's Compliance unit supports measures to create sustainable processes, and ensures that the Charter, Code of Conduct, and the pertinent rules and regulations of the SNB are implemented.
Employees' private financial investments and transactions	SNB employees are subject to certain restrictions in relation to private financial investments and transactions, in order to avoid the misuse of confidential information that is not in the public domain. The restrictions are also intended to protect employees against suspicions of misuse of information. Regular checks are made to monitor compliance with these rules.
Gifts and invitations	SNB employees are also obliged to adhere to rules on gifts and invitations. These rules serve to preserve objectivity and freedom of action in business matters by preventing dependency, undue influence, bribery and corruption. This protects the reputation, integrity and independence of the SNB.
Procurement	The principles governing procurement are intended to reduce procurement risks that can lead to reputational damage or otherwise be detrimental for the SNB. These principles include avoiding conflicts of interest and ensuring confidential treatment of information and diligent documentation of the steps in the procurement process.
Challenges created by new technologies	The process of change resulting from digital transformation also affects the SNB. Among other things, new technologies make it possible to process data efficiently and systematically. One of the challenges in undertakings of this sort is to ensure data protection.

While the diverse ways of using social media and mobile devices are creating new opportunities for communication, they also entail risks for the SNB and its employees, for example in the form of reputational damage and breaches of secrecy. It is thus all the more important from an information security perspective that there are clear rules and processes in place to ensure employees use such media and devices prudently and responsibly.

3.3 ART AND CULTURE

The SNB has been acquiring works of contemporary Swiss art annually since 1980. The collection contains around 2,000 pieces, including paintings, drawings, photographs, prints, object art and videos. These works of art are used to furnish the SNB’s premises and, on occasion, pieces are lent to museums. Since 1997, the art holdings have been managed by a curator, who works with the internal Art Commission to build the collection.

Art holdings

Maintaining these holdings allows the SNB to support Swiss artists, and thus to make a cultural contribution while meeting its operational requirements. The aim is also to lend the SNB a contemporary image by making its premises and workspaces appealing and attractive. Employees are offered guided tours of museums, exhibitions and the SNB’s buildings. In 2019, three tours were organised at the Kunsthau Zürich and the Kunstmuseum Bern. In addition to this, the Berne and Zurich head offices each held an internal vernissage with guided tours by the artists themselves.

Contributing to culture through art

Besides acquiring movable artworks, when renovating its properties the SNB commissions artists to create works of art specifically for the sites in question. The fact that such works are inseparably linked with these spaces gives them a special resonance. In 2019, there were 13 works of art on display at the SNB that had been designed specifically for its premises. They include a work in the cashier’s hall in the main building in Zurich, one in the foyer of the Nüscherstrasse building, and one at the Seefeldstrasse site in Zurich. These three works can be seen by the public.

Art in architecture

4 Environment

4.1 CONSERVING NATURAL RESOURCES

In conducting its operational activities, the SNB consumes energy, water and resources, as well as producing waste and engaging in business travel and transport. In its Charter, the SNB undertakes to be careful in its use of natural resources.

Environmental management

The SNB has been implementing environmental initiatives since as far back as 1989. In the first few years, these measures were primarily geared to improving the energy performance of its buildings. In 1996, it introduced a systematic approach to environmental management and has since carried out an annual assessment that reports on the environmental impact of its operational activities and highlights areas for improvement. For the financial years from 2009 to 2016, the SNB published an annual environmental report in German and French. Since 2019, it has provided information on its environmental management activities and the progress made in a report on operational sustainability.

TERMS AND DEFINITIONS

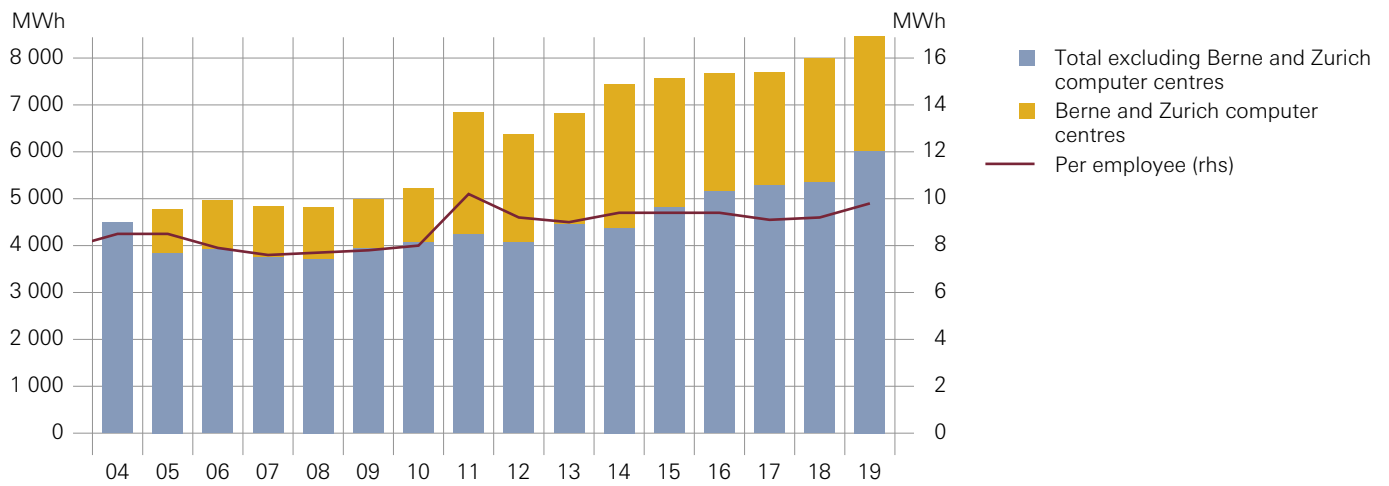
CO ₂	Carbon dioxide
CO ₂ equivalents	Greenhouse gases converted into the corresponding amount of CO ₂
kWh / MWh	Kilowatt hour / megawatt hour: units for measuring energy 1 kWh corresponds to approximately the energy from 1 dl of heating oil, 1 MWh is 1,000 kWh
Heating degree days	The total of the daily calculated difference between the room temperature (20°C) and the daily average outside temperature on all heating days over a specific period
Greenhouse gases (GHG)	Gaseous substances that contribute to the greenhouse effect: carbon dioxide (CO ₂ , used as the reference value), methane (CH ₄), nitrous oxide (laughing gas, N ₂ O), hydrofluorocarbons (HFCs) and sulphur hexafluoride (SF ₆)

4.2 ENVIRONMENTAL PERFORMANCE

System boundaries

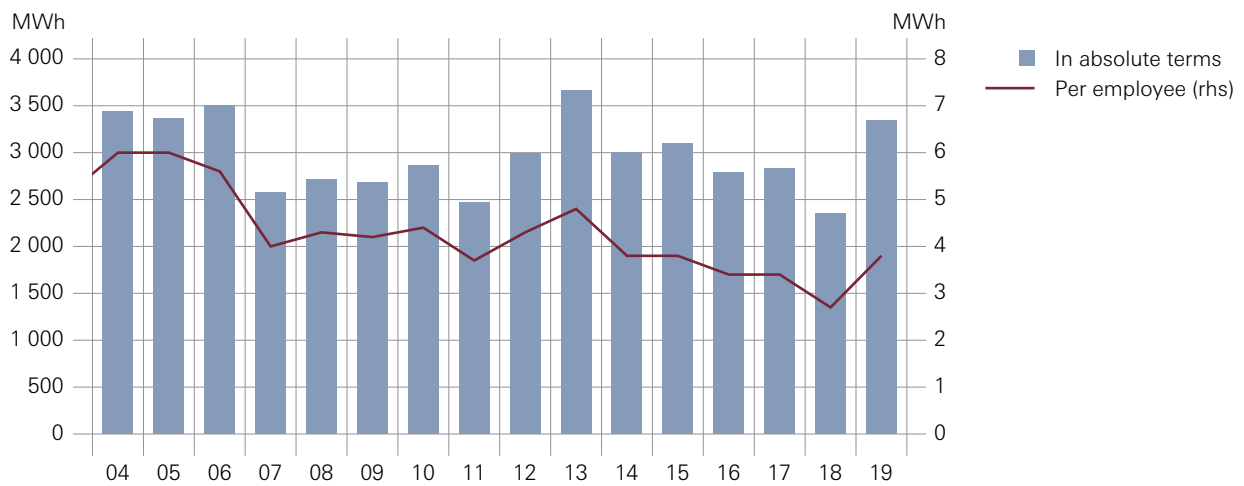
The system boundaries define the scope of the environmental data reported in the Sustainability Report. The data relate to the SNB's operational processes, which primarily take place in Berne and Zurich. This includes the processing and distribution of banknotes as well as their disposal. Also included within the system boundaries are the representative offices the SNB maintains in addition to its head offices in Berne and Zurich, its Singapore branch, and its holiday and training centre in Hasliberg.

ELECTRICITY CONSUMPTION



Source: SNB

HEATING ENERGY CONSUMPTION



Source: SNB

Electricity

At 8.6 million kWh, the SNB's electricity consumption was up 6.7% in 2019 compared with 2018, and the average figure per employee rose by 5.8% to 9,780 kWh. The increase in consumption is due to the recommissioning of the main building in Berne and the Fraumünsterstrasse property in Zurich following renovation. Electricity consumption at the computer centres declined by just under 5%.

Heating energy

Heating energy consumption rose by 42% to 3.3 million kWh. This was largely attributable to the recommissioning of the two renovated buildings in Berne and Zurich. Added to this were year-on-year increases in the number of heating degree days in Berne (+7%) and Zurich (+6%).

Other energy consumption

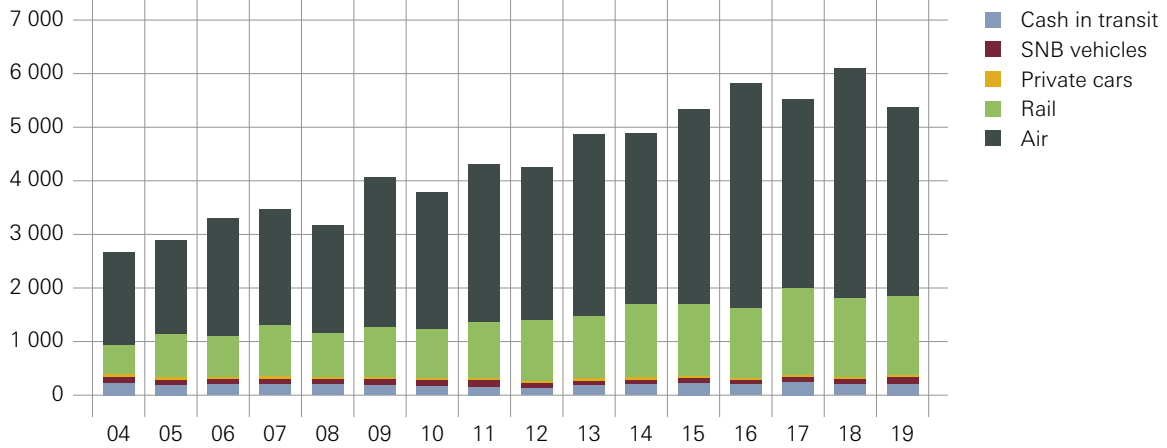
A solar heating system has been in operation at the Hasliberg centre since 1999. The heat generated by this system came to 35,500 kWh in 2019; this covered 18.4% of the centre's heating energy needs. Overall energy consumption was reduced by 9.0% year-on-year, with electricity down by 8.4% and heating by 9.5%. This marked reduction is attributable to the fact that the Hasliberg centre was closed for two weeks longer than normal in the autumn owing to renovation work (sewage system).

The SNB has representative offices in Basel, Geneva, Lausanne, Lucerne, Lugano and St Gallen for the purposes of monitoring economic development in the regions. Electricity consumption in these offices totalled 19,000 kWh in 2019, down slightly from the 2018 level.

Electricity consumption at the SNB's branch office in Singapore is used primarily for air conditioning. It amounted to 58,800 kWh in 2019, just under 1% lower than the year before.

BUSINESS TRAVEL AND TRANSPORT

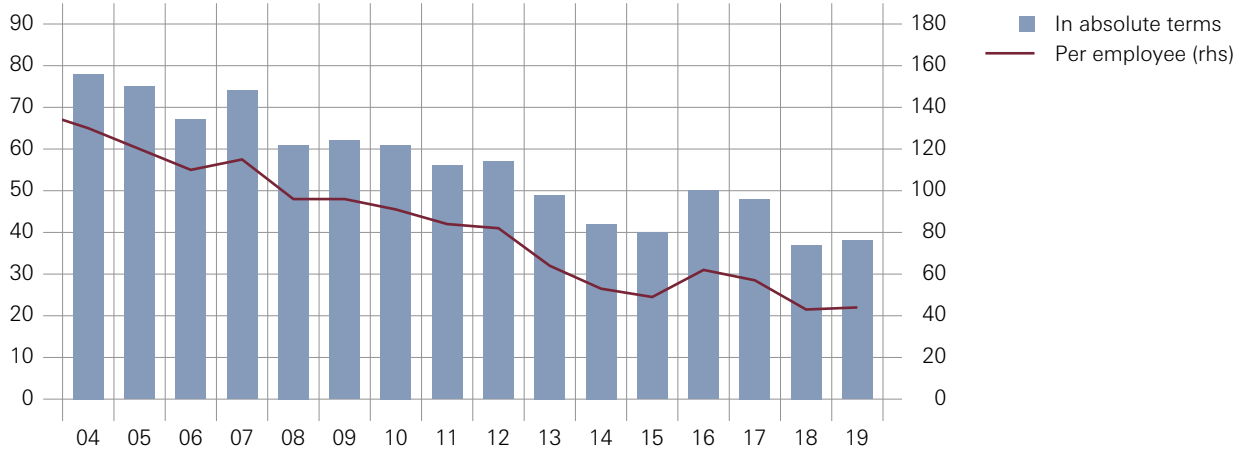
In thousand km



Source: SNB

PAPER CONSUMPTION

Tonnes



Source: SNB

Business travel and transport	<p>Business travel and transport covers both travel by SNB employees for business purposes and cash in transit. In 2019, business travel and transport declined by 12.0% year-on-year to 5.4 million km, which translates into a 12.4% decline in the average figure per employee to 6,150 km. Air travel was 18.2% lower year-on-year. The number of kilometres travelled in SNB vehicles and private cars for business purposes increased, while the corresponding figures for rail travel and cash in transit remained stable.</p> <p>The vast majority of employees commute by public transport or by bicycle. The SNB supports this by providing all employees with a half fare travelcard for Swiss railways and by offering bicycle parking facilities.</p>
Paper	<p>Overall paper consumption came to 38.2 tonnes in 2019. Despite the printing of two information brochures for the new 1,000-franc and 100-franc banknotes, this corresponded to only a slight year-on-year increase (2.3%). The reason for this was lower consumption of copy and printer paper (–11.1%). The average consumption of paper per employee came to 43.6 kg (+1.4%).</p>
Water	<p>At 12,640 m³, water consumption was 1.3% higher than in 2018. Average consumption per employee totalled 14,620 litres, corresponding to 58 litres per working day (+0.6%).</p>
Waste	<p>Office waste (paper, packaging, electronic waste, etc., excluding building and banknote waste) was 3.3% higher year-on-year at 94 tonnes. This corresponds to a figure of 109 kg per employee.</p>
Performance indicators	<p>The SNB's calculation and reporting of operational environmental performance indicators are based on the 2018 version of the indicators published by the German association for environmental management and sustainability in financial institutions (VfU).</p>

OPERATIONAL ENVIRONMENTAL PERFORMANCE INDICATORS¹ (IN ABSOLUTE TERMS)

	2018	2019	Change In percent
Energy (MWh)	10 360	11 890	+ 14.8
Electricity (MWh)	8 010	8 550	+ 6.7
Heating (MWh)	2 360	3 340	+ 41.5
Business travel and transport (in thousand km)	6 105	5 370	- 12.0
Rail km (in percent)	24	27	
Road km (in percent)	6	7	
Air km (in percent)	70	66	
Paper (kg)	37 380	38 240	+ 2.3
Recycled paper (in percent)	70	60	
Water (m³)	12 480	12 640	+ 1.3
Waste² (tonnes)	91	94	+ 3.3
Recycling (in percent)	54	50	
Incineration (in percent)	45	49	
Landfill (in percent)	0	0	
Hazardous waste (in percent)	1	1	
GHG emissions (CO₂ equivalents, tonnes)	1 730	1 640	- 5.2

1 The figures are reported in accordance with the VfU standard for measuring the operational environmental performance of financial service providers. The method for calculating GHG emissions has been updated in line with the 2018 standard. Cf. www.vfu.de for details (in German only).

2 Excluding building and banknote waste as well as reusable beverage packaging.

OPERATIONAL ENVIRONMENTAL PERFORMANCE INDICATORS¹ (PER EMPLOYEE)

	2018	2019	Change In percent
Energy (kWh)	11 960	13 610	+ 13.8
Electricity (kWh)	9 240	9 780	+ 5.8
Heating (kWh)	2 720	3 830	+ 40.8
Business travel and transport (km)	7 020	6 150	- 12.4
Paper (kg)	43	44	+ 1.4
Water (l)	14 530	14 620	+ 0.6
Waste ² (kg)	106	109	+ 2.8
GHG emissions (CO ₂ equivalents, kg)	1 990	1 880	- 5.5

1 The figures are reported in accordance with the VfU standard for measuring the operational environmental performance of financial service providers. The method for calculating GHG emissions has been updated in line with the 2018 standard. Cf. www.vfu.de for details (in German only).

2 Excluding building and banknote waste as well as reusable beverage packaging.

Staff catering and sustainability

The SNB places great emphasis on ensuring that the catering services for its employees take environmental and social factors into account. In 2017, the SNB's staff restaurants introduced the 'ONE TWO WE' programme, run by its catering partner SV (Switzerland). The programme involves optimising supply chains, offering a greater proportion of seasonal and local ingredients, using more Fairtrade products, and taking specific steps to minimise the environmental impact.

All of the meat offered is now from Switzerland, with 63% from livestock kept in particularly animal-friendly conditions. Until 2019, all of the fish used came from sustainable production, with 55% ASC/MSC-certified. From 2020, fish will be sourced almost exclusively from Switzerland. In the case of shell eggs and milk, only Swiss organic products have been used since 2019.

Since August 2019, as part of reCircle, an initiative designed to avoid waste and to conserve resources, the SNB's staff restaurants have provided reBOX takeaway tableware, which can be reused.

Thanks to the 'ONE TWO WE' programme, the SNB was able to reduce GHG emissions from staff catering services by 19% (Zurich) and 15% (Berne) between 2016 and 2018.

Environmental management at SNB properties

In the last ten years, the SNB has converted and renovated a number of premises that it uses itself, these being historical buildings in the inner city areas of Berne and Zurich.

Environmental management is an important factor in conversions and renovations. The SNB endeavours to take a consistent approach to greater sustainability. The biggest challenge lies in meeting more stringent indoor climate requirements while reducing energy consumption. The priority used to be heating, but these days it is more about dissipating surplus heat. Reasons for this include the higher internal heat loads resulting from ever greater numbers of electronic appliances, as well as increasing workspace density.

Whenever renovation is undertaken, buildings are equipped with modern, energy-efficient building technology. In the case of heating, the focus is on finding alternatives to fossil fuels. When it comes to the building shells, the emphasis is on improving the energy performance of windows and, where possible and practical, roof insulation. Since these are historical buildings comprising old materials, insulating their shells can be problematic from a structural perspective. The relevant historic preservation requirements must also be met.

In Zurich, the Fraumünsterstrasse and Seefeld properties are connected to the lake-water network of ewz, Zurich's municipal electricity utility, and are heated and cooled with lake water. The Metropol building is also cooled with lake water but is heated exclusively with biogas, as are the main building on Börsenstrasse and the Nüscherstrasse property. In Berne, the main building on Bundesplatz and the nearby Kaiserhaus premises are district heated.

Steps taken at the various properties in recent years are reducing GHG emissions and thus helping to protect the environment. The option of a photovoltaic installation on the roof of the main building in Zurich is currently being examined to assess whether it is technically feasible and viable for approval. The intention behind this project is to enable the SNB to meet its environmental target of covering 1% of its overall electricity requirements with photovoltaic technology by 2025.

**Environmental goals
for climate protection**

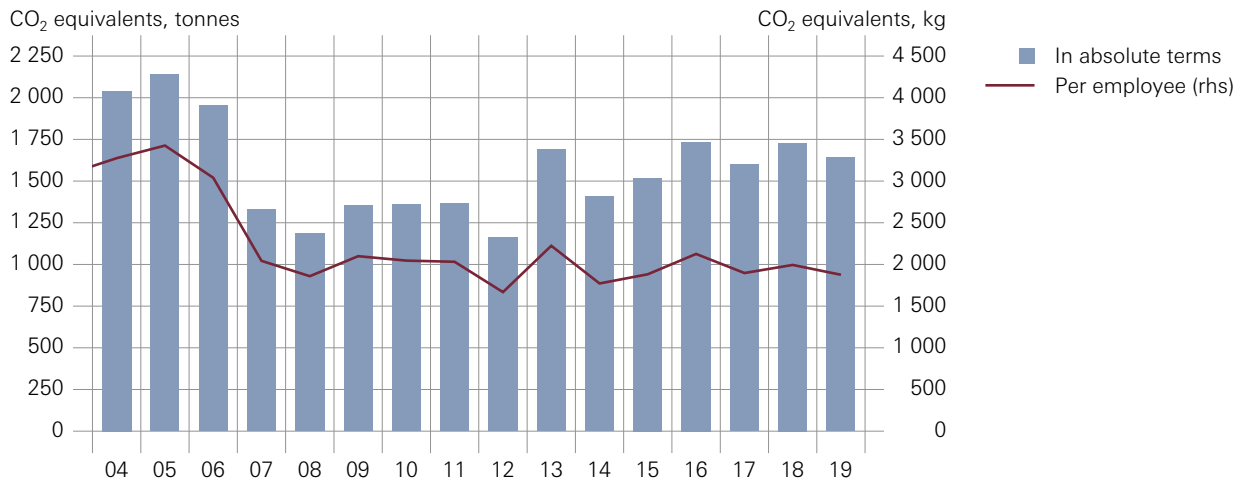
4.3 CLIMATE PROTECTION

The SNB regards climate change as a particular challenge for the environment, the economy and society. For the 2009–2016 period, it set itself environmental goals focused on climate protection, while also addressing the areas of resource conservation and energy efficiency. It defined a climate strategy to this end, from which it derived measures to be implemented. The SNB has set new climate protection goals for the 2016–2025 period in the areas of electricity consumption from renewable energy, business travel and transport, and GHG emissions. It conducts an annual review of its performance in achieving its targets compared to the reference year of 2016.

Environmental goals for climate protection 2016–2025

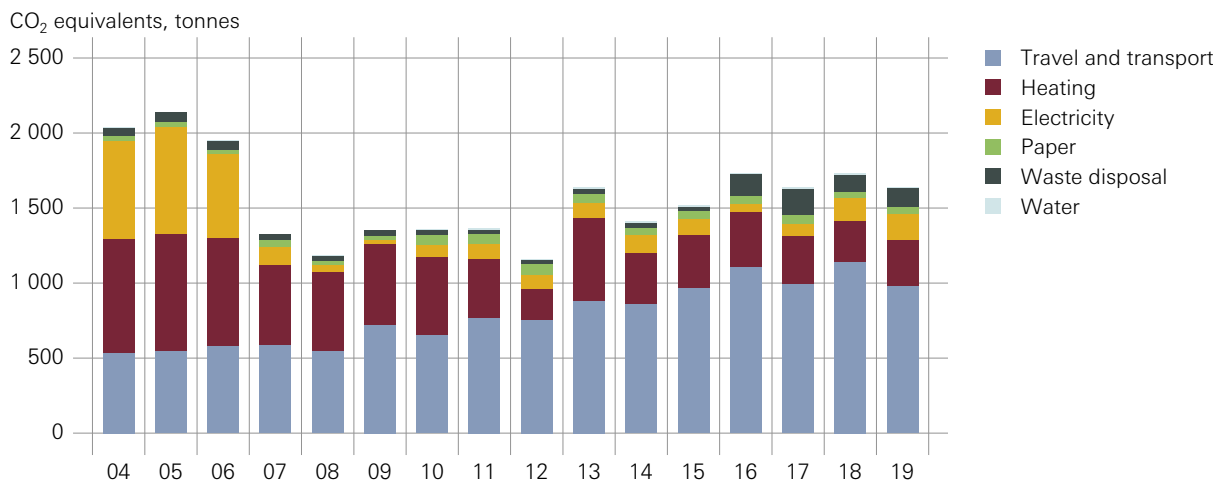
1. The SNB will continue to meet 100% of its electricity consumption with renewable energy.
 2. The SNB intends to produce at least 1% of electricity from its own photovoltaic installations.
 3. Business travel and transport per employee will be stabilised, and reduced if possible.
 4. GHG emissions per employee will be lowered by 10%.
 5. Residual, unavoidable GHG emissions will continue to be 100% offset.
-

TOTAL GREENHOUSE GAS EMISSIONS



Source: SNB

GREENHOUSE GAS EMISSIONS BY USE



Source: SNB

The SNB's strategy for cutting operational GHG emissions and thereby protecting the climate comprises four levels: first avoidance, then reduction, then using low-emission alternatives, and finally, offsetting.

At level 1, namely avoidance, the energy consumption of the technical installations and their settings are regularly checked, with adjustments and optimisations carried out as required. Furthermore, efforts are made to encourage environmentally conscious behaviour among employees.

In order to lower GHG emissions, a key consideration in any capital spending is reducing the consumption of resources and improving energy efficiency. In renovation work, technical and structural measures such as lake-water cooling are employed.

Renewable energy is used as an alternative to fossil natural gas. Since 2018, the SNB has covered its entire gas requirements at its Zurich premises with the biogas generated by the company Energie 360° at regional biogas plants from organic material such as green waste and food waste. Since 2009, the SNB's locations in Switzerland have used 'green electricity' from hydroelectric and solar power.

Since 2011, the SNB's operational processes have been carbon neutral, with residual, unavoidable GHG emissions being offset.

Climate protection projects and emission reduction certificates

The use of emission reduction certificates to offset GHG emissions is one component of the climate strategy pursued by the SNB. It involves offsetting the portion of emissions that cannot be avoided, for example those arising from business travel by air. The SNB acquires the certificates and has the corresponding GHG emission reductions credited.

It makes no difference for the global climate where the emissions are reduced. Costs for cutting emissions can vary considerably from country to country. Hence a greater climate protection impact can be achieved with the same amount in countries where reduction costs are low compared with countries such as Switzerland where the costs are comparatively high. Emission reduction certificates make it possible to trade reductions in greenhouse gases achieved by climate protection projects.

Climate protection projects must bring about a reduction in GHG emissions that is measurable in accordance with internationally recognised standards. The SNB supports the following three projects:

Wind farms in New Caledonia: The wind farms in New Caledonia use modern technology to generate renewable energy and at the same time address social and environmental problems. The project supports the local economy by creating on-site jobs during the construction and operating phase. Thanks to the use of new technologies, it also facilitates the transfer of know-how.

Dora II geothermal energy project in Turkey: The Menderes Graben geothermal field is used as a source of clean, renewable energy. The project has environmental benefits because it provides an alternative to electricity generated from fossil fuels. It also promotes the renewable energy sector in Turkey, as well as benefiting local communities by creating jobs.

Photovoltaic plants in Thailand: The project involves installing and operating ten solar photovoltaic installations in central Thailand. This reduces Thailand's dependence on energy imports by covering the energy needs of surrounding communities. Beyond this, the project helps improve the local infrastructure and creates jobs in manufacturing, installing, operating and maintaining the plants.

Validation reports for the three projects are published in official registers and can be accessed in the Gold Standard registry (www.goldstandard.org), where project descriptions and monitoring reports are also available.

The Greenhouse Gas Protocol (www.ghgprotocol.org) is an internationally recognised standard for measuring GHG emissions. Emissions are classified into 'scopes', to which direct and indirect emissions are allocated.

GHG emissions in line with the Greenhouse Gas Protocol

In its operational activities, the SNB's direct emissions (scope 1) result from heat generated using fuel, cash in transit, and work-related employee travel in SNB vehicles. Indirect emissions (scope 2) are generated in the production of electricity and district heating at the respective suppliers. Other indirect emissions (scope 3) arise from the upstream and downstream stages involved in biogas production, paper manufacturing, water treatment, rail transport, flights, waste disposal, and employee use of private cars for business purposes. In 2019, the bulk of GHG emissions were generated in scopes 2 and 3 (8% and 86% respectively), with just 6% directly attributable to SNB operations (scope 1).

GHG emissions in 2019

In 2019, GHG emissions fell by 5.2% to 1,640 tonnes of CO₂ equivalents. Given their fossil fuel consumption, business travel and transport (above all, air travel) and heating remained the primary causes of GHG emissions at 59.5% and 19.0% respectively. Electricity consumption produced 10.5%. Paper usage accounted for 2.5%, while waste disposal made up 8.0% and water consumption 0.5%.

GHG emissions per employee came to 1,880 kg, a reduction of 5.5% compared with 2018.

Air travel and GHG emissions

In terms of distances covered, employee flights account for by far the largest part of business travel and transport at the SNB. The number of kilometres flown has more than doubled, from 1.7 million kilometres in 2004 to 3.5 million in 2019, although there has been a stabilisation in this regard in recent years. A considerable part of this growth has been connected with the SNB's increased involvement in international monetary cooperation and memberships in international organisations. Since the venues of international meetings and conferences change from year to year, the number of kilometres flown by employees also fluctuates. For example, for a number of years the meetings of central banks held under the auspices of the Bank for International Settlements have regularly taken place at the BIS's representative offices in Asia and Latin America, and not just at its head office in Basel. Employee transfers between the SNB's branch office in Singapore and Switzerland are also a factor.

Air travel is one of the most significant sources of GHG emissions at the SNB. Flights not only increase its GHG footprint, they also place considerable demands on employees. In recent years this has prompted the SNB to considerably expand its video-conferencing facilities. This infrastructure is well used. Worthy of particular mention is the use of digital devices for regular communications with employees at the SNB's branch office in Singapore.

In 2019, overall GHG emissions per employee were 11.6% lower than in the reference year of 2016. Business travel and transport per employee was reduced by 14.1%.

Achievement of climate protection goals

ENVIRONMENTAL GOALS FOR CLIMATE PROTECTION 2016–2025: PROGRESS TOWARDS TARGETS

	Target by 2025	Status 2019	Reference year 2016	Change by 2019 (in percent)
Climate change				
Electricity from 100% renewable energy (in percent)	100	100	100	
At least 1% electricity from own photovoltaic installations (in percent)	1	0	0	
10% reduction in GHG emissions per employee (CO ₂ equivalents, kg)	1 913	1 880	2 126	-11.6
Residual, unavoidable GHG emissions 100% offset (in percent)	100	100	100	
Business travel and transport				
Stabilisation of business travel and transport per employee (km)	7 153	6 146	7 153	-14.1

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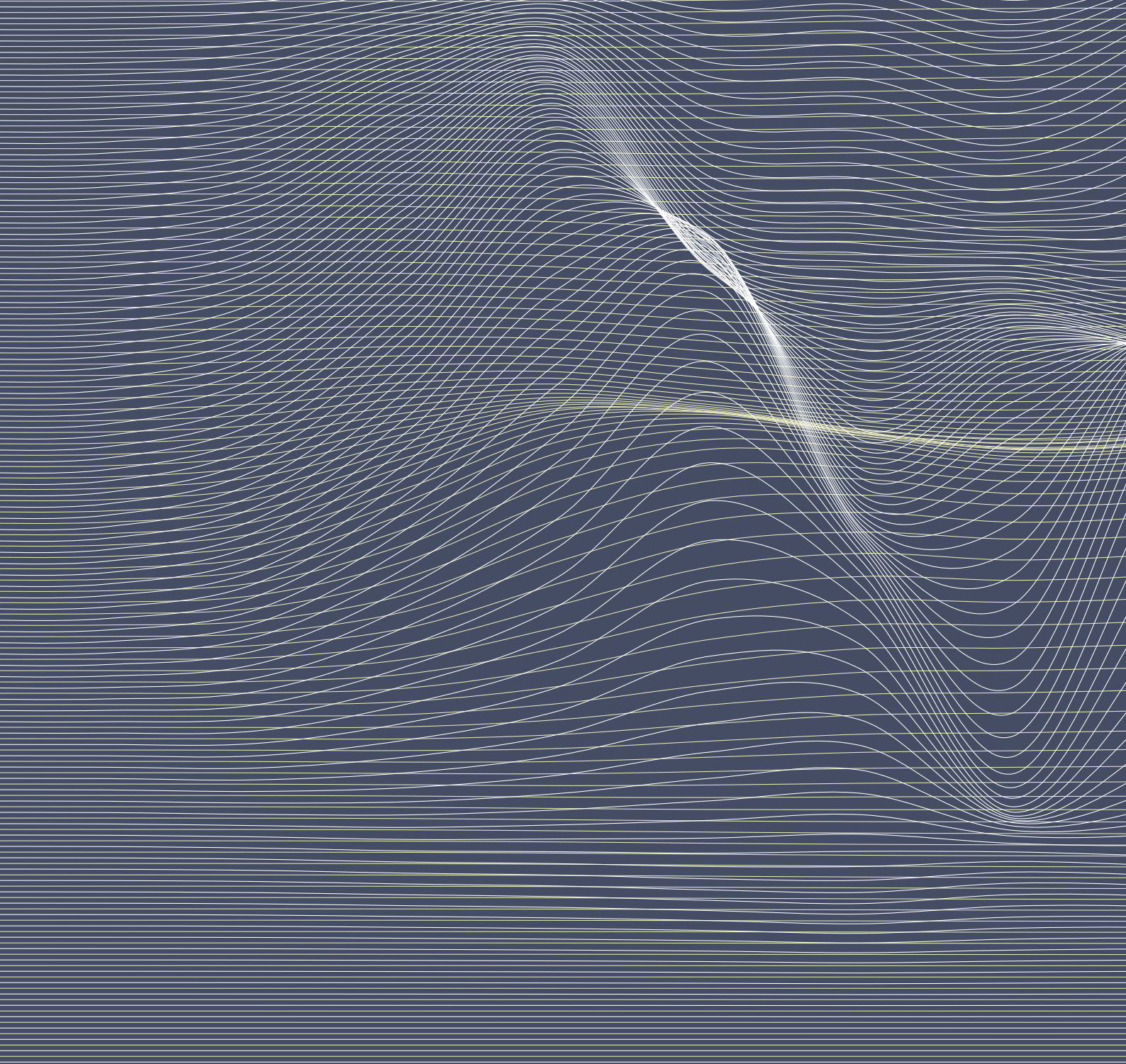
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