



Rating Action: Moody's Ratings assigns first-time Baa1 long-term deposit ratings to Arab Bank (Switzerland) Ltd., outlook stable

22 Apr 2026

Action summary statement

Frankfurt am Main, April 22, 2026 --

Moody's Ratings (Moody's) has today assigned first-time Baa1/P-2 long- and short-term deposit ratings, Baa3/P-3 long- and short-term issuer ratings and Baa3/P-3 long- and short-term Counterparty Risk Ratings (CRR) to Arab Bank (Switzerland) Ltd. (ABS). The outlook on the bank's long-term deposit and issuer ratings is stable. Concurrently, we assigned a baa2 Baseline Credit Assessment (BCA) and Adjusted BCA to ABS, as well as Baa2(cr)/P-2(cr) long- and short-term Counterparty Risk (CR) Assessments.

RATING(S) RATIONALE

-- ASSIGNMENT OF BCA

ABS's baa2 BCA reflects its small but growing wealth management franchise and moderate commodity trade finance lending activities. Following its strategic expansion through domestic acquisitions in 2023 and 2024, ABS has diversified its customer base, which has a strong historic focus on the Middle East region. ABS's BCA reflects its solid financial profile with moderate credit risks, strong capitalisation and low balance sheet leverage as well as ample liquidity. The BCA is further supported by ABS's customer-driven, deposit-funded balance sheet and moderate profitability.

ABS's BCA also reflects typical risks applicable to wealth managers, such as reputational, legal and operational risks in conjunction with a short contractual duration of customer deposits, and market-driven fluctuations in client assets. Besides, we consider the higher fraud risks from the bank's commodity trade financing which can lead to volatile earnings, balanced by the self-liquidating nature of these short-term lending arrangements supporting liquidity.

Our assessment also takes into account ABS's small private banking wealth management franchise which exhibited strong growth in client assets to around CHF18 billion by the end of 2025 from around CHF6 billion in 2022, reflecting the acquisitions of Switzerland's Gonet & Cie SA in 2023 and ONE swiss bank SA in 2024. ABS still needs to demonstrate that it can successfully operate the enlarged franchise, benefiting from revenue and costs synergies, while sustaining high credit quality in its mortgage and Lombard loans and prudent asset-liability and risk management. Absent a successful M&A execution track record, we capture these risks by a one notch qualitative adjustment for strategy, risk appetite and governance, leading to ABS's baa2 BCA, compared with its baa1 financial profile.

The ratings also incorporate ABS's environmental, social and governance (ESG) considerations. With a Credit Impact Score (CIS) of CIS-3, ESG factors have a limited impact on the ratings. ABS faces moderate governance risks related to a strategic shift towards inorganic growth, mainly reflecting its recent acquisitions in wealth management assets, which are particular confidence-sensitive, and the bank's limited business integration track record. Governance risks related to the interconnectedness with and activities of its sister company, Jordan's [Arab Bank PLC](#) (deposit Ba1 stable, BCA ba1), are largely mitigated by Switzerland's regulatory supervisory framework.

Because of very little financial and operational linkages but also considering reputational spill-over effects, we

limit the BCA of ABS at three notches above the BCA of its sister bank Arab Bank PLC; however, at present this represents no constraint for ABS's BCA.

-- ASSIGNMENT OF ADJUSTED BCA

We assume a moderate probability that the shareholders of Arab Bank PLC, which are identical to the shareholders of ABS, would support its Swiss-based sister bank in case of need, owing to the strategic diversification of ABS's wealth management franchise compared to the group's Middle East focused commercial banking activities.

However, because of the lower BCA of Arab Bank PLC, the largest operating entity of Arab Bank Group, this does not result in rating uplift and an Adjusted BCA for ABS at the same level as its BCA.

-- FIRST-TIME ASSIGNMENT OF LONG-TERM RATINGS

ABS is subject to Swiss banking regulations, which we consider to be an operational resolution regime (ORR). We apply our Advanced Loss Given Failure (LGF) analysis, which takes into account the risks faced by the different instrument classes across the liability structure, should the bank enter resolution. For ABS, we use our standard assumptions, including a 26% junior deposits tranche and full deposit preference in accordance with the Swiss insolvency law.

For ABS's deposits, our Advanced LGF analysis indicates a low loss given failure, resulting in one notch of rating uplift from the bank's baa2 Adjusted BCA, because of the loss protection from remaining residual equity at the point of failure and the outstanding volume of junior deposits.

For ABS's issuer ratings (and CRRs), our Advanced LGF analysis indicates a high loss-given-failure, because the only layer of protection being the residual equity - absent any additional loss-absorbing instruments outstanding - leading to a rating one notch below the bank's baa2 Adjusted BCA.

Because of ABS's small market share in the domestic banking system and minor importance for Swiss financial system stability, we assume a low level of government support from Switzerland (Aaa stable) for ABS, which does not result in any rating uplift.

-- RATIONALE FOR THE STABLE OUTLOOK

The stable outlook on ABS's long-term deposit and issuer ratings reflects our expectation of ABS maintaining its strong funding and liquidity profile and solid capitalisation and moderate profitability as well as a broadly unchanged liability structure.

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATING(S)

ABS's ratings could be downgraded if the bank's BCA gets downgraded. ABS's deposit ratings could also be downgraded in case the bank's liability structure shifts significantly toward non-bail-in-able liabilities.

ABS's BCA could be downgraded following a weakening of the solvency, an aggressive acquisition strategy or inability to successfully manage the integration of acquired businesses, a multi-notch downgrade of Arab Bank PLC's BCA or a meaningful increase of financial and non-financial interlinkages between ABS and Arab Bank group activities.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATING(S)

ABS's ratings could be upgraded as result of an upgrade of the bank's BCA and Adjusted BCA, or in case the bank's liability structure shifts toward higher volumes of loss-absorbing liabilities, such that it results in additional rating uplift from our Advanced LGF analysis.

ABS's BCA could be upgraded following the successful integration of the acquired businesses, leading to a strengthened private banking franchise with broader diversification of its wealth management clientele, which would also show in a strengthening of its current financial profile, while maintaining limited financial and non-financial interlinkages with Arab Bank group activities.

METHODOLOGY

The primary methodology(ies) used in these ratings was/were:

- [Banks](#) published on 17 Nov 2025

Please see the Rating Methodologies page on <https://ratings.moodys.com> for a copy of the methodology(ies).

Arab Bank Switzerland's "Assigned BCA" of baa2 is set two notches below the "Financial Profile" initial score of a3 to reflect the bank's limited track record to successful financial integration of acquired businesses and typical operational and reputational risks related to the business model of a wealth manager.

AFFECTED RATINGS

Issuer: Arab Bank (Switzerland) Ltd. (1000069424)

Rating Class	New Rating	New Outlook	New Review Status
Baseline Credit Assessment	baa2	--	--
Adjusted Baseline Credit Assessment	baa2	--	--
LT Counterparty Risk Rating (Foreign)	Baa3	--	--
LT Counterparty Risk Rating (Domestic)	Baa3	--	--
ST Counterparty Risk Rating (Foreign)	P-3	--	--
ST Counterparty Risk Rating (Domestic)	P-3	--	--
LT Counterparty Risk Assessment	Baa2(cr)	--	--
ST Counterparty Risk Assessment	P-2(cr)	--	--
LT Bank Deposits (Foreign)	Baa1	Stable	--
LT Bank Deposits (Domestic)	Baa1	Stable	--
ST Bank Deposits (Foreign)	P-2	--	--
ST Bank Deposits (Domestic)	P-2	--	--
LT Issuer Rating (Foreign)	Baa3	Stable	--
LT Issuer Rating (Domestic)	Baa3	Stable	--
Issuer ST Rating (Foreign)	P-3	--	--
ST Issuer Rating (Domestic)	P-3	--	--

ANALYTIC CONTACTS:

Lead Analyst

Swen Metzler
VP-Sr Credit Officer

Person Approving Credit Rating

Alexander Hendricks
Associate Managing Director

Releasing Office

Moody's Deutschland GmbH
An der Welle 5
Frankfurt am Main 60322
GERMANY

Journalists

Phone: 44-20-7772-5456

Client Service

Phone: 44-20-7772-5454

DISCLOSURES

Please see the [issuer/deal](#) page for additional information regarding the credit rating action announced here, by clicking on the Regulatory Disclosures link found on that page.

Please refer to additional disclosures and disclaimers available on Moody's [Regulatory Requirements page](#).

Please refer to detailed ratings categories, symbols and definitions available on Moody's [Ratings Definitions page](#).

At least one ESG consideration was material to the credit rating action(s) announced and described above. Moody's general principles for assessing environmental, social and governance (ESG) risks in our credit analysis can be found at [Ratings.Moodys.com](#).

The Global Scale Credit Rating(s) discussed in this Credit Rating Announcement was(were) issued by one of Moody's affiliates outside the UK and is(are) endorsed for use in the UK in accordance with the UK CRA Regulation.

© 2026 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE LEGAL, COMPLIANCE, INVESTMENT, FINANCIAL OR OTHER PROFESSIONAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN

WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating or assessment is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating or assessment process or in preparing its Materials.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating or assessment assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and all MCO entities that issue ratings under the "Moody's Ratings" brand name ("Moody's Ratings"), also maintain policies and procedures to address the independence of Moody's Ratings' credit ratings and credit rating processes. Information regarding certain affiliations that may exist

between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.ir.moody.com under the heading "Investor Relations — Corporate Governance — Charter and Governance Documents - Director and Shareholder Affiliation Policy."

Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V, I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., Moody's Local PA Clasificadora de Riesgo S.A., Moody's Local CR Clasificadora de Riesgo S.A., Moody's Local ES S.A. de CV Clasificadora de Riesgo, Moody's Local RD Sociedad Clasificadora de Riesgo S.R.L. and Moody's Local GT S.A.(collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.

Additional terms with respect to Second Party Opinions and Net Zero Assessments (as defined in Moody's Ratings Rating Symbols and Definitions): Please note that neither a Second Party Opinion ("SPO") nor a Net Zero Assessment ("NZA") is a "credit rating". The issuance of SPOs and NZAs is not a regulated activity in many jurisdictions, including Singapore. EU: In the European Union, each of Moody's Deutschland GmbH and Moody's France SAS provide services as an external reviewer in accordance with the applicable requirements of the EU Green Bond Regulation. JAPAN: In Japan, development and provision of SPOs and NZAs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.