

Just Transition Finance
Case Studies from
Banking and Insurance

UN 
**environment
programme**

**finance
initiative**



BNP Paribas
Towards the
Integration of
Just Transition
Considerations

→
April 2026

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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.

Any approaches, criteria, or recommendations referred to in this report are to be understood in accordance with applicable law, including competition law. They do not constitute a recommendation by, or binding commitment on, any of the banks or insurance companies mentioned in this report, nor do they supersede any legal and contractual obligations. Financial institutions remain responsible for determining their own strategies and actions in relation to just transition.

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.

BNP Paribas

INDUSTRY

- Banking
- Insurance
- Investment

REGION

- Global

CLIMATE FOCUS

- Mitigation
- Adaptation

KEY THEMES

- Research and data
- Inclusive green finance; product innovation
- Internal knowledge networks
- Cross-business collaboration
- Just transition framework
- Partnerships: civil society, multilateral actors

Operationalizing just transition finance requires both a shared internal understanding of what the concept means in practice and concrete proof points on the ground. At BNP Paribas, this approach is pursued through a combination of research, partnerships, and product innovation, supported by close collaboration between sustainability experts and business lines to ensure applicability and alignment with real-world needs.

This approach is reflected in a growing set of pilot initiatives, products and partnerships—ranging from affordable EV leasing and inclusive housing models, to support for regenerative agriculture, as well as asset management-led stewardship initiatives supporting a just transition. These initiatives illustrate promising pathways to embed social fairness into climate action in practice.

To structure this approach, the Group coordinates customer engagement, internal knowledge management, partnerships, and product development through the Just

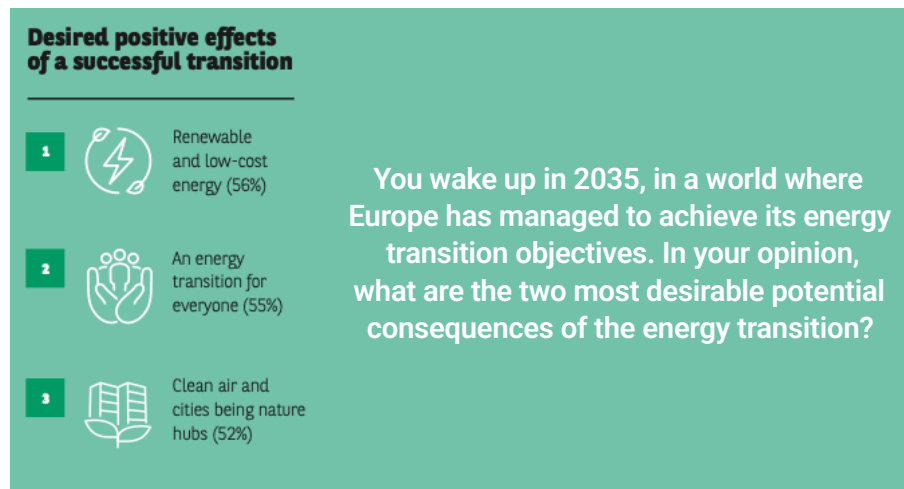
Transition Observatory (JTO). Launched in 2023, the BNP Paribas JTO provides a unified perspective on just transition, grounded in the definitions of the ILO and Business for Inclusive Growth, in order to avoid any dilution or opportunistic use of the concept. The Observatory also supports research and dialogue with external stakeholders and acts as a listening tool for civil society, capturing insights on public perceptions of fairness in climate action and feeding them into product development and partnerships.

To bring this vision to life and make it actionable, in 2022 BNP Paribas established the Network of Experts in Sustainability Transitions (NEST). This network brings together hundreds of ESG specialists across operational geographies, business lines, and functions, acting as catalysts for change and helping connect research, partnerships, and business implementation.

Towards the Integration of Just Transition Considerations

BNP Paribas is a global financial institution operating in more than 60 countries across five continents, with a diversified business model spanning corporate and institutional banking, retail and commercial banking, specialized financial services, wealth and asset management, and insurance. Sustainability is one of three pillars in its 2022–2026 strategic plan, relying, in turn, on three levers: client engagement; portfolio alignment; and sustainability governance, tools, culture, and expertise.¹ The low-carbon transition and social inclusion are two of the five priority themes in the Group’s sustainability strategy, and just transition has been adopted as a cross-cutting theme linking climate, social inclusion, and human rights commitments.

In recent years, the Group has implemented a diverse range of initiatives to advance a just transition, which have laid the foundation for more ambitious action. Through the Just Transition Observatory,² for example, BNP Paribas surveys consumers in markets that it serves (ten countries and 9,500 individuals for the [2025 edition](#)) on topics related to the economic and social impacts of the climate transition. This project has allowed BNP Paribas to build an understanding of common sentiments and social priorities in the context of climate action—as well as their nuances, including geographic differences and changes over time. In addition to insights on how broad economic and geopolitical challenges shape public sentiment on climate action, this research also surfaces critical evidence on how fairness in the transition is perceived.



Desired positive effects of a successful transition

Notably, over half of the European respondents believe that efforts to tackle climate change will exacerbate social inequality (64%) and/or increase social fragmentation (54%). This result underpins the conviction that without fairness, the transition will be hard to achieve.

Social inequalities

Do you think the efforts required to fight global warming will result in social inequalities in general?



Perception of climate action's impact on inequality

The Just Transition Observatory set the stage for internal and external dialogue on just transition. And because these results are published as a public report, they can serve a similar purpose for other financial institutions including policymakers and also give data and context to develop potential new financial initiatives linked to the just transition.

The team behind the Just Transition Observatory—NEST, or Network of Experts in Sustainability Transitions—is itself an asset for BNP Paribas’ just transition strategy. Bridging operational geographies, business functions, and business lines, NEST is a network of several hundred ESG specialists that both drives knowledge development and exchange. This organizational innovation facilitates cross-pollination and alignment on a range of sustainability topics—and is thus particularly well-placed to lead on the intersectional agenda of just transition.

Laying the groundwork: Proof of concept in products and partnerships

As demonstrated in the Just Transition Observatory, BNP Paribas has developed a diverse range of initiatives to demonstrate proof-of-concept in just transition finance. This includes specialized partnerships supporting transformation in key sectors and geographies, as well as a suite of innovative financing products that facilitate inclusive access to transition opportunities. Among them:

- **LOA 120:** This programme makes EVs available on affordable leases extended to 120 months, providing access to low-emissions mobility for customers who otherwise could not finance it. It also includes the option to purchase the vehicle at the end of

the lease term, creating a pathway to vehicle ownership where a traditional auto loan would be out of reach.

- **HappyNest:** In Belgium, BNP Paribas Fortis partnered with real estate developer Matexi in the joint venture HappyNest to offer a “rent-now, buy-later” home financing model. Low-income families can rent new energy-efficient homes and gradually own them, breaking the usual barrier to energy-efficient housing.
- **McCain partnership:** In Poland, BNP Paribas partnered with McCain Foods to support potato farmers shifting to regenerative practices, including as a response to physical climate risks. The Bank provides financial support and sponsors technical advice, as part of a programme that strengthens the resilience of food supply chains, farming livelihoods, and rural communities.³
- **JuST Institute:** The JuST Institute (Just Sustainability Transitions Institute) is a non-profit, global member-based organization that brings together financial institutions (including BNP Paribas), public actors, and others to advance inclusive and climate-resilient finance, with a focus on smallholder farmers and underserved communities. It provides analysis, capacity building, and advisory services to help develop and scale financial products and systems that align with just transition principles. BNP Paribas works with the JuST Institute on products like Inclusive and Sustainability-Linked Financing, which offers reduced interest rates and technical support conditioned on achieving climate and social performance targets.
- **Asset Management stewardship—energy transition and jobs:** Through the stewardship activities of BNP Paribas Asset Manage-

ment's Sustainability Centre, an agreement was reached with a major player in the Australian energy sector to support the early closure of a coal-fired power plant. This engagement was combined with the implementation of a retraining programme to help preserve jobs by enabling affected employees to transition into wind power activities.

Building common understanding for just transition finance

These diverse initiatives, together with the internal engagement sparked by the Just Transition Observatory, are informing BNP Paribas' efforts to develop clearer internal criteria for what constitutes just transition finance and avoid "just transition washing". This work is an ongoing process and the Group recognizes that it remains at an early stage. Building this common understanding would support the Group to operationalize just transition finance across diverse business lines—ranging from consumer credit and corporate finance to asset management and insurance—and geographies. It could inform the design of a tool to guide product development and client engagement, for example, by clarifying for product teams and front office staff the key criteria for just transition alignment. Similarly, such criteria would allow BNP Paribas to track its contributions to just transition in a more robust and comprehensive way. However, implementation of this approach is at an early stage, and BNP Paribas recognizes that translating commitment to just transition into metrics and strategic targets has proved a challenge across the industry, precisely owing to the lack of a shared and common framework to classify 'just transition finance' in a rigorous way.

Balancing credibility and usability is a major challenge. Is it sufficient to simply include both environmental and social metrics or criteria to be labelled as a just transition initiative? Or would it require to integrate social and environmental dimensions in clear relations of causality or direct dependency? For BNP Paribas, at this stage, the second approach is more relevant.

For example, according to BNP Paribas, a sustainability-linked finance instrument that would combine environmental KPIs (such as lower GHG emissions) with a social safeguard (such as guaranteed income premiums for workers) would probably not fully meet the definition of just transition at this stage. While such an instrument improves practices and generates positive impact, it is difficult to certify it as a just transition initiative if it does not directly target populations who face transition-related costs or risks and who therefore need specific support to absorb or share the economic burden of change. For BNP Paribas, just transition means making the transition accessible to those who are exposed to its consequences, particularly those with few alternatives or support.

Challenges, enablers, and lessons

BNP Paribas's approach offers several important lessons. First, it demonstrates how data-driven research—such as the development of a public observatory—can meaningfully inform strategy. By quantifying public attitudes, the Group was able to translate abstract fairness and just transition objectives into concrete, actionable initiatives.

Second, it highlights that just transition is inherently cross-disciplinary. For a financial institution, structured and intentional efforts to break down silos across business lines and areas of expertise are a critical enabler of an effective just transition strategy.

Third, the experience illustrates the value of linking top-down commitment with bottom-up proof points. Senior-level support made it possible to develop products and partnerships that could be tested and refined through real-world implementation.

Fourth, it shows how a willingness to innovate creates opportunities for scaling. For example, an initiative similar to the McCain partnership on regenerative agriculture could be extended to additional EU countries following its launch in Poland. Likewise, BNP Paribas' inclusion-oriented strategies for electric vehicle financing will be strengthened in 2026 through a new partnership with La Banque Postale, establishing a platform that aggregates financing, insurance, and advisory services for low-emissions vehicles.

Overall, these efforts illustrate the iterative nature of operationalizing just transition—and the value of building from concrete proof points toward more systematic internal frameworks.

Finally, and critically for scaling impact, BNP Paribas found that advancing sector-wide consensus on the core criteria of just transition finance would not only enhance the credibility of institution-level strategies and commitments, but also improve confidence and clarity across the broader market for just transition finance—including, potentially, for labeled financial instruments.



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Endnotes

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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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