S&P Global
Ratings

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Swiss and Liechtenstein Bank Ratings Affirmed Under Revised FI Criteria

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- We have reviewed our ratings on Swiss and Liechtenstein European banks under our revised "Financial Institutions Rating Methodology."
- We have affirmed the ratings on 20 banking groups; the outlooks remain unchanged.

FRANKFURT (S&P Global Ratings) Feb. 8, 2022--S&P Global Ratings today said that it has affirmed its issuer and issue credit ratings on the following banks in Switzerland and Liechtenstein and their subsidiaries. The affirmations follow a revision to our criteria for rating banks and nonbank financial institutions and for determining a Banking Industry Country Risk Assessment (BICRA) (see "Financial Institutions Rating Methodology," published Dec. 9, 2021, and "Banking Industry Country Risk Assessment Methodology And Assumptions," published Dec. 9, 2021). The affirmations include:

Liechtenstein

- LGT Bank AG (ICR A+/Stable/A-1, RCR AA-/A-1+)
- VP Bank AG (ICR A/Negative/A-1, RCR A+/A-1)

Switzerland

- Aargauische Kantonalbank (ICR AA/Positve/A-1+)
- Banque Cantonale Vaudoise (ICR AA/Stable/ A-1+)
- Banque Cantonale de Genève (ICR AA-/Stable/A-1+)
- Bank J. Safra Sarasin Ltd (ICR A/Stable/A-1)
- Basellandschaftliche Kantonalbank (ICR AA/Positive/A-1+)
- Basler Kantonalbank (ICR AA+/Stable/A-1+)and its subsidiary Bank Cler AG (ICR A-/Stable/--)
- Credit Suisse AG (ICR A+/Negative/A-1, RCR AA-/A-1+)
- Die Schweizerische Post AG (ICR AA+/Stable/A-1+)and its subsidiary PostFinance AG (ICR AA/Negative/A-1+)
- Glarner Kantonalbank (ICR AA-/Negative/A-1+)
- Graubuendner Kantonalbank (ICR AA/Stable/A-1+)
- Luzerner Kantonalbank (ICR AA/Stable/A-1+)
- Migros Bank (ICR A-/Stable/A-2)

- Raiffeisen Schweiz Genossenschaft (ICR A+/Stable/A-1)
- Schwyzer Kantonalbank (ICR AA+/Stable/A-1+)
- UBS AG (ICR A+/Stable/A-1, RCR AA-/A-1+)
- Zuercher Kantonalbank (ICR AAA/Stable/A-1+)

Our outlooks on the banks remain unchanged.

Our assessments of economic risk and industry risk in the respective countries also remain unchanged at:

- '2' and '2' for Switzerland
- '2' and '3' for Liechtenstein

These scores determine the BICRA and the anchor, or starting point, for our ratings on financial institutions that operate primarily in these countries. The trends we see for economic risk and industry risk remain stable for both countries.

In addition, the group stand-alone credit profiles (SACP) of the banks, and our assessment of the likelihood of extraordinary external support, remain unchanged under our revised criteria. Consequently, we have affirmed all our ratings on these banks, including our ratings on their subsidiaries.

LGT Bank AG (ICR A+/Stable/A-1, RCR AA-/A-1+)

We base our ratings on LGT Bank on its well established franchise within the international private banking business. The bank has a strong brand name and enjoys a stable ownership and management structure but faces intense competition and structural margin pressure in private banking. Our ratings also reflect our view that the planned carve-out of asset management activities will not materially impair the strong private banking franchise and its solid profitability. In our view, the key challenges the bank faces are higher market risk in the Princely Portfolio and inherent legal and reputational risks from private banking activities.

Outlook

The stable outlook reflects our view that high asset prices will support LGT's revenue streams over the coming 12-24 months. During that period, we also expect to gain more clarity on the local minimum requirement for own funds and eligible liabilities (MREL) and the implications for LGT Bank's issuance plans.

Downside scenario: We could take a negative rating action on LGT Bank if a plunge in asset prices triggered a notable reduction in the value of the Princely Portfolio and assets under management (AUM), weakening LGT's earnings capacity and risk-adjusted capital (RAC) ratio. While more remote, we could also consider a downgrade if lower earnings retention or larger acquisitions hindered the bank from maintaining strong capitalization or if the contemplated reorganization had unexpected negative implications for the business.

Upside scenario: We could consider a positive rating action if we expected LGT to accumulate bail-in-able instruments beyond our current expectations, resulting in an additional loss-absorbing capacity (ALAC) buffer above the adjusted threshold of 3.5% of S&P Global Ratings risk-weighted assets. This buffer would protect the bank's senior unsecured creditors should the bank become nonviable. However, we would consider an upgrade only if our comprehensive view of LGT were comparable with that of peers at the 'AA-' level, which is currently only a small group of global banks.

Ratings Score Snapshot

Issuer Credit Rating: A+/Stable/A-1

Stand-alone credit profile: a+

- Anchor: a-
- Business Position: Strong (+1)
- Capital and Earnings: Strong (+1)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and Adequate (0)
- Comparable Rating Analysis: 0

Support: 0

- ALAC Support: 0
- GRE Support: 0
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

VP Bank AG (ICR A/Negative/A-1, RCR A+/A-1)

The ratings reflect the bank's established niche position in private banking, particularly with financial intermediaries, benefitting from Liechtenstein's sound reputation as a hub for wealth management services. Under its revised strategy, VP Bank aims to transition toward an open wealth management platform that will likely benefit its potential fee income, but we also see risk of disintermediation. Our ratings also reflect VP Bank's outstanding capitalization, which will remain its key rating strength. We observed weaknesses in VP Bank's risk management after it took a large single credit loss in March 2020 amid high market volatility during the pandemic and we expect the improvements it has since initiated will take time to complete.

Outlook

The negative outlook on VP Bank reflects the uncertainty about the success of its remediation package and the speed at which it can improve its risk management and governance. The outlook over the coming 12-24 months also considers the challenges the bank could face in achieving the ambitious goals set out in its updated strategy given the competitive environment.

Downside scenario: We could lower the rating if we observe delays in improvements to VP Bank's risk management and governance, or further material losses. A downgrade could also occur if the bank is not able to defend its reasonably successful niche position in private banking under its revised strategy, which could bring into question the stability of its business franchise. A sizable acquisition could also constrain the rating should it materially erode the capital buffer, reflected in our RAC ratio dropping below 15%.

Upside scenario: We could revise the outlook to stable if VP Bank successfully implemented measures to eradicate the weaknesses in its risk management and governance, particularly in its Lombard book, because this would materially reduce the risk of large single losses amid heightened market volatility. An outlook revision to stable would also hinge on the success of the revised strategy, evident from continuing inflows of net new money that would result in stable to improving profitability despite persistent strong competition. We could also consider a stable outlook if we believed VP Bank had built a material buffer of bail-in-able capital that would protect senior unsecured creditors should the bank become nonviable. However, the regulator still needs to set VP Bank's MREL.

Ratings Score Snapshot

Issuer Credit Rating: A/Negative/A-1

Stand-alone credit profile: a

- Anchor: a-
- Business Position: Moderate (-1)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and adequate (0)
- Comparable Rating Analysis: 0

Support: 0

- ALAC Support: 0
- GRE Support: 0
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Aargauische Kantonalbank (ICR AA/Positive/A-1+)

The ratings balance the bank's solid franchise and business stability against the concentration risks arising from its focus on real estate lending in Aargau. We also factor in AKB's history of prudent risk management and cautious lending, supported by the customer loyalty instilled by cantonal ownership and the guarantee. AKB's capitalization is a particular rating strength as indicated by our projected RAC ratio, which we forecast will remain 20%-21% over the next two years. AKB's diversified funding profile is dominated by stable retail deposits, and we expect AKB to maintain its strong liquidity position. These factors inform the 'a+' SACP.

Furthermore, we consider AKB to be a government-related entity (GRE) with an extremely high likelihood of receiving timely and sufficient extraordinary government support in times of financial distress. We base this on our view of AKB's very important role for and integral link with its home canton, Aargau. We therefore apply a two-notch uplift to our assessment of AKB's SACP.

Outlook

Our positive outlook on AKB mirrors that on its owner and guarantor, the Canton of Aargau. We expect that AKB will continue to benefit as a GRE with an extremely high likelihood of receiving support from Aargau over the next two years, if needed. AKB will maintain its sound financial profile, in our view, underpinned by its very strong capitalization and sound earnings capacity over that period.

Downside scenario: We would consider revising our outlook on AKB to stable if we were to revise the outlook on Aargau to stable.

A downgrade could be triggered by significant weakening of AKB's role for or link with Aargau, for example because of changes in the statutory guarantee. However, we consider this scenario unlikely and expect AKB's existing obligations would be grandfathered.

Upside scenario: We could consider an upgrade over the next two years if Aargau's creditworthiness were to strengthen to 'AAA' or if AKB's SACP improved to 'aa-'. However, we regard the latter as unlikely, given the bank's already-high 'a+' SACP and our expectation that it will not change its concentrated business model or be able to materially improve its risk and funding position.

Ratings Score Snapshot

Issuer Credit Rating: AA/Positive/A-1+

Stand-alone credit profile: a+

- Anchor: a-
- Business Position: Adequate (0)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and Strong (0)
- Comparable Rating Analysis: 0

Support: +2

- ALAC Support: 0
- GRE Support: +2
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Banque Cantonale Vaudoise (AA/Stable/A-1+)

The rating reflects our view of the bank's dominant franchise in Vaud, supported by the favorable operating conditions for Swiss banks. The rating is also supported by its resilient and stable business model, solid capital base, and profitability. While we view its funding as in line with peers, its robust liquidity profile remains a support. The rating also reflects our view that risks are well managed, albeit with a concentration in Vaud's real estate markets and a sizable exposure to low-granularity trade finance activities. We therefore assess BCV's group SACP at 'a', which compares well with peers', in particular other Swiss cantonal banks.

We add three notches of uplift for GRE support to the group SACP to reflect our view that BCV benefits from a very high likelihood of receiving extraordinary support from the canton if needed. We view the links between Vaud and BCV as very strong and assess the role the bank plays within the canton as very important.

Outlook

Our stable outlook on BCV reflects the very high likelihood of support for the bank from the Canton of Vaud in the event of financial stress.

Even if BCV's credit quality changed such that we revised its group SACP downward or upward by one notch, we would not lower or raise our long-term rating on the bank, all else being equal. This is because, given our 'AAA' rating on the canton of Vaud, any one-notch revision of the SACP would be offset by an opposite change in the uplift we attribute for extraordinary government support. All else being equal, a two-notch change in BCV's group SACP, upward or downward, would likely result in a one-notch change (in the same direction) to the issuer credit rating, but we do not consider this a likely scenario in the next two years.

Ratings Score Snapshot

Issuer Credit Rating: AA/Stable/A-1+

Stand-alone credit profile: a

- Anchor: a-
- Business Position: Adequate (0)
- Capital and Earnings: Strong (+1)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and Strong (0)
- Comparable Rating Analysis: 0

Support: +3

- ALAC Support: 0
- GRE Support: +3
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Banque Cantonale de Genève (AA-/Stable/A-1+)

Our ratings on BCGE reflect the bank's dominant and well-anchored positions in its home market. BCGE's profitability is comparable to its Swiss cantonal peers' average. We add two notches of uplift to the 'a' group SACP to reflect our view of a very high likelihood of extraordinary support from the canton of Geneva if needed. This is derived from its very important role for and very strong link to the canton.

Outlook

The stable outlook on BCGE reflects our view that the bank will sustain core profitability broadly on par with that of its direct peers, including efficient cost control and contained cost of risk. It also reflects our belief that BCGE will keep its prudent approach to growth and maintain solid capitalization, mitigating high concentration in its home market and real estate.

Downside scenario: We could revise the outlook on BCGE to negative if profitability declines. This could happen, for example, if the interest rate environment significantly erodes its net interest margin or if new investments--notably in compliance, know-your-customer, or digitization--inflate the cost base. Elevated credit losses emerging from the bank's global commodity trade finance exposures, or a meaningful deterioration in credit risk overall, could also weigh on our ratings. Although extremely remote, we would view negatively any increase in the risk that the ongoing legislative initiative could affect BCGE's creditworthiness.

A negative rating action on Geneva could translate into a similar action on the bank. In addition, we could downgrade BCGE if the bank's role for, or link with, the canton weakens.

Upside scenario: An upgrade is a remote scenario because it would require both an upward revision of the group SACP and an upgrade of Geneva. If the bank increases its capital metrics to a level reflective of a higher capital and earnings score, we would likely not revise our group SACP assessment because we would factor in a combined view on the bank's capital and risk profiles.

Ratings Score Snapshot

Issuer Credit Rating: AA-/Stable/A-1+

Stand-alone credit profile: a

- Anchor: a-
- Business Position: Adequate (0)
- Capital and Earnings: Strong (+1)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and Adequate (0)
- Comparable Rating Analysis: 0

Support: +2

- ALAC Support: 0

- GRE Support: +2
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Bank J. Safra Sarasin Ltd (A/Stable/A-1)

Our rating reflects the J. Safra Sarasin Group's (JSSG) strong private banking franchise in Switzerland. Although the group is less diversified than universal banking groups with strong private banking franchises, its AUM has grown steadily over the years, translating into predictable earnings. We expect JSSG to maintain very strong capitalization, but we note the inherent reputational and operational risks--as for the industry as a whole--even if the group's track record is satisfactory. JSSG's sound funding and liquidity metrics reflect its private-bank business model.

Outlook

Our outlook reflects our expectation that JSSG will continue with its stable investment strategy and see resilient earnings over the next two years. We expect capitalization to remain very strong because of JSSG's earnings retention and likely shareholder support in the event of any large equity-consuming acquisition.

Upside scenario: An upgrade would hinge on JSSG continuing to improve its franchise, scale, and therefore profitability, while preserving its current financial risk profile.

Downside scenario: We could lower our ratings on the bank if its combined capital-risk position weakened markedly. This could occur if the share of non-investment-grade securities in the group's investment portfolio increased materially, or if substantial reputational and/or operational risks emerged. Downward rating pressure could also follow any potential large debt-funded acquisition.

Ratings Score Snapshot

Issuer Credit Rating: A/Stable/A-1

Stand-alone credit profile: a

- Anchor: a-
- Business Position: Moderate (-1)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and Adequate (0)
- Comparable Rating Analysis: 0

Support: 0

- ALAC Support: 0

- GRE Support: 0
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Basellandschaftliche Kantonalbank (ICR AA/Positive/A-1+)

Our ratings on BLKB reflect its stable earnings generation and exceptional capitalization compared to domestic and international peers. We view the bank's strong retail banking franchise in the Canton of Basel-Country and to a lesser extent in nearby cantons as a rating strength. Our view of the bank's creditworthiness also reflects that of its sole owner, the Canton of Basel-Country. Based on BLKB's very important role for and integral link with the canton, we assess the likelihood of receiving timely and sufficient support in times of financial distress as extremely high. We therefore apply a two-notch uplift to our assessment of BLKB's SACP.

Outlook

The positive outlook on BLKB mirrors the outlook on the Canton of Basel-Country and reflects our view that the bank will continue to benefit from being a GRE over the coming two years. We consider that there is an extremely high likelihood that the canton would provide timely and sufficient extraordinary support to BLKB in the event of financial distress for the foreseeable future. However, any indication of a weakening in the canton's support could weigh on BLKB's creditworthiness if the cantonal guarantee were removed or the bank were privatized in the context of the canton's undertaking to reduce potential financial liabilities stemming from the cantonal guarantee in case of distress. We understand that the parliament recently unanimously decided not to pursue privatization plans in the medium term.

Upside scenario: Given BLKB's GRE status, we would take a positive rating action on the bank if we were to upgrade the canton.

Downside scenario: We would consider revising the outlook to stable following a similar rating action on the canton.

Ratings Score Snapshot

Issuer Credit Rating: AA/Positive/A-1+

Stand-alone credit profile: a+

- Anchor: a-
- Business Position: Adequate (0)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and Strong (0)
- Comparable Rating Analysis: 0

Support: +2

- ALAC Support: 0
- GRE Support: +2
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Basler Kantonalbank (ICR AA+/Stable/A-1+)

Our ratings on Basler Kantonalbank reflect its strong and sustainable but regionally concentrated cantonal franchise, supported by low economic and industry risk for Swiss banks. Its rating strength of very strong capitalization is somewhat offset by more concentrated exposure to investment properties and large single-name corporates, relative to Swiss peers. Nevertheless, its asset quality has held up very well so far during the pandemic. We currently add four notches of support to the rating, derived from the extremely high likelihood of support from its home canton, Basel-City, building on the bank's very important role and integral link.

Outlook

Our stable outlook on BKB reflects that on its owner and guarantor, the Canton of Basel-City. We expect BKB will, for the foreseeable future, continue to benefit from an extremely high likelihood of timely and sufficient extraordinary support from the canton in the event of financial distress. We also expect that BKB will maintain its sound market position and financial profile, underpinned by its very strong capitalization over the next 24 months.

Downside scenario: In our view, rating downside is currently remote. It could be triggered if we lowered our ratings on the Canton of Basel-City, which is currently unlikely considering the canton's stable outlook. Alternatively, we could consider a negative rating action if there was a change in BKB's role for or link with the canton, or changes in the statutory guarantee, potentially leading to a weaker assessment of BKB's GRE status. However, we consider this scenario very unlikely and would expect BKB's existing obligations to be grandfathered.

Unchanged potential extraordinary support from the canton would cushion a material multi-notch deterioration of BKB's stand-alone creditworthiness, with our ratings on the senior unsecured debt remaining unchanged. Our ratings on the subordinated instruments could, however, be directly affected if the bank's SACP deteriorated. This could happen, for example, if the bank depleted its strong capital base due to high unexpected losses caused by the pandemic or if its efficiency and profitability did not improve over the medium term to be more in line with peers.

Upside scenario: A positive rating action is currently very remote. This could only be triggered if BKB's SACP improved by two or more notches. Our ratings on the subordinated instruments could be directly affected if the bank's SACP improved. However, we regard it as unlikely given our expectation that the bank will not materially change its concentrated business model and that it will continue to lag cantonal peers with regard to risk-adjusted profitability and efficiency.

Ratings Score Snapshot

Issuer Credit Rating: AA+/Stable/A-1+

Stand-alone credit profile: a

- Anchor: a-
- Business Position: Adequate (0)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Moderate (-1)
- Funding and Liquidity: Adequate and Strong (0)
- Comparable Rating Analysis: 0

Support: +4

- ALAC Support: 0
- GRE Support: +4
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Bank Cler AG (ICR A-/Stable/--)

Our ratings on Bank Cler reflect its limited market footprint as a small universal bank across Switzerland, supported by its market's low economic and industry risk. We view the bank's superior capitalization as a key rating strength. Within the wider BKB group, Bank Cler is focused on Swiss residential mortgage lending, digitalizing its business operations, and transforming its organizational setup. We expect the bank will only gradually able to monetize synergies from integration and IT investments. While its focus on Swiss residential mortgages has helped to generate very stable revenues, it has also dragged on its profitability and has made its revenue sources very concentrated.

Outlook

The stable outlook reflects our expectation that the Swiss economy in general and its residential housing market in particular will continue to weather the pandemic-induced recession. We also think Bank Cler will be able to improve efficiency while retaining its very strong capital buffer over the coming 12-24 months.

Downside scenario: We consider a negative rating action as remote because any weakening in Bank Cler's stand-alone creditworthiness would likely be offset by support from BKB, so long as BKB maintains its stand-alone strengths and the likelihood of support continues.

However, if we see materially rising credit losses in Bank Cler's mortgage book that erode its profitability and indicate weaker asset quality, we could revise down the SACP. This could also happen if operating efficiency does not improve while low interest rates or increasing competition continue to pressure margins.

Upside scenario: We consider an upgrade to be remote, particularly in the current environment. In the longer term, an upgrade could follow the bank's successful execution of its digital banking strategy, along with stable growth of its branch-based business translating into material and sustainable improvements in operating efficiency and profitability.

We could also consider an upgrade if we revised our SACP on BKB upward, indicating stronger capacity to support Bank Cler if needed.

Ratings Score Snapshot

Issuer Credit Rating: A-/Stable/--

Stand-alone credit profile: a-

- Anchor: a-
- Business Position: Constrained (-2)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and Adequate (0)
- Comparable Rating Analysis: 0

Support: 0

- ALAC Support: 0
- GRE Support: 0
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Credit Suisse AG (ICR A+/Negative/A-1, RCR AA-/A-1+)

We see rating sensitivity to adverse scenarios as material, because of tail risks related to ongoing litigation and regulatory investigations, as well as to the bank's execution of its targeted restructuring program. While the group saw solid operating revenues in 2020 and 2021, the events over the same period materially impaired its internal capital-generation capacity and raised doubts about management's ability to sustainably close the gap with peers in terms of its medium-term risk-return profile. We reflect this in our negative outlook.

Outlook

The negative outlook reflects open questions about the group's risk management, risk appetite, and potential financial and nonfinancial risks from its exposures to the U.S. hedge fund and Greensill group.

Credit Suisse's management of its relationships with the U.S. hedge fund and Greensill could further damage the bank's reputation; it had already been tarnished by the high-profile governance issues in 2020 that culminated in the CEO's departure.

Downside scenario: We could lower the ratings on Credit Suisse Group AG, Credit Suisse AG, and operating subsidiaries over the next 12-24 months if:

- We conclude that the rating does not reflect the group's risk return profile adequately;
- Investigations reveal broad material risk management deficiencies across segments;
- Material new litigation risks emerge;
- The regulatory investigations into Credit Suisse's business relationships reveal failure of fundamental management controls or governance issues; or
- Litigation costs, credit losses, and fair-value adjustments for loans materially exceed our base-case projections, resulting in a RAC ratio forecast below 10%.

Upside scenario: We will consider revising our outlook to stable over the next 12-24 months if we determine that risks from both the U.S. hedge fund and Greensill are sufficiently reflected in the rating and that the group's risk management, control, and governance systems are adequate. The precondition for the outlook revision would be sufficient certainty that Credit Suisse will quickly improve its risk returns to levels in line with peers, and that recent episodes have not tarnished the group's franchise.

Ratings Score Snapshot

Issuer Credit Rating: A+/Negative/A-1

Bank Holding Company ICR: BBB+/Negative/NR

Stand-alone credit profile: a-

- Anchor: a-
- Business Position: Adequate (0)
- Capital and Earnings: Strong (+1)
- Risk Position: Moderate (-1)
- Funding and Liquidity: Adequate and Adequate (0)
- Comparable Rating Analysis: 0

Support: +2

- ALAC Support: +2
- GRE Support: 0
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Die Schweizerische Post AG (ICR AA+/Stable/A-1+)

Our ratings on DSP reflect the company's legal mandate as the main provider of postal services and logistics in the country. We believe that DSP's capital and funding and liquidity will remain a clear rating strength, while operational risks in nonbank activities and concentration risks in PostFinance's large investment portfolio will continue to be a weakness compared with peers. However, additional earnings pressures from the structural decline in mail volumes, combined with high fixed costs, will persist.

Furthermore, we consider DSP to be a GRE with an extremely high likelihood of receiving timely and sufficient extraordinary government support in times of financial distress. We base this on our view of DSP's critical role for and very strong link with its home country, Switzerland. We therefore apply a five-notch uplift to our assessment of DSP's SACP.

Outlook

Our stable outlook on DSP reflects our stable outlook on the ultimate owner and support provider, Switzerland, over our 24-month forecast horizon. We expect that Swiss Post group's very close links to the state, its ownership, and its mandate to provide key public services will not materially change in the foreseeable future.

We continue to closely monitor any material change of group members' roles in and links with the government that could lead us to revise our assessment of extraordinary government support to the group. Discussions about the potential privatization of PostFinance indicate an increase in the political willingness to act, but we think that a deterioration in the likelihood of government support over the outlook horizon is unlikely.

While we see increasing pressure on DSP's financial profile, our current base case is that the group will successfully manage its transformation program to compensate for decreasing revenues amid a low interest rate environment and COVID-19-induced headwinds.

Downside scenario: We could lower our issuer credit rating if the group's ties to the Swiss Confederation were to weaken or if changes to the respective legislation were made. This could have one or more notches of negative rating implications for DSP, as the group's nonoperating holding company, and for its core subsidiary PostFinance. We would revise the outlook to negative or lower the ratings if we perceived an increased likelihood of a transition. In any case, we do not expect legislative changes to come into effect before 2023.

We expect that a potential deterioration in the group SACP would be buffered by government support and would not trigger a downgrade. We could revise down the group SACP if we concluded that Swiss Post group's restructuring is unlikely to sufficiently address ongoing earnings deterioration in case of increasing headwinds. The same holds true if we conclude that the business model is no longer supported by the government to the same extent, increasingly exposing the group to competitive pressures.

Upside scenario: We view the likelihood of a positive rating action on DSP as extremely remote at this stage.

Ratings Score Snapshot

Issuer Credit Rating: AA+/Stable/A-1+

Stand-alone credit profile: a-

- Support: +5
- ALAC Support: 0
- GRE Support: +5
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

PostFinance AG (ICR AA/Negative/A-1)

Our ratings on PostFinance reflect its franchise as a legally mandated provider of essential banking services in Switzerland, as well as the very high likelihood of extraordinary support for the group from the Swiss government. We view PostFinance as having a very strong link with and very important role for Switzerland. PostFinance also has superior capitalization, funding, and a very sound liquidity profile that we consider better than several peers'.

Outlook

The negative outlook reflects that we could lower the rating on PostFinance over the next 12-24 months if we conclude that the probability of privatization has increased or the ongoing discussions otherwise indicate a reduced likelihood of government support to PostFinance. While the bank's transformation is likely to occur beyond our outlook horizon, we expect to gain clarity on the transformation's direction over the next two years.

Downside scenario: We could lower the ratings if we conclude that PostFinance's ties to the Swiss Confederation have weakened or if privatization in line with the current proposal becomes effective. This would likely lead us to reduce the uplift to the rating for extraordinary government support and revise down the SACP, which would lead to a multi-notch downgrade.

Upside scenario: We could revise the outlook on PostFinance to stable if the privatization does not go ahead and if we believe the bank's role for and link to the Swiss government is unlikely to deteriorate further.

Ratings Score Snapshot

Issuer Credit Rating: AA/Negative/A-1+

Stand-alone credit profile: a+

- Anchor: a-
- Business Position: Adequate (0)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Moderate (-1)
- Funding and Liquidity: Strong and strong (+1)
- Comparable Rating Analysis: 0

Support: +2

- ALAC Support: 0
- GRE Support: +2
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Glarner Kantonalbank (ICR AA-/Negative/A-1+)

Our ratings on GLKB reflect the bank's weaker franchise than most rated cantonal banks in Switzerland given its material reliance on a less stable and more-price-sensitive customer base outside Glarus. A key rating strength is GLKB's superior capital position, while its risk profile is characterized by concentration risks in its mortgage loan portfolio. These risks have been mitigated by sound overcollateralization and asset quality in the past decade. The funding profile is a rating weakness compared with domestic peers, reflecting relatively high usage of wholesale funding and moderate funding metrics.

Our ratings on GLKB include uplift for potential extraordinary government support on top of its 'a-' SACP, resulting in the 'AA-' long-term issuer credit rating. This is based on our view of GLKB's very important role for and integral link with its home canton, Glarus. While we still expect GLKB to receive timely and sufficient extraordinary support from Glarus if needed, the local government's intentions to change the cantonal bank law will gradually weaken GLKB's ties to its owner, in our view.

Outlook

The negative outlook reflects that we could lower the rating on GLKB over the next 12-24 months, during which time we expect more clarity on the local government's supportive stance toward the bank and the planned change to the cantonal bank law. These factors will affect our assessment of the likelihood of extraordinary and ongoing local government support, which we incorporate into the rating.

Downside scenario: We could lower the rating if we conclude that the canton's ties to the bank have deteriorated in light of the ongoing discussion and if the measures under the current proposal became effective after a final vote by the people of Glarus. This would likely lead us to reduce the number of notches we factor in for GRE uplift and the bank's SACP and subsequently lead to a multiple-notch downgrade.

Upside scenario: We could revise the outlook to stable if the planned change to the existing cantonal bank law does not materialize and the legislative process indicates that the bank's link to and role for the canton are not going to weaken over the next two years. Improvements in GLKB's SACP, which we consider very remote, would not translate into an upgrade.

Ratings Score Snapshot

Issuer Credit Rating: AA-/Negative/A-1+

Stand-alone credit profile: a-

- Anchor: a-
- Business Position: Moderate (-1)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Adequate (0)
- Funding and Liquidity: Moderate and Adequate (-1)
- Comparable Rating Analysis: 0

Support: +4

- ALAC Support: 0
- GRE Support: +4
- Group Support: 0
- Sovereign Support: 0

Additional Factors: -1

Graubuendner Kantonalbank (ICR AA/Stable/A-1+)

Our ratings on GKB continue to reflect its strong and sustainable but regionally concentrated cantonal franchise. We expect that GKB will maintain its capital and earnings as a key rating strength, with a RAC ratio around 30%. We also believe the bank will remain a GRE with an extremely high likelihood of receiving timely and sufficient extraordinary support from Graubuenden if needed, building on its very important role for and integral link with the canton.

Outlook

The stable outlook on GKB reflects our view that, over the next two years, GKB will continue to benefit from its GRE status with strong ties to its majority owner, the canton of Graubuenden. We see an extremely high likelihood that the canton would provide timely and sufficient extraordinary support to GKB in the event of financial distress. The stable outlook on GKB also reflects our view that the bank's robust and superior loss-absorption capacity from its high capital and earnings buffer sufficiently offsets potential domestic financial risks, even if the economic cycle were to worsen unexpectedly over our two-year forecast horizon.

Downside scenario: The likelihood of a downgrade is very low. In the event of a moderate deterioration in the bank's SACP, the potential for extraordinary support from the canton cushions the ratings on GKB. We could consider a negative rating action if there is a change in GKB's role for or link with the canton of Graubuenden, or if the statutory guarantee changed, which could lead to a weaker assessment of GKB's GRE status. We consider this scenario unlikely, but if it were to occur we would expect GKB's existing obligations to be grandfathered.

Upside scenario: We are unlikely to raise the ratings in the next 12-24 months. That said, all else remaining equal, we could upgrade GKB if our view on the canton's ability to support the bank during times of financial stress had strengthened.

Ratings Score Snapshot

Issuer Credit Rating: AA/Stable/A-1+

Stand-alone credit profile: a+

- Anchor: a-
- Business Position: Adequate (0)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and strong (0)
- Comparable Rating Analysis: 0

Support: +2

- ALAC Support: 0
- GRE Support: +2
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Luzerner Kantonalbank (ICR AA/Stable/A-1+)

Our ratings on LUKB reflect the bank's very strong capitalization accompanied by low risk costs and negligible nonperforming assets. We consider LUKB's strong retail franchise in the Canton of Lucerne a rating strength while its lending growth is significantly higher than that of cantonal bank peers, which might lead to additional risk taking. LUKB has close ties with the canton, facilitated by the canton's majority ownership of the bank and a state guarantee. LUKB's very important role for and integral link with the canton lead to a two-notch uplift to its SACP.

Outlook

Our stable outlook on LUKB reflects our expectation that the bank will continue to benefit from an extremely high likelihood of support from the Canton of Lucerne in the next two years.

Our ratings on LUKB are sensitive to our assessment of the owner's ability and willingness to support the bank.

Downside scenario: We could lower our issuer credit rating if LUKB's ties with the canton weaken or if there were changes to the canton's state guarantee. Both these scenarios could lead us to reassess the bank's GRE status and potentially result in a multi-notch downgrade. However, we currently consider this unlikely and, if it happens, we expect LUKB's existing obligations would be grandfathered.

The sensitivity of the rating to a potential downward revision of its SACP remains very limited. However, if we concluded that lending growth had become aggressive, leading to an increased risk profile compared with peers, we could revise down the SACP and consequently lower our issue ratings on Luzerner Kantonalbank's subordinated debt.

We could revise down the SACP, leading us to lower our hybrid ratings, if the bank's compliance with regulatory capital ratio minimums became increasingly dependent on the issuance of those instruments. We could also revise down the SACP if we saw a risk of our RAC ratio weakening below 15% in the next 24 months on the back of increased growth.

Upside scenario: A positive rating action stemming solely from the improvement of LUKB's SACP is remote over the next two years because we do not expect LUKB to significantly adjust its comparatively concentrated business model.

Ratings Score Snapshot

Issuer Credit Rating: AA/Stable/A-1+

Stand-alone credit profile: a+

- Anchor: a-
- Business Position: Adequate (0)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and Adequate (0)
- Comparable Rating Analysis: 0

Support: +2

- ALAC Support: 0
- GRE Support: +2
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Migros Bank (ICR A-/Stable/A-2)

Our ratings on Migros Bank reflect its very strong capitalization as well as its sound asset quality and stable profitability. However, we view its low domestic market share and limited price-setting power due to its smaller franchise and branch network as weaknesses. In addition, we consider the bank to be somewhat tied to developments at its parental group, Migros Genossenschaftsbund, with only partial severability; as a result, we include a negative adjustment in our rating.

Outlook

Our stable outlook on Migros Bank reflects our expectation that it will maintain its sound risk and financial profile over the next 12-24 months. The outlook also reflects our view of the bank's limited intragroup dependency on its parent Migros Genossenschaftsbund (Migros).

At the same time, we believe the bank cannot fully escape economic developments and reputational risks of the wider group and its prospects are somewhat dependent on those of its parent, making the rating sensitive to our assessment of the overall group's stability. Despite Migros benefitting from the strategic business transformation, which started in 2019 by turning its focus to its core food segment while strengthening its online distribution channels, technological and consumer behavior changes have disrupted the retailers' traditional operating models and exerted pressure on the company's performance and credit metrics. Due a modest overlap of Migros Bank's retail client base with the parental group, we remain mindful of the shared brand, and the risk of upstreaming of capital from the bank to the parent, in case of a groupwide stress scenario.

Downward scenario: We could lower our long-term rating on the bank if stress on parental creditworthiness increased or the Migros brand weakened, which we expect would also harm the bank.

We believe a negative rating action driven by the bank's SACP deterioration is unlikely over the two-year outlook horizon. That said, such an action could be driven by material negative developments at the bank level, for example because of a departure from conservative underwriting practices, or volatile profitability or capital management.

Upside scenario: An upgrade would depend on our more positive assessment of the creditworthiness of the parental group, which limits the bank's rating upside. We see this as unlikely over the next two years, reflecting operating environment issues and because we see the group's transformation strategy as likely to yield positive results only over the longer term.

Ratings Score Snapshot

Issuer Credit Rating: A-/Stable/A-2

Stand-alone credit profile: a

- Anchor: a-
- Business Position: Moderate (-1)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and Strong (0)

Support: -1

- ALAC Support: 0
- GRE Support: 0
- Group Support: -1
- Sovereign Support: 0

Additional Factors: 0

Raiffeisen Schweiz Genossenschaft (ICR A+/Stable/A-1)

Our ratings on Raiffeisen Schweiz Genossenschaft (RCH) are based on its core status to the Swiss Cooperative Raiffeisen Group (Swiss Raiffeisen Group). The ratings reflect our view that the latter will hold and defend its leading retail market position with a market share of 17.5% in the Swiss residential real estate financing sector. We also factor in its derived business opportunities as the third-largest Swiss banking group, attracting 14% of Swiss domestic deposits. We regard the group as a cohesive economic entity and expect solidarity support among member banks, if needed. We consider the regulator's group-based oversight, the groupwide mutual guarantee scheme, and the strong track record of more than a century of support for group members.

Outlook

The stable outlook on the core group members of Swiss Cooperative Raiffeisen Group (Swiss Raiffeisen Group) including RCH reflect that, over a 24-month horizon, Swiss Raiffeisen Group will retain its robust financial position, supported by continued resilience of the Swiss economy following the COVID-19-induced recession. We forecast that Swiss Raiffeisen Group will remain sufficiently profitable, bolstering its superior capitalization as indicated by the ongoing improvement in its S&P Global Ratings' RAC ratio to 23.75%-24.25% through 2023.

Downside scenario: We could lower our rating on RCH within the next 12-24 months if we saw increasing risks in its main markets, particularly the Swiss housing market. Although unlikely, rating pressure could also stem from the emergence of significant setbacks to economic recovery from the COVID-19-related recession that adversely affect Swiss Raiffeisen Group's profitability and asset quality.

Moreover, we will continue to monitor further progress on Swiss Raiffeisen Group's targeted efficiency and digitalization improvements amid pressure from low interest rates and escalating competition.

Upside scenario: An upgrade is unlikely, reflecting the already strong credit quality and the bank's material concentration in the housing market.

An upgrade would require sustainable and substantial improvements in addressing Swiss Raiffeisen Group's structural weaknesses, such as cost efficiency and earnings diversification compared with similarly rated Swiss or international peers.

Ratings Score Snapshot

Issuer Credit Rating: A+/Stable/A-1

Stand-alone credit profile: a+

- Anchor: a-
- Business Position: Adequate (0)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and Adequate (0)
- Comparable Rating Analysis: 0

Support: 0

- ALAC Support: 0
- GRE Support: 0
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Schwyzer Kantonalbank (ICR AA+/Stable/A-1+)

Our ratings on SZKB reflect its dominant cantonal franchise and the favorable conditions of operating in the low-risk Swiss banking market. The rating also indicates the bank's superior capitalization by global comparison, a key strength that is supported by sound risk policies. We also consider the bank's liquidity management to be a strength, supported by franchise-driven, easy access to customer deposit funding.

We regard SZKB as a GRE with an extremely high likelihood of receiving timely and sufficient extraordinary government support from its home canton, Schwyz, if necessary, and this supports our ratings. We base our assessment on SZKB's very important role for and integral link with Schwyz, and we think the canton has enough resources to support the bank if needed.

Outlook

The stable outlook on SZKB mainly indicates that we expect the likelihood of support from the canton to remain unchanged in the next two years. Our rating on SZKB remains sensitive to our assessment of the cantonal owners' ability and willingness to support the bank.

A weakening in SZKB's role for or link with the canton, or detrimental changes in the statutory guarantee, could lead us to revise down our support assessment of the bank's GRE status. However, we do not envisage such a scenario in the foreseeable future. Also, if this were to happen, we would expect that SZKB's existing obligations would be grandfathered.

We think it unlikely that we would revise upward the rating based on an improvement in SZKB's 'a+' SACP, given the bank's comparatively concentrated business profile. A deterioration of the SACP would not immediately affect the overall rating, as we expect that the owner's support would compensate for the stand-alone weakness.

Ratings Score Snapshot

Issuer Credit Rating: AA+/Stable/A-1+

Stand-alone credit profile: a+

- Anchor: a-
- Business Position: Adequate (0)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and Strong (0)

- Comparable Rating Analysis: 0

Support: +3

- ALAC Support: 0
- GRE Support: +3
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

UBS AG (ICR A+/Stable/A-1, RCR AA-/--/A-1+)

We think UBS' diversification and asset-gathering focus remain the differentiating factors that underpin the stability of its earnings and balance sheet against similarly rated peers. UBS' revenue pool is dominated by stable contributions from its leading wealth and asset management divisions, which generate favorable risk-adjusted returns. We also expect capitalization to remain a rating strength despite unresolved litigation cases that add risks to our capital projection. We think UBS has sufficient flexibility to absorb penalties or settlements that could potentially exceed balance-sheet provisions.

Outlook

The stable outlook reflects our view of UBS' strong resilience amid the pandemic because of its wealth management-focused business model and credit portfolio dominated by collateralized lending.

Downside scenario: We could lower the ratings over the next two years if there were to be a material setback in the economic recovery that significantly weakened UBS' asset quality and earnings. We could also lower the ratings if the outstanding litigation cases result in significant charges exceeding provisions, leading to a drop in the RAC ratio to below 10%.

A one-notch downward revision of the group SACP to 'a-' would likely result in a one-notch downgrade of UBS Group AG but would be unlikely to affect the ratings on the core operating subsidiaries. This is due to UBS' high ALAC buffer and the additional notch of ALAC uplift that would be available in this scenario. Our ratings on hybrid capital instruments would likely be affected since they are directly linked to the group SACP.

Upside scenario: An upgrade is unlikely over our 12-to-24-month outlook horizon as the 'a' group SACP already recognizes UBS as one of the most creditworthy non-government-related banks globally, and as appropriately positioned relative to peers. In the longer term, an upgrade could occur if litigation uncertainty reduces, while UBS maintains a RAC ratio comfortably above 10% and materially and sustainably outperforms its peer group.

Ratings Score Snapshot

Issuer Credit Rating: A+/Stable/A-1

Bank Holding Company ICR: A-/Stable/A-2

Stand-alone credit profile: a

- Anchor: a-
- Business Position: Strong (+1)
- Capital and Earnings: Strong (+1)
- Risk Position: Moderate (-1)
- Funding and Liquidity: Adequate and Adequate (0)
- Comparable Rating Analysis: 0

Support: +1

- ALAC Support: +1
- GRE Support: 0
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Zuercher Kantonalbank (ICR AAA/Stable/A-1+)

Our rating on ZKB reflects its operational stability driven by a diverse business profile and strong franchise in the Zurich area and complemented by a sound countrywide presence in corporate lending, private banking, and asset management, mitigating some concentration risk due to its tilt toward real estate lending in its home region. We consider ZKB to be deeply rooted in the local economy and expect it to continue to benefit from its strong ties to its full owner, the Canton of Zurich, which provides a cantonal guarantee on unsubordinated obligations.

We regard ZKB as a GRE with an extremely high likelihood of receiving timely and sufficient extraordinary government support from the canton, if necessary, and this supports our ratings. We base our assessment on ZKB's very important role for and integral link with the canton, and we think the canton has enough resources to support the bank if needed.

Outlook

Our stable outlook on ZKB mirrors that on its owner and guarantor, the Canton of Zurich. We expect ZKB will continue to benefit from its GRE status with an extremely high likelihood of receiving cantonal support over the next two years if needed. The stable outlook also reflects our view that Swiss domestic markets will remain resilient to risks stemming from the pandemic.

Downside scenario: However, if the bank's stand-alone creditworthiness weakens significantly and unexpectedly as a result of higher-than-anticipated cyclical risk and capital depletion, reflected in our RAC ratio falling below 15%, we could consider a downgrade. A downgrade could also result from competitive pressure on ZKB's businesses position from a margin squeeze in asset management activities, as well as in its in core lending business due to the entrance of new digital players, particularly if the trend toward digital-platform banking further accelerates.

Upside scenario: An improvement in ZKB's SACP that would support its subordinated debt remains a remote scenario at this stage, given our already very high assessment of its SACP.

Ratings Score Snapshot

Issuer Credit Rating: AAA/Stable/A-1+

Stand-alone credit profile: aa-

- Anchor: a-
- Business Position: Strong (+1)
- Capital and Earnings: Very Strong (+2)
- Risk Position: Adequate (0)
- Funding and Liquidity: Adequate and Strong (0)
- Comparable Rating Analysis: 0

Support: +3

- ALAC Support: 0
- GRE Support: +3
- Group Support: 0
- Sovereign Support: 0

Additional Factors: 0

Related Criteria

- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Hybrid Capital: Methodology And Assumptions, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Guarantee Criteria, Oct. 21, 2016
- General Criteria: Rating Government-Related Entities: Methodology And Assumptions, March 25, 2015

- Criteria | Corporates | General: Corporate Methodology, Nov. 19, 2013
- General Criteria: Ratings Above The Sovereign--Corporate And Government Ratings: Methodology And Assumptions, Nov. 19, 2013
- General Criteria: Methodology: Management And Governance Credit Factors For Corporate Entities, Nov. 13, 2012
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Certain Financial Institution Issuer And Issue Ratings Placed Under Criteria Observation Following Criteria Update, Dec. 9, 2021
- RFC Process Summary: Financial Institutions Rating Methodology, Dec. 9, 2021
- RFC Process Summary: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- Financial Institutions And BICRA Criteria Published, Dec. 9, 2021
- ESG Credit Indicator Report Card: EMEA Banks, Jan. 19, 2022

Ratings List

*** * * * * * * * * * * * * * Aargauische Kantonalbank * * * * * * * * * * * * * ***	
Ratings Affirmed	
Aargauische Kantonalbank	
Issuer Credit Rating	AA/Positive/A-1+
*** * * * * * * * * * * * Banque Cantonale Vaudoise * * * * * * * * * * * ***	
Ratings Affirmed	
Banque Cantonale Vaudoise	
Issuer Credit Rating	AA/Stable/A-1+
*** * * * * * * * * * * * Banque Cantonale de Geneve * * * * * * * * * * * ***	
Ratings Affirmed	
Banque Cantonale de Geneve	
Issuer Credit Rating	AA-/Stable/A-1+
*** * * * * * * * * * * * * Basler Kantonalbank * * * * * * * * * * * * ***	
Ratings Affirmed	
Basler Kantonalbank	
Issuer Credit Rating	AA+/Stable/A-1+
Bank Cler AG	
Issuer Credit Rating	A-/Stable/--

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Ratings Affirmed	
Basellandschaftliche Kantonalbank	
Issuer Credit Rating	AA/Positive/A-1+
*** * * * * * * * * * * * * * * Glarner Kantonalbank * * * * * * * * * * * * * ***	
Ratings Affirmed	
Glarner Kantonalbank	
Issuer Credit Rating	AA-/Negative/A-1+
*** * * * * * * * * * * * * Credit Suisse Group AG * * * * * * * * * * * * ***	
Ratings Affirmed	
Credit Suisse AG	
Credit Suisse Securities (USA) LLC	
Credit Suisse Securities (Europe) Ltd.	
Credit Suisse International	
Credit Suisse Bank (Europe) S.A.	
Credit Suisse AG (New York Branch)	
Credit Suisse AG (Cayman Islands Branch)	
Credit Suisse (USA) Inc.	
Credit Suisse (Schweiz) AG	
Credit Suisse (Deutschland) AG	
Issuer Credit Rating	A+/Negative/A-1
Credit Suisse AG	
Credit Suisse Securities (Europe) Ltd.	
Credit Suisse International	
Credit Suisse Bank (Europe) S.A.	
Credit Suisse AG (New York Branch)	
Credit Suisse AG (Cayman Islands Branch)	
Credit Suisse (Schweiz) AG	
Credit Suisse (Deutschland) AG	
Resolution Counterparty Rating	AA-/--/A-1+
Credit Suisse Group AG	
Issuer Credit Rating	BBB+/Negative/NR
Credit Suisse Securities (USA) LLC	
Resolution Counterparty Rating	A+/--/A-1
*** * * * * * * * * * * * Die Schweizerische Post AG * * * * * * * * * * * ***	
Ratings Affirmed	
Die Schweizerische Post AG	
Issuer Credit Rating	AA+/Stable/A-1+

PostFinance AG	
Issuer Credit Rating	AA/Negative/A-1+
*** * * * * * * * * * * * * Graubuendner Kantonalbank * * * * * * * * * * * ***	
Ratings Affirmed	
Graubuendner Kantonalbank	
Issuer Credit Rating	AA/Stable/A-1+
*** * * * * * * * * * * J. Safra Sarasin Holding Ltd. * * * * * * * * * * ***	
Ratings Affirmed	
Bank J. Safra Sarasin Ltd	
Issuer Credit Rating	A/Stable/A-1
*** * * * * * * * * * * * * * * * LGT Bank AG * * * * * * * * * * * * * * ***	
Ratings Affirmed	
LGT Bank AG	
Issuer Credit Rating	A+/Stable/A-1
Resolution Counterparty Rating	AA-/--/A-1+
*** * * * * * * * * * * * * * Luzerner Kantonalbank * * * * * * * * * * * * ***	
Ratings Affirmed	
Luzerner Kantonalbank	
Issuer Credit Rating	AA/Stable/A-1+
*** * * * * * * * * * * * Migros Bank * * * * * * * * * * * ***	
Ratings Affirmed	
Migros Bank	
Issuer Credit Rating	A-/Stable/A-2
*** * * * * * * * * * Raiffeisen Schweiz Genossenschaft * * * * * * * * * ***	
Ratings Affirmed	
Raiffeisen Schweiz Genossenschaft	
Issuer Credit Rating	A+/Stable/A-1
*** * * * * * * * * * * * * * Schwyzer Kantonalbank * * * * * * * * * * * * * ***	
Ratings Affirmed	
Schwyzer Kantonalbank	
Issuer Credit Rating	AA+/Stable/A-1+
*** * * * * * * * * * * * * * * * UBS Group AG * * * * * * * * * * * * * * ***	
Ratings Affirmed	
UBS Group AG	
UBS Americas Holding LLC	
Issuer Credit Rating	A-/Stable/A-2

UBS AG	
UBS Switzerland AG	
UBS Securities LLC	
UBS Europe SE	
UBS Bank USA	
UBS AG (London Branch)	
UBS AG (Jersey Branch)	
Issuer Credit Rating	A+/Stable/A-1
UBS AG	
UBS Switzerland AG	
UBS Europe SE	
UBS AG (London Branch)	
UBS AG (Jersey Branch)	
Resolution Counterparty Rating	AA-/--/A-1+
UBS AG (New York Branch)	
Issuer Credit Rating	A+/Stable/--
Resolution Counterparty Rating	AA-/--/--
UBS Bank USA	
UBS Securities LLC	
Resolution Counterparty Rating	A+/--/A-1
*** * * * * * * * * * * * * * * * VP Bank AG * * * * * * * * * * * * * * * ***	
Ratings Affirmed	
VP Bank AG	
Issuer Credit Rating	A/Negative/A-1
Resolution Counterparty Rating	A+/--/A-1
*** * * * * * * * * * * * * * Zuercher Kantonalbank * * * * * * * * * * * * * ***	
Ratings Affirmed	
Zuercher Kantonalbank	
Issuer Credit Rating	AAA/Stable/A-1+

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at https://www.standardandpoors.com/en_US/web/guest/article/-/view/sourceId/504352 Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column. Alternatively, call one of the following S&P Global Ratings numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow 7 (495) 783-4009.

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