

## RATING ACTION COMMENTARY

# Fitch Affirms ABN AMRO at 'A'; Outlook Stable

Wed 01 Oct, 2025 - 10:18 ET

Fitch Ratings - Frankfurt am Main - 01 Oct 2025: Fitch Ratings has affirmed ABN AMRO Bank N.V.'s Long-Term Issuer Default Rating (IDR) at 'A' with a Stable Outlook and Viability Rating (VR) at 'a'. A full list of rating actions is below.

## KEY RATING DRIVERS

**Strong Standalone Credit Profile:** ABN AMRO's ratings reflect its strong and fairly diversified universal banking business model, complemented by a well-established European private banking franchise, and its conservative risk profile, which results in resilient asset quality. Its capitalisation, funding and liquidity are rating strengths. The ratings also consider the bank's adequate profitability with solid earnings but weaker cost efficiency than peers.

**Strong Dutch Franchise:** The bank has a leading and well-entrenched position as the third-largest bank in the Netherlands. It offers a broad range of products and services to Dutch retail, corporate and wealth management clients. Solid positions in these segments in selected northwest European markets and a leading global position in international clearing services provide moderate geographical and business diversification.

**Conservative Risk Appetite, Sound Controls:** ABN AMRO's underwriting standards are prudent, with a strategic focus on low-risk domestic mortgage loans. These loans account for more than 60% of the total following the de-risking of its balance sheet in recent years. Risk controls are robust and sophisticated, with granular limits. ABN AMRO has effective tools, including advanced and rating-based models, stress testing and scenario analyses. The bank's appetite for traded market risk is low and interest rate risk is well managed.

**Resilient Asset Quality:** The bank's high share of low-risk residential mortgage loans underpins its asset quality. Credit quality also benefits from its focus on sectors with moderate risk profiles in northwest Europe, diversified Dutch SME lending and prudent

corporate loan origination. Fitch expects the impaired loans ratio to remain close to 2% in the short term as credit losses rise moderately, albeit from a low base.

**Satisfactory Earnings; Abating Cost Pressure:** ABN AMRO's earnings benefit from the high revenue contribution of low-risk retail banking, some diversification from fee income and low exposure to volatile businesses. However, the bank's cost efficiency has generally been weaker than similarly rated northern Europe peers due to high wage inflation, and considerable investments in anti-money laundering remediation, data and IT. We believe the bulk of these investments have now been expensed and results from efficiency programmes should ensure the operating profit/risk-weighted assets (RWAs) ratio can be sustained at an average of 2.3% in 2025-2026.

**Sound Capitalisation:** Our view of capitalisation considers ABN AMRO's satisfactory buffers above regulatory minimum requirements, its conservative risk profile, and improved internal capital generation. Its common equity Tier 1 (CET1) ratio was a solid 14.8% at end-June 2025. We expect it to be maintained close to 14% in the near term, modestly above its target of about 13.5% by end-2026.

**Stable, Diversified Funding; Sound Liquidity:** ABN AMRO's funding and liquidity profile benefits from its strong domestic deposit franchise, which typically provides at least two-thirds of its funding, good access to wholesale markets and ample liquidity that comfortably covers short-term wholesale maturities.

## **RATING SENSITIVITIES**

### **Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade**

Fitch believes a downgrade is unlikely in the near term, given ABN AMRO's significant rating headroom. However, we could downgrade the ratings if there was a combined and lasting deterioration in ABN AMRO's operating profit/RWAs below 1.5%, CET1 capital ratio durably below 14% and impaired loans ratio to above 4%. The latter would lead to a re-assessment of the bank's risk profile.

Negative rating pressure could also arise if ABN AMRO experiences outsized losses from its core operations, as this would suggest some weaknesses in its risk controls and governance.

### **Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade**

Positive rating action would require a record of stronger financial performance, as may be reflected in a structurally lower impaired loans ratio close to 1.5%, operating profit/RWAs close to 3% on a sustained basis and a CET1 ratio of around 15%. Material

improvement in the group's business profile from higher business diversification and enhanced franchises in mature markets outside the Netherlands, while maintaining a conservative risk appetite, could also lead to an upgrade.

## **OTHER DEBT AND ISSUER RATINGS: KEY RATING DRIVERS**

The long-term senior preferred debt and deposit ratings and Derivative Counterparty Rating (DCR) are one notch above the Long-Term IDR, and the long-term senior non-preferred debt rating is aligned with the Long-Term IDR. This reflects the protection that could accrue to senior preferred creditors from the bank's junior resolution debt buffers, as the bank plans to fulfil its expected minimum requirement for own funds and eligible liabilities (MREL) of 28.8% of RWAs with senior non-preferred and junior debt only (end-June 2025: 33.4%).

The short-term senior preferred debt and deposit ratings are the lower of the two options mapping to the long-term rating of 'A+' and reflect the funding and liquidity score of 'a+'.

The Tier 2 debt rating is notched twice from the VR to reflect the higher loss severity of this debt class. The Additional Tier 1 (AT1) instrument rating is notched four times from the VR, twice for loss severity and twice for non-performance risk due to fully discretionary coupon omission. The AT1 rating also reflects our expectation that the bank will maintain a CET1 capital ratio comfortably above its maximum distributable amount thresholds.

The rating of the US commercial paper programme issued by ABN AMRO Funding USA LLC, a fully owned US-based funding vehicle, is aligned with ABN AMRO's short-term senior preferred rating to reflect the fact that the commercial paper is guaranteed by ABN AMRO and that the guarantee is unconditional, irrevocable and timely.

**No Government Support:** ABN AMRO's Government Support Rating (GSR) of 'no support' reflects Fitch's view that sovereign support for the bank, while possible, cannot be relied on, primarily given the Bank Resolution and Recovery Directive in place in the Netherlands. This is despite the Dutch government's ownership of about 30% of ABN AMRO's shares.

## **OTHER DEBT AND ISSUER RATINGS: RATING SENSITIVITIES**

The Short-Term IDR is sensitive to changes in ABN AMRO's Long-Term IDR and funding and liquidity score.

The senior non-preferred and senior preferred debt and deposit ratings and the DCR are primarily sensitive to changes to the IDRs. In addition, these ratings could be

downgraded by one notch if Fitch no longer expects ABN AMRO to meet its MREL with senior non-preferred and more junior instruments and if the buffer of senior non-preferred and more junior instruments sustainably declines to below 10%.

The Tier 2 and AT1 ratings are primarily sensitive to changes in the VR. They are also sensitive to Fitch reassessing their non-performance risk relative to the risk captured in the VR.

An upgrade of the GSR would require a higher propensity by the Dutch sovereign to support its banks, which is highly unlikely considering the prevailing resolution regime, in Fitch's view.

## **SUBSIDIARIES & AFFILIATES: KEY RATING DRIVERS**

The rating of the US commercial paper programme issued by ABN AMRO Funding LLC, a fully owned US-based funding vehicle, is aligned with ABN AMRO's short-term senior preferred rating to reflect the fact that the commercial paper is guaranteed by ABN AMRO and that the guarantee is unconditional, irrevocable and timely.

## **SUBSIDIARIES AND AFFILIATES: RATING SENSITIVITIES**

The rating of the US commercial paper programme issued by ABN AMRO Funding LLC is sensitive to changes in ABN AMRO's short-term senior preferred rating.

## **REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING**

The principal sources of information used in the analysis are described in the Applicable Criteria.

## **PUBLIC RATINGS WITH CREDIT LINKAGE TO OTHER RATINGS**

The rating of ABN AMRO Funding USA LLC's senior unsecured debt is directly linked to ABN AMRO's short-term preferred rating.

## **ESG CONSIDERATIONS**

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>.

## RATING ACTIONS

ENTITY / DEBT ⚡	RATING ⚡			PRIOR ⚡
ABN AMRO Funding USA LLC				
senior unsecured	ST	F1	Affirmed	F1
ABN AMRO Bank N.V.	LT IDR	A Rating Outlook Stable		A Rating Outlook Stable
	Affirmed			
	ST IDR	F1	Affirmed	F1
	Viability	a	Affirmed	a
	DCR	A+(dcr)	Affirmed	A+(dcr)
	Government Support	ns	Affirmed	ns
Senior preferred	LT	A+	Affirmed	A+
subordinated	LT	BBB-	Affirmed	BBB-
subordinated	LT	BBB+	Affirmed	BBB+

[VIEW ADDITIONAL RATING DETAILS](#)

## FITCH RATINGS ANALYSTS

**Gary Hanniffy, CFA**

Director

Primary Rating Analyst

+49 69 768076 266

gary.hanniffy@fitchratings.com

Fitch Ratings – a branch of Fitch Ratings Ireland Limited

Neue Mainzer Strasse 46 - 50 Frankfurt am Main D-60311

## **Julien Grandjean**

Director

Secondary Rating Analyst

+33 1 44 29 91 41

julien.grandjean@fitchratings.com

## **Rafael Quina**

Senior Director

Committee Chairperson

+33 1 44 29 91 81

rafael.quina@fitchratings.com

## **MEDIA CONTACTS**

### **Matthew Pearson**

London

+44 20 3530 2682

matthew.pearson@thefitchgroup.com

Additional information is available on [www.fitchratings.com](http://www.fitchratings.com)

## **PARTICIPATION STATUS**

The rated entity (and/or its agents) or, in the case of structured finance, one or more of the transaction parties participated in the rating process except that the following issuer(s), if any, did not participate in the rating process, or provide additional information, beyond the issuer's available public disclosure.

## **APPLICABLE CRITERIA**

[Bank Rating Criteria \(pub. 21 Mar 2025\) \(including rating assumption sensitivity\)](#)

## **ADDITIONAL DISCLOSURES**

[Dodd-Frank Rating Information Disclosure Form](#)

[Solicitation Status](#)

[Endorsement Policy](#)

## ENDORSEMENT STATUS

ABN AMRO Funding USA LLC

EU Issued, UK Endorsed

## DISCLAIMER & DISCLOSURES

All Fitch Ratings (Fitch) credit ratings are subject to certain limitations and disclaimers.

Please read these limitations and disclaimers by following this link:

<https://www.fitchratings.com/understandingcreditratings>. In addition, the following <https://www.fitchratings.com/rating-definitions-document> details Fitch's rating definitions for each rating scale and rating categories, including definitions relating to default. ESMA and the FCA are required to publish historical default rates in a central repository in accordance with Articles 11(2) of Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 and The Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019 respectively.

Published ratings, criteria, and methodologies are available from this site at all times. Fitch's code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the Code of Conduct section of this site. Directors and shareholders' relevant interests are available at <https://www.fitchratings.com/site/regulatory>. Fitch may have provided another permissible or ancillary service to the rated entity or its related third parties. Details of permissible or ancillary service(s) for which the lead analyst is based in an ESMA- or FCA-registered Fitch Ratings company (or branch of such a company) can be found on the entity summary page for this issuer on the Fitch Ratings website.

In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings

and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed. Fitch Ratings makes routine, commonly-accepted adjustments to reported financial data in accordance with the relevant criteria and/or industry standards to provide financial metric consistency for entities in the same sector or asset class.

The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Fitch also provides information on best-case rating upgrade scenarios and worst-case rating downgrade scenarios (defined as the 99th percentile of rating transitions, measured in each direction) for international credit ratings, based on historical performance. A simple average across asset classes presents best-case upgrades of 4 notches and worst-case downgrades of 8 notches at the 99th percentile. For more details on sector-specific best- and worst-case scenario credit ratings, please see [Best- and Worst-Case Measures](#) under the Rating Performance page on Fitch's website.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole



discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001. Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the “NRSRO”). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the “non-NRSROs”) and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

dv01, a Fitch Solutions company, and an affiliate of Fitch Ratings, may from time to time serve as loan data agent on certain structured finance transactions rated by Fitch Ratings.

Copyright © 2025 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved.

## **SOLICITATION STATUS**

The ratings above were solicited and assigned or maintained by Fitch at the request of the rated entity/issuer or a related third party. Any exceptions follow below.

Fitch's solicitation status policy can be found at [www.fitchratings.com/ethics](http://www.fitchratings.com/ethics).

## **ENDORSEMENT POLICY**

Fitch's international credit ratings produced outside the EU or the UK, as the case may be, are endorsed for use by regulated entities within the EU or the UK, respectively, for regulatory purposes, pursuant to the terms of the EU CRA Regulation or the UK Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, as the case may be.

Fitch's approach to endorsement in the EU and the UK can be found on Fitch's [Regulatory Affairs](#) page on Fitch's website. The endorsement status of international credit ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.