

Just Transition Finance
Case Studies from
Banking and Insurance

UN 
**environment
programme**

**finance
initiative**



ING
Supporting Homeowners
in the Transition

→
April 2026

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Suggested citation: United Nations Environment Programme (2026). *Just Transition Finance: Case Studies from Banking and Insurance*. Geneva.

Production: United Nations Environment Programme Finance Initiative

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.

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KEY THEMES

- Inclusive housing decarbonization
- Toolkits and advisory services
- Retail banking: residential mortgages
- Financial inclusion

ING's case study focuses on the role of retail banking in enabling an inclusive transition in the residential real estate sector, where decarbonization is shaped by questions of affordability and access for households. Through mortgage pricing incentives, renovation toolkits, and advisory services, the Bank aims to help reduce informational, financial, and coordination barriers that often prevent households from undertaking energy-efficiency upgrades. The case illustrates how consumer finance can serve as a practical interface between climate ambition and financial inclusion in a just transition.

Supporting Homeowners in the Transition

Homes are a major source of emissions^{a,1}—and a critical point where decarbonization intersects with affordability and financial access. According to the research² that ING published in collaboration with Guidehouse in 2025, the EU’s building renovation rate remains at an average of 1% annually—just a third of the 3% minimum rate required to achieve net zero by 2050. This is despite the necessary technology being available.

ING’s sustainability approach spans climate, nature and social themes, such as human rights and the financial health and inclusion commitment under the PRB. The Bank’s climate action focuses on three areas: working with corporate clients to help them drive down their emissions; stepping up financing for technologies and solutions needed to build up a sustainable future; and including everyone in the low-carbon transition. The final area exemplifies the climate—social nexus, particularly in relation to ING’s financing of the residential real-estate sector.

The consumer lending portfolio accounts for 40.6% of ING’s total outstanding,³ primarily consisting of residential mortgage loans and other consumer loans, presenting considerable potential for impact generation. ING believes that most people want to play a positive part in the transition to a more sustainable future, and the Bank seeks ways to empower customers to do this. Through its mortgage portfolio, ING finances the homes of a significant number of people. This gives the Bank the opportunity to help them stay



a step ahead on climate by reducing emissions and energy costs associated with their homes.

In the housing sector’s shift toward sustainability, transition risk is a key consideration. ING accounts for transition risks in business strategy, lending criteria, and risk appetite, and in some markets such risks are incorporated into collateral valuation for high-emitting properties. The evolving legal environment further shapes ING’s approach, with the translation of the [Energy Performance Buildings Directive](#) (EPBD IV) into national law of EU member states expected in May 2026. Whilst regulatory uncertainty remains, there are already clear incentives for customers to start renovations, including lower

a The European Environment Agency (EEA) [estimates](#) that the built environment—which includes residential and commercial buildings—was responsible for 33% of energy-related greenhouse gas (GHG) emissions in the European Union in 2023

monthly energy costs, improved comfort, and increased property value—creating a growing demand for financing, advisory, and coordination services in the residential renovation market.

Yet, energy-efficiency retrofits are often constrained by financial and technical barriers and public policy instability. Many households face high upfront costs, fragmented contractor markets, limited access to trusted advice, and uncertainty around public policy and support through incentives. These constraints can slow renovation uptake, even where the benefits to households are clear.

Driving energy-efficient home renovations through tailored support

ING holds a unique position as a financier, to support customers in renovating their homes by combining customer trust, comprehensive data, and digital capabilities. ING has developed a range of digital tools to address the constraints in several of the markets it serves, to support customers to understand their renovation options.

For example, ING in the Netherlands offers the [ING Upgrader](#) service, with the aim to help customers understand their options and connect them with suppliers who can provide expert advice and installation. Through this service, ING offers an end-to-end sustainable home renovation service to fully unburden customers, starting with a digital tool ([Upgrade Check](#)) that gives customers non-binding insight into the possibilities for sustainable renovation and a cost-benefit estimate that incorporates available subsidies.

The next steps on the ING Upgrader journey cover free advice by phone or in the home, a tailored offer all the way to installation of the measures, a free subsidy retrieval service, and a new energy label. Additionally, ING will actively point people towards sources of

financing beyond ING if that is more appropriate. For example, the National Heat Fund may be the best option for some households. Yet even in these cases, the Bank aims to play an active supporting role.

In Belgium, ING has launched a [Renovation Toolkit](#) to help customers streamline home renovations. With the toolkit customers can use a simulator to calculate and improve their Energy Performance Certificate (EPC), request a quote from ING renovation partners and claim relevant discounts, discover grants in their region, and explore available financing options through ING products.

ING Germany addresses the sustainable housing challenge through two key strategies. The first focuses on knowledge and training. To ensure high-quality advice, ING Germany provides comprehensive training opportunities for external brokers and mandatory training for internal brokers. In addition, regular webinars with industry experts cover various modernization topics, equipping advisors with solid understanding of energy efficiency basics. The second strategy consists of modernization tools and customer support. As part of its mortgage advisory process, ING Germany offers a [Modernisation Check](#), which helps customers identify energy-efficiency measures tailored to their situation, along with estimated costs and potential savings. For customers ready to take action, ING Germany collaborates with Modernization Partners, who provide personalized advice on suitable solutions and manage the execution of improvements. These solutions aim to reduce the complexity of home improvements and offer support every step of the way.

Additionally, in the Netherlands, the Bank recently introduced a new feature linking the mortgage interest rate to the energy label of a property. Previously, homeowners could receive a sustainabil-

ity discount only on mortgages for homes with label 'A' or better. Now, ING has expanded its energy-label pricing approach to reward improvement steps in a property's energy label. This incentivizes upgrades both big and small, rather than only rewarding those who reach 'A(+)', reflecting the recognition that inclusive housing decarbonization requires support for small as well as large efficiency improvements and improved financial access for households.

Challenges, enablers, and lessons

ING's experience highlights the important role retail banks can play in helping households navigate information gaps and coordination challenges, by connecting them to financing, technical advice and trusted service providers. In addition, approaches that reward incremental energy-efficiency improvements—rather than only end-state performance—can help broaden participation. A key takeaway from the case study is that inclusive housing decarbonization depends as much on service design and coordination as on access to appropriate suitable solutions.

However, achieving an inclusive transition in the residential real-estate sector involves structural challenges that extend beyond the remit of any single actor. It requires a collaborative effort among governments, commercial banks, and homeowners to align ambitions, resources, and expertise. Through its products and tools, ING aims to play its part, helping people make informed choices and supporting customers in the transition to more sustainable housing.

ING recognizes that the transition to a low-carbon economy is underway and that both financial institutions and their clients are navigating this shift. While the bank finances sustainable activities, it still finances more activities that are not sustainable, reflecting the current pace and constraints of the real-economy transition.



Endnotes

- 1 European Environment Agency (EEA). Greenhouse Gas Emissions from Energy. Available from: [eea.europa.eu/en/analysis/indicators/greenhouse-gas-emissions-from-energy](https://www.eea.europa.eu/en/analysis/indicators/greenhouse-gas-emissions-from-energy) [Accessed 4 March 2026].
- 2 Guidehouse Netherlands B.V. Decarbonising Residential Buildings: A Multi-Stakeholder Journey. White paper prepared for ING Groep N.V. Utrecht: Guidehouse Netherlands B.V.; May 2025. Available from: ing.com/binaries/content/assets/documents/files/white_paper_-_decarbonising_residential_buildings_-_a_multi-stakeholder_journey_-_july_2025.pdf [Accessed 4 March 2026].
- 3 ING Group. ING Groep N.V. Annual Report 2025. Amsterdam; 2026. Available from: ing.com/binaries/content/assets/documents/annual-reports/2025-ing-groep-nv-annual-report.pdf [Accessed 30 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

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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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