

Just Transition Finance
Case Studies from
Banking and Insurance

UN 
**environment
programme**

**finance
initiative**



Bank of Jiangsu
Scaling Inclusive
Green Finance
through Digital
Innovation

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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.

Bank of Jiangsu

INDUSTRY

- Banking

REGION

- Jiangsu Province, China

CLIMATE FOCUS

- Mitigation

KEY THEMES

- Digital ESG infrastructure and data tools
- Inclusive green finance; product innovation
- Capacity building for SME customers

This case study explores how Bank of Jiangsu is advancing inclusive green and transition finance through enabling digital infrastructure. Operating in an SME- and rural-intensive province, the Bank has deployed the SuYin Green Finance System to integrate ESG risk management with financial inclusion, reducing informational and capacity barriers that often limit smaller actors' access to sustainable finance. This digital architecture supports a range of transition-aligned financial products and services, enabling cleaner production by small manufacturers and projects such as aquaculture–solar that sustain rural livelihoods while supporting low-carbon development. Together, these efforts demonstrate how digital innovation, institutional learning, and client engagement can help translate the vision for inclusive transition into real-economy outcomes at scale.

Scaling Inclusive Green Finance through Digital Innovation

China's national policy direction—carbon neutrality by 2060, rural revitalization, and “high-quality development”—creates a dual expectation for financial institutions to support both low-carbon transformation and inclusive economic stability. Against this backdrop, Bank of Jiangsu, a large regional commercial bank with deep ties to rural, SME-intensive provinces, operates at a strategic interface between climate goals and development mandates. The Bank's participation in national green finance committees and its early adoption of the Principles for Responsible Banking (PRB) framework reflect a governance structure aligned with both environmental and social priorities.

Bank of Jiangsu's operations are concentrated in Jiangsu Province, which is characterized by dense manufacturing clusters, extensive aquaculture zones, and rural communities undergoing structural economic changes. SMEs form the backbone of the local economies that the Bank serves, yet often face barriers to accessing sustainable finance due to limited reporting capacity, higher risk perceptions, and rising compliance expectations. At the same time, regional development plans emphasize livelihood protection, upgrading traditional sectors, and supporting clean energy deployment in rural/peri-urban areas, where SMEs play a critical role. These contextual elements position the Bank to play a bridging role: expanding green finance while reducing informational, affordability, and capacity constraints for smaller actors. These constraints are particularly acute for small manufacturers and agricultural producers in climate-vulnerable or carbon-intensive regions, as well as for groups at heightened risk of exclusion, including agricultural MSMEs, the elderly, and those facing digital barriers.

Enabling infrastructure for inclusive green finance

Bank of Jiangsu's efforts related to just transition center on a suite of products and digital tools designed to widen access to transition-aligned finance for SMEs and rural actors. To support SMEs and smaller actors who typically lack capacity for ESG disclosure or carbon accounting, Bank of Jiangsu developed and implemented a digital ESG evaluation engine: the SuYin Green Finance System.¹ This system automates ESG risk assessment and credit-eligibility screening, lowering the entry barrier for SMEs to access green and transition finance. Through this tool, the Bank can identify transition-ready clients, simplify due diligence, and provide guidance on ESG performance improvement. But it also enables SMEs with limited reporting capacity—but sound operational practices—to access financing on better terms.

In this way, digital ESG infrastructure functions not only as a control mechanism—including for risks related to customers' occupational health and safety performance and certifications, labour practices, tax compliance, and other indicators that may signal heightened risks for workers or communities—but also as a bridge into sustainable finance. That includes for products such as Su-Tan-Rong (carbon-account-linked lending) and ESG preferential loans.² Together, these tools illustrate how digital innovation can support a low-carbon transition model in which smaller firms—and the local economies that depend on them—are empowered rather than excluded.

These innovations translate into real-economy outcomes, illustrated through projects such as the aquaculture-solar complementary loan. Bank of Jiangsu financed a renewable energy project designed to co-exist with existing fisheries, preserving a traditional livelihood base while enabling clean-energy expansion. This approach supports transition without displacement, while creating opportunities for income diversification in rural communities. More broadly, a significant share of the Bank's green financing activity (which grew nearly 24.4% year-on-year in 2024³) supports rural outcomes, including climate-resilient farming, rural infrastructure, ecological restoration, and rural households. In parallel, sustainable loans for small manufacturers, including for green equipment upgrades, have created opportunities to scale clean production and spur local green development, while ensuring attention is paid to workforce impacts, skills development, and community impacts. Indeed, many of the Bank's transition loans require clients to submit a transition plan before approval, with progress subject to ongoing monitoring. Within these plans, just transition considerations form one of the five evaluation pillars, alongside environmental and financial criteria.

Aquaculture –solar complementary projects (渔光互补) offer a context-sensitive approach to renewable energy deployment in coastal and peri-urban regions where land is scarce or already intensively used for agriculture and aquaculture. By stacking photovoltaic power generation above existing fishponds or along pond infrastructure, these projects enable electricity generation to coexist with ongoing aquaculture, rather than displacing it.

This dual-use configuration is designed to avoid conversion of new greenfield land, reduce competition with food production, and limit disruption to established local livelihoods. Building on existing aquaculture systems allows income-generating activities to continue while introducing additional economic value through renewable energy production. Construction and maintenance activities can create local employment, while the visible integration of solar infrastructure into working landscapes sometimes also supports ancillary activities such as educational visits or small-scale tourism.



Challenges, enablers, and lessons

A key driver of Bank of Jiangsu's approach is the alignment of environmental and development mandates. Provincial policy emphasizes both decarbonization and rural revitalization, creating strong incentives for solutions that are simultaneously green and inclusive. The Bank's internal governance structures and early investment in digital capabilities also function as enabling infrastructure, allowing ESG-linked products and services to be deployed at scale. In addition, the Bank's proximity to SME-dense regions creates strong demand for tools that lower compliance costs and improve credit access.

One significant challenge identified by Bank of Jiangsu has been the consistent assessment of social impacts within transition finance activities. This reflects both the absence of clear and widely accepted standards for evaluating a just transition and the practical capacity constraints faced by many clients. In particular, many SMEs are not well equipped to articulate the workforce or community implications of their transition plans. As a result, the Bank has found it necessary to provide more guidance and hands-on support than initially anticipated.

This experience points to a broader lesson for just transition finance: delivering meaningful outcomes requires the development of shared approaches that support comparability, credibility, and scale. This includes more robust social metrics, alongside frameworks and pathways for embedding related insights into financing decisions. For Bank of Jiangsu, this has reinforced the importance of institutional learning alongside product innovation, as well as closer coordination with peers and regulators.

Indeed, the Bank of Jiangsu case illustrates how just transition considerations can be advanced through service design and institutional practice, rather than through products alone. Digital ESG infrastructure can function not only as a risk management tool, but also as a mechanism for inclusion by lowering informational and cost barriers for smaller customers, thereby scaling finance for many of the actors driving employment, innovation, and inclusive development in local and national economies.



unsplash.com/pt-br/@bidaya

Endnotes

- 1 UNEP Finance Initiative. PRB Case Study: Bank of Jiangsu—Advancing Green Finance through Innovative Solutions. Geneva: 2025. Available from: unepfi.org/wordpress/wp-content/uploads/2025/03/PRB-CS-BOJ.pdf [Accessed 4 March 2026].
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- 3 Bank of Jiangsu. Green Finance Report 2024. Nanjing: 2025. Available from: jsbchina.cn/data/tosend/resource/upload/20250429/62771745924773494.pdf [Accessed 4 March 2026].



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

[unepfi.org](https://www.unepfi.org)

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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