

# Luzerner Kantonalbank AG

April 23, 2026

This report does not constitute a rating action.

## Ratings Score Snapshot

**SACP: a**

**Support: +4**

**Additional factors: 0**

Anchor	a-	
Business position	Adequate	0
Capital and earnings	Very Strong	2
Risk position	Adequate	0
Funding	Adequate	0
Liquidity	Adequate	
CRA adjustment	-1	

ALAC support	0
GRE support	4
Group support	0
Sovereign support	0

Issuer credit rating
<b>AA+/Stable/A-1+</b>

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

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## Credit Highlights

### Overview

#### Key strengths

Extremely high likelihood of support from the Canton of Lucerne.

Very strong capitalization and asset quality metrics.

Strong local retail franchise.

#### Key risks

Lending growth is higher than that of many cantonal bank peers, potentially resulting in increased risk accumulation.

Small size and geographical concentration.

A substantial amount of additional Tier 1 (AT1) instruments, which we consider as lower quality capital.

**We expect that Luzerner Kantonalbank AG (LUKB) would receive extraordinary support from its cantonal owner.** LUKB benefits from its high stand-alone creditworthiness in conjunction with the extremely high likelihood of timely and sufficient support from its sole owner, the Canton of Lucerne, if needed. We anticipate that LUKB's integral link with and very important role for the canton, and the canton's guarantee on its unsubordinated obligations, will remain for the

foreseeable future. These factors lead us to apply four notches of uplift to our stand-alone credit profile (SACP) on LUKB to arrive at our 'AA+' long-term issuer credit rating on the bank.

**We anticipate that capitalization will remain a strength.** This is indicated by our risk-adjusted capital (RAC) ratio forecast hovering between 21%-22% over the next 24 months, supported by the bank's sound earnings retention, which ranks very highly globally. LUKB's return on average common equity stood at 7.1% in 2025 and contributed to a robust internal capital generation capacity. Its cost-to-income ratio at 51.9% compares favorably with peers'. We expect both profitability and cost efficiency to remain stable until 2027.

**We consider LUKB's stand-alone creditworthiness as slightly weaker than most of its cantonal bank peers.** This is reflected in our negative comparable ratings analysis (CRA) adjustment notch, which considers relative weaknesses not fully captured elsewhere in our stand-alone credit profile (SACP) for the bank. Specifically, LUKB shows a somewhat higher risk appetite toward commercial real estate and its more aggressive financial policy in terms of reliance on hybrid capital and wholesale funding. At the same time, the SACP is outstandingly high in an international peer comparison for banks of a similar size and concentration. This is mainly a reflection of the extraordinary resilience of the Swiss customers, LUKB's risk aversity, and implicit ongoing benefits from the state ownership.

## Outlook

Our stable outlook reflects our expectation that LUKB will continue to benefit from an extremely high likelihood of support from the Canton of Lucerne over the next two years. Our ratings on LUKB are sensitive to our assessment of the canton'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. We currently consider both these scenarios very unlikely. If either were to occur, we assume LUKB's existing obligations would be grandfathered. We could also lower the rating if the canton's financial prospects and ability to support LUKB were to wane.

However, if we concluded that the bank's lending growth had become overly aggressive, leading to a weaker risk profile than peers', or to a deterioration of our RAC to below 15% in the next 24 months, we could revise down the SACP and consequently lower our ratings on LUKB's hybrid issuances.

We consider the ratings on LUKB and on the bank's senior unsecured debt to be less sensitive to a downward revision of the SACP, considering that such an action would hinge on a multi-notch downward revision of the SACP, all else being equal. We view this scenario as unlikely.

### Upside scenario

A positive rating action stemming solely from a material improvement of the SACP is remote.

## Key Metrics

Table 1

**Luzerner Kantonalbank AG Key Ratios And Forecasts**

	--Fiscal year ended Dec. 31--				
(%)	2024a	2025	2026f	2027f	2028f
Growth in operating revenue	5.7	5.3	3.0-3.5	3.5-4.5	3.5-4.5
Growth in customer loans	3.9	6.8	3.3-3.8	2.7-3.2	2.3-2.8
Net interest income/average earning assets (NIM)	0.9	0.9	0.8-0.9	0.8-0.9	0.8-0.9
Cost-to-income ratio	52.2	51.9	51.0-53.0	50.5-52.5	50.0-52.0
Return on average common equity	7.3	7.1	6.9-7.4	7.0-7.5	7.0-7.5
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	0.1	0.2	0.1-0.2	0.1-0.2	0.1-0.2
Risk-adjusted capital ratio	19.9	20.5-21.5e	21.0-22.0	21.0-22.0	21.5-22.5

All figures include S&P Global Ratings' adjustments. a--Actual. e--Estimate. f--Forecast. NIM--Net interest margin

## Anchor: 'a-' For Banks Solely Operating In Switzerland

Our anchor for banks operating mainly in Switzerland 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 banks to maintain their strong asset quality, based on households' superior financial strength, the country's competitive corporate sector, and prudent underwriting standards. We anticipate the country's GDP to expand by 1.3% in 2026 and 1.7% in 2027.

Overall, we see limited risks to Swiss banks' mortgage exposures, because real estate prices are supported by structural factors such as immigration and scarcity of building land over the coming years. We expect the repeal of Switzerland's imputed rental value regime to have only a limited effect on house prices and banks' balance sheets, with repayments averaging only about 5% of mortgage loan stocks in the first five years following the repeal's implementation.

Our view of industry risk in Switzerland encompasses the stability of the country's multi-tiered banking system and its government-guaranteed credit institutions viewed as safe havens. Regulatory reforms, some of which have already been implemented, aim to strengthen banks' corporate governance and supervision, as well as their access to liquidity during crises. We anticipate slightly decreasing returns for the coming years from previously strong levels because of the near-zero interest-rate environment.

Technology disruption poses a moderate risk for the Swiss market, in our opinion. A lack of economies of scale in retail banking makes the country less attractive for international competitors, and consolidation pressure remains low. We consider sanctions and money laundering to be material risks, especially for private banks.

## Business Position: Strong Retail Franchise In Its Home Canton And Increased Business Growth Elsewhere

We consider LUKB's business position to be on par with that of its domestically focused Swiss peers and better than international peers of a similar size and geographical and business

## Luzerner Kantonalbank AG

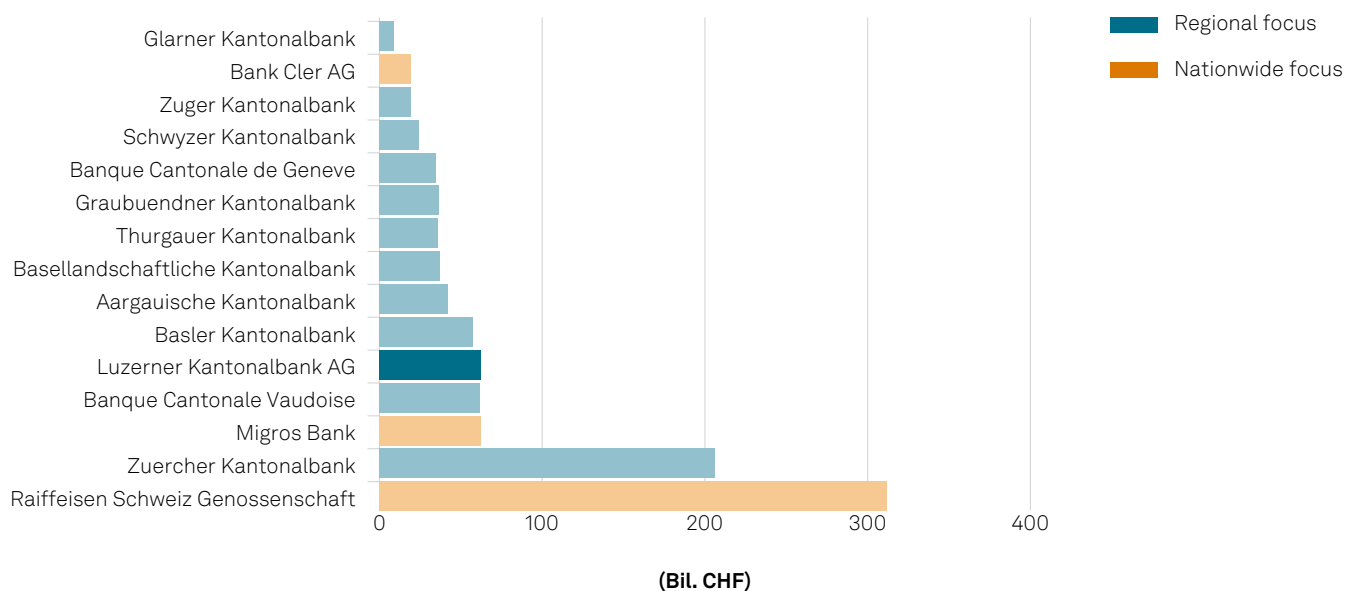
concentration. Our analyses balance risks from the latter with the resilience of the customer base and stability of the business, aided by the implicit support of the canton of Luzern.

LUKB is a midsize Swiss cantonal bank with total assets of Swiss franc (CHF) 62.2 billion as of 2025 (see chart 1). LUKB's strategy rests on two pillars. The first pillar is similar to other cantonal bank peers and based on a strong focus on residential real estate financing, which accounts for almost 90% of its loan exposures. We estimate its market share in real estate financing in its home canton at close to 50%, which makes LUKB the clear local market leader. The bank is targeting further expansion of its residential real estate loan book outside its canton in the coming years, which adds some diversification, but derived revenues are less stable than that stemming from operations in the Canton of Lucerne, in our view. As a second pillar, LUKB targets clients with special advisory needs, including high net worth private clients, corporate clients, and others. Additionally, the bank is increasing its structured products business. While this could enhance LUKB's earnings diversification, it may also introduce additional operational and litigation risks over time.

Chart 1

### Luzerner Kantonal Bank is a midsize cantonal bank

Total assets and geographical focus of domestically oriented Swiss banks



Data for Raiffeisen Schweiz Genossenschaft as per June 2025, all others as per December 2025. Source: S&P Global Ratings. © 2026 Standard & Poor's Financial Services LLC.

LUKB's profitability and cost efficiency metrics compare well with peers. We consider the bank's comparatively stronger-than-peers return on average common equity at 7.1% in 2025 in the context of its slightly weaker capitalization. Return on average assets is at the median of domestic peers at about 0.5%, while at 52% its cost-to-income ratio (CIR) is better than that of peers, which averaged about 58% in 2025. We expect cost efficiency to remain broadly stable.

Under its new strategy agenda, LUKB30, the bank aims to increase its net income by about 15% by 2030. LUKB particularly targets an increase of noninterest income by more than 30% over the next five years, which we consider ambitious.

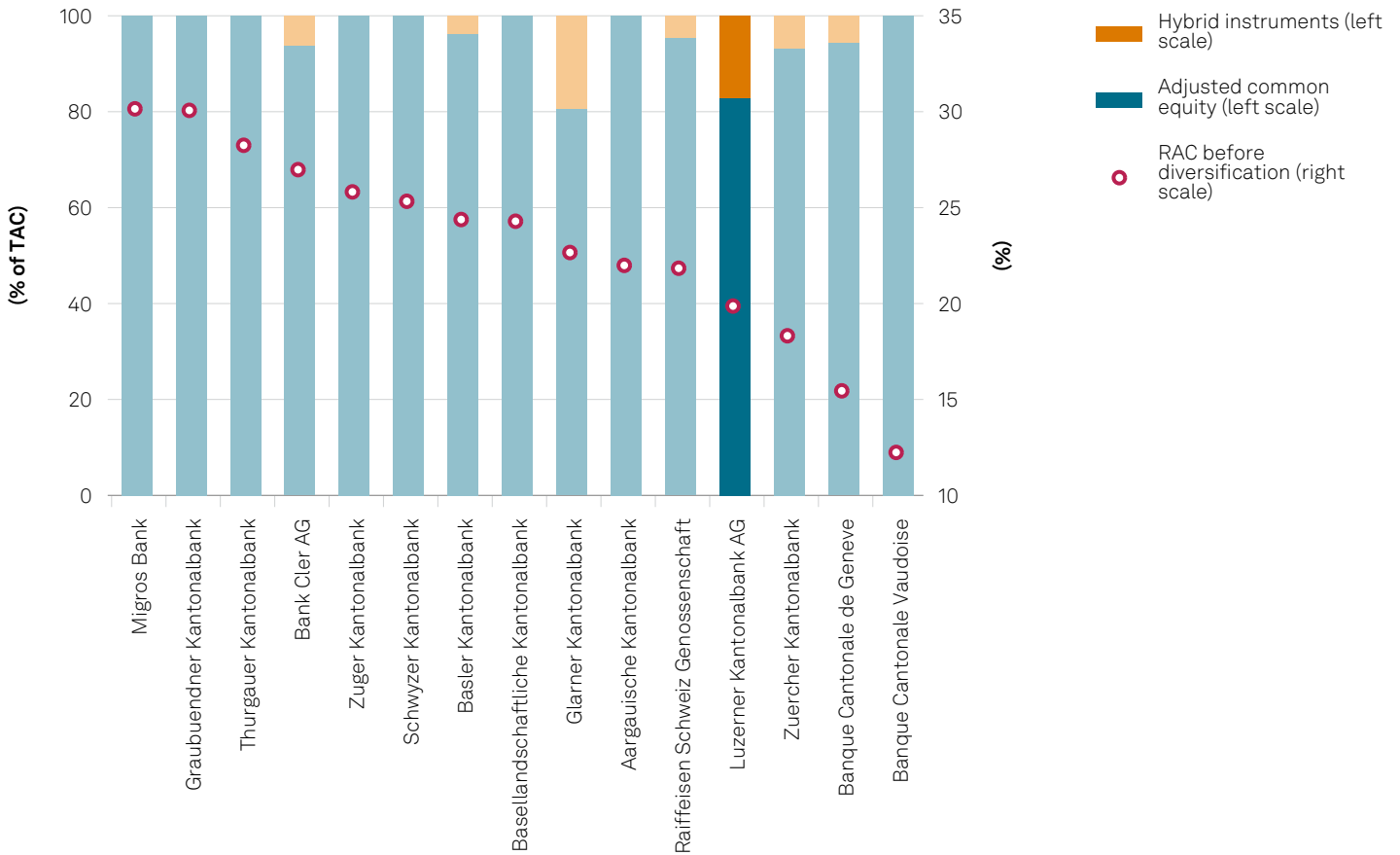
## Capital And Earnings: A Key Rating Strength

We anticipate that LUKB will maintain its very high capitalization. We expect its RAC ratio to remain stable at 21%-22% over the next two years. While this is a very high level compared with the ratios of global peers, it is low-to-mid-range compared with domestic peers, which are typically very highly capitalized.

Our assessment is further backed by solid regulatory capital ratios. The bank's total capital ratio stood at 20.6% at year-end 2025, up from 18.5% in 2024. This is comfortably above its internal target of 19%. The improvement was also supported by the issuance of a CHF150 million additional tier 1 (AT1) instrument in February and the decision not to call another CHF 250 million instrument in October 2025. We anticipate further issuance of hybrid instruments. As a result, the proportion of hybrid instruments in our core capital measure--total adjusted capital--will remain higher for LUKB than for all rated cantonal bank peers together with Glarner Kantonalbank. We see this as a relative weakness, but not to an extent that would change our capital assessment. However, we reflect this weakness in the comparative adjustment notch.

Chart 2

### LUKB's capital buffers are comfortable but quality of capital is somewhat weaker than peers'



RAC--Risk-adjusted capital. TAC--Total adjusted capital. Data as of Dec. 2024. Source: S&P Global Ratings. © 2026 Standard & Poor's Financial Services LLC.

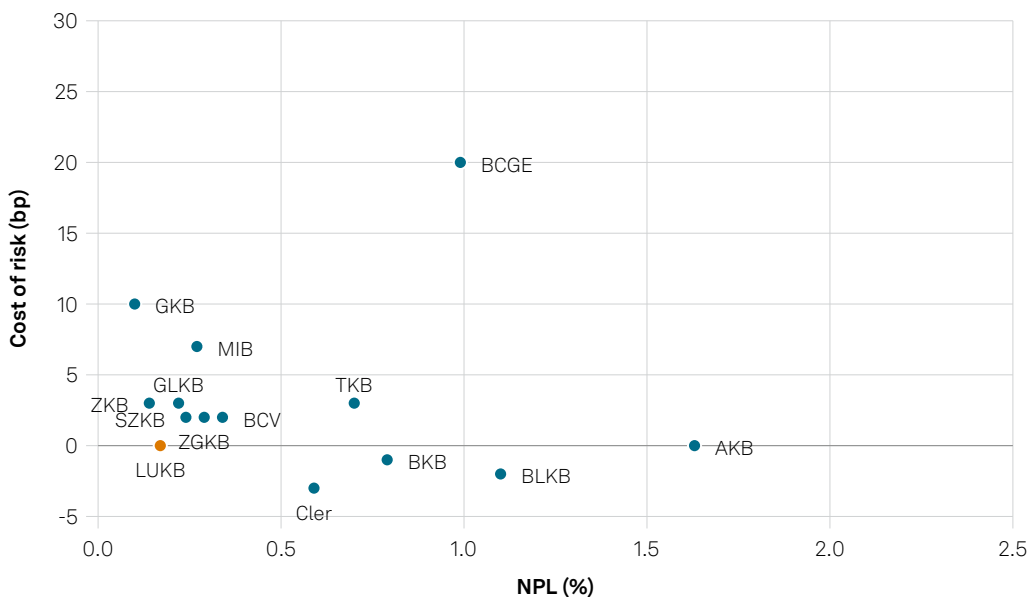
We anticipate the bank's dividend strategy and payout ratio will remain broadly unchanged at about 40%-45%. Beyond dividend payments, LUKB's cantonal owner also receives an annual fee of about CHF10 million-CHF11 million for the cantonal guarantee, as well as cantonal taxes of about CHF8 million.

## Risk Position: Sound Asset Quality Supported By A Robust Economy And Highly Collateralized Loan Portfolio

We believe LUKB's robust asset quality will continue offsetting concentration risks. The bank's asset quality metrics are exceptionally strong. This holds true in both international comparison and relative to domestic peers with generally superior asset quality (see chart 3). Beyond the generally supportive economic environment in Switzerland, in our view this reflects LUKB's sound underwriting standards.

Chart 3

### LUKB's asset quality ratios are among the strongest in Switzerland



Cost of risk--New loan loss provisions / average customer loans. NPL--Gross nonperforming loans/average customer loans. bp--Basis points. Data as of December 2025, except GLKB (2024). Source: S&P Global Ratings. © 2026 Standard & Poor's Financial Services LLC.

While the bank's loan book remains dominated by residential real estate lending in its home canton, we consider concentration risks to be balanced by the granularity and high collateralization of the exposures (the average loan-to-value ratio stood at 53% at year-end 2025).

There is an increasing share of financed residential properties outside LUKB's home canton, which accounted for 40% of properties in 2025, compared with 33% five years ago. This is a higher share than we observe at other cantonal banks. While the positive diversification effect is limited, because we consider the risk profile of extra-cantonal exposures as very similar to and highly correlated with those in Lucerne, we think relationships with customers outside the bank's

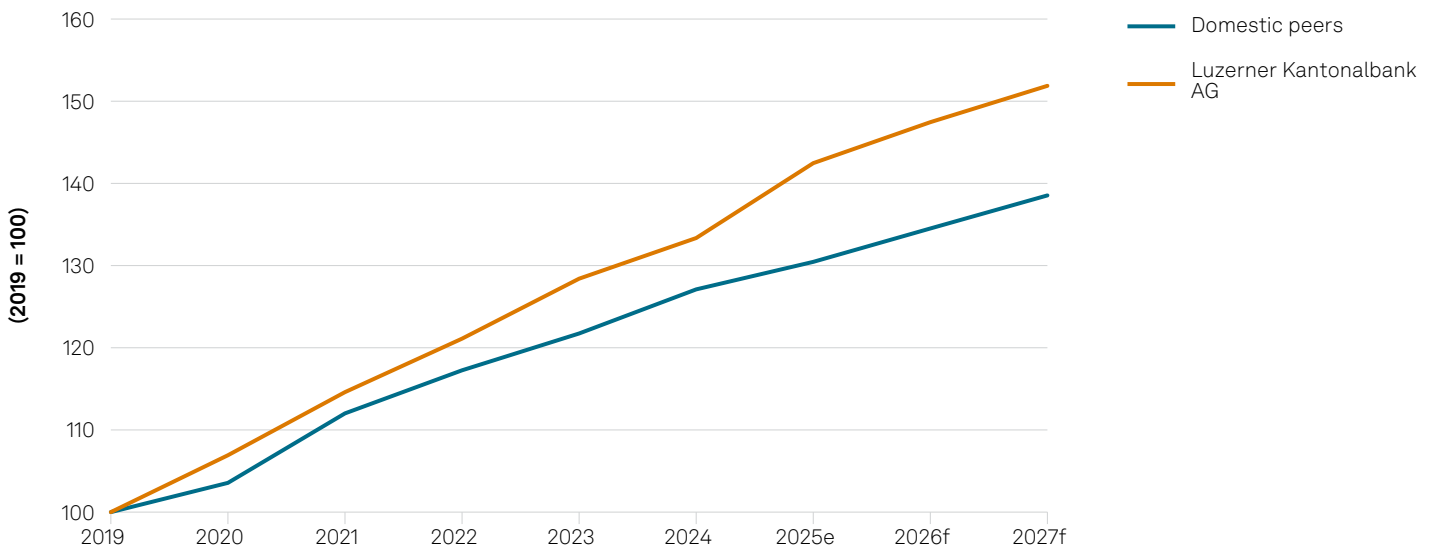
home market are more price-sensitive and less stable. In addition, the share of investment mortgages at about 70% is significantly higher than at most peer banks. This could expose LUKB to higher risks in a severe economic downturn. The bank's participation in syndicated corporate loans, although low (less than 5% of total loans), increases its credit risk exposure. However, we acknowledge LUKB's selective participation in this type of lending and sound underwriting standards.

We expect continued above-average customer loan growth, based on price competition outside the home canton. Nevertheless, we do not see LUKB compromising its sound underwriting standards to attract new business.

Chart 4

**We expect LUKB will continue to grow faster than peers**

Customer loan growth since 2019



Domestic peers are the aggregate of domestically oriented, real estate-focused Swiss banks. All are actuals, except Raiffeisen Schweiz for which forecast data is being used. f--Forecast. Source: S&P Global Ratings. © 2026 Standard & Poor's Financial Services LLC.

## Funding And Liquidity: Supported By Strong Local Retail Deposit Franchise And Cantonal Guarantee

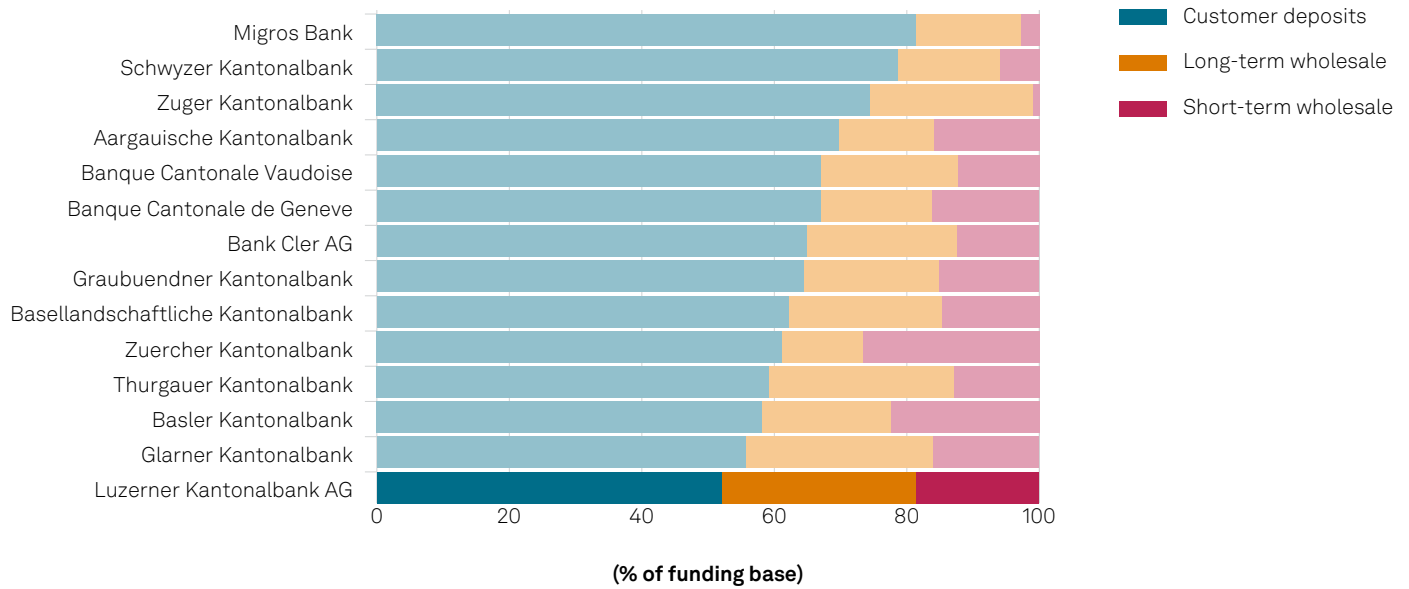
LUKB's funding and liquidity profile remains neutral to our assessment of its stand-alone creditworthiness and in line with most domestic peers. Our neutral assessment is driven primarily by the strong local retail deposit franchise and the statutory cantonal guarantee for all nonsubordinated liabilities, which balance the somewhat weaker metrics.

LUKB relies more heavily than peers on market-based funding (see chart 5), which is reflected in its weaker-than-peer-average loan-to-deposit ratio of about 155% at year-end 2025. Because of its higher reliance on wholesale funding, including hybrid instruments, net interest margins did not expand over the 2023-2024 rate hike cycle. That said, it should limit downward pressure as policy rates in Switzerland have again reached the lower bound of zero. We expect LUKB will benefit from a stable customer deposit base, given its strong local franchise.

Chart 5

**LUKB relies more on market funding than most cantonal bank peers**

Funding structures of selected domestically oriented Swiss banks



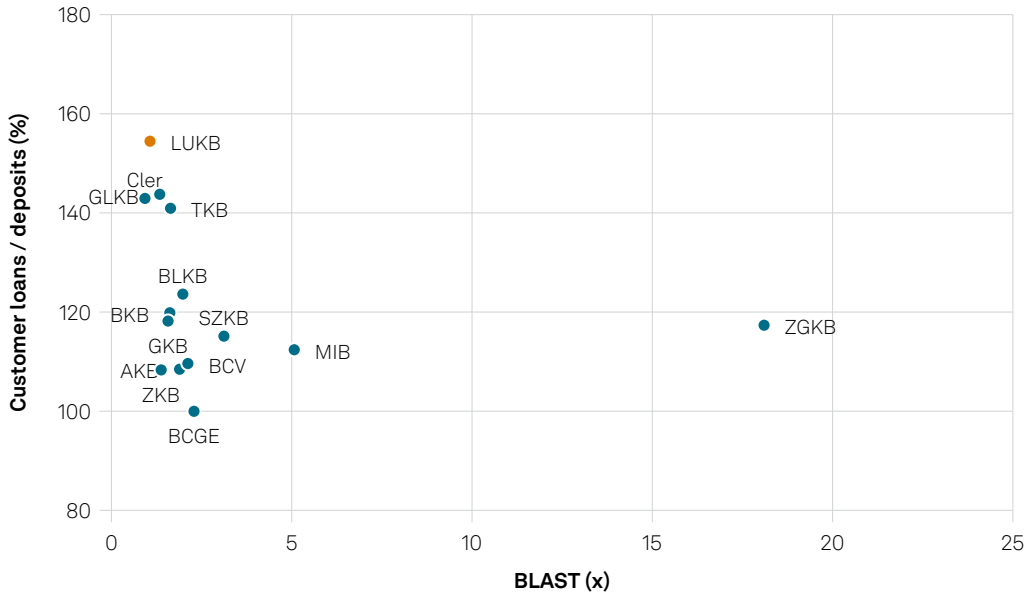
Data as of December 2025. Source: S&P Global Ratings.  
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In our view, LUKB's liquidity will remain adequate: Its ratio of broad liquid assets to short-term wholesale funding was x1.07 at year-end 2025. While this indicates that the bank could continue operations without access to market funding for at least 12 months, this ratio is typically significantly higher at cantonal bank peers. While we do not expect that this ratio will increase materially--because LUKB will tightly manage its liquidity in favor of profitability--a qualitative assessment of the liquidity profile supports our adequate view.

Chart 6

**LUKB's funding and liquidity metrics are slightly weaker than peers'**

Loan-to-deposit and BLAST ratio of selected peers



Data as of December 2025. BLAST--Broad Liquid Assets / Short-term wholesale funding. AKB-- Aargauische Kantonalbank; Cler-- Bank Cler AG; BCGE-- Banque Cantonale de Geneve; BCV-- Banque Cantonale Vaudoise; BLKB-- Basellandschaftliche Kantonalbank; BKB-- Basler Kantonalbank; GLKB-- Glarner Kantonalbank; GKB-- Graubundner Kantonalbank; MIB-- Migros Bank; SZKB-- Schwyzer Kantonalbank; TKB-- Thurgauer Kantonalbank; ZKB-- Zuercher Kantonalbank; ZGKB-- Zuger Kantonalbank; LUKB-- Luzerner Kantonalbank AG. Source: S&P Global Ratings. © 2026 Standard & Poor's Financial Services LLC.

We also consider that the bank has proper governance in place to prevent funding concentrations, and that it conducts appropriate liquidity stress testing. Importantly, we reflect some intrinsic advantages from the cantonal ownership and guarantee in the SACP. The cantonal backbone improves availability and lowers the cost of market funding for the bank.

**Comparable Ratings Analysis: Higher Risk Appetite And More Aggressive Financial Policies Than Peers**

We continue to apply a negative comparable adjustment notch in our SACP to capture the bank's somewhat higher risk appetite toward commercial real estate and its more aggressive financial policy in terms of reliance on hybrid capital and wholesale funding. While the relative weaknesses individually are not material enough to affect any other SACP factors directly, they collectively contribute to a weaker overall assessment than peers with an SACP of 'a+'.

**Support: A Four-Notch Uplift Due To An Extremely High Likelihood Of Extraordinary Support**

We expect LUKB will remain a government-related entity, and we see an extremely high likelihood that the bank would receive timely and sufficient extraordinary support from its major stakeholder, the Canton of Lucerne, 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.

LUKB benefits from the existing cantonal guarantee on its unsubordinated obligations, which is stipulated by law, as well as its ownership structure and importance for the canton's regional economy. We think that any default by LUKB would have a significant negative impact on the regional economy. Because of these factors, we add a four-notch uplift to the '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.

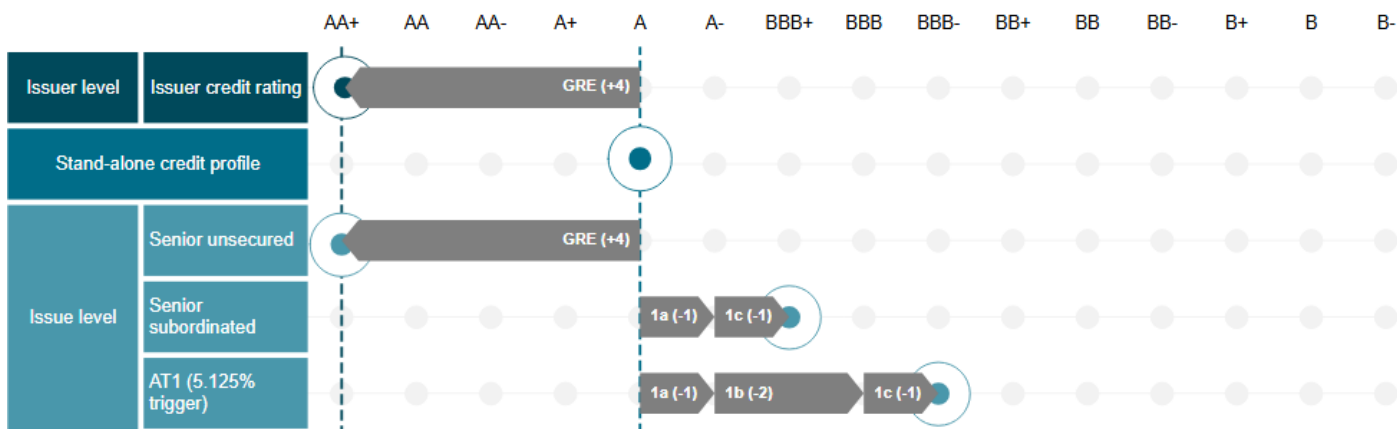
## **Environmental, Social, And Governance**

In our view, environmental, social, and governance factors have an overall neutral influence on our credit rating analysis of LUKB. The cantonal bank's franchise and mandate are focused on providing basic services to the canton's population and to support the economic development in the region. Also, the bank is committed to reducing its carbon footprint in the next few years, in line with the canton's climate strategy.

## **Hybrids**

We rate LUKB's debt instruments according to their respective features. We understand that LUKB's hybrid debt is specifically excluded from the state guarantee granted by the Canton of Lucerne, and consequently we notch down from the SACP.

### Luzerner Kantonalbank: Notching



**Key to notching**

- Issuer credit rating
- Stand-alone credit profile
- GRE Government-related entity
- 1a Contractual subordination
- 1b Discretionary or mandatory nonpayment clause and whether the regulator classifies it as regulatory capital
- 1c Mandatory contingent capital clause or equivalent

Note: The number-letter labels in the table above are in reference to the notching steps we apply to hybrid capital instruments, as detailed in table 2 of our “Hybrid Capital: Methodology And Assumptions” criteria, published on Oct. 13, 2025.

The nonoperating holding company (NOHC) issuer credit rating and senior unsecured debt ratings are notched from the group stand-alone credit profile (SACP) under our criteria. Since ALAC notching does not benefit NOHCs, for simplicity the diagram above is stylized to show the positioning of these ratings with reference to the group SACP.

AT1--Additional Tier 1.

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## Key Statistics

#### Luzerner Kantonalbank AG Key Figures

Mil. CHF	2025	2024	2023	2022	2021
Adjusted assets	62,249	59,154	57,382	56,956	52,805
Customer loans (gross)	46,563	43,585	41,968	39,583	37,466
Adjusted common equity	4,091	3,916	3,717	3,098	2,943
Operating revenues	694	659	624	593	582
Noninterest expenses	360	344	327	309	297
Core earnings	295	284	265	248	246

CHF--Swiss franc.

#### Luzerner Kantonalbank AG--Business position

(%)	2025	2024	2023	2022	2021
Loan market share in country of domicile	3.2	3.1	3.1	2.9	2.9
Deposit market share in country of domicile	2.2	2.2	2.3	2.1	2.2
Total revenues from business line (currency in millions)	695	691	624	597	582
Commercial & retail banking/total revenues from business line	100.0	100.0	100.0	100.0	100.0

## Luzerner Kantonalbank AG

### Luzerner Kantonalbank AG--Business position

(%)	2025	2024	2023	2022	2021
Return on average common equity	7.2	7.3	7.5	7.2	7.3

### Luzerner Kantonalbank AG--Capital and earnings

(%)	2025	2024	2023	2022	2021
Tier 1 capital ratio	18.1	16.8	16.3	15.3	15.7
S&P Global Ratings' RAC ratio before diversification	N/A	19.9	19.1	16.2	16.3
S&P Global Ratings' RAC ratio after diversification	N/A	15.4	14.8	12.4	12.5
Adjusted common equity/total adjusted capital	81.0	82.9	82.1	79.3	78.4
Net interest income/operating revenues	66.0	67.3	67.7	65.8	63.9
Fee income/operating revenues	20.6	19.7	18.9	20.1	20.7
Market-sensitive income/operating revenues	12.6	12.2	12.3	13.1	14.3
Cost to income ratio	51.9	52.2	52.5	52.1	51.0
Provision operating income/average assets	0.6	0.5	0.5	0.5	0.6
Core earnings/average managed assets	0.5	0.5	0.5	0.5	0.5

Table 5

### Luzerner Kantonalbank AG--Risk-adjusted capital framework data

Mil. CHF	Exposure*	Basel III RWA	Average Basel III RW (%)	S&P Global Ratings RWA	Average S&P Global Ratings RW (%)
<b>Credit risk</b>					
Government and central banks	8,276	27	0	1	0
Of which regional governments and local authorities	0	0	0	0	0
Institutions and CCPs	2,619	970	37	522	20
Corporate	13,966	10,229	73	8,391	60
Retail	34,902	12,325	35	8,391	24
Of which mortgage	31,696	11,005	35	6,397	20
Securitization§	0	0	0	0	0
Other assets†	278	255	92	250	90
<b>Total credit risk</b>	<b>60,042</b>	<b>23,806</b>	<b>40</b>	<b>17,556</b>	<b>29</b>
<b>Credit valuation adjustment</b>					
Total credit valuation adjustment	--	202	--	0	--
<b>Market risk</b>					
Equity in the banking book	448	1,937	432	3,368	751
Trading book market risk	--	1,084	--	1,626	--
<b>Total market risk</b>	<b>--</b>	<b>3,022</b>	<b>--</b>	<b>4,994</b>	<b>--</b>
<b>Operational risk</b>					
Total operational risk	--	1,169	--	1,236	--
	Exposure*	Basel III RWA	Average Basel III RW (%)	S&P Global Ratings RWA	Average S&P Global Ratings RW (%)

**Luzerner Kantonalbank AG--Risk-adjusted capital framework data**

Diversification adjustments

RWA before diversification	--	28,209	--	23,787	100
Total Diversification/Concentration Adjustments	--	--	--	6,993	29
RWA after diversification	--	28,209	--	30,779	129

	Tier 1 Capital	Tier 1 ratio (%)	Total adjusted capital	S&P Global Ratings RAC ratio (%)
Capital ratio				
Capital ratio before adjustments	4,727	16.8	4,726	19.9
Capital ratio after adjustments‡	4,727	16.8	4,726	15.4

\*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. Sources: Company data as of Dec. 31, 2024, S&P Global Ratings.

**Luzerner Kantonalbank AG--Risk Position**

(%)	2025	2024	2023	2022	2021
Growth in customer loans	6.8	3.9	6.0	5.7	7.2
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	29.4	29.2	30.5	30.1
Total managed assets/adjusted common equity (x)	15.2	15.1	15.4	18.4	18.0
New loan loss provisions/average customer loans	0.0	(0.0)	(0.0)	0.0	0.0
Net charge-offs/average customer loans	N.M.	0.0	N.M.	N.M.	0.0
Gross nonperforming assets/customer loans + other real estate owned	0.2	0.1	0.1	0.1	0.1
Loan loss reserves/gross nonperforming assets	264.2	379.6	481.4	510.4	601.4
N.M.--Not meaningful.					

**Luzerner Kantonalbank AG Funding And Liquidity**

(%)	2025	2024	2023	2022	2021
Core deposits/funding base	53.1	54.15	55.8	52.1	59.2
Customer loans (net)/customer deposits	154.5	149.0	144.7	145.5	130.4
Long-term funding ratio	82.7	82.0	84.8	78.3	85.7
Stable funding ratio	100.3	100.7	104.7	101.5	110.2
Short-term wholesale funding/funding base	18.9	19.6	16.6	23.4	15.5
Regulatory net stable funding ratio	121.6	126.5	131.8	--	--
Broad liquid assets/short-term wholesale funding (x)	1.1	1.1	1.3	1.1	1.6
Broad liquid assets/total assets	18.3	19.3	19.7	23.2	22.9
Broad liquid assets/customer deposits	37.9	39.2	39.2	48.9	42.3
Net broad liquid assets/short-term customer deposits	2.4	3.0	9.7	4.1	16.3
Regulatory liquidity coverage ratio (LCR) (x)	129.7	148.4	160.4	--	--
Short-term wholesale funding/total wholesale funding	38.8	41.5	36.2	47.3	36.4
Narrow liquid assets/3-month wholesale funding (x)	1.4	1.4	1.5	1.2	2.0

**Rating Component Scores**

Issuer Credit Rating	AA+/Stable/A-1+
SACP	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 ratings analysis	-1
Support	4
ALAC support	0
GRE support	4
Group support	0
Sovereign support	0
Additional factors	0

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

## Related Criteria

- [Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology](#), April 30, 2024
- [General Criteria: Hybrid Capital: Methodology And Assumptions](#), October 13, 2025
- [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
- [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

- [Swiss Banking Outlook 2026: Resilience Despite Low Rates In Trying Times](#), Jan.15, 2026
- [Full Analysis: Switzerland](#), Feb. 09, 2026
- [Banking Industry Country Risk Assessment: Switzerland](#), March 31, 2025

## Luzerner Kantonalbank AG

### Ratings Detail (as of April 23, 2026)\*

#### Luzerner Kantonalbank AG

Issuer Credit Rating	AA+/Stable/A-1+
Junior Subordinated	BBB-
Senior Unsecured	AA+
Subordinated	BBB+

#### Issuer Credit Ratings History

05-Jun-2024	AA+/Stable/A-1+
24-May-2022	AA/Positive/A-1+
01-Dec-2014	AA/Stable/A-1+

#### Sovereign Rating

Switzerland	AAA/Stable/A-1+
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\*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.

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