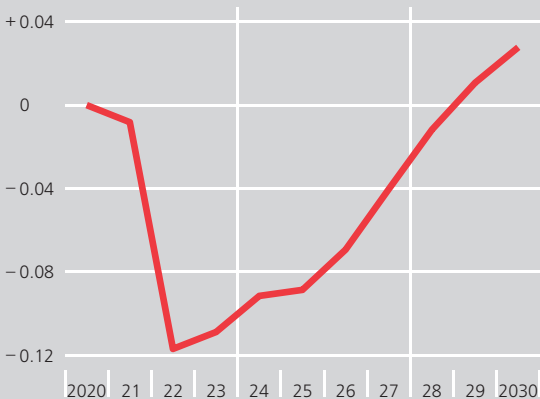


Vulnerability of German banks to climate-related transition risks: credit risk in a scenario of a strong shock to the financial system*

Cumulated effects as a percentage of the stressed loan portfolios



Sources: Bundesbank statistics and Bundesbank calculations based on the scenarios of the Network for Greening the Financial System (NGFS).
 * Potential effects of scenario-dependent default rates in the "Net Zero 2050" increase scenario compared to the "Current Policies" reference scenario. Negative values represent a more negative outcome (e.g. higher losses) compared to the reference scenario, while positive values represent a more positive outcome (e.g. lower losses). For the scenario assumptions, see Chart 3.2.