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CREDIT OPINION
13 September 2023

Update

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RATINGS

ING Bank N.V.

Domicile	Amsterdam, Netherlands
Long Term CRR	Aa3
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	A1
Type	Senior Unsecured - Fgn Curr
Outlook	Stable
Long Term Deposit	Aa3
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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ING Bank N.V.

Update following H1 2023 results

Summary

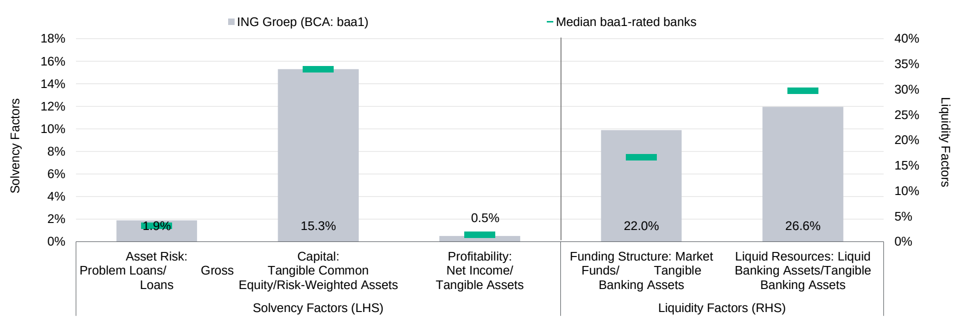
ING Groep N.V. (Baa1 stable) is the largest Dutch banking group by assets (€1,029 billion at end-June 2023) and one of the largest Dutch financial institutions included on the list of global systemically important banks. ING Bank N.V. (Aa3/A1 stable, baa1) is ING Groep's sole operating subsidiary.

ING Bank's baa1 Baseline Credit Assessment (BCA) reflects the bank's sound asset quality based on a highly diversified loan portfolio, but with significant exposures to highly cyclical sectors, its solid earnings generating capacity and good cost efficiency, its sound solvency and its robust liquidity. We believe that the bank's fundamentals will remain resilient over the outlook horizon.

The bank's depositors benefit from extremely low loss severity in our Advanced Loss Given Failure (LGF) analysis, reflected in a three-notch uplift from the BCA. The bank's senior creditors benefit from low loss severity, reflected in a two-notch uplift from the BCA. Given the systemic status of the bank, the probability of government support is moderate, which translates into an additional one-notch uplift, leading to deposit ratings of Aa3 and senior unsecured rating of A1 for ING Bank.

The loss-given-failure is moderate and government support assumption is low for the senior unsecured debt issued by the holding company (ING Groep) as these securities along with equity are expected to absorb losses in case of resolution, resulting in no uplift from ING Bank's BCA.

Exhibit 1
Rating Scorecard - Key financial ratios



Sources: Moody's Financial Metrics and consolidated financial statements as of June 2023

Credit strengths

» Resilient profitability because of the group’s balanced business mix across products, business lines and geographies

» Highly diversified loan portfolio

» Robust solvency

» Sound funding and liquidity

Credit challenges

» Significant exposures to highly cyclical sectors in the wholesale banking business

» Pressure on capital due to distribution policies

Outlook

The outlook on ING Bank and ING Groep’s senior ratings is stable and reflects our view that the group will maintain its sound fundamentals over the outlook horizon.

Factors that could lead to an upgrade

» ING Bank’s BCA could be upgraded in case of a substantial improvement in its asset-risk profile and higher profitability or a strengthening of its capital position. An upgrade of its BCA would likely lead to an upgrade of all the ratings of ING Bank and ING Groep.

» ING Groep’s senior unsecured debt ratings could also be upgraded if the holding company were to issue higher-than-expected amounts of long-term debt or junior instruments, or both, leading to lower loss severity for senior creditors.

Factors that could lead to a downgrade

» ING Bank’s BCA could be downgraded in case of a higher-than-expected deterioration in the bank's asset risk and profitability, or a significant weakening in its capital position. A downgrade of the bank's BCA would likely result in a downgrade of all the ratings.

» ING Bank’s deposit and senior unsecured debt ratings, as well as ING Groep’s senior unsecured debt rating, could be downgraded should changing regulatory requirements or management strategy lead to a reduction in loss-absorbing instruments, resulting in increased loss-given-failure.

Key indicators

Exhibit 2
ING Groep N.V. (Consolidated Financials) [1]

	06-23[2]	12-22[2]	12-21[2]	12-20[2]	12-19[2]	CAGR/ Avg.[3]
Total Assets (EUR Million)	1,029,181.0	940,113.0	934,851.0	912,662.0	876,852.0	4.7[4]
Total Assets (USD Million)	1,122,836.8	1,003,333.0	1,059,285.2	1,116,693.0	984,264.8	3.8[4]
Tangible Common Equity (EUR Million)	51,267.0	50,767.0	51,416.0	50,214.0	53,984.8	(1.5)[4]
Tangible Common Equity (USD Million)	55,932.3	54,180.9	58,259.8	61,439.6	60,597.9	(2.3)[4]
Problem Loans / Gross Loans (%)	1.7	1.8	1.9	2.2	1.9	1.9[5]
Tangible Common Equity / Risk Weighted Assets (%)	15.9	15.3	16.4	16.4	16.5	16.1[6]
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	19.5	20.6	21.3	24.1	19.6	21.0[5]
Net Interest Margin (%)	1.7	1.4	1.4	1.5	1.6	1.5[5]
PPI / Average RWA (%)	3.5	2.3	2.4	2.3	2.6	2.6[6]
Net Income / Tangible Assets (%)	0.7	0.3	0.5	0.3	0.6	0.5[5]
Cost / Income Ratio (%)	49.9	59.0	58.9	59.3	55.5	56.5[5]
Market Funds / Tangible Banking Assets (%)	24.6	22.0	23.8	23.2	23.0	23.3[5]
Liquid Banking Assets / Tangible Banking Assets (%)	33.2	26.6	27.7	29.1	24.6	28.2[5]
Gross Loans / Due to Customers (%)	95.1	99.9	102.5	99.1	107.3	100.8[5]

[-] Further to the publication of our revised methodology in July 2021, only ratios from annual 2020 onwards included in this report reflect the change in analytical treatment of the "high-trigger" Additional Tier 1 instruments. [1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.
Sources: Moody's Investors Service and company filings

Profile

ING Bank is the sole operating entity of ING Groep, the largest Dutch financial institution by assets (€1 trillion at end-June 2023), and one of the largest in Europe and globally. The bank provides retail and wholesale banking services in more than 40 countries and qualifies as a global systemically important bank under the Financial Stability Board's (FSB) criteria.

ING Bank's retail banking services include mortgages, unsecured lending, payments, investment products, savings and current accounts. The retail client base comprises around 37 million individual customers. Within the retail banking segment, ING has an important presence globally, which is organised along the following business lines:

» Market leaders (the Netherlands, Belgium and Luxembourg), where the bank holds a strong position in both retail and wholesale banking sectors.

» Challenger markets (Germany, Spain, Italy and Australia), where the bank has few or no branches and products are mostly digitally distributed.

» Growth markets (Poland, Romania and Turkiye).

Wholesale banking activities are divided into the following global franchises: Lending; Daily Banking and Trade Finance; Financial Markets; and Treasury and Other.

Additionally, the bank provides wholesale banking services in other countries (including the US, Mexico, Brazil and India), given its extensive international network.

Detailed credit considerations

The loan portfolio is well diversified but exposures to some volatile sectors imply volatility in asset performance

ING has a diversified portfolio both geographically and across sectors. Retail loans represent around two-thirds of its exposures and the rest consists of the wholesale banking book.

The retail loan book bears low to moderate risk in our view. Close to two-thirds of the retail exposures consist of well-diversified mortgages across the Benelux and other regions where the bank carries out retail operations. Lending to businesses accounts for another 19% of the retail book, the bulk of which is extended in the Netherlands and Belgium and to a lesser extent in Poland. The consumer loan book is relatively small (4% of the retail banking book).

Despite its high degree of geographical and sector diversification, the wholesale loan book bears relatively high risks, in our view, as reflected by its volatile performance. ING reports a through-the-cycle cost of risk of 39 bps in its wholesale loan book, well above the group's historical cost of risk of 25 bps. Exposures to highly cyclical sectors are material. Even if lending directly exposed to oil price risk was only €2.1 billion at year-end 2022, the bank's total exposure to the oil and gas sector amounted to €15.4 billion. This does not include the exposure to trade and commodity finance companies (6% of the wholesale loan book and 32% of Common Equity Tier 1 [CET1] capital) at year-end 2022, which remains substantial. ING also reported leveraged finance exposures of €7.6 billion and commercial real estate exposures of €48.9 billion at year-end 2022.

After reaching a peak of 29 basis points of average lending in 2022, loan loss provisions decreased to 8 basis points in H1 2023, lower than the 25-bp ten-year average prior to the pandemic. The net cost of risk of €250 million in H1 2023 included primarily €321 million of provisions on stage 3 loans, partially offset by €79 million of releasing provisions of stage 2 loans mainly related to the decrease of the Russian-related exposure to €1.7 billion at the end of June 2023, down from €5.3 billion at the start of the military conflict in February 2022. ING also had €0.3 billion Russian onshore equity-at-risk at end-June 2023.

The stage 3 ratio was 1.4% at end-June 2023, stable from year-end 2022 and slightly down from 1.5% at year-end 2021. However, we expect the elevated inflation and sluggish economic growth across ING Bank's European markets to lead to a moderate increase in the stage 3 loan ratio in the coming quarters.

ING Groep's exposure to interest rate risk in the banking book (IRRBB) remains well contained as reflected by a regulatory economic value of equity (EVE) sensitivity of -7% of Tier 1 capital (the worst outcome under the parallel upward shift scenario) as of year-end 2022, well below the regulatory threshold of 15%.

We assign an Asset risk score of baa1, three notches below the Macro-Adjusted score of a1. The negative adjustment reflects the group's exposure to activities and markets that we consider volatile, as well as the risks associated with the current recessionary trends.

Capital position offers comfortable buffer against unexpected shocks

We believe that ING's capitalization is solid and will continue to provide ample buffers in a credit cycle downturn, despite increasing capital distribution to shareholders. At end-June 2023, ING Groep, which is the main regulated entity for regulatory capital purposes[1] reported a fully loaded CET1 ratio of 14.9%, up from 14.5% at year-end 2022 but down from 15.9% at year-end 2021. The CET1 ratio remains well above the fully-loaded minimum requirement of 10.70%[2]. The decrease from year-end 2021 is due to several effects, including the introduction of a risk-weight floor on Dutch mortgages by the Dutch Central Bank and share buybacks. With the adjustment to the risk-weights of Dutch mortgages implemented in 2022, we believe that ING Groep has absorbed most of the expected RWA inflation ahead of Basel IV. The group's leverage ratio was 4.9% at end-June 2023.

In addition to reserved profits for dividends already deducted from the regulatory capital base, ING announced an additional share buyback of € 1.5 billion in May 2023 to be completed in 2023. These actions are in line with the group's intention to progressively distribute the capital in excess of its CET1 target (including the full implementation of Basel IV effects), which was confirmed at around 12.5%. However, we believe that the group will preserve a material capital buffer above the stated target at least until the macro economic uncertainties related to the current geopolitical turmoil are lifted.

As a global systemically important bank, ING Groep is subject to total loss-absorbing capacity (TLAC) rules. The FSB's framework currently requires a minimum TLAC of 23.45% of RWAs[3] ING Groep's TLAC was 31.7% at end-June 2023. The TLAC leverage ratio was 9.0% as of the same date versus a current requirement of 6.75%. The MREL requirement for ING Groep set out by the SRB and to be complied with by 1 January 2024 is 29.03% of RWAs on a consolidated basis, which the group already meets at end-June 2023 with a MREL ratio of 31.7%[4].

ING Groep's tangible common equity (TCE) ratio of 15.9% as of the end of June 2023 translates into an initial Capital score of aa3. The adjusted score of a2 reflects our expectation that the CET1 ratio will decrease through additional capital distributions towards the around 12.5% capital target.

Stability of profits has been supported by retail focus and geographical diversification; margins are strongly improving in 2023

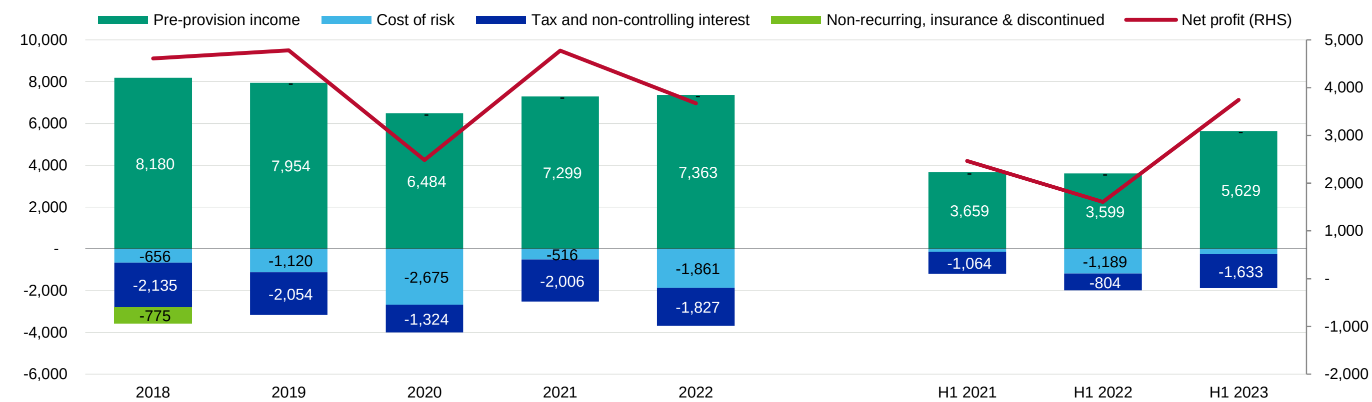
ING's recurring profitability is good, as shown by its return on assets (net income/tangible assets) of 51 bps on average between 2018 and H1 2023, above that of its Dutch peers (ABN AMRO Bank N.V. (A1/A1 stable, baa1): 41 bps; Rabobank (Aa3/Aa3 stable, a3): 38 bps). The bank's profitability is resilient thanks to its retail focus (two-thirds of the loan book are retail) and geographical spread (only 37% of the retail banking loan book and 13% of the wholesale banking loan book are Dutch), despite some volatility in its wholesale banking lending book.

ING's net profit more than doubled to €3.7 billion in H1 2023 from €1.6 billion in H1 2022 due to a rise of net interest income while operating expenses remained stable and cost of risk was benign compared to the provisioning of Russian exposures during the previous period. This net profit represented 74 bps of tangible assets. The bank's net banking income increased by 22% from H1 2022, primarily owing to a strong increase in net interest income (+17%), and despite broadly flat fee and commission income (-1%). Operating expenses remained stable (+0.2%) in H1 2023, despite a 12% increase in staff expenses, as inflation kicked in via wage indexation mechanisms, wage increases negotiated with banking industry unions and voluntary compensation schemes to support employees. This was due to a 29% decrease in regulatory costs[5]. As a result, the bank's gross operating income increased 56% in H1 2023. ING reported strong operating results in its retail operations across all geographical segments, particularly in Germany where the bank doubled its operating result due to strong progressions of net interest income. Wholesale banking activities also posted strong operating performance in H1 2023, with total revenues up 11% from H1 2022.

Exhibit 3

Net profit increase in H1 2023 was mainly due to an increase in net interest income and a decrease in cost of risk

Breakdown of net profit in € million



Source: Company data and Moody's Investors Service

Similar to its main Dutch peers, ING is strongly reliant on interest income, which constitutes about three quarters of its net banking revenues (71% in H1 2023), while fee and commission income accounts for less than 20% (16% in H1 2023). While this was a concern in a period of very low interest rate where net interest margins were compressed, the current rise of interest rates supports profitability. Interests paid on deposits are growing more slowly than reference rates, as ING indicated an average deposit beta of 20% in Q2 2023[6], increasing to around 29% on 15 August. We expect net interest margins to reach a plateau in the coming quarters despite higher interest rates because retail deposit costs will catch up. ING confirmed its objective of 5-10% annual growth of fees til 2025, despite a 1% decline in H1 2023.

ING has a good cost efficiency compared to that of many of its European Union (EU) peers including domestic competitors. Its reported cost-to-income ratio, including regulatory costs, was 50% in H1 2023, down from 61% in H1 2022.

The assigned Profitability score is ba1, in line with the Macro-adjusted score.

ING Groep's liquidity and funding are sound, despite its reliance on confidence-sensitive market funding

ING had a consolidated loan-to-deposit (LTD) ratio of 94% at end-June 2023. This primarily reflects the consolidation of deposit-rich subsidiaries in Belgium and Germany, while the Dutch parent company has historically been operating with a material shortage of customer deposits over loans[7]. ING's relative reliance on wholesale funding (16% of consolidated liabilities and equity at end-June 2023[8]) despite the low consolidated LTD ratio is partly due to the fact that funds are not fully fungible within the group, that is, the excess liquidity in an entity, if any, cannot be entirely used to fund the shortage in another entity through intercompany loans[9].

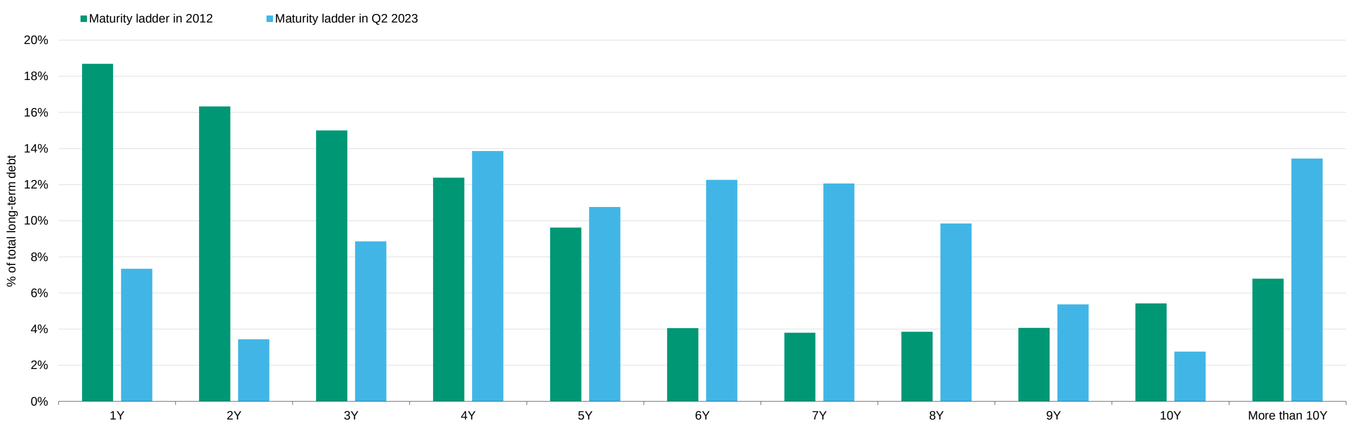
That being said, the group has progressively optimised its cash-rich entities' liquidity since 2012 by transferring to them or originating out of them increasing amounts of assets — wholesale assets (for example, structured finance loans to ING Belgium and ING Germany) and retail assets (for example, Belgian and Dutch mortgages to ING Germany). The cash-rich entities thereby reduced their excess funding while the Dutch entity reduced its structural funding shortage, resulting in a significantly better-balanced funding structure across the group than in the past. Under the group's funding policy, operating entities are primarily self-funded through the local customer deposits and own-raised covered bonds and RMBS. Senior unsecured debt is essentially raised by the parent to fund its own operations or the subsidiaries' operations that are not covered by their own liabilities.

ING's reliance on confidence-sensitive funding is mitigated by the sound term structure of its wholesale debt. The group has significantly lengthened the maturity profile of its long-term wholesale funding, thus reducing its refinancing risk. The increased issuance of TLAC/MREL-eligible senior unsecured debt by the holding company (ING Groep) in recent years[10] has contributed to this.

Exhibit 4

ING's long-term maturity profile has been extended

ING's long-term debt maturity ladders in 2012 and end-June 2023 (as a percentage of total outstanding long-term debt)



Source: ING's financial statements

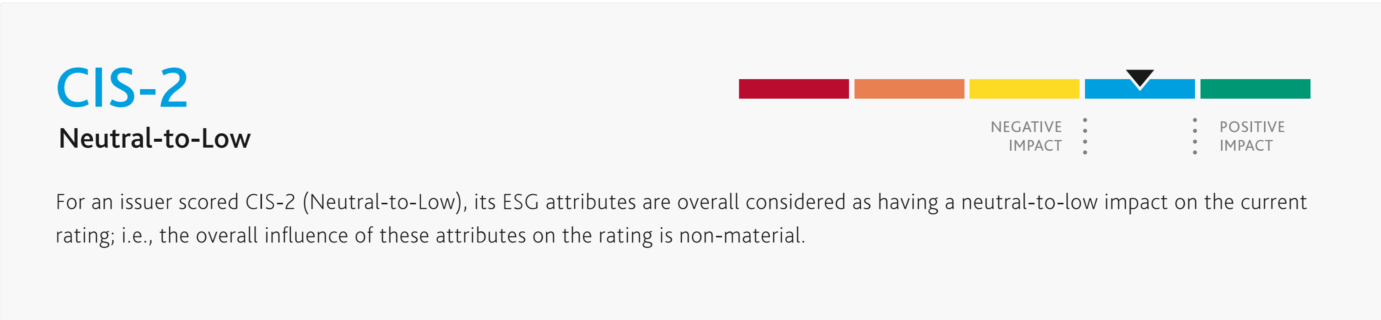
The group's high-quality liquid assets portfolio amounted to €190 billion (of which €181 billion were level 1 assets) at end-June 2023 representing approximately 3 times its wholesale debt maturing in 2023, which we consider a comfortable coverage. Furthermore, the reported proportion of encumbered assets was 22.7% as of year-end 2022, a level that leaves sufficient loans available to be packaged into central bank-eligible securitisations, if needed. The group's consolidated 12-month moving average liquidity coverage ratio (LCR) was 137% at end-June 2023. As of end-June 2023, the bank had €6 billion of outstanding TLTRO III, a decrease from the previous level of €36 billion due to the repayment of €30 billion during the first six months of 2023. We expect the bank to repay the remaining TLTRO III funding in 2024.

These factors are reflected in a combined Liquidity score of baa1.

ESG considerations

ING Bank N.V.'s ESG Credit Impact Score is Neutral-to-Low CIS-2

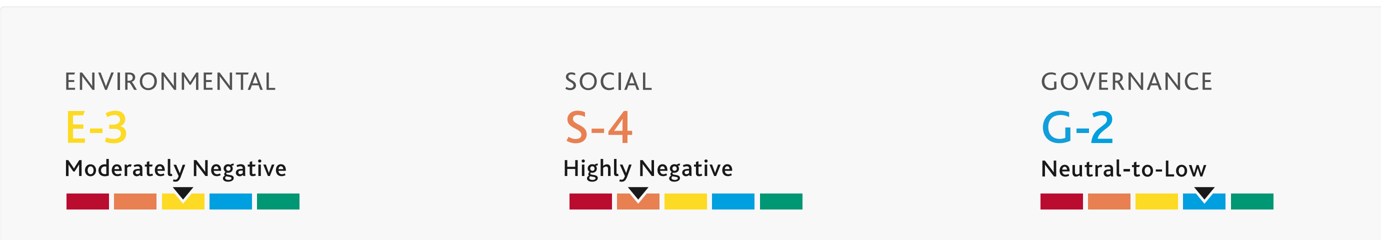
Exhibit 5
ESG Credit Impact Score



Source: Moody's Investors Service

ING's **CIS-2** indicates that ESG considerations have no material impact on the current rating.

Exhibit 6
ESG Issuer Profile Scores



Source: Moody's Investors Service

Environmental

ING has a moderate exposure to environmental risks primarily because of its exposure to carbon transition risk as a corporate lender. In line with its peers, the bank is exposed to mounting business risks and stakeholder pressure to meet more demanding carbon transition targets. ING is actively engaged in further developing its climate risk management and reporting frameworks, including building its "Terra" climate approach.

Social

ING faces high industrywide social risks, related to regulatory and litigation risks, requiring the bank to meet high compliance standards. The Dutch regulator's high focus on mis-selling and misrepresentation is mitigated by well-developed policies and procedures. ING's high cyber and personal data risks are mitigated by technology solutions and organizational measures to prevent data breaches.

Governance

ING faces low governance risks. It reported various risk management and compliance failures in recent years, which it is gradually addressing through considerable investments in its control policies and capabilities. The group has solid corporate governance practices and prudent financial policies. Like other global systemically important banks, ING has a complex legal structure, which reflects its diversified domestic and global footprint, and entails governance and risk management challenges.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Support and structural considerations

Loss Given Failure (LGF) analysis

ING Groep is subject to the EU Bank Recovery and Resolution Directive, which we consider an operational resolution regime. We assume a residual TCE at failure of 3% and post-failure losses of 8% of tangible banking assets, a 25% runoff in junior wholesale deposits (amounting to 26% of total deposits), a 5% runoff in preferred deposits, and assign a 25% probability of deposits being preferred over senior unsecured debt. These are in line with our standard assumptions. All Additional Tier 1 (AT1) instruments are included in our LGF analysis, including the €7.1 billion of high-trigger AT1 instruments as of end-June 2023.

Considering the bank's overseas subsidiaries, we view that group-wide resolutions will be coordinated in a unified manner for entities required to issue internal loss absorbing capital in jurisdictions that have an operational resolution regime for banks, leading to a likely transfer of losses from subsidiaries to parents at the point of failure. In the case of ING, we include the tangible banking assets of its subsidiaries ING-DiBa AG, ING Belgium SA/NV and ING Bank Slaski S.A. in the resolution perimeter of ING Groep., designated as the single point of entry for the group resolution. We leave ING Australia's assets outside the group's resolution perimeter as it has no internal MREL requirements at this stage.

Under our Advanced LGF analysis, the portion of ING's TLTRO drawdowns which we estimate are redeposited at the ECB are deducted from the bank's tangible banking assets, thereby reducing the inflationary impact of TLTRO on the bank's balance-sheet. We assume that the portion of borrowed funds re-deposited at the ECB will be running off by 2024. This adjustment does not result in a change in ratings uplift.

Our Advanced LGF analysis indicates an extremely low loss-given-failure for ING Bank's junior depositors and a low loss-given-failure for its senior unsecured creditors, resulting in a three-notch and two-notch uplift respectively from the bank's Adjusted BCA of baa1

With regard to ING Groep's senior unsecured debt, our LGF analysis shows a moderate loss-given-failure, which results in no rating uplift from the bank's Adjusted BCA.

For the junior securities issued by ING Bank and ING Groep, our LGF analysis shows a high loss-given-failure. This leads to ratings one notch below the bank's Adjusted BCA. For ING Groep's junior subordinated and preference share instruments, we also incorporate an additional downward adjustment to ING Bank's Adjusted BCA by one and two notches, to baa3 and ba1, respectively, to reflect coupon suspension risk ahead of failure.

Government support considerations

We consider a moderate probability of government support for ING Bank's senior debt and deposits because of its systemic importance both domestically and on a broader level. This results in an additional one-notch uplift for ING Bank's deposit and debt ratings.

For ING Groep's senior unsecured debt, we consider the probability of government support to be low, given its explicitly loss-absorbing nature, which results in no uplift from the bank's Adjusted BCA.

For junior securities, the probability of government support is also low, and the ratings for these instruments do not include any related uplift, either.

Counterparty Risk (CR) Assessment

ING Bank's CR Assessment is Aa3(cr)/Prime-1(cr)

ING Bank's CR Assessment, before government support, is three notches above the bank's BCA of baa1, based on the buffer against default provided by instruments subordinated to the senior obligations represented by the CR Assessment. The CR Assessment also benefits from one notch of government support uplift, in line with our support assumptions on deposits and senior unsecured debt.

Counterparty Risk Ratings (CRRs)

ING Bank's CRRs are Aa3/Prime-1

ING Bank's CRR, before government support, is three notches higher than the Adjusted BCA of baa1, based on the level of subordination to CRR liabilities in the bank's balance sheet and assuming a nominal volume of such liabilities. The CRR also benefits from one notch of government support uplift, in line with our support assumptions on deposits and senior unsecured debt.

Methodology and scorecard

About Moody's Bank Scorecard

Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

Rating methodology and scorecard factors

Exhibit 7

ING Groep N.V.

MACRO FACTORS							
WEIGHTED MACRO PROFILE	**STRONG +**	**100%**					

FACTOR	HISTORIC RATIO	INITIAL SCORE	EXPECTED TREND	ASSIGNED SCORE	KEY DRIVER #1	KEY DRIVER #2
Solvency						
Asset Risk						
Problem Loans / Gross Loans	1.9%	a1	↔	baa1	Expected trend	Sector diversification
Capital						
Tangible Common Equity / Risk Weighted Assets (Basel III - fully loaded)	15.3%	aa3	↔	a2	Expected trend	
Profitability						
Net Income / Tangible Assets	0.5%	ba1	↔	ba1	Expected trend	
Combined Solvency Score		a2		baa1		
Liquidity						
Funding Structure						
Market Funds / Tangible Banking Assets	22.0%	baa1	↔	a3	Term structure	
Liquid Resources						
Liquid Banking Assets / Tangible Banking Assets	26.6%	a3	↔	baa2		
Combined Liquidity Score		baa1		baa1		
Financial Profile				baa1		
Qualitative Adjustments				Adjustment		
Business Diversification				0		
Opacity and Complexity				0		
Corporate Behavior				0		
Total Qualitative Adjustments				0		
Sovereign or Affiliate constraint				Aaa		
BCA Scorecard-indicated Outcome - Range				a3 - baa2		
Assigned BCA				baa1		
Affiliate Support notching				0		
Adjusted BCA				baa1		

BALANCE SHEET	IN-SCOPE (EUR MILLION)	% IN-SCOPE	AT-FAILURE (EUR MILLION)	% AT-FAILURE
Other liabilities	228,381	23.5%	294,257	30.3%
Deposits	645,849	66.5%	579,973	59.7%
Preferred deposits	477,929	49.2%	454,032	46.8%
Junior deposits	167,921	17.3%	125,941	13.0%
Dated subordinated bank debt	742	0.1%	742	0.1%
Senior unsecured holding company debt	44,002	4.5%	44,002	4.5%
Dated subordinated holding company debt	9,188	0.9%	9,188	0.9%
Preference shares(holding company)	7,104	0.7%	7,104	0.7%
Equity	29,134	3.0%	29,134	3.0%
Total Tangible Banking Assets	964,401	100.0%	971,142	100.0%

DEBT CLASS	DE JURE WATERFALL		DE FACTO WATERFALL		NOTCHING		LGF NOTCHING GUIDANCE VS. ADJUSTED BCA	ASSIGNED LGF NOTCHING	ADDITIONAL NOTCHING	PRELIMINARY RATING ASSESSMENT
	INSTRUMENT VOLUME + SUBORDINATION	SUB-ORDINATION	INSTRUMENT VOLUME + SUBORDINATION	SUB-ORDINATION	DE JURE	DE FACTO				
Counterparty Risk Rating	22.9%	22.9%	22.9%	22.9%	3	3	3	3	0	a1
Counterparty Risk Assessment	22.9%	22.9%	22.9%	22.9%	3	3	3	3	0	a1 (cr)
Deposits	22.9%	9.3%	22.9%	10.0%	3	3	3	3	0	a1
Senior unsecured bank debt	22.9%	9.3%	10.0%	9.3%	3	1	2	2	0	a2
Senior unsecured holding company debt	9.3%	4.8%	9.3%	4.8%	0	0	0	0	0	baa1
Dated subordinated bank debt	4.8%	3.7%	4.8%	3.7%	-1	-1	-1	-1	0	baa2
Dated subordinated holding company debt	4.8%	3.7%	4.8%	3.7%	-1	-1	-1	-1	0	baa2
Holding company non-cumulative preference shares	3.7%	3.0%	3.7%	3.0%	-1	-1	-1	-1	-2	ba1

INSTRUMENT CLASS	LOSS GIVEN FAILURE NOTCHING	ADDITIONAL NOTCHING	PRELIMINARY RATING ASSESSMENT	GOVERNMENT SUPPORT NOTCHING	LOCAL CURRENCY RATING	FOREIGN CURRENCY RATING
Counterparty Risk Rating	3	0	a1	1	Aa3	Aa3
Counterparty Risk Assessment	3	0	a1 (cr)	1	Aa3(cr)	
Deposits	3	0	a1	1	Aa3	Aa3
Senior unsecured bank debt	2	0	a2	1	A1	A1
Senior unsecured holding company debt	0	0	baa1	0	Baa1	Baa1
Dated subordinated bank debt	-1	0	baa2	0	Baa2	Baa2
Dated subordinated holding company debt	-1	0	baa2	0	Baa2	Baa2
Holding company non-cumulative preference shares	-1	-2	ba1	0		Ba1 (hyb)

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.
Source: Moody's Investors Service

Ratings

Exhibit 8

Category	Moody's Rating
ING BANK N.V.	
Outlook	Stable
Counterparty Risk Rating	Aa3/P-1
Bank Deposits	Aa3/P-1
Baseline Credit Assessment	baa1
Adjusted Baseline Credit Assessment	baa1
Counterparty Risk Assessment	Aa3(cr)/P-1(cr)
Issuer Rating -Dom Curr	A1
Senior Unsecured	A1
Subordinate	Baa2
Commercial Paper -Dom Curr	P-1
Other Short Term -Dom Curr	(P)P-1
ING BANK N.V., TOKYO BRANCH	
Outlook	Stable
Counterparty Risk Rating	Aa3/P-1
Bank Deposits	Aa3/P-1
Counterparty Risk Assessment	Aa3(cr)/P-1(cr)
Commercial Paper -Dom Curr	P-1
ING BANK SLASKI S.A.	
Outlook	Stable
Counterparty Risk Rating	A1/P-1
Bank Deposits	A2/P-1
Baseline Credit Assessment	baa2
Adjusted Baseline Credit Assessment	baa1
Counterparty Risk Assessment	A1(cr)/P-1(cr)
ING FINANCIAL MARKETS LLC	
ST Issuer Rating	P-1
ING BANK N.V., SYDNEY BRANCH	
Outlook	Stable
Counterparty Risk Rating	Aa3/P-1
Counterparty Risk Assessment	Aa3(cr)/P-1(cr)
Senior Unsecured -Dom Curr	A1
Commercial Paper	P-1
Other Short Term	(P)P-1
ING (U.S.) FUNDING LLC	
Bkd Commercial Paper	P-1
ING BELGIUM INTERNATIONAL FINANCE S.A.	
Outlook	Stable
Bkd Sr Unsec MTN -Dom Curr	(P)A1
ING BELGIUM SA/NV	
Outlook	Stable
Counterparty Risk Rating	Aa3/P-1
Bank Deposits	A1/P-1
Baseline Credit Assessment	baa1
Adjusted Baseline Credit Assessment	baa1
Counterparty Risk Assessment	Aa3(cr)/P-1(cr)
Issuer Rating -Dom Curr	A1
ING-DIBA AG	
Outlook	Stable
Counterparty Risk Rating	Aa3/P-1
Bank Deposits	A2/P-1
Baseline Credit Assessment	a3
Adjusted Baseline Credit Assessment	a3
Counterparty Risk Assessment	Aa3(cr)/P-1(cr)
Issuer Rating	A2

ING BANK (AUSTRALIA) LIMITED	
Outlook	Stable
Counterparty Risk Rating	A2/P-1
Bank Deposits	A3/P-2
Baseline Credit Assessment	baa1
Adjusted Baseline Credit Assessment	a3
Counterparty Risk Assessment	A2(cr)/P-1(cr)
Issuer Rating	A3
ST Issuer Rating	P-2
ING BANK N.V. (SINGAPORE)	
Outlook	Stable
Counterparty Risk Rating	Aa3/P-1
Counterparty Risk Assessment	Aa3(cr)/P-1(cr)
Senior Unsecured	A1
ING BANK HIPOTECZNY S.A.	
Outlook	Stable
Counterparty Risk Rating	A1/P-1
Counterparty Risk Assessment	A1(cr)/P-1(cr)
Issuer Rating	A3
ST Issuer Rating	P-2
ING GROENBANK N.V.	
Counterparty Risk Rating	Aa3/P-1
Counterparty Risk Assessment	Aa3(cr)/P-1(cr)
Senior Unsecured MTN -Dom Curr	(P)A1
Other Short Term -Dom Curr	(P)P-1

Source: Moody's Investors Service

Endnotes

1 ING's supervisory authorities are the European Central Bank and De Nederlandsche Bank.

2 The fully-loaded CET1 requirement includes a 4.5% Pillar 1 requirement (P1), a 0.98% Pillar 2 requirement (P2R), a 2.5% Capital Conservation Buffer, a 0.71% countercyclical buffer (CCyB - fully-loaded) and a 2% Systematically Important Financial Institutions Buffer (SiFi). In May 2023, the Dutch Central Bank (DNB) introduced two adjustments regarding capital requirements. Effective from end-May 2024, the SRB will decrease to 2.0%. Additionally, the Dutch CCyB requirements will increase to 2.0% from 1.0%, which will translate to a fully-loaded CCyB increase of 21 basis points for ING.

3 TLAC requirement of 18% from plus a capital conservation buffer of 2.5%, a SRB of 2.5% and a CCyB of 0.45% (as of end-June 2023).

4 The intermediary requirement, which has been applicable since the beginning of 2022 is 27.74% of RWAs.

5 Regulatory costs comprise bank taxes and contributions to the deposit guarantee schemes and the European single resolution fund.

6 The deposit beta is the ratio of the interest rates paid to depositors against the benchmark interest rates.

7 The customer funding gap typically reflects a structural feature of the Dutch banking system: a high proportion of Dutch households' savings are channelled towards mandatory pension funds, which structurally decreases the total amount of bank deposits.

8 The 16% ratio is calculated as the sum of interbank borrowings, debt securities in issue and subordinated debt divided by total liabilities and equity.

9 The transferability of ING's liquidity to the group's various entities is constrained by the local supervisors' requirement to maintain minimum liquidity buffers in some subsidiaries.

10 Over the past five years, the group increased its MREL/TLAC buffer to build a management buffer above the minimum requirement and to protect the bank's senior creditors by using its holding company ING Groep. We expect ING Groep to continue its issuance programme so as to preserve its MREL buffers. Part of the debt to be issued by the holdco will replace ING Bank's senior debt that will mature.

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