Creditreform Bank Rating
ING Bank N.V.

Rating Object	Rating Information
ING Bank N.V. Creditreform ID: 294741	Long Term Issuer Rating / Outlook: **A+ / stable** Short Term: **L2** Type: Update / Unsolicited
Rating Date: **06 June 2024** Monitoring until: withdrawal of the rating Rating Methodology: CRA "Bank Ratings v.3.3" CRA "Rating of Bank Capital and Unsecured Debt Instruments v.2.2" CRA "Environmental, Social and Governance Score for Banks v.1.1" CRA "Rating Criteria and Definitions v.1.3" Rating History: www.creditreform-rating.de	Rating of Bank Capital and Unsecured Debt Instruments: Preferred Senior Unsecured (PSU): **A+** Non-Preferred Senior Unsecured (NPS): **-** Tier 2 (T2): **BBB** Additional Tier 1 (AT1): **BBB-**

Rating Action

Creditreform Rating affirms ING Bank N.V.'s Long-Term Issuer Rating at A+ (Outlook: stable)

Creditreform Rating (CRA) affirms ING Bank N.V.'s Long-Term Issuer Rating at A+. The rating outlook is stable.

CRA affirms ING Bank N.V.'s Preferred Senior Unsecured Debt at A+, Tier 2 Capital at BBB and AT1 Capital at BBB-.

Please find a complete list of rating actions regarding the bank at the end of this rating update.

Key Rating Drivers

- Strong underlying profitability and improving cost efficiency, however, profitability should have peaked in 2023 in the current cycle
- Low and stable impaired loan ratio, cost of risk normalized after significant one-off provisions for Russia-related exposures in 2022
- Satisfactory capital metrics, CET1 ratio supported by robust internal capital generation
- Sound liquidity position

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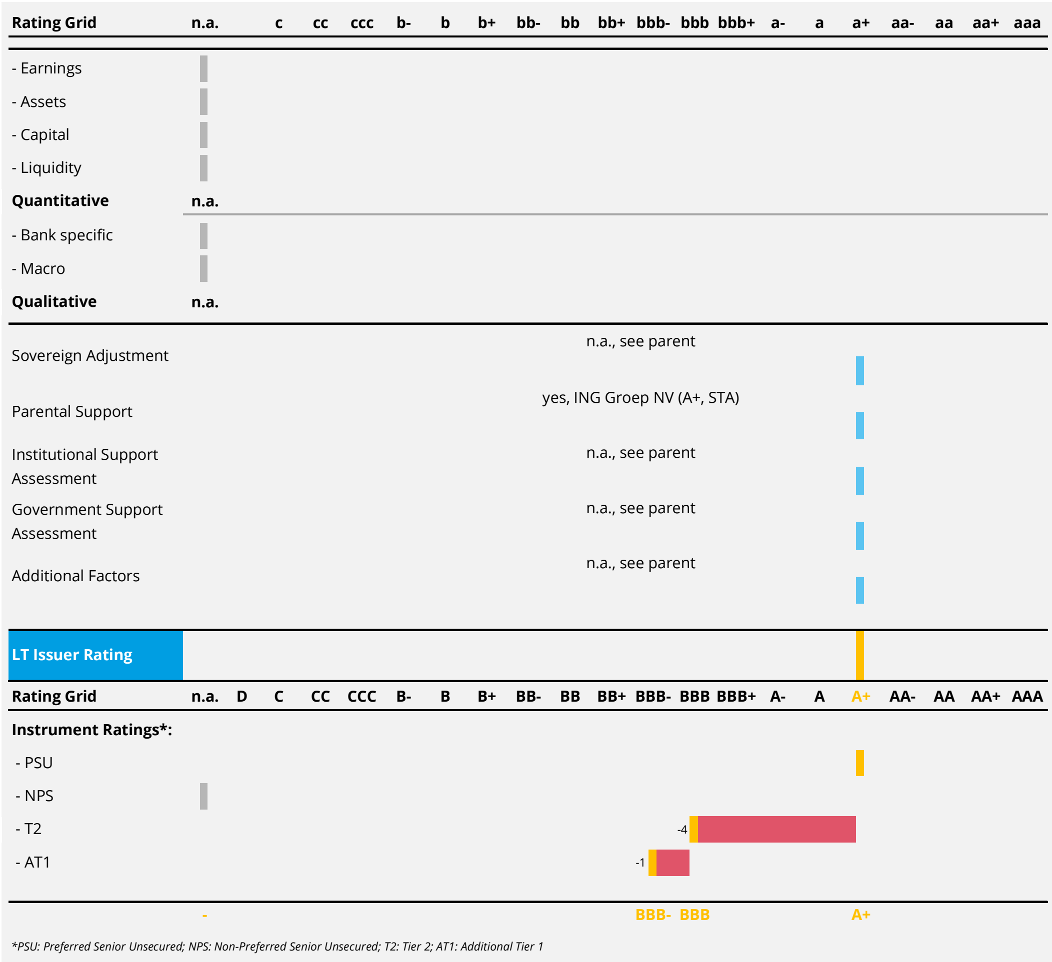
Executive Summary



The rating of ING Bank N.V. is prepared on the basis of group (ING Groep N.V.) consolidated accounts.

The Long-Term Issuer Rating of ING Bank N.V. is affirmed at A+. The outlook remains stable. CRA also affirms the rating of Preferred senior unsecured debt at A, the rating of Tier 2 capital at BBB and the rating of AT1 capital at BBB-.

The ratings continue to reflect the lender's very strong asset quality and profitability metrics, sound liquidity and satisfactory capitalisation.

An additional factor modifying the rating negatively is our view that ING's profitability in the current credit cylce has likely peaked in 2023. Our view is supported by Q1-24 financial results, which show a decreasing interest margin and the bank's guidance, that projects a slight contraction in revenues for the fiscal year 2024. Thus, we maintain our current ratings and outlook.

Rating objects which are either fully consolidated in the group or consolidated group of companies and in which the parent company or one of its fully consolidated subsidiaries holds at least 50%+1 of ownership are generally assigned the Long-Term Issuer Rating of the parent company.

As the rating object ING Bank N.V. is fully consolidated in the group (ING Groep N.V), it receives the Long-Term Issuer Rating of the parent company (A+, stable).

Company Overview

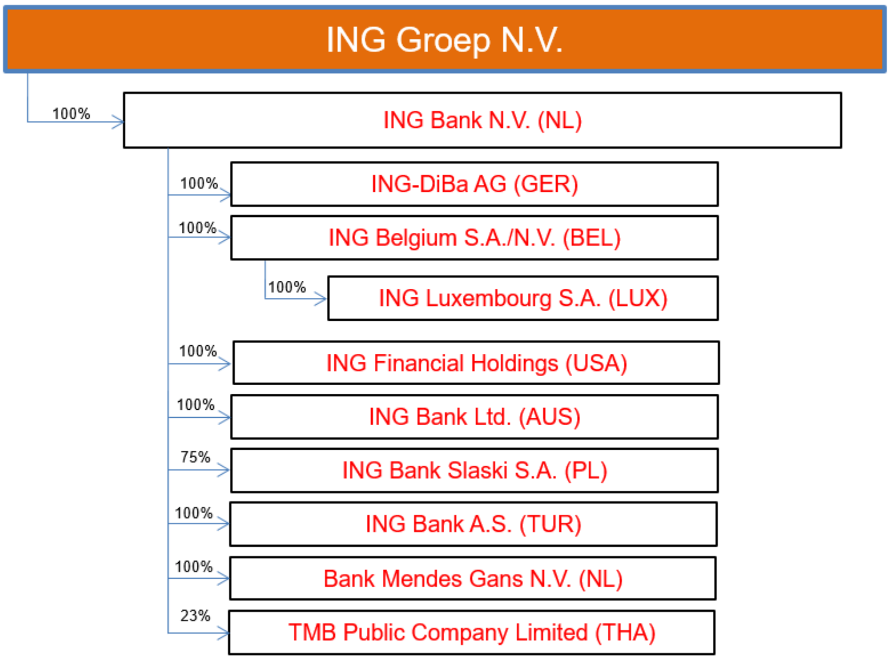
ING Bank N.V. is ING Groep N.V.'s primary banking subsidiary and 100% consolidated into ING Groep N.V.'s accounts. The latter entity is a non-operating holding company headquartered in Amsterdam. As ING is designated by the FSB as a global systemically important bank (G-SIB), it has to comply with additional regulatory requirements.

ING has a presence in more than 40 countries and operates primarily in Europe as well as in North America, South America, the Middle East, Asia and Australia.

Apart from the *Corporate Line*, that incorporates capital management activities and certain expenses not allocated to the banking businesses, ING reports business results for five lines of business. ING's segment reporting primarily reflects the bank's geographical retail footprint. *Retail Netherlands* represents the main contributor to the Groups operating income and is responsible for the retail banking business of private customers in the Netherlands. The results of the bank's retail activities abroad are reported within *Retail Belgium* (incl. Belgium and Luxembourg) and *Retail Germany* (incl. Germany and Austria) and *Retail Other* (among others Australia, Italy, Spain, Poland). The business line *Wholesale Banking* serves business clients and organizations with tailored financial products, including among others, debt capital markets, corporate finance and treasury services.

The principal subsidiaries, investments in associates and joint ventures of the ING Group can be found in chart 1 below:

Chart 1: Principal subsidiaries, investments in associates and joint ventures of the ING Groep N.V.| Source: Annual Report 2023



Business Development

Profitability

Creditreform Rating AG follows a structural approach in the presentation of the income statement and balance sheet as well as in the calculation of key ratios. The presentation may therefore differ from that of the bank. Creditreform Rating pursues the goal of making financial statements of different banks as well as within the scope of consolidation as comparable as possible. Certain key ratios are also taken or calculated from the Bank's Pillar III Report for reasons of comparability. Balance sheet and income statement figures are taken from the consolidated financial statements of the respective years. One-off or exceptional items are, where possible, relegated to the line items non-recurring revenue and expense.

ING's net income doubled in 2023 on the back of robust revenue growth and substantially lower credit risk provisions than in the previous year.

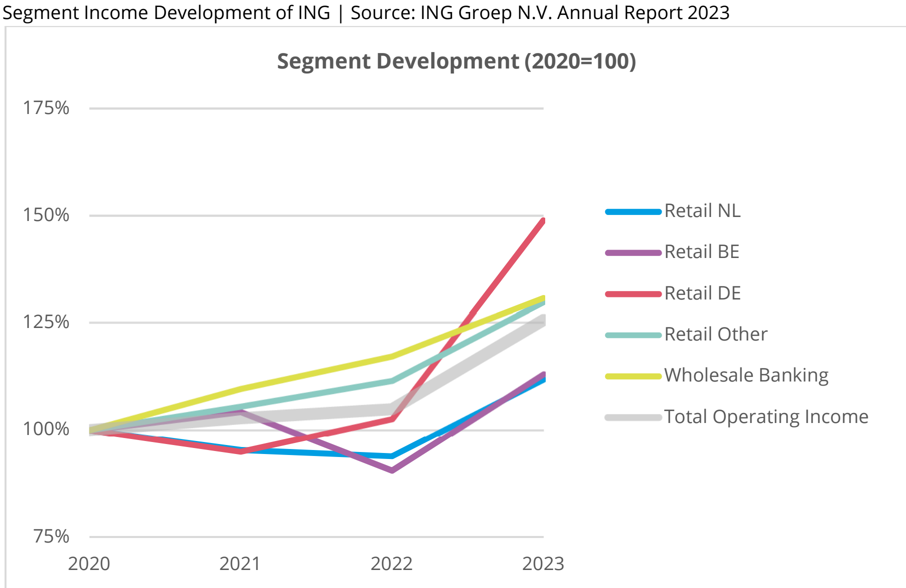
Net interest income, the bank's most important income source (≈70% of operating income in 2023), grew by 16% yoy thanks to the positive rate environment in the euro area, which boosted liability margins in ING's retail operations. Moreover, net interest income als benefitted from the absence of one-off effects – namely a Polish mortgage moratorium and the unwinding of TLTRO-related derivatives - that had a negative impact in the previous year.

Net fee income essentially stagnated last year, as growing fees from payment services were offset by weaker income on investment products, subdued trading activity of customers and lower fees from mortgages due to sluggish transaction activity in the German housing market.

Meanwhile, ING's net trading and securities result improved significantly and almost doubled to EUR 2.9bn (+90% yoy). In particular, ING benefitted from higher income from treasury and financial market activities amidst favourable market conditions.

Summing all up, operating income climbed from EUR 18.7bn (2022) to EUR 22.6bn at the end of 2023. All of the bank's operating segments contributed to the increase in revenues, with ING's German subsidiary ING Diba recording the strongest relative increase last year.

Chart 2: Segment Income Development of ING | Source: ING Groep N.V. Annual Report 2023



With regard to operating expenses, 2023 saw only a modest increase of 3% yoy. Rising costs were mainly fueled by inflation-induced growth in personnel expenses, which particulary lifted staff costs (+9% yoy). Lower regulatory costs (contributions to the European Single Resolution Fund), cost savings from the exit of the French and Philippine markets as well as lower restructuring costs helped to dampen cost growth.

Loan loss provisions dropped from EUR 2.1bn (2022) to EUR 0.5bn in 2023, thereby providing a meaningful boost to the bank's bottom line. While loan loss provisions in ING's retail divisions remained stable at around EUR 0.6bn, the wholesale banking segment released EUR 0.1bn of provisions as the bank continued to wind-down its Russia-related exposures. In 2022, Russia's invasion into Ukraine and higher risk costs on stage 3 exposures due to a worsening macro outlook had driven up ING's cost of risk.

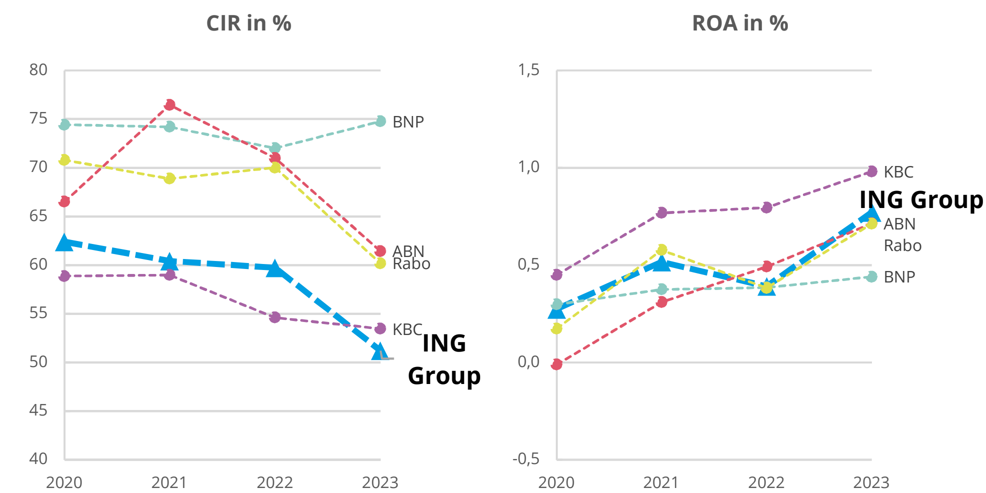
As a result of the aforementioned development, ING's pre-tax profit grew by 91% yoy, thanks to a lower effective tax rate than in the previous year, net income posted even stronger gains (+99% yoy), totalling EUR 7.5bn in 2023.

In Q1-24, ING reported a net profit of EUR 1.6bn (-0.8% yoy). Operating income remained stable compared to Q1-23 despite some weakening of net interest margins, as fee income grew by a strong 11% yoy. On the expenditure side, higher additions to loan loss provisions were offset by declining regulatory costs.

We assign a score of "aa-"to ING's earnings profile, reflecting the bank's strong and improving underlying profitability as indicated by several earning metrics. While the cost income ratio as calculated by CRA fell from 59.7% to 51.2% in 2023, the bank's RoA and RoE climbed to 0.77% and 14.4% up from 0.39% and 7.49%, respectively. Management expects the RoE to moderate somewhat in 2024 but to remain above 12% amidst moderate cost growth of about 3% and slightly lower operating income.

Generally, ING exhibits relatively good cost efficiency metrics compared to other Benelux banks, but also to larger G-SIB peers. Like most of its peers, ING has succeeded in improving its cost efficiency in recent years. The picture is similar in terms of profitability, ING's RoA was the second highest among peers in 2023, with only KBV Group N.V. operating more profitable.

Chart 3: CIR and ROA of ING Groep N.V. in comparison to the peer group | Source: eValueRate / CRA



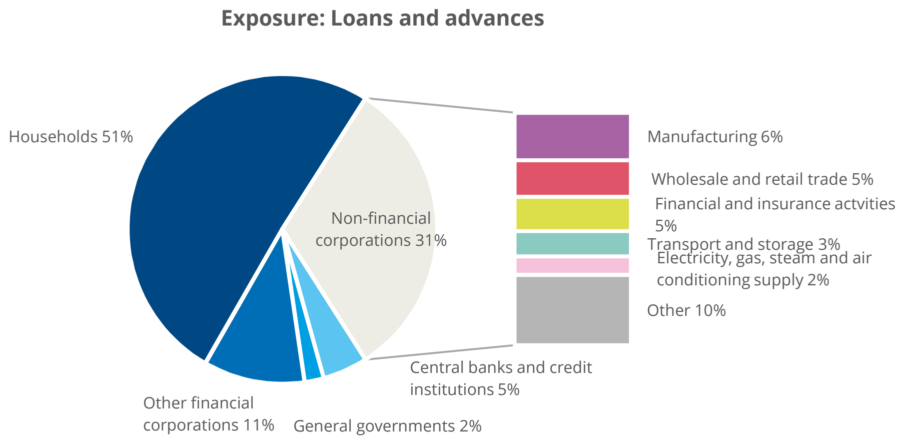
Asset Situation and Asset Quality

With total assets of EUR 975bn (2023), ING is by far the largest bank in the Benelux region. Last year, total assets remained almost stable (+0.8% yoy) but there was quite a bit of activity within the line items. Noticeably, ING sharply reduced its lending exposures to banks (-19.5% yoy). Customer loans, the line item that accounts for 2/3 of the group's total balance sheet, grew by just 1.2% as foreign exchange rates had a dampening impact on portfolio growth. In particular, ING's most significant lending product - residential mortages – posted only palpable growth. Turning to the securities portfolio, we observed a increase by 14.6% yoy in 2023, caused by a sharp appreciation of equity instruments. Meanwhile, the amount of debt instruments on the balance sheet also increased notably (+12.7% yoy), reaching almost EUR 100bn.

We believe that credit quality generally benefits from ING's business mix, that is tilted towards lower risk retail activities. As of year end 2023, retail lending accounted for 66% or EUR 522bn of the bank's credit outstandings. Residential mortgage lending (EUR 333bn) plays a dominant role in ING's retail book. ING's mortgage activities are mostly concentrated in mature and highly developed economies such as the Netherlands, Belgium and Germany and exhibit a conservative average loan to value (LTV) of 57%. ING's consumer lending business is moderately sized, (EUR 24bn) and mainly consists of home improvement and car loans.

However, we believe that ING's wholesale book (EUR 265bn) carries higher credit risks. While the wholesale portfolio shows good geographical and sectoral diversification, industries that are typically charakterized by elevated volatility during economic downturns make up for substantial share. In our view, elevated credit risk is particularly associated with ING's exposures to the transportation sector (EUR 25.2bn), to the oil and gas industry (EUR 17bn), leveraged finance, as well as to trade and commodity finance activities.

Chart 4: Exposure Loans and Advances| Source: Pillar III/other

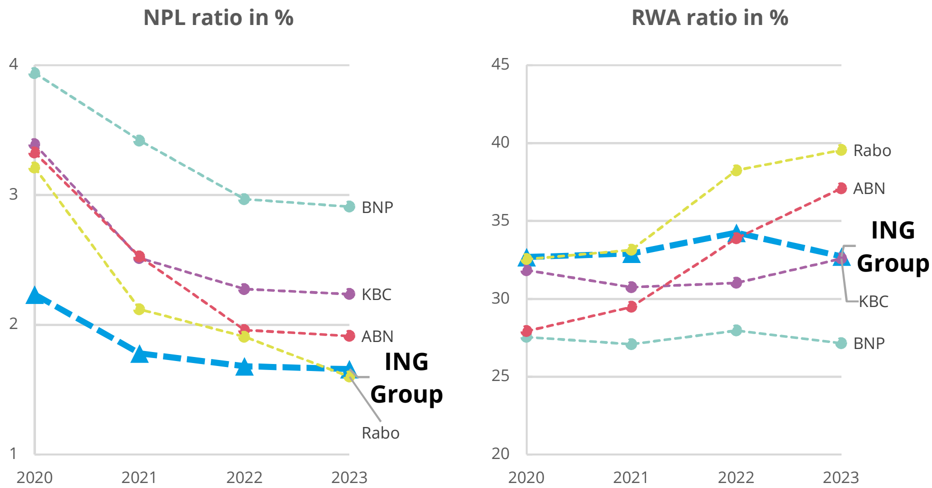


Asset quality remains sound, indicating prudent lending standards. As of year-end 2023, the NPL ratio remained stable at 1.6%, according to CRA calculations. Somewhat higher NPLs in the *Retail Other* segment and in American CRE loans were compensated by improvements in *Retail Benelux* and *Wholesale Banking.* Throughout 2023, ING continued to run-off its Russian-related exposures. The bank's exposures to credit exposures booked outside Russia declined from EUR 2.5bn in 2022 to EUR 1.3bn, in Ukraine, ING's remaining risk amounted to EUR 0.6bn – mainly liquidity facilities.

Cost of risk improved significantly, falling from 31 to a low 8bp of customer loans in 2023. A sharp decline was observed in the wholesale segment in particular, which in 2022 had to book additional provisions of of EUR 0.5bn for its Russia-related exposures. Thanks to the ongoing reduction of these exposures, ING was able to release EUR 0.2bn of these provisions, benefitting the bank's cost of risk metrics. Also underpinning the bank's conservative risk profile, ING's RWA ratio remains low at 32.7% in 2023 (2022: 34.3%). As of Q1-24, the quality of the bank's loan book showed no signs of deterioration and we expect the bank's NPL ratio to remain broadly stable over the remainder over 2024.

ING, as well as its peer banks operating in the Benelux region, have reported a downward trend in NPL ratios since the end of 2020. At the current level, however, ING is the best in class performer within the peer group. In terms of the RWA ratio, ING is positioned in the middle of the peergroup, on a par with KBC Group but well below the levels of ABN Amro and Rabobank.

Chart 5: NPL and RWA ratios of ING Groep N.V. in comparison to the peer group | Source: eValueRate / CRA



Refinancing, Capital Quality and Liquidity

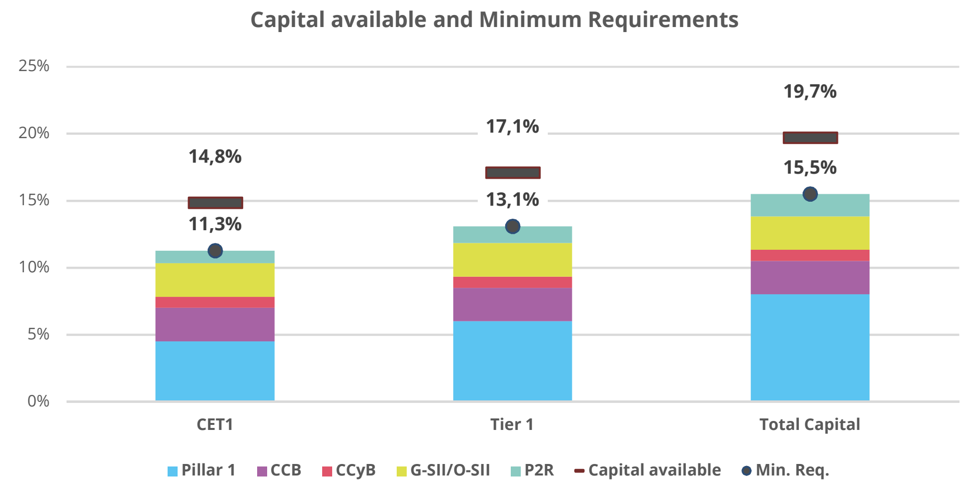
The liability side of ING's balance sheet mirrors the bank's retail-focused business model. Customer deposits remain by far the most important source of funds and accounted for over 70% of the bank's financial liabilities. The bulk of deposits is insured and from individuals with an average account balance of approx. EUR 15,000. In general, we believe that the stability of ING's funding benefits from this granular and sticky deposit base, lowering refinancing risk in times of financial market turmoil. While deposits recorded only anemic growth (1% yoy) last year, ING cut down its borrowings from banks by 60% yoy, a decline that particularly reflects the EUR 30bn repayment of TLTRO III refinancing with the European Central Bank (ECB), as this funding instrument became more expensive.

TLTRO funding was particularly replaced with higher volumes of wholesale debt, which climbed by 26% yoy. In 2023, ING raised almost EUR 20bn in the bond markets, exceeding redemptions by EUR 10bn. Issuance activity was concentrated in HoldCo Senior debt (EUR 6bn) and secured bonds (EUR 8.4bn). As ING has adopted a Single Point of Entry (SPE) resolution strategy, TLAC/MREL eligible debt instruments are only issued at the level of ING Groep N.V. Limiting refinancing risk, ING's long term debt maturities are well staggered and refinancing via floating rate debt securities is almost exclusively limited to short maturities.

While ING's equity ratio of 5.4% remains relatively low despite an increase from 5.2% in 2022, the bank's regulatory equity position is satisfactory, with the CET1 ratio improving from 14.5% to 14.7% in 2023. The increase in the bank's capital ratio was supported by robust capital generation and some RWA relief following the wind-down of Russia related exposures, currency and model impacts. At the same time, shareholder distributions (dividends+stock buybacks) worth EUR 6.4bn detracted some 1.2pp from the CET1 ratio. In Q1-24, The CET1 ratio inreased marginally to 14.8% on the back of profit retention further RWA reductions, the capital buffer over ING's SREP requirement stood at a solid 357bp. In principle, both a G-SIB (1%)and O-SII buffer requirement (2.5%) apply to ING, although additional capital only has to be held in the amount of the larger of the two buffers. Effective 31 May 2024, ING's O-SII buffer will be lowered from 2.5% to 2%, as a result the bank's SREP requirement will fall to 10.7%. Looking ahead management plans to reduce its capital buffer progressively, returning a part of the banks excess capital to shareholders through further stock buybacks. Thus, by 2025, the management buffer should shrink to around 150bp, commensurate with the targeted CET1 ratio of 12.5%.

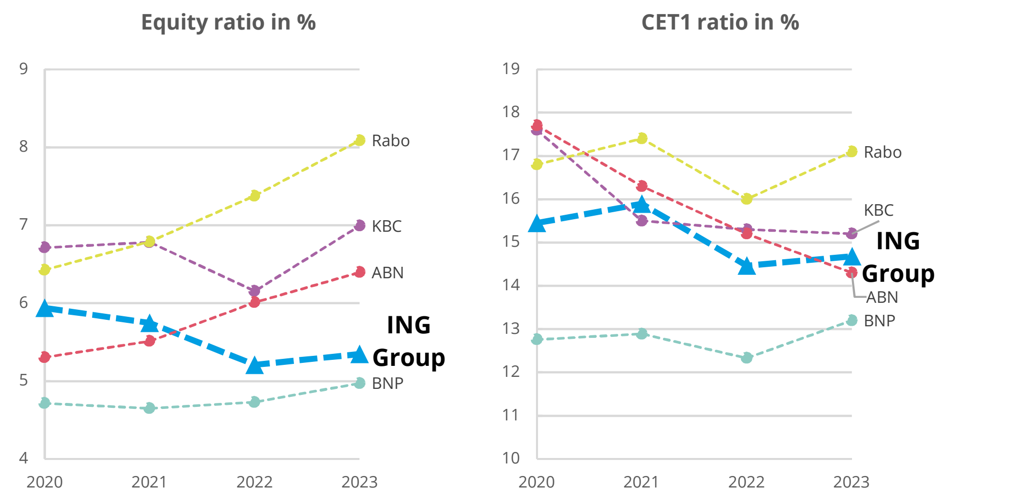
ING has good liquidity to cover its short-term financial obligations as indicated by its liquidity coverage ratio of 143% in 2023 (2022: 134%). Long-term structural liquidity appears also sufficiently high, with the net stable funding ratio at 131.6% (2022: 132.0%).

Chart 6: Regulatory Capital Ratios and Minimum Requirements per Q1-24 | Source: Company accounts



In contrast to most peer banks, which have been able to increase their equity ratio in recent years, ING's equity ratio trended lower, partly reflecting steadily rising shareholder returns. As a result, ING's equity ratio was the second lowest in the peergroup in 2023. In contrast, ING's performance is better when comparing the regulatory CET1 ratio. As of 2023, ING positioned itself in the middle of the peergroup, broadly on par with ABN Amro.

Chart 7: Equity and CET1 ratios of ING Groep N.V. in comparison to the peer group | Source: eValueRate / CRA / Pillar III



With regard to the rating of Non-Preferred Senior Unsecured and Preferred Senior Unsecured debt, the Dutch legal framework results in special considerations. Only ING Bank N.V. is allowed to issue Preferred Senior Unsecured debt, while as the single point of entry (SPE), only the Group may issue MREL-eligible capital. I.e. the Non-Preferred Senior Unsecured is attributed to ING Groep N.V., while Preferred Senior Unsecured debt is attributed to ING Bank N.V..

Due to the seniority structure, ING Bank N.V.'s Preferred Senior Unsecured debt is rated A+. ING Bank N.V.'s Tier 2 Capital is rated BBB based on the ING Bank's capital structure and seniority in accordance with our rating methodology. Additional Tier 1 Capital is rated BBB-, reflecting the capital structure and seniority as well as due to a high bail-in risk in the event of resolution.

Environmental, Social and Governance (ESG) Score Card

Creditreform Bank Rating
Environmental, Social and Governance (ESG) Bank Grade
ING Groep NV (Bijlmerplein 880, 1102 MG Amsterdam)

ING Groep NV has one significant and two moderate ESG rating drivers

• Corporate Governance is identified as a highly significant rating driver. The relevance for the credit rating results from the impact of the Corporate Governance factor on all other ESG factors and the overall well-being of the bank. This sub-factor is rated positive due to ING's strong and sustainable earning figures, its diverse board composition and adequate management compensation policies.

• Corporate Behaviour and Green Financing / Promoting are identified as moderate rating driver. While Green Financing / Promoting is rated neutral due to relatively low amount of green bonds, Coporate Behaviour is rated neutral due money laundering related fines between 2018-20.

ESG Bank Grade

3,8 / 5

Grade Guidance	
> 4,25	Outstanding
>3,5 - 4,25	Above-average
>2,5 - 3,5	Average
>1,75 - 2,5	Substandard
< = 1,75	Poor

	Sub-Factor	Consideration	Relevance Scale 2022	Eval.
Environmental	1.1 Green Financing / Promoting	The sub-factor "Green Financing/Promoting" has a moderate relevance for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	3	( )
	1.2 Exposure to Environmental Factors	The sub-factor "Exposure to Environmental Factors" has a low relevance for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	2	( )
	1.3 Resource Efficiency	The sub-factor "Resource Efficiency" has no significant relevance for the credit rating.	1	(+)
Social	2.1 Human Capital	The sub-factor "Human Capital" has low relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	2	(+)
	2.2 Social Responsibility	The sub-factor "Social Responsibility" has no significant relevance for the credit rating.	1	( )
Governance	3.1 Corporate Governance	The sub-factor "Corporate Governance" is highly relevant for the credit rating, and is rated very positive in terms of the CRA ESG criteria.	4	(+ +)
	3.2 Corporate Behaviour	The sub-factor "Corporate Behaviour" has a moderate relevance for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	3	( )
	3.3 Corporate Transparency	The sub-factor "Corporate Transparency" has no significant relevance for the credit rating.	1	(+ +)

ESG Relevance Scale	
5	Highest Relevance
4	High Relevance
3	Moderate Relevance
2	Low Relevance
1	No significant Relevance

ESG Evaluation Guidance	
(+ +)	Strong positive
(+)	Positive
( )	Neutral
(-)	Negative
(- -)	Strong negativ

The ESG Grade is based on the Methodology "Environmental, Social and Governance Grade of Banken (Version 1.0)" of Creditreform Rating AG, which is available on our homepage https://creditreform-rating.de/en/about-us/regulatory-requirements.html. In addition, we refer to CRA's position paper "Consodering the Impact of ESG Factors".

Outlook

The outlook of the Long-Term Issuer Rating of ING is stable. In the medium term, CRA expects ING to preserve good cost efficiency and sound profitability despite our expectation that profitability should weaken somewhat in 2024. Against the backdrop of weak growth dynamics in many of ING's key markets, we view further improvements in asset quality metrics as rather unlikely going forward. ING's capital metrics are expected to decline somewhat, however, capital buffers should remain comfortable, and the bank's ability to generate capital organically through profit retention is unrestricted.

Best-case scenario: AA-

Worst-case scenario: A

Please note:

The scenarios are based on information available at the time of the rating. Within the forecast horizon, circumstances may occur that could lead to a change of the rating out of the indicated range.

Scenario Analysis

In a scenario analysis, the bank is able to reach a Long-Term Issuer Rating of AA- in the "Best-Case-Scenario" and a Long-Term Issuer Rating of A in the "Worst-Case-Scenario". The ratings of Bank Capital and Senior Unsecured Debt would respond similarly based on our rating methodology. These ratings are especially sensitive to changes in total equity and to the bank capital and debt structure in general.

We might upgrade ING's Long-Term Issuer Rating and the ratings of Bank Capital and Senior Unsecured Debt if we see a notable and sustainable improvement capitalisation while at the same time asset quality and earnings should not materially deteriorate.

By contrast, a downgrade of ING's Long-Term Issuer Rating and the ratings of Bank Capital and Senior Unsecured Debt if profitability should come under pressure, for instance due to higher risk costs in the medium term. Individually or collectively, deteriorating asset quality and capital metrics could also trigger a downgrade.

Appendix

Bank ratings ING Bank N.V.

The bank ratings are dependent on a host of quantitative and qualitative factors. An improvement in either sub-category may result in a higher rating score.

Long-Term Issuer / Outlook / Short-Term **A+ / L2 / stable**

Bank Capital and Debt Instruments Ratings ING Bank N.V.

The ratings for bank capital and debt instruments are inter alia dependent on subordination and relative size of the instrument class, based on the long-term issuer rating of the bank.

Preferred Senior Unsecured (PSU):	**A+**
Non-Preferred Senior Unsecured (NPS):	**-**
Tier 2 (T2):	**BBB**
Additional Tier 1 (AT1):	**BBB-**

Rating History

Please consult our website www.creditreform-rating.de for additional information regarding the dates of publication.

Figure 1: Rating History

Long-Term Issuer Rating	Rating Date	Result
Initialrating	04.12.2018	A / stable / L2
Rating Update	22.10.2019	A / stable / L2
Rating Update	24.03.2020	A / NEW / L2
Monitoring	29.10.2020	A / negative / L2
Rating Update	23.09.2021	A / stable / L2
Rating Update	15.12.2022	A / positive / L2
Rating Update	29.09.2023	A+ / stable / L2
Rating Update	06.06.2024	A+ / stable / L2
Bank Capital and Debt Instruments	**Rating Date**	**Result**
PSU / NPS / T2 / AT1 (Initial)	04.12.2018	A / BBB- / BB+
PSU / NPS / T2 / AT1	22.10.2019	A / - / BBB- / BB+
PSU / NPS / T2 / AT1	24.03.2020	A / - / BBB- / BB+
PSU / NPS / T2 / AT1	29.10.2020	A / - / BBB / BB+
PSU / NPS / T2 / AT1	23.09.2021	A / - / BBB- / BB+
PSU / NPS / T2 / AT1	15.12.2022	A / - / BBB- / BB+
PSU / NPS / T2 / AT1	29.09.2023	A+ / - / BBB / BBB-
PSU / NPS / T2 / AT1	06.06.2024	A+ / - / BBB / BBB-

Tables ING Groep N.V.

Figure 2: Income statement[1] | Source: eValueRate / CRA

Income Statement (EUR m)	2023	%	2022	2021	2020
Income					
Net Interest Income	15.975	+16,1	13.756	13.615	13.604
Net Fee & Commission Income	3.595	+0,3	3.586	3.517	3.011
Net Insurance Income	-	-	-	-	-
Net Trading & Fair Value Income	2.901	+89,7	1.529	892	1.065
Equity Accounted Results	149	+62,0	92	141	66
Dividends from Equity Instruments	105	-29,5	149	122	107
Other Income	-145	-60,2	-364	235	22
Operating Income	**22.580**	**+20,4**	**18.748**	**18.522**	**17.875**
Expense					
Depreciation and Amortisation	712	-9,9	790	955	1.387
Personnel Expense	6.725	+9,3	6.152	5.941	5.812
Tech & Communications Expense	984	+15,9	849	819	850
Marketing and Promotion Expense	369	+11,5	331	305	335
Other Provisions	243	-15,3	287	468	188
Other Expense	2.531	-9,3	2.790	2.704	2.581
Operating Expense	**11.564**	**+3,3**	**11.199**	**11.192**	**11.153**
Operating Profit & Impairment					
Operating Profit	**11.016**	**+45,9**	**7.549**	**7.330**	**6.722**
Cost of Risk / Impairment	525	-74,4	2.053	519	2.910
Net Income					
Non-Recurring Income	-	-	6	0	0
Non-Recurring Expense	-	-	-	29	3
Pre-tax Profit	**10.491**	**+90,7**	**5.502**	**6.782**	**3.809**
Income Tax Expense	2.970	+72,2	1.725	1.877	1.246
Discontinued Operations	-	-	-	-	-
Net Profit	**7.521**	**+99,1**	**3.777**	**4.905**	**2.563**
Attributable to minority interest (non-controlling interest)	235	> +100	102	128	78
Attributable to owners of the parent	7.287	+98,3	3.674	4.776	2.485

Figure 3: Key earnings figures| Source: eValueRate / CRA and Pillar III

Income Ratios (%)	2023	%	2022	2021	2020
Cost Income Ratio (CIR)	51,21	-8,52	59,73	60,43	62,39
Cost Income Ratio ex. Trading (CIRex)	58,76	-6,28	65,04	63,48	66,35
Return on Assets (ROA)	0,77	+0,38	0,39	0,52	0,27
Return on Equity (ROE)	14,41	+6,92	7,49	8,97	4,60
Return on Assets before Taxes (ROAbT)	1,08	+0,51	0,57	0,71	0,41
Return on Equity before Taxes (ROEbT)	20,10	+9,19	10,91	12,41	6,84
Return on Risk-Weighted Assets (RORWA)	2,36	+1,22	1,14	1,57	0,84
Return on Risk-Weighted Assets before Taxes (RORWAbT)	3,29	+1,63	1,66	2,17	1,24
Net Financial Margin (NFM)	1,96	+0,36	1,61	1,55	1,59
Pre-Impairment Operating Profit / Assets	1,13	+0,35	0,78	0,77	0,72

Change in %-Points

[1] Data by our data provider eValueRate, which is standardized for analytical reasons. Thus, the used data and the resulting figures do not have necessary to match the presentation of the bank, which refers to this and all subsequent tables and figures.

Figure 4: Development of assets| Source: eValueRate / CRA

Assets (EUR m)	2023	%	2022	2021	2020
Cash and Balances with Central Banks	90.214	+3,0	87.615	108.472	113.607
Net Loans to Banks	16.200	-19,5	20.112	22.179	21.348
Net Loans to Customers	641.903	+1,2	634.200	627.437	597.552
Total Securities	116.341	+14,6	101.529	107.819	102.977
Total Derivative Assets	27.707	-20,2	34.734	21.299	30.822
Other Financial Assets	69.407	-5,7	73.586	51.323	58.175
Financial Assets	**961.772**	**+1,1**	**951.776**	**938.529**	**924.481**
Equity Accounted Investments	1.509	+0,6	1.500	1.587	1.475
Other Investments	14	-22,2	18	26	20
Insurance Assets	-	-	-	-	-
Non-current Assets & Discontinued Ops	32	-5,9	34	52	72
Tangible and Intangible Assets	3.597	+1,4	3.548	3.671	4.235
Tax Assets	1.591	-25,8	2.145	1.506	1.192
Total Other Assets	7.068	-19,6	8.796	5.919	5.800
Total Assets	**975.583**	**+0,8**	**967.817**	**951.290**	**937.275**

Figure 5: Development of asset quality| Source: eValueRate / CRA and Pillar III

Asset Ratios (%)	2023	%	2022	2021	2020
Net Loans to Customers / Assets	65,80	+0,27	65,53	65,96	63,75
Risk-weighted Assets[1] / Assets	32,72	-1,54	34,25	32,91	0,00
NPL[2]/ Loans to Customers[3]	1,66	-0,02	1,68	1,78	2,23
NPL[2]/ Risk-weighted Assets[1]	3,51	+0,12	3,39	3,65	4,20
Potential Problem Loans[4]/ Loans to Customers[3]	8,95	+0,26	8,69	6,47	9,12
Reserves[5]/ NPL[2]	80,75	+2,08	78,66	83,58	76,14
Cost of Risk / Loans to Customers[3]	0,08	-0,23	0,31	0,08	0,50
Cost of Risk / Risk-weighted Assets[1]	0,16	-0,45	0,62	0,17	0,95
Cost of Risk / Total Assets	0,05	-0,16	0,21	0,05	0,31

Change in %-Points

1 RWA: Pillar 3, EU CR1
2 NPL: Gross; Non-Performing Loans of the categories Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1
3 Loans to Customers: Gross; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1
4 Potential Problem Loans: Stage 2; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1
5 Reserves: Impairment & Provisions and Collateral & Guarantees; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

Figure 6: Development of refinancing and capital adequacy| Source: eValueRate / CRA

Liabilities (EUR m)	2023	%	2022	2021	2020
Total Deposits from Banks	21.193	-59,9	52.823	80.954	76.127
Total Deposits from Customers	651.180	+1,4	642.179	618.587	610.793
Total Debt	148.838	+25,8	118.323	114.794	104.404
Derivative Liabilities	25.148	-25,9	33.917	20.646	27.366
Securities Sold, not yet Purchased	-	-	-	-	-
Other Financial Liabilities	61.875	+12,7	54.882	46.948	49.703
Total Financial Liabilities	**908.234**	**+0,7**	**902.124**	**881.929**	**868.393**
Insurance Liabilities	-	-	-	-	-
Non-current Liabilities & Discontinued Ops	-	-	-	-	-
Tax Liabilities	580	-0,3	582	874	926
Provisions	1.115	-8,6	1.220	1.293	1.124
Total Other Liabilities	13.470	-0,1	13.478	12.540	11.173
Total Liabilities	**923.399**	**+0,7**	**917.404**	**896.636**	**881.616**
Total Equity	**52.184**	**+3,5**	**50.413**	**54.654**	**55.659**
Total Liabilities and Equity	**975.583**	**+0,8**	**967.817**	**951.290**	**937.275**

Figure 7: Development of capital and liquidity ratios | Source: eValueRate / CRA and Pillar III

Capital Ratios and Liquidity (%)	2023	%	2022	2021	2020
Total Equity / Total Assets	5,35	+0,14	5,21	5,75	5,94
Leverage Ratio[1]	5,00	-0,11	5,11	5,94	4,81
Common Equity Tier 1 Ratio (CET1)[2]	14,68	+0,21	14,47	15,89	15,45
Tier 1 Ratio (CET1 + AT1)[2]	16,89	+0,50	16,38	18,09	17,31
Total Capital Ratio (CET1 + AT1 + T2)[2]	19,76	+0,35	19,40	21,02	20,09
CET1 Minimum Capital Requirements[1]	10,98	+0,40	10,58	10,51	10,50
Net Stable Funding Ratio (NSFR)[1]	131,60	-0,40	132,00	137,11	n/a
Liquidity Coverage Ratio (LCR)[1]	143,00	+9,00	134,00	139,00	137,14

Change in %-Points

1 Pillar 3 EU KM1
2 Regulatory Capital Ratios: Pillar 3 EU KM1

Tables ING Bank N.V.

Figure 7: Income statement of ING Bank N.V. | Source: eValueRate / CRA

Income Statement (EUR m)	2023	%	2022	2021	2020
Income					
Net Interest Income	15.809	+15,0	13.746	13.615	13.601
Net Fee & Commission Income	3.586	+0,0	3.586	3.517	3.011
Net Insurance Income	-	-	-	-	-
Net Trading & Fair Value Income	2.902	+89,8	1.529	892	1.087
Equity Accounted Results	149	+62,0	92	141	66
Dividends from Equity Instruments	105	-29,5	149	122	107
Other Income	-	-	6	205	-15
Operating Income	**22.551**	**+18,0**	**19.108**	**18.492**	**17.857**
Expense					
Depreciation and Amortisation	712	-9,9	790	955	1.387
Personnel Expense	6.725	+9,3	6.152	5.938	5.817
Tech & Communications Expense	984	+15,9	849	819	850
Marketing and Promotion Expense	369	+11,5	331	305	335
Other Provisions	243	-15,3	287	468	188
Other Expense	2.675	-15,2	3.154	2.710	2.584
Operating Expense	**11.708**	**+1,3**	**11.563**	**11.195**	**11.161**
Operating Profit & Impairment					
Operating Profit	**10.843**	**+43,7**	**7.545**	**7.297**	**6.696**
Cost of Risk / Impairment	525	-74,4	2.053	494	2.883
Net Income					
Non-Recurring Income	-	-	-	0	0
Non-Recurring Expense	-	-	-	29	3
Pre-tax Profit	**10.318**	**+87,9**	**5.492**	**6.774**	**3.810**
Income Tax Expense	2.926	+69,8	1.723	1.876	1.317
Discontinued Operations	-	-	-	-	-
Net Profit	**7.392**	**+96,1**	**3.769**	**4.898**	**2.493**
Attributable to minority interest (non-controlling interest)	235	> +100	102	128	78
Attributable to owners of the parent	7.157	+95,2	3.667	4.770	2.415

Figure 8: Key earnings figures of ING Bank N.V. | Source: eValueRate / CRA and Pillar III

Income Ratios (%)	2023	%	2022	2021	2020
Cost Income Ratio (CIR)	51,92	-8,60	60,51	60,54	62,50
Cost Income Ratio ex. Trading (CIRex)	59,59	-6,19	65,78	63,61	66,55
Return on Assets (ROA)	0,76	+0,37	0,39	0,51	0,27
Return on Equity (ROE)	17,97	+9,22	8,75	10,07	5,12
Return on Assets before Taxes (ROAbT)	1,06	+0,49	0,57	0,71	0,41
Return on Equity before Taxes (ROEbT)	25,08	+12,33	12,76	13,92	7,82
Return on Risk-Weighted Assets (RORWA)	2,30	+1,17	1,13	1,57	0,81
Return on Risk-Weighted Assets before Taxes (RORWAbT)	3,21	+1,56	1,65	2,17	1,25
Net Financial Margin (NFM)	1,55	+0,21	1,34	1,39	1,43
Pre-Impairment Operating Profit / Assets	1,11	+0,33	0,78	0,77	0,71

Change in %-Points

Figure 9: Development of assets of ING Bank N.V. | Source: eValueRate / CRA

Assets (EUR m)	2023	%	2022	2021	2020
Cash and Balances with Central Banks	90.214	+3,0	87.614	106.520	111.087
Net Loans to Banks	11.457	-27,1	15.708	20.188	20.494
Net Loans to Customers	646.696	+1,3	638.654	631.421	601.054
Total Securities	116.352	+14,6	101.533	107.827	102.981
Total Derivative Assets	27.707	-20,2	34.734	21.299	30.822
Other Financial Assets	69.407	-5,7	73.586	51.323	58.175
Financial Assets	**961.833**	**+1,1**	**951.829**	**938.578**	**924.613**
Equity Accounted Investments	1.509	+0,6	1.500	1.587	1.475
Other Investments	14	-22,2	18	26	20
Insurance Assets	-	-	-	-	-
Non-current Assets & Discontinued Ops	32	-5,9	34	52	72
Tangible and Intangible Assets	3.597	+1,4	3.548	3.671	4.235
Tax Assets	1.591	-25,8	2.145	1.490	1.176
Total Other Assets	7.060	-19,7	8.787	5.913	5.788
Total Assets	**975.636**	**+0,8**	**967.861**	**951.317**	**937.379**

Figure 10: Development of asset quality of ING Bank N.V. | Source: eValueRate / CRA and Pillar III

Asset Ratios (%)	2023	%	2022	2021	2020
Net Loans to Customers / Assets	66,28	+0,30	65,99	66,37	64,12
Risk-weighted Assets[1] / Assets	32,94	-1,45	34,39	32,86	0,00
NPL[2]/ Loans to Customers[3]	1,66	-0,02	1,68	1,78	2,23
NPL[2]/ Risk-weighted Assets[1]	3,48	+0,11	3,38	3,66	4,21
Potential Problem Loans[4]/ Loans to Customers[3]	8,95	+0,26	8,69	6,47	9,12
Reserves[5]/ NPL[2]	80,75	+2,08	78,66	83,58	76,14
Cost of Risk / Loans to Customers[3]	0,08	-0,23	0,31	0,08	0,50
Cost of Risk / Risk-weighted Assets[1]	0,16	-0,45	0,62	0,16	0,94
Cost of Risk / Total Assets	0,05	-0,16	0,21	0,05	0,31

Change in %-Points

1 RWA: Pillar 3, EU CR1
2 NPL: Gross; Non-Performing Loans of the categories Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1
3 Loans to Customers: Gross; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1
4 Potential Problem Loans: Stage 2; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1
5 Reserves: Impairment & Provisions and Collateral & Guarantees; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

Figure 11: Development of refinancing and capital adequacy of ING Bank N.V. | Source: eValueRate / CRA

Liabilities (EUR m)	2023	%	2022	2021	2020
Total Deposits from Banks	74.415	-26,7	101.511	121.099	108.312
Total Deposits from Customers	650.360	+1,7	639.530	619.457	612.493
Total Debt	108.141	+35,2	80.015	79.977	77.615
Derivative Liabilities	25.148	-25,9	33.917	20.646	27.366
Securities Sold, not yet Purchased	-	-	-	-	-
Other Financial Liabilities	61.875	+12,7	54.882	46.948	49.703
Total Financial Liabilities	**919.939**	**+1,1**	**909.855**	**888.127**	**875.489**
Insurance Liabilities	-	-	-	-	-
Non-current Liabilities & Discontinued Ops	-	-	-	-	-
Tax Liabilities	535	-7,9	581	874	925
Provisions	900	-12,6	1.030	1.271	1.099
Total Other Liabilities	13.127	-1,6	13.345	12.395	11.169
Total Liabilities	**934.501**	**+1,0**	**924.811**	**902.667**	**888.682**
Total Equity	**41.135**	**-4,4**	**43.050**	**48.650**	**48.697**
Total Liabilities and Equity	**975.636**	**+0,8**	**967.861**	**951.317**	**937.379**

Figure 12: Development of capital and liquidity ratios of ING Bank N.V. | Source: eValueRate / CRA and Pillar III

Capital Ratios and Liquidity (%)	2023	%	2022	2021	2020
Total Equity / Total Assets	4,22	-0,23	4,45	5,11	5,20
Leverage Ratio[1]	N/A	-	N/A	N/A	N/A
Common Equity Tier 1 Ratio (CET1)[2]	11,95	-0,66	12,61	14,35	14,03
Tier 1 Ratio (CET1 + AT1)[2]	14,14	-0,38	14,52	16,54	15,90
Total Capital Ratio (CET1 + AT1 + T2)[2]	16,99	-0,55	17,55	19,54	18,96
CET1 Minimum Capital Requirements[1]	7,50	+0,40	7,10	7,03	7,02
Net Stable Funding Ratio (NSFR)[1]	N/A	-	N/A	N/A	N/A
Liquidity Coverage Ratio (LCR)[1]	N/A	-	N/A	N/A	N/A

Change in %-Points

1 Pillar 3 EU KM1
2 Regulatory Capital Ratios: Pillar 3 EU KM1

Regulatory

Creditreform Rating AG was neither commissioned by the rating object nor by any other third party for the rating. The analysis took place on a voluntary basis by Creditreform Rating AG and is to be described in the regulatory sense as an unsolicited rating. The following table clarifies the level of participation of the rated entity (rating object):

Unsolicited Credit Rating	
With Rated Entity or Related Third Party Participation	No
With Access to Internal Documents	No
With Access to Management	No

The rating is based on publicly available information and internal evaluation methods for the rated bank. The quantitative analysis is based mainly on the latest annual accounts, interim reports, other investor relations information of the bank, and calculated key figures by eValueRate / CRA.

The information and documents processed met the requirements of the rating system of Creditreform Rating AG as published on the website www.creditreform-rating.de. The rating was carried out on the basis of the following methodologies and Rating Criteria and Definitions (v1.3):

- Bank ratings (v3.3)
- Rating of bank capital and unsecured debt instruments (v2.2)
- Environmental, Social and Governance Score for Banks (v1.1)

The complete presentation of the rating methodologies used by Creditreform Rating AG and the basic document Rating Criteria and Definitions are published on our homepage:

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On 06 June 2024, the rating was presented by the analysts to the rating committee and adopted in a resolution.

The rating result was communicated to ING Bank N.V., and the preliminary rating report was made available to the bank. There was no change in the rating.

The rating is valid until withdrawal and is subject to monitoring from the rating date (see cover page). The rating will be comprehensively reviewed at least once every year. Within this period, the rating can be updated.

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To prepare this credit rating, CRA has used following substantially material sources:

1. Aggregated data base by eValueRate

2. Annual Report and interim reports

3. Investors relations information and other publications

4. Website of the rated bank

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6. Internet research

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Between the disclosure of the credit rating to the rated entity and the public disclosure no amendments were made to the credit rating.

The "Basic data" information card indicates the principal methodology or version of methodology that was used in determining the rating, with a reference to its comprehensive description.

In case where the credit rating is based on more than one methodology or where reference only to the principal methodology might cause investors to overlook other important aspects of the credit rating, including any significant adjustments and deviations, Creditreform Rating AG explains this fact in the credit rating and indicates how the different methodologies or these other aspects are taken into account in the credit rating. This information is integrated in the credit rating report.

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