



# HONG KONG'S DUAL FOCUS ON SUSTAINABLE INVESTMENT AND GREEN INNOVATION

Whitepaper  
Series

September 2024

# HONG KONG'S DUAL FOCUS ON SUSTAINABLE INVESTMENT AND GREEN INNOVATION

## → CHINA PLANS TO HAVE CARBON DIOXIDE EMISSIONS

peak before 2030 and achieve carbon neutrality before 2060, namely: 3060 Dual Carbon Targets. Hong Kong is striving to achieve carbon neutrality before 2050. The Hong Kong Government announced its Climate Action Plan 2050, outlining four major decarbonization strategies encompassing net-zero electricity generation, energy saving and green buildings, green transport and waste reduction. This would lead Hong Kong towards carbon neutrality before 2050 and set more vigorous interim decarbonization targets to reduce Hong Kong's carbon emissions by 50% before 2035 as compared to the 2005 level. This will drive the low-carbon transformation, bringing a slew of economic and social development opportunities, including a thriving and diversified green economy, green finance, green innovation and technology.

## SURGING SUSTAINABILITY MOMENTUM IN HONG KONG

Echoing 3060 Dual Carbon Targets, Hong Kong is dedicated to establishing an international green technology and financial center by leveraging Hong Kong's differential edges. The Hong Kong Government has provided subsidies to eligible bond issuers and loan borrowers for the issuance of more than 340 green and



HKSTP is at the forefront of fostering I&T and sustainability.

sustainable debt instruments in Hong Kong through the Green and Sustainable Finance Grant Scheme that totalled US\$100 billion, enriching our green and sustainable finance ecosystem.<sup>1</sup> The Hong Kong Government has also successfully issued close to US\$22 billion worth of green bonds under the Government Green Bond Programme.<sup>2</sup> →

### ABOUT THE AUTHORS

**ANGUS CHAN** is an experienced sustainability professional with over 10 years of experience in advising and implementing sustainability strategy, ESG rating, ESG reporting, targets setting, as well as engaging a wide range of stakeholders.

Angus is currently taking a leading role in supporting the vision to build an international green technology and green financial center. He also engages with a wide range of internal and external stakeholders to nurture the green technology ecosystem.

**HOWARD LEE** is Associate Director, GreenTech of Hong Kong Science and Technology Parks Corporation (HKSTP). Howard Lee drives green technology ecosystem development and accelerates commercialization of green technologies. Howard had 28 years of IT management experience implementing systems including ERP, CRM, Mobile App and security.

Prior to joining HKSTP, Howard led a team in Shangri-La Hotel Management, delivering technical solutions focusing on digital transformation and process automation.

→ In the commercial sector, Hong Kong-listed companies would create enormous demand for green technology. As of June 2024, there are about 2,600 listed companies with a combined market capitalization of around US\$4 trillion. The Hong Kong Stock Exchange (HKEX) is committed to enhancing listed companies' climate-related disclosures with reference to International Financial Reporting Standards Climate-Related Disclosures (IFRS S2). With effect from 1 January 2025, HKEX's Environmental, Social and Governance (ESG) Reporting Code requires listed companies to make climate-related disclosures in phases, covering areas such as monitoring progress towards targets associated with climate-related risks and opportunities and carbon reduction compared to the base period. HKEX ESG disclosure requirements encourage listed companies to proactively advance their sustainability journeys and create a greater demand for climate and decarbonization solutions.

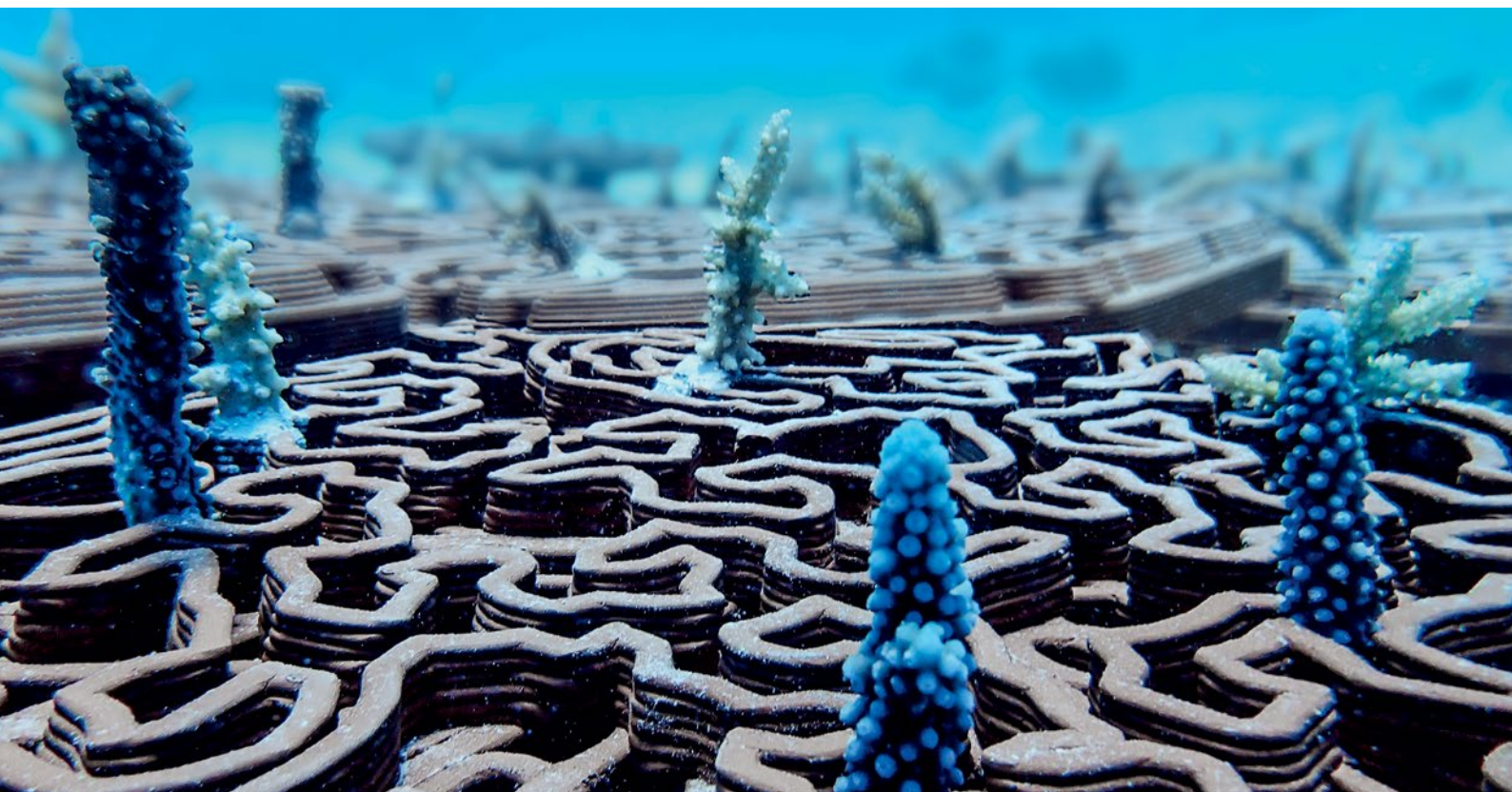
Beyond compliance, a number of companies from the real estate and manufacturing sectors have committed to carbon reduction based on standards published by the Science Based Targets initiative (SBTi), exhibiting their decarbonization commitment. In Hong Kong, buildings consume about 90% of the electricity and contribute about 60% of the carbon emissions, where most of the carbon emissions come from the electricity consumption within buildings. Therefore, the Hong Kong Green Building Council has established a Zero Carbon-Ready Building Certification Scheme and a Net Zero Building Certification Scheme to facilitate buildings to set their targets aligned with international carbon-neutrality targets.

### HKSTP - AN EXPANDING INNOVATION AND TECHNOLOGY ECOSYSTEM

HKSTP has a leading vision in innovation and technology, as well as sustainability. It committed to net zero based on SBTi's Corporate Net-Zero Standard, and the targets were successfully validated in July 2024. HKSTP has committed to achieve net zero by 2045, setting a goal five years ahead of Hong Kong's Climate Action Plan 2050. HKSTP aims at inspiring other organizations to take imminent climate action.

With an enormous ecosystem pooling a wide range of stakeholder groups, such as governments, corporations, investors and tech ventures, and our comprehensive support to our park companies, a number of park companies boast groundbreaking achievements. Archireef creates the world's first 3D-printed reef tile made from terracotta clay, proven to restore the degraded marine ecosystem. It partnered with First Abu Dhabi Bank to support the recovery process and development of underwater natural ecosystems off the coast of Abu Dhabi. It is also advancing its technology by incorporating photogrammetry and eDNA to quantify the impact of restoration. GRST Holdings was awarded the coveted Earthshot Prize 2023 in the "Clean Our Air" category. Launched in 2020 by Prince William's Royal Foundation charity, the "Eco Oscars" funds innovative solutions to address global environmental challenges. GRST, which stands for Green, Renewable, Sustainable Technology, has come up with a cleaner way to produce lithium-ion batteries that can be easily recycled. Its technology reduces greenhouse gas emissions from production by 40%, paving the way "to make the electric cars of the future even cleaner." ■

Pilot deployment of Archireef's 3D-printed reef tile in the Red Sea in collaboration with KAUST.



## ABOUT FII INSTITUTE

→ **FUTURE INVESTMENT INITIATIVE (FII) INSTITUTE IS** a global non-profit foundation with an investment arm and one agenda: Impact on Humanity. Global, inclusive, and driven by data, we foster great minds from around the world and turn ideas into tangible solutions and actions in four critical areas: Artificial Intelligence (AI) and Robotics, Education, Healthcare and Sustainability. We are in the right place at the right time, when decision-makers, investors and an engaged generation of youth come together in aspiration, energized and ready for change.

We harness that energy into three pillars: THINK, XCHANGE, ACT. Our THINK pillar empowers the world's brightest minds to identify technological solutions to the most pressing issues facing humanity. Our XCHANGE pillar builds inclusive platforms for international dialogue, knowledge-sharing and partnership. Our ACT pillar curates and invests directly in the technologies of the future to secure sustainable real-world solutions. Join us to own, cocreate and actualize a brighter, more sustainable future for humanity. ←



## SOURCES

- 1 THE 2024-25 BUDGET
- 2 AS OF 31 JULY 2023, HKSAR, GREEN BOND REPORT 2023

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