

## **Charter**

### Swiss Securities Post-Trade Council (swissSPTC)

Gender-Neutral Language Disclaimer: We are committed to inclusivity and readability in our communications. We are committed to reduce as much as possible the use of gender-specific terms. Any remaining use (for instance of personal nouns or pronouns) is intended to be understood as gender-neutral.

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## 1 Mandate

The Swiss Securities Post-Trade Council (swissSPTC) is an autonomous and independent market committee for the Swiss market (home market).

The swissSPTC deals with issues for the entire post-trade securities area and, in close coordination with the market, develops the foundations for decision-making on which to take resolutions in the swissSPTC. The decisions of the swissSPTC represent the consolidated opinion of the members and are taken by majority vote. They are always accompanied by a firm recommendation for their implementation by the members of the swissSPTC. In its decisions, the swissSPTC takes into account the role of the national financial market infrastructure, based on the Financial Market Infrastructure Ordinance (FMIO) Art 52.

The Liechtenstein financial centre and its participants are closely linked to the Swiss market and use the Swiss financial market infrastructure of SIX. On the basis of the "Currency Treaty between the Swiss Confederation and the Principality of Liechtenstein", Liechtenstein uses the same national currency, the Swiss franc (CHF), and processes trade and post-trade transactions based on conditions and standards in line with those applicable to Swiss participants. Unlike Switzerland, Liechtenstein is an EEA member. Therefore, EU legislation for the financial sector can be adopted in the EEA and thus become binding. However, from an EU point of view, Switzerland is a third country. It is from this perspective, that the swissSPTC mandate must be assessed and applied to Liechtenstein. Discrepancies from a legal perspective are taken into account accordingly. The swissSPTC is composed of various market participants in the Swiss securities value chain and the representations of Liechtenstein banks, which mirror the diversity of the home market.

The topics are mostly driven by standardisation, harmonisation, regulatory changes and trends in the securities industry in general (especially the EU and UK). The goal is to maintain and further develop a progressive, innovative home market and thus ensure its competitiveness.

In addition, the swissSPTC is the point of contact for domestic and foreign entities in case of enquiries, consultations and responses in the post-trade area in relation to the home market.

In the context of its activities, the swissSPTC is subject to Swiss competition and antitrust law as well as its relevant notices and ordinances:

- Swiss competition and antitrust law applies without restriction, and each individual participant is obliged to comply with them at all times;
- Should a participant at any time consider Swiss competition and antitrust law to be breached or is potentially likely to be breached, they are required to address this immediately and inform all members.

## 2 Members

The swissSPTC is composed of representatives, some of whom are entitled to vote and some without voting rights, of the Swiss Value Chain in the financial sector of the home market. A maximum membership of 25 representatives shall not be exceeded.

- For the purpose of reporting and possible cooperation with other expert committees in the market, permanent members without voting rights are invited in order, thus, to realise a subject matter-specific interface (e.g. chairpersons of expert committees, liaisons to other associations, providers of back-office services, etc.)

- If required, further representatives of permanent member institutions and/or representatives of other committees/associations/authorities (domestic and foreign) may be invited as guests on specific topics.

## 2.1 Composition

Basically, the swissSPTC employs the principle of association precedence, i.e. whenever an interest group has established its own association, the interest group is represented in the swissSPTC by its association delegate. If there is no such association, institutions only represent the interests of individual members of the Swiss Securities Value Chain. The swissSPTC reserves the right to deviate from the principle of association precedence if it is considered not to be sufficiently conducive or yield sufficient representativeness. Based on this background, the following composition can be derived.

### 2.1.1 Permanent Members with Voting Rights:

(1 vote per category/entry, unless otherwise mentioned)

- Bank representatives
  - Major banks (2 votes)
  - Cantonal banks
  - Foreign banks
  - Private banks
  - Liechtenstein Bankers Association (LBA)
  - Swiss regional banks
  - Raiffeisen banks
  - SNB (Operations)
  - Postfinance
  - Back office service providers
- Infrastructure
  - SIX Securities Services Ltd
  - SIX Financial Information Ltd
  - SIX Digital Exchange Ltd (SDX)
  - SIX Repo Ltd
- SwissBanking (SBA)
- SwissHoldings / Issuers (if applicable, link to Swiss Trade Association for SMEs)

### 2.1.2 Permanent Members without Voting Rights:

- Representatives of task forces or working groups
- Chairpersons of SIX Expert Groups
- Swiss Association for SWIFT & Financial Standards (SASFS)
- Swiss financial centre Representatives in foreign committees/groups/bodies/associations
- Representatives of associations in the innovation space (DLT, digital assets, etc.)

## 2.2 Nomination Process and Requirements

Representatives, both with or without voting rights, of institutions, associations or federations prepare for meetings, obtain information from their stakeholders, share this information for the purpose of formation of opinion within the swissSPTC and ensure the return information flow to their stakeholders.

- The "permanent members with voting rights" are nominated by the individual institutions and must be in an active employment with them. They are thus legitimised to represent their institution in votings/ballots/elections in the committee, but act in the overall interest of the home market in decisions and recommendations. The representatives contribute, to discussions on the respective issues and topics, the assessment of their institution/association and thus also its needs, so that the committee is able to conduct an effective formation of opinion.

- The "Permanent Members without Voting Rights" are nominated by the swissSPTC or can apply for membership in writing to the Chairperson. In accordance with the mandate and based on current issues of the swissSPTC and aspects of competition and antitrust law, the committee (voting members) decides on their admission.
- Members shall promote, within their institutions and associations, the flow of information and formation of opinion on swissSPTC topics and represent the position of the swissSPTC accordingly.
- Amongst others, members shall raise awareness of documents of the swissSPTC at their own specialist units within their institutions and associations, as these items serve to provide information and form opinion.

### **2.3 Duration of Membership, Continuity and Expulsion**

There is no limit of the duration of membership, neither as regards the institution/association nor its representatives. It is desired, with regard to the work in the committee, to achieve continuity and stability through specialist competency and low fluctuation of the respective representatives. In case of a permanent replacement of a representative, the predecessor should provide to his/her successor the necessary documents and information. Substitutes are permitted if the regular representative is prevented from attending.

Institutions, associations, federations or their representatives receive a notification or invitation to participate in the swissSPTC. Failing to attend three consecutive swissSPTC meetings will lead to expulsion. The membership of the institution, association or federation remains suspended until the swissSPTC has approved a request for readmission.

## **3 Chair and Vice Chair**

The chair of the swissSPTC is provided by the financial market infrastructure SIX and supported by a secretariate within SIX (see 6.0).

The vice chair is determined on a rotation basis by the swissSPTC at the beginning of a new annual period and is valid for the entire period.

## **4 Approach and Method of Working**

### **4.1 Convocation**

The swissSPTC shall be convened by the Chair in writing, by e-mail or, in case of urgency, by telephone. With the convocation, the place and time of the meeting as well as the planned agenda must be communicated and any documents and, if applicable, proposed resolutions must be made available.

The invitation shall be sent to the members at least 14 days prior to the meeting. Additional meeting documents shall be sent as soon as available.

The swissSPTC usually holds 4 meetings per year. The dates are agreed and fixed at the beginning of the new year at the latest. The meetings are organised according to a set agenda. The meetings can also take place by telephone/video conference, the chair determines the meeting format.

The language of the meeting is usually German.

## 4.2 Task Forces and/or Working Groups

The swissSPTC may set up temporary and topic focused Task Forces (TF) and/or Working Groups (WG). For these, the following guidelines apply mutatis mutandis:

- TFs and WGs are defined as needed along the priorities and focal points of the swissSPTC and employed to fulfil a given mission. Following their completion, TFs and WGs are disbanded again;
- TF and WG operate independently of the swissSPTC meeting schedule and organise themselves independently;
- The TF or WG shall be staffed on an ad hoc basis with the necessary technical experts from the institutions of the permanent members or with other technical specialists as required;
- The chairmanship of a TF or WG is usually taken over by a swissSPTC member;
- As a general rule, the chairpersons of the TF or WG report on the progress of their work at the ordinary meetings of the swissSPTC; they are also encouraged to report to the swissSPTC and seek clarification in the event of ambiguities in the mandate or other issues that influence or change the mandate;
- The meeting format and frequency shall be determined by the individual chairperson;

## 4.3 Communication

The swissSPTC is responsible for ensuring the communication of swissSPTC information, assessments, decisions, proposals, consultations, etc. in the home market and, if necessary, also across borders. Furthermore, the swissSPTC ensures the exchange of information from relevant associations, with technical experts, other decision-makers, the Swiss NSG and in particular the expert committees.

Communication with or any involvement of the Swiss and Liechtenstein authorities on swissSPTC topics is handled by the Financial Market Infrastructure SIX which maintains a regular exchange with the authorities. In the event of an immediate need for explicit communication/clarification with these authorities, the swissSPTC will submit a request to SIX (or SwissBanking, if applicable). A swissSPTC representative can represent the relevant topic as a guest at a meeting with the authorities.

The Swiss National Stakeholder Group (Swiss NSG) is mandated by the ECB to deal with issues in the European context. Its tasks and interfaces with the swissSPTC are laid down separately in the Swiss NSG's Terms of Reference. In these terms, the Swiss NSG draws heavily on the competencies of the swissSPTC. Close cooperation and collaboration are therefore necessary. The information flow is predominantly channelled through the chair of the swissSPTC.

The swissSPTC maintains a website for the publication of the most important documents such as the charter, list of members, statements and minutes (incl. expert committees).

## 4.4 Field of Activity

In addition to and within the above mandate, the following fields of activity arise (list is of an exemplary nature and neither conclusive nor weighted):

- Harmonisation and standardisation topics (regulatory and non-regulatory), mostly European but global topics are not excluded; it is a matter of assessing trends, developments and standardisations, of proposals for adoption, rejection, or, if necessary, partial adoption with adaptation to provisions in the Swiss market; in the European context, based on the creation of various reports from the home market, the swissSPTC acts as a "Market Implementation Group", in analogy to the established bodies abroad; the swissSPTC acts as a centre of competence in the home market with regard to post-trade topics in the securities area;
- The swissSPTC assumes the role of discussion platform on the home market on post-trade topics;

- In the case of Swiss and Liechtenstein draft legislation or regulations with securities relevance, the swissSPTC can be involved as required in terms of an advisory body for opinions/comments/responses from a practical perspective, provided this is in the interest of the entire Swiss Securities Value Chain;

The swissSPTC decides on the acceptance for treatment or rejection of a topic submitted to the swissSPTC.

#### **4.5 Decision-making/Adoption of Resolutions**

The swissSPTC can adopt recommendations or decisions which are then deemed to be a firm recommendation to the home market for their implementation by the members of the swissSPTC. If necessary, the swissSPTC may issue a circular decision among its members with a maximum notice period of 30 days.

The swissSPTC has the competence to make decisions for the home market, as the most important stakeholders are represented in it, appropriate specialist expertise is drawn upon and, if necessary, consultations are carried out in the home market.

Decisions are made by consensus whenever possible.

If a formal vote is necessary or desired, a decision will be taken by a simple majority of the institutions/associations/federations present and entitled to vote.

The swissSPTC has a quorum if at least two-thirds of the voting members according to 2.1.1 are present and therefore able to vote. Each eligible representation (institution/association) disposes of the allocated number of votes according to 2.1.1, even in the case of multiple representations. In the case where there is little consensus in the home market, the vote will be taken by a circular resolution. Whether this will be the case or not, will be decided by the swissSPTC.

For reasons of efficiency, electronic (e.g. e-mail) voting is also possible and should be provided for.

#### **4.6 Minutes**

Minutes shall be taken for each meeting of the swissSPTC.

The minutes shall record the place and date of the meeting, the names of participants and guests, the agenda, the quorum (number of votes), the resolutions and the pending items.

As a general rule, the minutes shall be available at the latest 2 weeks after the meeting and shall be electronically sent to all members and published on the website.

### **5 Confidentiality**

The members of the swissSPTC as well as their accompanying persons and guests are only bound to secrecy about those meeting content details and documents that are marked as confidential.

Confidential content will not be published on the swissSPTC website and will also be made "unrecognisable" or replaced with "confidential" in the published minutes.

The duty of confidentiality also applies with regard to documents and information given to the swissSPTC by third parties and marked as confidential.

## 6 Secretariat

SIX assumes the role of the secretariat, which deals with administrative matters and supports the chairperson and the members of the swissSPTC.

The tasks of the Secretariat shall include the following, in particular:

- Central contact for information, explanations and enquiries from swissSPTC members
- fulfilling all administrative tasks related to the swissSPTC
- Managing the swissSPTC website
- Handling of the nomination process for new members/applications
- Coordinating as well as preparing and dispatching documents
- Taking minutes at meetings of the swissSPTC and, as required, of the task forces and working groups
- Following up meetings incl. related placing of orders and monitoring of deadlines
- Drawing up the consultation drafts and conducting/evaluating the written votes

## 7 Compensation

Participation in the swissSPTC and in the task forces or working groups is not remunerated and expenses are not reimbursed.

## 8 Budget swissSPTC

The swissSPTC does not currently dispose of a budget. Extraordinary costs for analyses by third parties, legal opinions, etc. are defrayed by the market via the fees charged by SIX SIS or otherwise. The meetings of the swissSPTC are voluntarily held by members on an alternating basis and any costs incurred by the hosts are borne by the host institutions.

## 9 Changes and Entry into Force

The swissSPTC Charter may be amended or supplemented at the request of one or several voting members. The decision on amendments and their entry into force shall be made in accordance with paragraph 4.5 "Adoption of Resolutions".

This Charter shall be drawn up in both German and English; only the German version shall be binding.

The charter was adopted at the swissSPTC meeting on 21 March 2024 and will come into force on 1 April 2024.

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