

Cross-Agency Steering Group Strategic Priorities (2026–2028)

Established in May 2020, the Steering Group is committed to co-ordinating the management of climate and environmental risks in the financial sector, accelerating the growth of green and sustainable finance in Hong Kong, and supporting the Government's climate strategies. The Steering Group develops strategic priorities every three years to inform the work of its members and influence actions of the industry.

The Steering Group is setting out its 2026-28 priorities to enhance Hong Kong's competitiveness as a sustainable finance hub in the evolving global landscape.

Building on the **2023-25 priorities**, which focused on ISSB-aligned¹ disclosure, product innovation, technology adoption and capacity building, the **2026-28 priorities** are anchored on two pillars:

- I. Consolidate and strengthen **sustainability disclosure, sustainable finance markets, external engagement and talent development** to solidify Hong Kong as a sustainable finance hub; and
- II. Elevate the focus on **transition finance** and **adaptation finance** to develop Hong Kong's strengths in emerging areas.

During 2023-2025, the Steering Group fostered the development of a **comprehensive sustainability disclosure ecosystem** and laid a solid foundation for the adoption of ISSB Standards. Specifically, it has supported the development and implementation of the Roadmap on Sustainability Disclosure in Hong Kong, enhanced freely-available digital

¹ Referring to the inaugural set of International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards published by the International Sustainability Standards Board ("ISSB") in June 2023, namely the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures (collectively, the "ISSB Standards").

disclosure toolkits, and delivered capacity-building programmes. On product innovation, it has stepped up efforts to develop Hong Kong's sustainable debt and carbon markets, including supporting the development of the Hong Kong taxonomy, the enhancement and promotion of Core Climate, among other initiatives.

Building on this foundation, over 2026-2028, the Steering Group will:

1. **Strengthen sustainability disclosure:** ensure that Hong Kong's disclosure landscape remains globally aligned while being responsive to market conditions and industry readiness.
 - Work with the industry to **develop best practices for transition plan disclosure**, through a Transition Plan Disclosure Pilot², to encourage the development and disclosure of credible transition plans aligned with global frameworks;
 - Develop the **sustainability assurance regime**;
 - **Monitor the implementation of the Hong Kong Sustainability Disclosure Standards**;
 - **Enhance disclosure tools and promote the use of technology**, such as artificial intelligence, to help organisations move from reporting to taking action; and
 - Expand **training** on disclosure and assurance, especially sector-specific support.
2. **Expand and deepen sustainable finance markets:** reinforce the role of Hong Kong's sustainable financing and carbon-trading platform in supporting Asia's sustainability agenda.
 - Enhance Hong Kong's position as the leading **sustainable financing platform** in Asia, through the Green and Sustainable

² The project aims to promote industry-developed best practices for transition planning and disclosure, to enable volunteer HKEX-listed and A-H companies to produce investor-focused and decision-useful transition plans aligned with internationally recognised frameworks, e.g., Transition Plan Taskforce (TPT), ISSB.

Finance Grant Scheme, development and promotion of the Hong Kong taxonomy, and promotion of technology adoption including tokenisation; and

- **Strengthen cross-boundary collaboration with the Chinese Mainland and international carbon markets.**

3. **Strengthen external engagement:** ensure that Hong Kong is well-positioned to contribute to the sustainable finance agenda of Asia and beyond.

- Increase Hong Kong's presence at global forums and international engagements;
- Co-host major platforms such as Hong Kong Green Week; and
- Deepen regional partnerships such as with the Greater Bay Area, ASEAN, Middle-East and the Belt-and-Road economies.

4. **Support talent development:** ensure that Hong Kong possesses the necessary expertise by continuing the promotion of the Pilot Green and Sustainable Finance Capacity Building Support Scheme.

Meanwhile, in view of the evolving global landscape, the Steering Group supports the financial industry to capture the opportunities and manage the risks arising from emerging developments, particularly in the following two areas:

1. **Scale transition finance:** accelerate the robust development of transition finance in Hong Kong to facilitate Asia's net-zero efforts.

- **Operationalise transition finance principles** with practical guide and case studies, including on the assessment of transition plans and the use of taxonomies; and
- **Encourage wider industry adoption of transition planning** by providing guidance and promoting good practices.

2. **Support climate adaptation and resilience:** develop Hong Kong as a regional pioneer in adaptation finance to address the renewed urgency for building climate resilience in Asia and globally.
- Establish a **work stream** to assess **market readiness** and **coordinate efforts** across sectors on climate adaptation and resilience, including identifying adaptation finance needs, capability gaps, governance and reporting best practices, and policy support needed;
 - Support **product innovation and development**, such as **catastrophe bond**; and
 - Strengthen capabilities to **assess physical risks and their financial impact** by providing technology-enabled climate modelling and data analytics tools.