S&P Global Ratings

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Basler Kantonalbank

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Basler Kantonalbank

Ratings Score Snapshot

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

SACP: a+ → **Support: +3** → **Additional factors: 0**

Anchor	a-	
Business position	Adequate	0
Capital and earnings	Very strong	+2
Risk position	Adequate	0
Funding	Adequate	0
Liquidity	Strong	
CRA adjustment		0

ALAC support	0
GRE support	+3
Group support	0
Sovereign support	0

Issuer credit rating
AA+/Stable/A-1+

ALAC--Additional loss-absorbing capacity. CRA--Comparable ratings analysis. GRE--Government-related entity. ICR--Issuer credit rating. SACP--Stand-alone credit profile.

Credit Highlights

Overview	
Key strengths	**Key risks**
Extremely high likelihood of support from the Swiss Canton of Basel-City.	Concentration in Swiss retail mortgages in the Basel-City banking market.
Very strong capitalization.	Relatively weak cost efficiency.
Very strong customer franchise in home region.	

We expect that Basler Kantonalbank (BKB) would, if needed, receive extraordinary support from its cantonal owner. BKB benefits from its high stand-alone creditworthiness in conjunction with the full ownership by, and extremely high likelihood of, timely and sufficient support from its 100% owner the Canton of Basel-City (AAA/Stable/A-1+), if ever needed. We anticipate that BKB's integral link with, and very important role for, the canton, as well as the canton's guarantee on its unsubordinated obligations, will remain for the foreseeable future. These factors provide a three-notch uplift to BKB's stand-alone credit profile (SACP) to arrive at our 'AA+' long-term issuer credit rating on the bank.

We anticipate that BKB's capitalization will remain its key rating strength. We forecast that BKB's risk-adjusted capital (RAC) ratio will increase further above 25% over the next two years, which is among the highest compared globally. This is supported by BKB's strong and sustainable customer franchise in its resilient home region, and its developed digital-banking platform. Accordingly, we forecast robust internal capital generation with a stable 3%-4% return on equity until 2025, which looks low mainly due to the bank's very high capitalization, but which we regard sufficient in the context of the bank's low risk profile. We also anticipate benefits to efficiency from BKB's ongoing efforts to streamline its operations with subsidiary Bank Cler.

We expect BKB to maintain solid asset quality. We forecast that BKB's asset quality will remain robust. BKB is highly concentrated in Swiss residential mortgages, but we continue to take comfort on BKB's sound risk management, very high collateralization, and our expectation that the Swiss economy will continue to weather the slowdown in global macroeconomic environment. We expect the Swiss housing market to experience limited risks from the change in the country's higher interest rate environment, and remain healthy.

Outlook

The stable outlook on BKB reflects that on its owner and guarantor, the canton. 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. In addition, we expect BKB will maintain its sound market position and financial risk profile, underpinned by its very strong capitalization over the next 24 months.

Downside scenario

In our view, the possibility of a negative rating action is remote. It could be triggered if we lowered our rating on the canton, which is currently unlikely given our 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, leading to a weaker assessment of the bank's status as a government-related entity (GRE). However, we consider this very unlikely and would expect BKB's existing obligations to be grandfathered in.

We believe extraordinary support from the canton would cushion a material multi-notch deterioration of BKB's stand-alone creditworthiness, with the ratings on the senior unsecured debt not changing. The ratings on the subordinated instruments could, however, be directly affected if the bank's SACP deteriorated, which could happen, for example, if BKB depleted its strong capital base due to high unexpected losses caused by an adverse shock, or if efficiency and profitability did not improve over the medium term as we expect.

Upside scenario

A positive rating action is currently unlikely. This could only be triggered if BKB's SACP improved, which we view as extremely unlikely, given our already high assessment.

Key Metrics

Basler Kantonalbank--Key ratios and forecasts

	--Fiscal year ended Dec. 31--				
(%)	**2021a**	**2022a**	**2023f**	**2024f**	**2025f**
Growth in operating revenue	8.7	1.4	3.5-4.2	1.9-2.3	2.1-2.6
Growth in customer loans	2.0	4.5	2.3-2.8	2.7-3.3	2.7-3.3

Basler Kantonalbank--Key ratios and forecasts (cont.)					
	--Fiscal year ended Dec. 31--				
(%)	2021a	2022a	2023f	2024f	2025f
Growth in total assets	-1.8	3.3	1.4-1.7	1.7-2.1	1.8-2.1
Net interest income/average earning assets (NIM)	0.9	0.9	0.9-1.0	0.9-1.0	0.9-1.0
Cost to income ratio	63.0	60.8	58.2-61.2	58.1-61.1	57.9-60.9
Return on average common equity	3.0	3.4	3.3-3.7	3.3-3.7	3.2-3.6
Return on assets	0.2	0.3	0.2-0.3	0.2-0.3	0.2-0.3
New loan loss provisions/average customer loans	0.0	0.0	0.0-0.0	0.0-0.0	0.0-0.0
Gross nonperforming assets/customer loans	0.7	0.6	0.6-0.7	0.6-0.6	0.5-0.6
Net charge-offs/average customer loans	0.0	0.1	0.0-0.0	0.0-0.0	0.0-0.0
Risk-adjusted capital ratio	22.4	23.1	24.6-25.9	24.8-26.1	24.9-26.1

All figures are S&P Global Ratings-adjusted. a--Actual. f--Forecast. NIM--Net interest margin.

Anchor: 'a-' As A Commercial Bank Operating In Switzerland

Our anchor for banks operating mainly in Switzerland, like Basler Kantonalbank, is 'a-'. We consider the trend for economic and industry risk in Switzerland to be stable.

The Swiss private sector has proven its resilience against multiple external stress scenarios. We expect Swiss households and corporates to maintain credit strength despite the worsening economic outlook. This reflects the superior financial strength of Swiss households and corporations, and banks' prudent underwriting standards (which focus on collateralized lending, mainly residential mortgages or Lombard loans). Overall, we see limited risk to Swiss households on debt servicing capacity from higher rates. At the same time, we believe the stagnation in real house prices should remain manageable for Swiss banks' mortgage exposures. This is because banks' existing stock of mortgage loans are predominately fixed-rate and underwriting standards already integrate much higher interest rates into affordability assessments. In any case, we forecast a strong Swiss labor market, tight and inelastic supply in housing, and ongoing high demand due to persistently high immigration will continue to support house prices.

Our view of industry risk in Switzerland encompasses the stability of the domestic banking sector, despite the failure of Credit Suisse. In general, we do not observe a loss in customer confidence in Swiss banking, as many domestic banks profited from inflows of assets under management and deposits from Credit Suisse after outflows escalated in 2022. We believe supervision of non-systemically important institutions has been generally effective. Also, the country's regulatory requirements with respect to gone-concern capital exceed international norms. Money laundering and the threat of additional sanctions remain tail risks for the Swiss banking sector, especially for smaller private banks.

Business Position: Solid Customer Franchise In Home Region

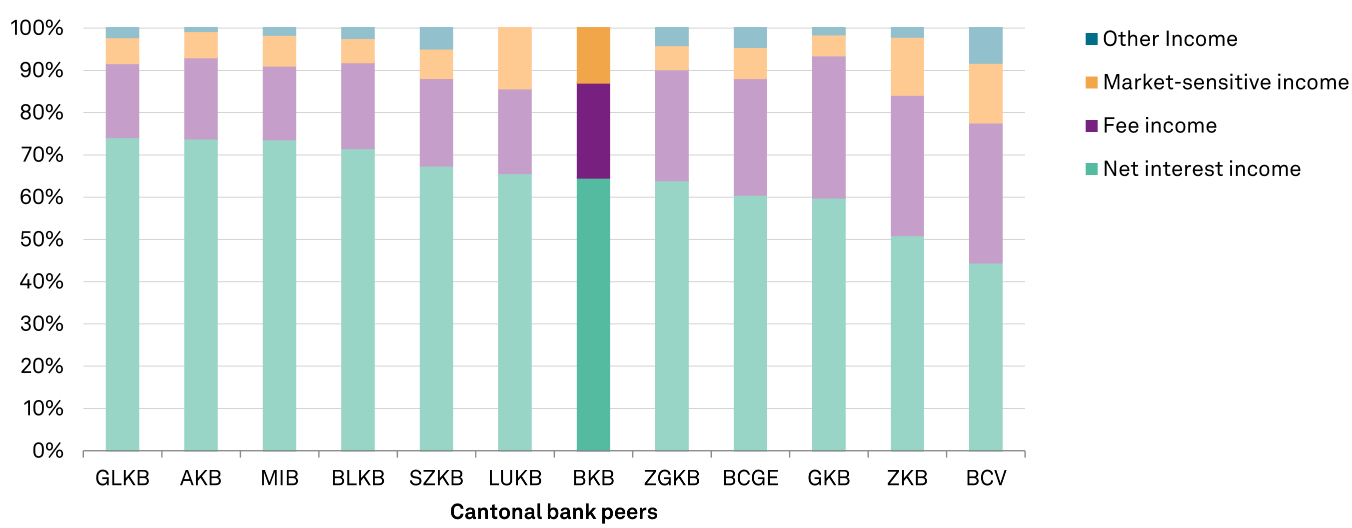
We expect BKB to defend its solid franchise with high market shares in retail and corporate lending in its Basel region. BKB is one of the ten largest banking groups in Switzerland with total consolidated assets of Swiss franc (CHF) 55.2 billion as of June 30, 2023. However, we note that franchise strength is balanced by risks stemming from the bank's geographic concentration from its regional focus in a small and saturated market, similar to other Swiss cantonal banks.

BKB's 100% subsidiary, Bank Cler, adds diversification through its focus on lower-risk countrywide residential mortgages and Switzerland-wide growth opportunities. BKB also leverages Bank Cler's digital competencies, manifested in its digital banking app, Zak.

BKB's lending is dominated by highly collateralized low-risk residential real estate business. Compared with many peers, BKB's share of net interest income is slightly smaller at about 65% of total revenue (see chart 1), reflecting sound fee income from expanding private banking activities.

Chart 1

Interest income remains the most relevant driver of BKB's operating revenue
Breakdown of operating revenue



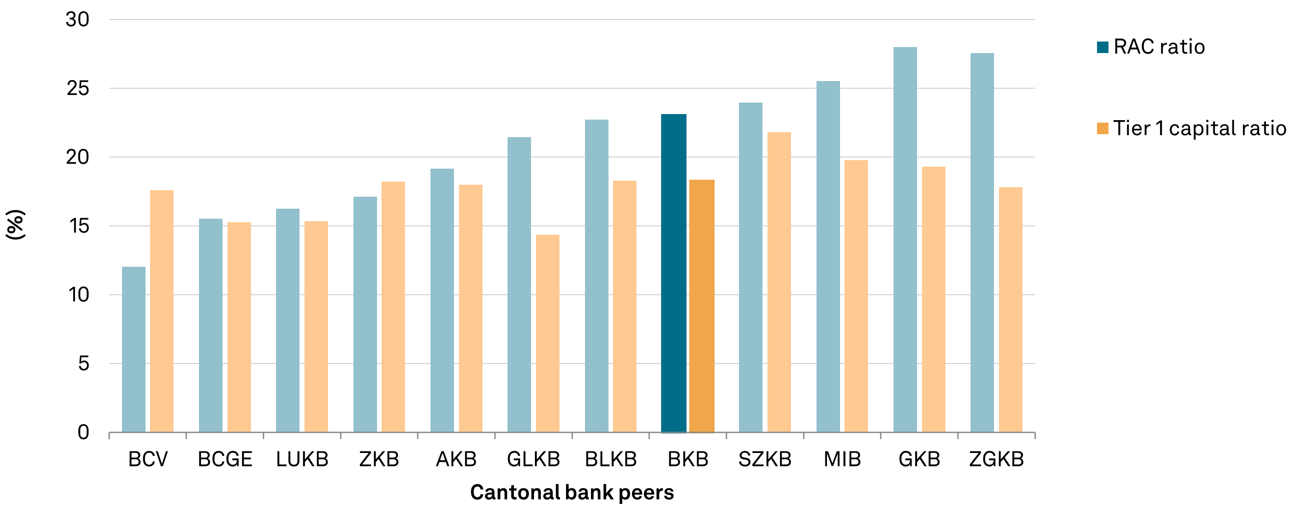
Data relates to FY-2022. AKB--Aargauische Kantonalbank. BCGE--Banque Cantonale de Geneve. BCV--Banque Cantonale Vaudoise. BLKB--Basellandschaftliche Kantonalbank. BKB--Basler Kantonalbank. GLKB--Glarner Kantonalbank. GKB--Graubuendner Kantonalbank. LUKB--Luzerner Kantonalbank. MIB--Migros Bank. SZKB--Schwyzer Kantonalbank. ZGKB--Zuger Kantonalbank. ZKB--Zuercher Kantonalbank. Source: S&P Global Ratings.

Capital And Earnings: BKB's Key Rating Strength

We forecast BKB to preserve its very high capitalization, mainly indicated by our projected RAC ratio of 25%-26% until 2025, after 23% at year-end 2022. Such robust ratios place BKB among the highest capitalized banks globally, and at the higher range of rated Swiss cantonal banks (see chart 2).

Chart 2

BKB's RAC ratio is above average compared with Cantonal bank peers'
RAC remains extraordinary in global comparison



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Our projected RAC ratio incorporates loan growth of 2.5%-3.0% over the coming years, driven by a more moderate, but still intact growth trend in the Swiss housing market. BKB remains committed to maintaining excess capitalization of 3%-7% above regulatory capital requirements. As of June 30, 2023, its total capital ratio was 18.4%, against the minimum capital requirement of 13%.

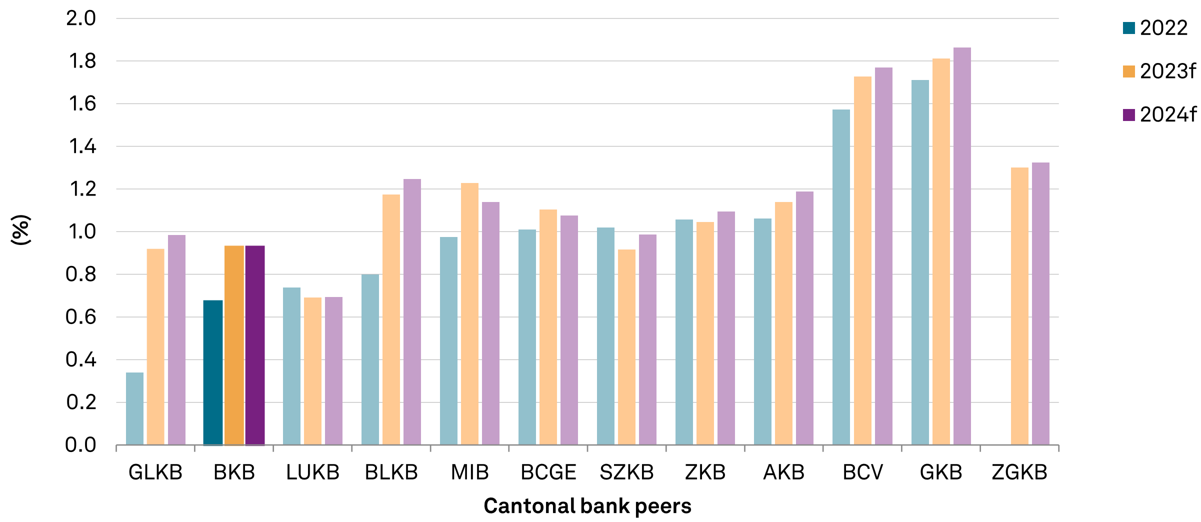
Our RAC projection is based on our expectations of sound and stable internal capital generation capacity, which is supported by the stress-resilience of the Swiss economy, including benefits from higher interest rates and the relative stability in house prices. We also anticipate that BKB's ongoing efforts to streamline its operations with subsidiary Bank Cler generate further efficiency gains of the consolidated group.

We forecast that BKB's earnings buffer, which measures the capacity for a bank's earnings to cover normalized losses through the credit cycle, will further improve to about 93 basis points (bps) until 2025, which is comparable with many peers.

Chart 3

Earnings buffer comparison

BKB stands the lowest compared with peers



f--Forecast. AKB--Aargauische Kantonalbank. BCGE--Banque Cantonale de Geneve. BCV--Banque Cantonale Vaudoise. BLKB--Basellandschaftliche Kantonalbank. BKB--Basler Kantonalbank. GLKB--Glarner Kantonalbank. GKB--Graubuendner Kantonalbank. LUKB--Luzerner Kantonalbank. MIB--Migros Bank. SZKB--Schwyzer Kantonalbank. ZGKB--Zuger Kantonalbank. ZKB--Zuercher Kantonalbank. Source: S&P Global Ratings.

Risk Position: Resilient Customers And Sound Risk Management Balance Concentration In Swiss Real Estate And Home Region

We expect that BKB's prudent risk management and cautious lending standards will continue to contribute to the high asset quality of its loan portfolio. This, together with the strong financial health of Swiss customers, mitigates risks arising from the bank's regional concentration against the challenging economic prospects. We expect BKB's loan portfolio quality will remain strong, reflecting a high share of lower risk residential mortgage loans (mid-year 2022: 74%) and conservative loan-to-value ratios. BKB's corporate loan portfolio has some higher inherent risks due to the narrowness of Basel-City's economic structure, but also benefits from a robust regional economy, and we believe its concentrations are on par with the Swiss peer average.

We remain generally mindful, however, that BKB's inherent concentration in Swiss residential mortgages makes it susceptible to weaker economic prospects. At the same time, we take comfort from BKB's highly collateralized loan book and the stable Swiss housing market which has not experienced noticeable declines in real housing prices since the beginning of 2022.

BKB's nonperforming loan ratio stood at 0.6% at year-end 2022, and we expect the cost of risk to remain below 5 bps until 2025 as in previous year, which is very low in the broader European context (see chart 4).

Efficiency and profitability are weaker than many Cantonal bank peers

But we expect improvement in the future

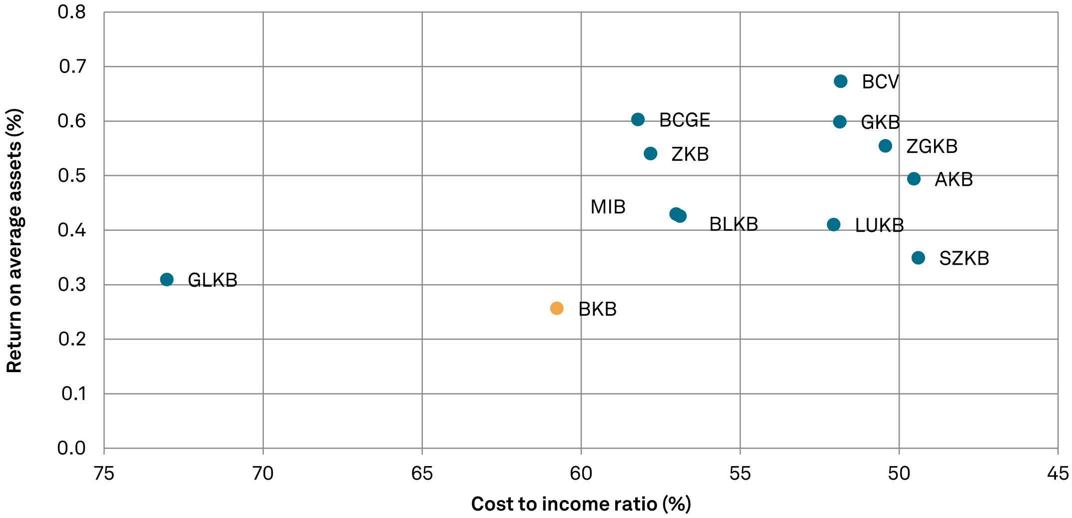


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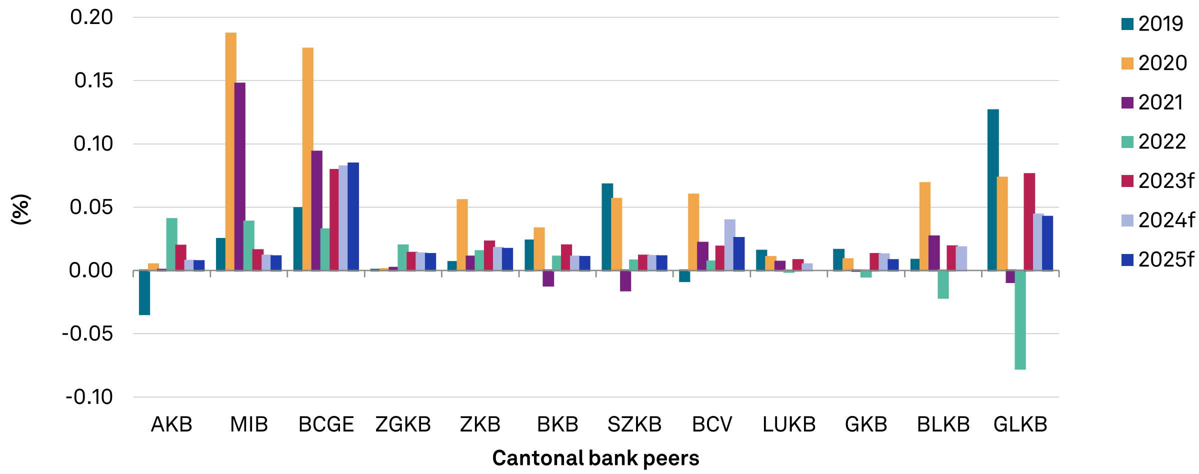
Chart 5

BKB's low cost of risk remains in line with peers



f--Forecast. AKB--Aargauische Kantonalbank. BCGE--Banque Cantonale de Geneve. BCV--Banque Cantonale Vaudoise. BLKB--Basellandschaftliche Kantonalbank. BKB--Basler Kantonalbank. GLKB--Glarner Kantonalbank. GKB--Graubuendner Kantonalbank. LUKB--Luzerner Kantonalbank. MIB -- Migros Bank. SZKB--Schwyzer Kantonalbank. ZGKB -- Zuger Kantonalbank. ZKB--Zuercher Kantonalbank. Source: S&P Global Ratings.

Funding And Liquidity: Favorable Funding Profile, Supported By Implicit Benefits From The Cantonal Guarantee

We expect BKB's funding profile will remain comfortably in line with that of Swiss peers and other banking systems with the same favorable industry risks. At the same time, we expect BKB's liquidity will remain a strength, reflecting the bank's ability to withstand extended market or idiosyncratic stress.

BKB continues to benefit from the cantonal guarantee, which reinforces customer confidence and implicitly supports a widespread and loyal depositor base. In line with the domestic peers average, BKB posted a 121% stable funding ratio at year-end 2022, a level that we expect to remain in the medium term. The bank's loan-to-deposit ratio by our calculation was 122% at June 2023, indicating some reliance on wholesale funding, which is executed via long-term covered and unsecured bonds. The shareholder and guarantee structure gives BKB access to low-cost, long-term wholesale funding which forms 21.1% of its total funding base as of June 2023.

BKB's liquidity will remain a strength, in our view, compared with many banks globally, given that its liquidity position would allow it to endure more than 12 months without access to market funding. This is facilitated by its broad liquid assets to short-term wholesale funding being historically significantly above 1.2x and at 1.7x as of June 2023. This supports our view that BKB's liquid assets comfortably cover its short-term wholesale funding needs. We consider that the bank has proper governance in place to prevent any funding concentrations and conducts appropriate liquidity stress testing. BKB's loyal customer base, superior capitalization, and GRE status will likely help it weather potential capital market stress, in our opinion.

Support: Three Notches Of Uplift For Extremely High Likelihood Of Extraordinary Government Support

We expect BKB will remain a GRE and see an extremely high likelihood that BKB would receive timely and sufficient extraordinary support from the Canton of Basel-City in the event of financial distress. We base this on our view of the bank's integral link with, and very important role for, the canton. BKB benefits from the existing cantonal guarantee on its unsubordinated obligations, which is stipulated by law, as well as its ownership structure and importance for Basel's regional economy. We think that any default by BKB would have a significant negative impact on the regional economy. Because of this, we add a three-notch uplift to BKB's 'a+' SACP to derive the long-term rating.

We expect the existing cantonal guarantees will remain in the medium term. Beyond our outlook horizon, we see a potential risk that future agreements between Switzerland and the EU regarding preferential Swiss market access might include the removal of the remaining guarantees for all cantonal banks.

Environmental, Social, And Governance

We consider Environmental, Social, And Governance in line with those of peers in the banking industry, while the bank's governance standards are comparable with wider practice in its home country.

Hybrid Issue Ratings

Our 'BBB' ratings on BKB's junior subordinated debt (additional Tier 1) reflect our analysis of the instruments and our assessment of BKB's SACP at 'a+'. We understand that the bonds do not benefit from the cantonal guarantee provided by the City of Basel, such that we would question the timely and sufficient support to these subordinated instruments. We consequently notch down from our SACP assessment for the bank. We rate BKB's additional Tier 1 instrument four notches lower than the SACP, reflecting our deduction of:

- One notch for contractual subordination;
- Two notches for the notes' status as Tier 1 regulatory capital; and
- One notch because the instruments allow for the full or partial temporary write-down of the principal amount.

We do not apply additional notching beyond the four notches, given the 5.125% mandatory write-down trigger at BKB (stand-alone) level, which we consider to be a nonviability capital trigger.

Key Statistics

Table 1

Basler Kantonalbank--Key figures

	--Year ended Dec. 31--				
(Mil. CHF)	**2023***	**2022**	**2021**	**2020**	**2019**
Adjusted assets	54,669.8	55,221.5	53,460.4	54,427.0	44,808.9
Customer loans (gross)	33,853.9	34,979.3	33,459.0	32,805.5	31,742.2
Adjusted common equity	4,028.1	4,040.8	3,917.7	3,814.2	3,768.9
Operating revenues	297.7	598.3	589.9	542.9	553.4
Noninterest expenses	180.4	363.5	371.7	374.9	385.3
Core earnings	110.2	217.9	211.1	144.1	150.6

*Data as of June 30. CHF--Swiss franc.

Table 2

Basler Kantonalbank--Business position

	--Year ended Dec. 31--				
(%)	**2023***	**2022**	**2021**	**2020**	**2019**
Total revenues from business line (currency in millions)	297.8	598.4	591.3	544.0	556.7
Commercial and retail banking/total revenues from business line	81.2	81.9	80.9	81.9	82.4
Asset management/total revenues from business line	18.8	18.1	19.1	18.1	17.6
Return on average common equity	3.0	3.4	3.0	2.8	2.9

*Data as of June 30.

Table 3

Basler Kantonalbank--Capital and earnings

	--Year ended Dec. 31--				
(%)	**2023***	**2022**	**2021**	**2020**	**2019**
Tier 1 capital ratio	17.8	18.3	18.2	17.0	17.4
S&P Global Ratings' RAC ratio before diversification	N/A	23.1	22.4	21.0	23.7
S&P Global Ratings' RAC ratio after diversification	N/A	16.0	15.5	14.7	15.6
Adjusted common equity/total adjusted capital	100.0	96.1	96.0	95.9	97.4
Net interest income/operating revenues	65.0	65.0	62.8	65.2	62.5
Fee income/operating revenues	23.7	22.6	22.8	23.2	22.6
Market-sensitive income/operating revenues	9.8	11.1	13.0	10.2	12.5
Cost to income ratio	60.6	60.8	63.0	69.1	69.6
Preprovision operating income/average assets	0.4	0.4	0.4	0.3	0.4
Core earnings/average managed assets	0.4	0.4	0.4	0.3	0.3

*Data as of June 30. N/A--Not applicable. RAC--Risk adjusted capital.

Table 4

Basler Kantonalbank--Risk-adjusted capital framework data

(CHF 000s)	Exposure*	Basel III RWA	Average Basel III RW (%)	S&P Global Ratings' RWA	Average S&P Global Ratings' RW (%)
Credit risk					
Government and central banks	11,218,960	405,035	4	101,021	1

Table 4

Basler Kantonalbank--Risk-adjusted capital framework data (cont.)					
Of which regional governments and local authorities	1,172,373	405,035	35	42,206	4
Institutions and CCPs	22,595,170	1,039,993	5	893,502	4
Corporate	7,251,473	4,709,975	65	3,856,037	53
Retail	29,915,603	14,379,607	48	8,464,570	28
Of which mortgage	23,434,341	8,484,883	36	4,729,076	20
Securitization§	0	0	0	0	0
Other assets†	95,676	60,991	64	96,404	101
Total credit risk	71,076,883	20,595,601	29	13,411,535	19
Credit valuation adjustment					
Total credit valuation adjustment	--	430,100	--	0	--
Market risk					
Equity in the banking book	71,156	106,734	150	533,669	750
Trading book market risk	--	1,044,666	--	1,745,065	--
Total market risk	--	1,151,400	--	2,278,734	--
Operational risk					
Total operational risk	--	1,077,438	--	1,121,745	--
	Exposure	**Basel III RWA**	**Average Basel II RW (%)**	**S&P Global Ratings' RWA**	**% of S&P Global Ratings' RWA**
Diversification adjustments					
RWA before diversification	--	23,492,626	--	16,812,014	100
Total diversification/ Concentration adjustments	--	--	--	7,633,039	45
RWA after diversification	--	23,492,626	--	24,445,054	145
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**S&P Global Ratings' RAC ratio (%)**
Capital ratio					
Capital ratio before adjustments		4,287,562	18.3	4,204,767	25.0
Capital ratio after adjustments‡		4,287,562	18.3	4,204,767	17.2

*Exposure at default. §Securitization exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and S&P Global Ratings' risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. ‡Adjustments to tier 1 ratio are additional regulatory requirements (e.g. transitional floor or pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. CHF--Swiss Franc. CCPs--Central counterparty clearing house. Sources: Company data as of Dec. 31, 2022, S&P Global Ratings.

Table 5

Basler Kantonalbank--Risk position					
	--Year ended Dec. 31--				
(%)	**2023***	**2022**	**2021**	**2020**	**2019**
Growth in customer loans	2.4	4.5	2.0	3.3	4.1
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	43.9	44.6	42.5	51.5
Total managed assets/adjusted common equity (x)	13.6	13.7	13.6	14.3	11.9
New loan loss provisions/average customer loans	0.0	0.0	0.0	0.0	0.0

Table 5

Basler Kantonalbank--Risk position (cont.)

	--Year ended Dec. 31--				
(%)	**2023***	**2022**	**2021**	**2020**	**2019**
Net charge-offs/average customer loans	N.M.	0.1	0.0	0.2	0.0
Gross nonperforming assets/customer loans + other real estate owned	N/A	0.6	0.7	0.3	0.3
Loan loss reserves/gross nonperforming assets	N/A	96.9	96.2	186.2	240.3

*Data as of June 30. N/A--Not applicable. N.M.--Not meaningful. RWA--Risk-weighted assets.

Table 6

Basler Kantonalbank--Funding and liquidity

	--Year ended Dec. 31--				
(%)	**2023***	**2022**	**2021**	**2020**	**2019**
Core deposits/funding base	60.9	62.0	57.3	60.2	65.8
Customer loans (net)/customer deposits	111.0	111.4	119.1	109.2	119.3
Long-term funding ratio	80.9	83.1	79.4	82.1	89.6
Stable funding ratio	123.0	121.5	123.5	120.9	110.9
Short-term wholesale funding/funding base	20.6	18.4	22.3	19.4	11.5
Regulatory net stable funding ratio	122.9	122.4	125.6	N/A	N/A
Broad liquid assets/short-term wholesale funding (x)	1.8	1.9	1.8	1.8	1.9
Broad liquid assets/total assets	34.9	32.3	36.0	32.4	19.8
Broad liquid assets/customer deposits	62.6	57.2	68.8	59.1	33.6
Net broad liquid assets/short-term customer deposits	28.9	27.9	30.1	27.3	16.4
Regulatory liquidity coverage ratio (LCR) (x)	132.0	154.5	233.6	N/A	N/A
Short-term wholesale funding/total wholesale funding	52.8	47.9	51.9	48.4	33.3
Narrow liquid assets/3-month wholesale funding (x)	2.4	2.1	2.3	2.3	3.1

*Data as of June 30. N/A--Not applicable.

Basler Kantonalbank--Rating component scores

Issuer credit rating	**AA+/Stable/A-1+**
SACP	a+
Anchor	a-
Economic risk	1
Industry risk	3
Business position	Adequate
Capital and earnings	Very strong
Risk position	Adequate
Funding	Adequate
Liquidity	Strong
Comparable ratings analysis	0
Support	+3
ALAC support	0
GRE support	+3
Group support	0

Basler Kantonalbank--Rating component scores (cont.)	
Issuer credit rating	**AA+/Stable/A-1+**
Sovereign support	0
Additional factors	0

ALAC--Additional loss-absorbing capacity. GRE--Government-related entity. SACP--Stand-alone credit profile.

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, March 2, 2022
- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 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: Rating Government-Related Entities: Methodology And Assumptions, March 25, 2015
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Banking Industry Country Risk Assessment: Switzerland, Aug 18, 2023
- Basler Kantonalbank, Dec. 13, 2022

Ratings Detail (As Of December 4, 2023)*	
Basler Kantonalbank	
Issuer Credit Rating	AA+/Stable/A-1+
Junior Subordinated	BBB
Senior Unsecured	AA+
Issuer Credit Ratings History	
12-Nov-2018	AA+/Stable/A-1+
13-Nov-2017	AA/Positive/A-1+
06-Aug-2013	AA/Stable/A-1+
Sovereign Rating	
Switzerland	AAA/Stable/A-1+
Related Entities	
Bank Cler AG	
Issuer Credit Rating	A/Stable/--
Junior Subordinated	BB+

Ratings Detail (As Of December 4, 2023)*(cont.)	
Basel-City (Canton of)	
Issuer Credit Rating	AAA/Stable/A-1+
Senior Unsecured	AAA

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.