Scope affirms and publishes ING Groep's issuer rating at 'AA-' with Stable Outlook

The rating reflects the group's well diversified business model, solid fundamentals, and capital optimisation in line with the adjusted CET1 ratio target.

Rating action

Scope Ratings GmbH (Scope) has affirmed and published the issuer ratings of ING Groep N.V. and ING Bank N.V. at AA-, both with a Stable Outlook. Scope has also affirmed and published the senior unsecured debt rating of ING Bank N.V. at AA- and the senior unsecured debt rating of ING Groep N.V. at A+, both with a Stable Outlook. These ratings, previously only available to subscribers are now publicly available. The full list of rating actions and rated entities is provided at the end of this release.

Key rating drivers

ING Groep NV (ING) is the holding company and parent of ING Bank, the group's main legal entity and operating company. ING's issuer credit rating is aligned to that of ING Bank given Scope's consolidated group approach.

Business model assessment: Very resilient (Low). The issuer rating is anchored by the Very resilient (Low) business model assessment. With total assets of around EUR 1.1tr at end-September 2025, ING is the largest Dutch banking group and a globally systemically important bank. The group combines a strong universal banking franchise in the Benelux region with a pan-European retail presence and a global wholesale platform. Following successive strategic reviews, ING has refocused its geographic footprint by expanding its product offering in markets with higher growth potential while exiting less scalable operations. In addition to its core retail markets in the Benelux countries, the group operates in Germany, Poland, Romania, Turkey, Australia, Italy and Spain. ING's wholesale banking franchise operates in 36 countries worldwide.

Retail banking activities, include savings, payments, investment services, loans and mortgages. In wholesale banking, the group provides specialised lending, tailored corporate finance, debt and equity market solutions, payments & cash management, trade and treasury services; sustainable finance further enhances revenue diversification. Insurance products are sold in partnership with independent insurance companies, according to country-specific agreements.

ING's geographic diversification profile is broader than that of most European banks, but its business mix is less varied than that of major European banks with integrated insurance operations, larger asset management arms or more extensive corporate and investment banking businesses.

The retail segment, which encompasses retail, business, and private banking activities, generates around two-thirds of the group's total income. Reflecting the focus on lending activities and retail deposits, net interest income accounts for around 63% of revenues. The group has made meaningful progress in diversifying its revenue base through capital-light business lines, growth in fee and commission income, and selective expansion in higher growth potential markets. Fees and commissions accounted for approximately 20% of operating income for 9M 2025.

The group's broad diversification and disciplined strategic execution support its solid credit profile, while strong market positions in core geographies, advanced digital capabilities, and pricing power drive earnings stability across cycles.

Operating environment assessment: Supportive (High). The assessment reflects Scope's blended view of the different markets in which ING operates. The main markets are primarily advanced economies of the Netherlands, Belgium, Germany, with a granular exposure globally further rounding out the franchise.

Scope assesses the environment for banks operating in the Netherlands as Very Supportive (Low). The Netherlands (AAA/Stable), which accounts for 25% of the group's risk-weighted assets (RWAs) and 28% of revenues as of 9M 2025, is characterised by a wealthy, diversified, and competitive economy, ranking as the EU's fifth-largest, with GDP per capita well above the EU average. The country benefits from a strong external position and prudent fiscal policy. Low public debt provides fiscal flexibility, though high private sector debt and exposure to global shocks pose challenges. The highly concentrated banking sector is well-capitalised and liquid. The average sector's profitability is normalising but remains solid, and while we expect modest increases in corporate and SME credit risk, these will likely remain manageable.

Belgium (A+/Stable), for which Scope assesses the operating environment for banks as Supportive (High), accounts for 14% of the group's RWAs and around 15% of revenues as of 9M 2025. The economy benefits from high wealth levels, a diversified structure, and strong external fundamentals, though weakening public finances and a fragmented political landscape continue to constrain fiscal consolidation. The banking sector, meanwhile, remains resilient and well-capitalised, with solid liquidity buffers. The average sector's profitability is gradually settling back to normal levels, with only a moderate increase in problem loans in 2025 despite rising bankruptcies and softening real estate markets.

Germany (AAA/Stable), for which Scope assesses the operating environment as Supportive (High), contributes around 12% to the group's RWAs and 15% to revenues as of 9M 2025. Germany is Europe's largest economy and displays high wealth levels, although the country's export-oriented manufacturing sector is facing multiple headwinds, leading to stagnant growth in recent years. From 2026, real GDP growth is expected to recover, significantly supported by public investments. Despite fiscal loosening, Germany's fiscal space remains intact, with overall manageable fiscal deficits and a relatively low debt-to-GDP ratio. The German banking sector is fragmented, with large market shares of cooperative and saving banking groups, and aggregate profitability is low. The national legislative framework is predictable and stable.

The Netherlands, Belgium and Germany are part of the European Banking Union, which has brought about a significant strengthening and harmonisation in bank regulation and supervision under the ECB's Single Supervisory Mechanism, which we consider to be supportive of financial stability. The European Central Bank also shares with national central banks the role of lender of last resort, which limits illiquidity risks to the banks.

Scope arrives at an initial mapping of **a** based on a combined assessment of the issuer's operating environment and business model.

Long-term sustainability assessment (ESG factor): Positive (+1 notch). The assessment reflects Scope's view that the issuer is proactively and effectively managing sustainability-related risks and stands out as a frontrunner in at least one sustainability theme that strengthens its credit standing.

ING's advanced digital capabilities represent a key competitive advantage and a major driver of customer acquisition and sales across markets. Around 84% of active customers use mobile as their preferred channel. Management targets an annual increase of one million in the number of mobile primary customers (Q3 2025: up by over 1.1m to 15.1m in total or 37% of over 40m customers). ING is boosting scalability with advanced analytics and Generative AI developments. Scope considers ING's digital strength a key advantage supporting cost efficiency, customer engagement, and long-term growth.

In Scope's view, ING's ESG performance reflects significant advances in sustainable finance and adherence to robust disclosure standards. ESG considerations are fully integrated into the group's strategic priorities, supported by board-level oversight. The group is making measurable progress towards managing its portfolio in alignment with net-zero emissions by 2050, utilising a science-based Terra approach that targets key carbon-intensive sectors.

We do not expect social factors to have a material impact on credit profile of the group in the near term. ING employs more than 60,000 employees. The improvement of cost efficiency continues to be a strategic objective in the current plan with a reduction of around 1,000 FTE mostly in operations and front office in 2025. The group's social objectives are reflected in a variety of initiatives.

ING is the parent company of its principal operating entity, ING Bank, which manages an extensive network of domestic and international subsidiaries. The scale and complexity of this structure expose the group to elevated corporate governance risks stemming from its widescale organisational structure and global operations under diverse regulatory regimes. The two-tier board framework enhances oversight, promotes transparency, and ensures balanced decision-making across the group.

The long-term sustainability assessment leads to an adjusted rating anchor of **a+**.

Earnings capacity and risk exposures assessment: Supportive (+1 notch). The assessment reflects Scope's view that earnings capacity is stable through economic cycles and provides a strong buffer against losses. Risks are well managed and are highly unlikely to lead to losses capable of undermining the issuer's viability.

ING's earnings capacity is strong and sufficient to absorb credit costs through the cycle. The resilient performance is underpinned by a diversified business model, advanced digital capabilities, and prudent risk management. Return on RWAs has improved since 2022, reaching nearly 2% for 9M 2025, while the cost of risk remained stable at 18 bps on average loans, unchanged from 2024, reflecting sound asset quality and disciplined underwriting. Scope expects the cost of risk to stay near 20 bps through the cycle.

Management targets operating income growth of 4–5% annually over 2024–2027, driven by customer volume expansion and rising fee income. Cost efficiency remains a strategic focus in a context of wage inflation and IT investments to gain in scalability and business growth. The group aims to deliver continued efficiency gains, targeting the cost-to-income ratio of 52–54% by 2027 (9M 2025: 53.6%).

The group's commitment to cost discipline and its efforts to shift the loan mix towards segments with higher risk-adjusted profitability will support performance going forward. Scope considers the targeted return on equity of above 12.5% in 2025 (9M 2025: 12.6%; 2024: 13%) and around 14% by 2027 to be broadly achievable.

The group's asset quality is sound. The loan book is skewed towards retail banking representing more than two-thirds of total loans. Low-risk residential mortgage loans account for about 65%, while the wholesale portfolio is largely made of secured exposures, well diversified by sector. Exposure to cyclical industries and more volatile countries remains tightly controlled, supporting asset-quality trends. The Stage 3 ratio declined to 1.5% in Q3 2025 versus 1.7% at YE 2024. Despite higher borrowing costs and subdued economic growth, default rates have so far remained low including in cyclical sectors. Scope does not foresee a material worsening in ING's asset quality barring a sharp macroeconomic downturn.

Financial viability management assessment: Adequate. The assessment reflects Scope's view that financial viability management provides some buffer and, under a base case scenario, could not imminently push any metric close to minimum requirements or jeopardise the issuer's financial viability.

At end-September 2025, ING reported a fully loaded Common Equity Tier 1 (CET1) ratio of 13.4%, representing a buffer of approximately 240 bps above the regulatory requirement. The group continues to optimise its capital position through shareholder distributions, targeting a fully loaded CET1 ratio of around 13%. The target was recently adjusted amid regulatory changes, which are expected to raise the requirement from 10.95% to around 11.2%, resulting in a buffer of roughly 180 bps relative to the 13% target. While narrower than most domestic and international peers, we consider the buffer to be adequate in light of ING's business model and stable performance track record.

ING maintains a 50% dividend payout ratio, balancing the group's growth ambitions, shareholder returns and capital optimisation. Excess capital is also distributed via a mix of share buybacks and cash payments.

Although capital buffers are expected to decline further toward the target, Scope anticipates that the group will remain adequately capitalised over the coming years, thanks to consistent profit generation, and targeted risk mitigation strategies limiting RWA growth. We also factor that ING is likely to maintain healthy MREL/TLAC levels. ING has implemented a Single Point of Entry resolution strategy, issuing MREL/TLAC-eligible debt solely at the group level.

ING's funding profile remains a core strength, underpinned by customer deposits and limited reliance on capital markets. The group's retail focus supports a granular and resilient deposit base, while wholesale funding remains well diversified across instruments, currencies, and maturities.

The group benefits from a balanced liquidity position, with a liquidity coverage ratio of 140% and the net stable funding ratio of 129% as of end-September 2025, well above minimum requirements. The group maintains a sizeable portfolio of high-quality liquid assets, complemented by ECB-eligible assets.

One or more key drivers of the credit rating action are considered an ESG factor.

Outlook and rating sensitivities

The **Stable Outlook** reflects Scope's view that the risks to the current rating are balanced.

The **upside scenario** for the ratings and Outlooks is:

1. A more conservative capital management policy, targeting higher capital ratios and the maintenance of significant capital buffers through the cycle, while preserving sound funding and liquidity profile, could lead to a higher financial viability management assessment.

The **downside scenarios** for the ratings and Outlooks are (individually or collectively):

1. Higher than expected declines in the group's capital ratios, putting pressure on the group's financial viability management assessment.

2. A material deterioration in asset quality or a significant erosion in the group's profitability could lead to a downgrade of the earnings capacity and risk exposures assessment.

Debt ratings

Operating company issuer: ING Bank N.V.

Senior unsecured debt: AA-/Stable. The rating is aligned with the issuer rating.

Short-term debt: S-1+/Stable. The short-term credit rating is derived from the long-term issuer credit rating. The rating is consistent with Scope's long-term/short-term rating correspondence table. The choice of the highest possible short-term rating (S-1+ given the AA- issuer rating) reflects the strength of the liquidity profile of the group and access to central bank funding.

Holding company issuer: ING Groep N.V.

Senior unsecured debt: A+/Stable. The rating is one notch below the issuer rating reflecting structural subordination.

Short-term debt: S-1+/Stable. The short-term credit rating is derived from the long-term issuer credit rating. The rating is consistent with Scope's long-term/short-term rating correspondence table. The choice of the highest possible short-term rating (S-1+ given the AA- issuer rating) reflects the strength of the liquidity profile of the group and access to central bank funding.

Tier 2 debt: A-. The rating is three notches below the issuer rating, in line with our standard approach for Tier 2 debt instruments, without additional notching.

Additional Tier 1 security: BBB. The rating is five notches is below the issuer rating, in line with the standard notching applicable for these securities.

Environmental, social and governance (ESG) factors

Please refer to the 'long-term sustainability assessment' under the 'key rating drivers' section above for the ESG analysis.

All rating actions and rated entities

ING Bank N.V.

Issuer rating: AA-/Stable, affirmed

Senior unsecured debt rating: AA-/Stable, affirmed

Short-term debt rating: S-1+/Stable, affirmed

Debt Issuance Programme of EUR 70bn: senior unsecured: AA-/Stable, new rating

ING Groep N.V.

Issuer rating: AA-/Stable, affirmed

Senior unsecured debt rating: A+/Stable, affirmed

Short-term debt rating: S-1+/Stable, new rating

Tier 2 debt rating: A-/Stable, new rating

Tier 2 debt rating assigned to instruments XS3153087559, XS2886191589, XS2818300407

Additional Tier 1 security rating: BBB/Stable, new rating

Additional Tier 1 debt rating assigned to instruments US456837BT90, XS2885225966, XS2761357594

Debt Issuance Programme of EUR 70bn: senior unsecured: A+/Stable, new rating; Tier 2 debt: A-/Stable, new rating

Stress testing & cash flow analysis

No stress testing was performed. No cash flow analysis was performed.

Methodology

The methodology used for these Credit Ratings and Outlooks, (Financial Institutions Rating Methodology, 18 September 2025), is available on scoperatings.com/governance-and-policies/rating-governance/methodologies.

Information on the meaning of each Credit Rating category, including definitions of default, recoveries, Outlooks and Under Review, can be viewed in 'Rating Definitions – Credit Ratings, Ancillary and Other Services', published on scoperatings.com/governance-and-policies/rating-governance/definitions-and-scales. Historical default rates of the entities rated by Scope Ratings can be viewed in the Credit Rating performance report at scoperatings.com/governance-and-policies/regulatory/eu-regulation. Also refer to the central platform (CEREP) of the European Securities and Markets Authority (ESMA): registers.esma.europa.eu/cerep-publication. A comprehensive clarification of Scope Ratings' definitions of default and Credit Rating notations can be found at scoperatings.com/governance-and-policies/rating-governance/definitions-and-scales. Guidance and information on how environmental, social or governance factors (ESG factors) are incorporated into the Credit Rating can be found in the respective sections of the methodologies or guidance documents provided on scoperatings.com/governance-and-policies/rating-governance/methodologies.

The Outlook indicates the most likely direction of the Credit Ratings if the Credit Ratings were to change within the next 12 to 18 months.

Solicitation, key sources and quality of information

The Rated Entity and/or its Related Third Parties participated in the Credit Rating process.

The following substantially material sources of information were used to prepare the Credit Ratings: public domain, the Rated Entity and Scope Ratings' internal sources.

Scope Ratings considers the quality of information available to Scope Ratings on the Rated Entity or instrument to be satisfactory. The information and data supporting these Credit Ratings originate from sources Scope Ratings considers to be reliable and accurate. Scope Ratings does not, however, independently verify the reliability and accuracy of the information and data.

Prior to the issuance of the Credit Rating action, the Rated Entity was given the opportunity to review the Credit Ratings and Outlooks and the principal grounds on which the Credit Ratings and Outlooks are based. Following that review, the Credit Ratings and Outlooks were not amended before being issued.

Regulatory disclosures

These Credit Ratings and Outlooks are issued by Scope Ratings GmbH, Lennéstraße 5, D-10785 Berlin, Tel +49 30 27891-0. The Credit Ratings and Outlooks are UK-endorsed.

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Person responsible for approval of the Credit Ratings: Marco Troiano, Managing Director

ING Groep's issuer Credit Rating/Outlook was first released by Scope Ratings on 1 July 2019. The Credit Rating/Outlook was last updated on 5 March 2025.

ING Groep's senior unsecured debt Credit Rating/Outlook was first released by Scope Ratings on 5 October 2015. The Credit Rating/Outlook was last updated on 5 March 2025.

ING Groep's short-term Credit Rating/Outlook was first released by Scope Ratings on 20 November 2025.

ING Groep's tier 2 debt Credit Rating/Outlook was first released by Scope Ratings on 20 November 2025.

ING Groep's additional tier 1 debt Credit Rating/Outlook was first released by Scope Ratings 20 November 2025.

ING Bank's issuer Credit Rating/Outlook was first released by Scope Ratings on 2 April 2014. The Credit Rating/Outlook was last updated on 5 March 2025.

ING Bank's short-term Credit Rating/Outlook was first released by Scope Ratings on 22 May 2014. The Credit Rating/Outlook was last updated on 5 March 2025.

ING Bank's senior unsecured debt Credit Rating/Outlook was first released by Scope Ratings on 2 April 2014. The Credit Rating/Outlook was last updated on 5 March 2025.

Potential conflicts

See scoperatings.com under Governance & Policies/Regulatory for a list of potential conflicts of interest disclosures related to the issuance of Credit Ratings, as well as a list of Ancillary Services and certain non-Credit Rating Agency services provided to Rated Entities and/or Related Third Parties.

Scope also provides the rated entity with credit ratings by subscription on one or several of its assets.

Conditions of use / exclusion of liability

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With more than 300 employees operating from offices in Berlin, Frankfurt, London, Madrid, Milan, Oslo and Paris, Scope Group is the leading European provider of independent credit ratings, ESG analysis and fund research. Based on forward-looking and innovative methodologies, Scope offers a European perspective that contributes to greater diversity of opinion for institutional investors worldwide. Scope Ratings is registered in accordance with the EU rating regulation and operating in the European Union with ECAI status. Scope Ratings is the only European rating agency accepted by the ECB for the Eurosystem Credit Assessment Framework (ECAF). The shareholders of Scope Group include CEO and founder Florian Schoeller and anchor shareholder Stefan Quandt, numerous senior personalities in European finance and industry as well as institutional investors from several European countries. More on scopegroup.com.