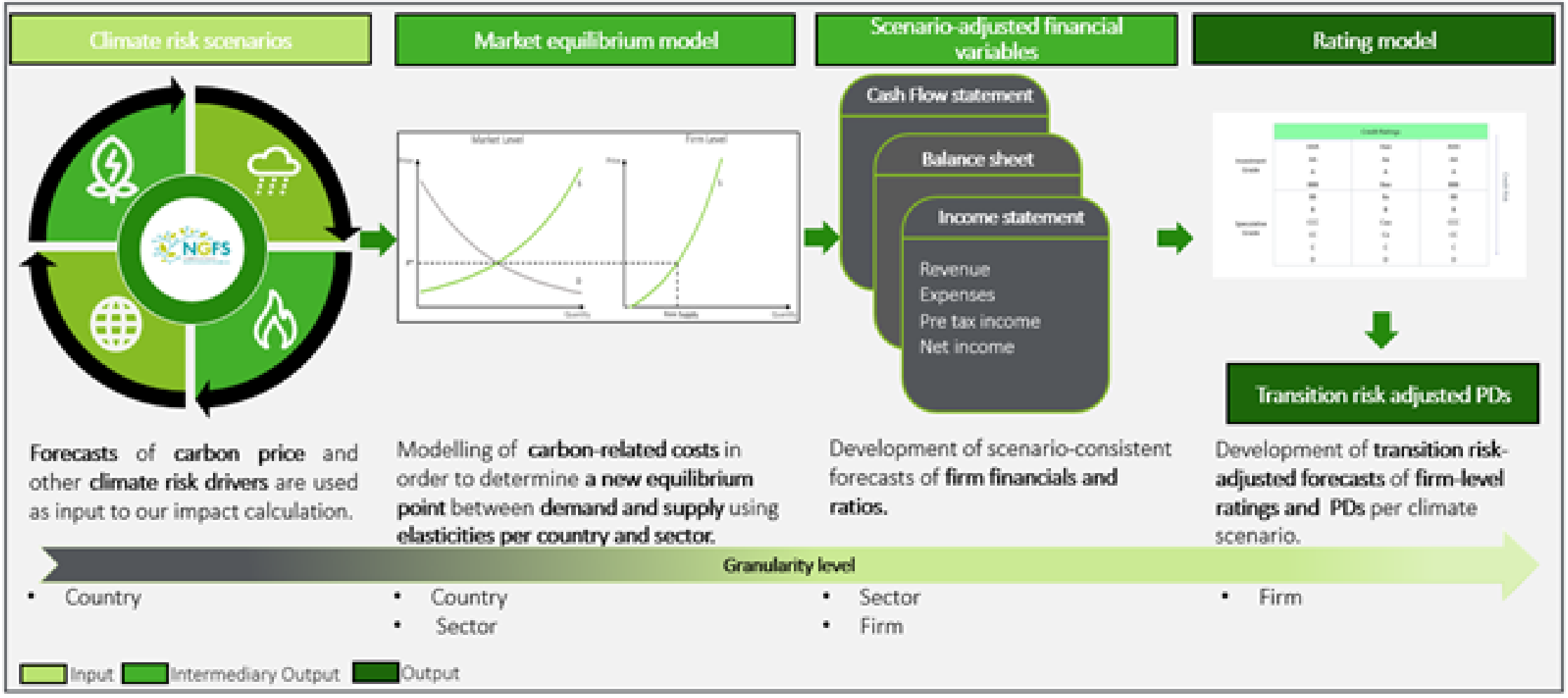
Climate risk scenarios
Market equilibrium model
Scenario-adjusted financial variables
Rating model
NGFS
Cash Flow statement
Balance sheet
Income statement
Revenue
Expenses
Pre tax income
Net income
Transition risk adjusted PDs
Forecasts of carbon price and other climate risk drivers are used as input to our impact calculation.
Modelling of carbon-related costs in order to determine a new equilibrium point between demand and supply using elasticities per country and sector.
Development of scenario-consistent forecasts of firm financials and ratios.
Development of transition risk-adjusted forecasts of firm-level ratings and PDs per climate scenario.
Granularity level
• Country
• Country
• Sector
• Sector
• Firm
• Firm
Input
Intermediary Output
Output