

Just Transition Finance
Case Studies from
Banking and Insurance

UN 
environment
programme

finance
initiative



Aviva
Building Capability
for a Just Transition

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Cover photo: Aureliano Soares Martins with one of the cisterns he uses to water his crops. IFAD.org / © Fernanda Oliveira.

This report includes case studies illustrating how banks and insurance companies are embedding just transition considerations in their strategies, processes, products, and partnerships. It reflects practices current at the time of publication and is intended to support financial institutions in considering approaches to just transition; it does not prescribe specific actions or define expectations for financial institutions.

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Participation in the UNEP FI Just Transition Pilot Programme, or inclusion of a case study in this report, does not imply that a financial institution applies or endorses all statements, practices, or recommendations set out in this report.



Executive summary

The transition to low-carbon, climate-resilient economies is not only a technical challenge—it is a social one. Transition pathways that fail to address the needs of workers, communities, and vulnerable populations face growing political and operational risk, while those designed with equity and inclusion at their core are more credible, durable, and effective. Financial institutions play an important role in enabling and financing these pathways.

This report draws on the UNEP FI Just Transition Pilot Programme—a yearlong initiative that convened over a dozen banks and insurers for peer exchange and expert input—to document how just transition considerations are being integrated across banking and insurance. Its main contribution is a set of case studies illustrating how participating institutions are embedding just transition in their strategies, processes, products, and partnerships. These institutions are at different stages of engagement and operate in diverse regulatory, sectoral, and geographic contexts.

The case studies reveal that just transition integration has no single starting point. They are united not by a common method but by a common orientation—identifying where the social dimensions of transition are most material to the institution’s own portfolio, mandate, and client relationships, and building from there. For most institutions, this required organizational groundwork: cross-functional collaboration to bridge silos, internal capacity building to develop shared understanding, and senior sponsorship to establish mandate.

Product and client-facing finance saw significant activity, while partnerships and co-creation also proved essential: virtually every case study involves collaboration beyond the institution itself—with multilateral organizations, public authorities, peer institutions, municipalities, academic partners, or civil society—reflecting that the reach and legitimacy required for just transition finance often exceeds what any single institution can provide alone.

Recommendations

The case studies demonstrate that just transition finance has moved beyond conceptual endorsement into an early phase of applied practice. Institutions are moving past the question of whether just transition is relevant toward how it can be translated into concrete decisions. Building on the framework established in [Just Transition Finance: Pathways for Banking and Insurance](#), ten recommendations provide practical entry points for financial institutions at different stages of engagement:

- 1 Leverage just transition as a horizontal, integrative lens**, connecting climate, social, human rights, and business objectives rather than treating just transition as a standalone agenda.
- 2 Develop place-based and sector-specific strategies anchored in local realities**, leveraging local presence and partnerships to respond to concentrated transition risks and opportunities.
- 3 Embed social dimensions in transition planning**, systematically addressing social dependencies and impacts of institutional plans, and using transition planning as a vehicle for engaging clients on workforce impacts, gender equality, and inclusive transition pathways.
- 4 Align institutional practice with international standards as the baseline**, treating frameworks such as the UN Guiding Principles on Business and Human Rights as a floor rather than a ceiling.
- 5 Engage clients and business partners as co-agents of just transition**, investing in advisory capacity and co-designing financing and protection solutions around client needs.
- 6 Invest in meaningful stakeholder engagement**, developing channels for consultation and transparency that extend beyond existing client relationships to reach workers, communities, and affected populations, and encouraging clients to do the same.
- 7 Advance just transition through partnerships and collaboration**, contributing to public-private partnerships, multi-stakeholder initiatives, and the broader enabling environment for just transition finance.
- 8 Recognize the broadening scope of just transition**, extending approaches beyond industrial phaseout to transition-enabling activities, adaptation, resilience, nature, and the circular economy.
- 9 Invest in governance, capacity, and cross-functional coordination**, addressing internal silos and cultivating senior sponsorship to create mandate and accountability on just transition.
- 10 Develop approaches to measuring and reporting on just transition activities and outcomes**, including simple, decision-useful indicators that can track progress without waiting for comprehensive methodologies to mature.



Case studies: Just transition finance in practice

Click the organization's name on this page to read their case study and click [here](#) to read the full report.

INDUSTRY

- Insurance
- Investment

REGION

- UK
- Ireland
- Canada

CLIMATE FOCUS

- Mitigation
- Adaptation
- Nature

KEY THEMES

- Climate transition planning
- Governance and capacity building
- Investor stewardship and engagement
- Just transition roadmap

As the UK's leading diversified insurer, Aviva recognizes that achieving a global transition to net zero requires an integrated approach. This means an inclusive transition to a low-carbon, climate-resilient and nature-positive world. A just transition is essential because unmanaged social impacts can weaken economic stability, increase financial risk, and erode societal resilience as the transition to a low-carbon future progresses.³

In 2025 Aviva took a significant step in advancing its approach to just transition by outlining a plan to develop a strategic framework backed by internal capability-building measures. This case study highlights how Aviva has begun to consider the just transition, the challenges encountered, and the lessons emerging from its work.

Building capability for a just transition

Consistent with the UK's Transition Plan Taskforce (TPT) definition, Aviva defines a just transition as “anticipating, assessing, and addressing the social risks and opportunities of the transition to a low-GHG emissions and climate-resilient development, as well as ensuring meaningful dialogue and participation for impacted groups (including workers, communities, supply chains, and consumers) in transition planning”.⁵⁵ This includes, for example, supporting workforce transitions in carbon intensive industries as activities in these sectors are phased down or out in a transition to more sustainable alternatives.

Serving more than 25 million^a customers across the UK, Ireland, and Canada, and managing a global multi-asset investment portfolio, Aviva has a broad set of levers through which to integrate just transition considerations into its business model. These span general insurance, wealth and retirement services, investment stewardship and its own operations. Engagement with governments, industry bodies, and Aviva's value chain is a central component of this approach.

Embedding just transition within an integrated Transition Plan

Aviva's second [Transition Plan](#) (2025) brings climate, nature, adaptation and just transition together into a single, integrated framework, recognising that these themes are interdependent and must be progressed in parallel to deliver a holistic transition. The Plan sets out how Aviva will continue to deepen its understanding of the potential tradeoffs and synergies across these areas and to

embed just transition considerations more systematically across the business.

To date, Aviva has already incorporated elements of just transition into existing climate and social programmes. For example: incorporating benefits for local communities into climate action work; engaging with investment portfolio companies on workforce-related transition risks; and exploring the ability to create new insurance propositions to give customers greater access to more affordable renewable energy.

In 2025, Aviva Investors also conducted over 100 engagements on the social aspects of the transition as part of its climate engagement strategy. These engagements focused on sectors where social issues (including labour, community and affordability) are most material including utilities, oil and gas, mining, and selected industrials.

Building capability for just transition

To raise awareness and build internal capability, Aviva developed a dedicated just transition skills enhancement initiative for sustainability-focused colleagues, delivered in partnership with external experts. The capability-building programme explored the social risks and opportunities facing sectors most exposed to the transition, emerging metrics and approaches for measuring just transition outcomes. It also highlighted the implications of integrating just transition considerations into investment and underwriting processes and effective stakeholder engagement approaches.

a As of November 2025

Participants reported an improvement in their understanding of how and where just transition considerations might impact their roles and identified practical actions they could take. Insights from the programme are also informing a wider plan to raise awareness among senior stakeholders and committees throughout 2026, ensuring consistent understanding of the risks, opportunities and enablers associated with just transition.

Challenges, enablers, and lessons

Aviva's progress to date has not been without challenges, from competing internal priorities to the absence of robust external frameworks and inconsistent definitions across stakeholder groups.

However, the progress made has created momentum and helped justify a more coordinated, cross business effort. A Group-wide just transition roadmap is emerging that will help guide further integration into business and strategic planning, inform activities across the insurance and investment businesses, and shape engagement with relevant stakeholder groups. Aviva also intends to open the capability building training programme to all colleagues, complementing existing sustainability training and driving Group-wide efforts to further integrate just transition considerations into the climate strategy.



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UNEP Finance Initiative brings together a large network of banks, insurers and investors that catalyzes action across the financial system to deliver more sustainable global economies.

For more than 30 years the Initiative has been connecting the UN with financial institutions from around the world to shape the sustainable finance agenda. We've established the world's foremost sustainability frameworks, helping the finance industry achieve sustainability goals, address sustainability risks and identify the business opportunities in taking a responsible approach to banking and insurance.

Convened by a Geneva, Switzerland-based secretariat, more than 550 banks and insurers are individually implementing UNEP FI's Principles for Responsible Banking and Principles for Sustainable Insurance. Financial institutions work with UNEP FI on a voluntary basis to apply these industry frameworks and

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develop practical guidance and tools that drive institutional change, shaping the future of sustainable finance and positioning their businesses for the transition to a sustainable and inclusive economy. In parallel, UNEP FI also drives systems change and fosters enabling conditions in service of the broader mission to mobilize and align private finance to help achieve the UN Sustainable Development Goals.

Founded in 1992, UNEP FI was the first organization to engage the finance sector on sustainability and incubated the Principles for Responsible Investment, now the world's leading proponent of responsible investment.

Today, we cultivate leadership and advance sustainable market practice while supporting the implementation of global programmes at a regional level across Africa & the Middle East, Asia Pacific, Europe, Latin America & the Caribbean, and North America.



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