

Hong Kong Monetary Authority Sustainable Finance and Banking Initiatives

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HKMA Sustainable Finance Action Agenda



HKMA Sustainable Finance Initiatives

Setting Standards & Facilitating Readiness



HK Taxonomy

- An enabling tool to help market participants to make informed decision regarding green and sustainable finance and to scale up relevant capital flows.
- Phase 1 published in 2024; Phase 2A in Jan 2026. Progressing on Phase 2B and beyond.
- 6 sectors, 25 economic activities; green, transition (new); climate change mitigation, adaptation (new).



Transition Planning

- Issued a set of high-level principles to assist banks in maintaining safety and soundness in real economy transition.
- Revising guidelines after second public consultation.



Sustainability Disclosure

- Target to fully adopt the ISSB Standards no later than 2028.
- Analysing current sustainability disclosure landscape of banks and understanding the key challenges.



Climate Risk Management

- Issued guidance GS-1 on climate risk management in 2021 to facilitate banks' efforts to incorporate climate considerations into their governance, strategy, risk management and disclosures.
- Conducted thematic examinations on selected aspects of banks' climate risk management.



Climate Risk Stress Test (CRST)

- Assess banks' resilience comprehensively and further strengthen climate risk management capabilities.
- Second round CRST conducted during 2023 to 2024. Results indicates HK banking sector continues to demonstrate strong resilience against severe climate-related shocks under various scenarios.

Maintaining Climate Resilience

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Green and Sustainable Finance Grant Scheme

- Support the issuance of sustainable debt instruments which follow market standards.
- Since its launch in 2021, the GSF Grant Scheme has subsidised many green and sustainable debt instruments issued in HK.



Government Sustainable Bond Programme (issuance assisted by HKMA)

- Demonstrative effect; Promote development of green and sustainable finance in HK.
- Successfully issued ~US\$33 billion equiv. worth of green bonds in institutional, retail and tokenised formats (as of end-August 2026).

**Facilitating
Market
Development**

**Sector
Development**



Green Fintech Competition

- Promote the use of technology and encourage innovation.
- The 2025 competition attracted 140+ entities from 26 jurisdictions, marking 60%+ increase from 2023.



Green and Sustainable Finance Capacity Building Support Scheme

- Support for sustainable finance training and qualifications.
- 124 eligible programmes; 11,000+ approved reimbursement applications (as of end-August 2026).

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International Collaboration



Central Banks and Supervisors Network for Greening the Financial System

- A Steering Committee member.



Basel Committee on Banking Supervision

- To address climate-related financial risks to the global banking system.



Alliance for Green Commercial Banks

- Founding member and Asia regional anchor; Promote green finance in the Asia region.
- Since March 2021, the Alliance events reached over 12,000 participants globally.



Physical Risk Assessment Tools

- Cloud-based platform developed by HKMA for banks.
- Assess the impact of physical risk on residential and commercial buildings under different climate scenarios.



Non-listed Company Sustainability Questionnaire

- Allow banks to better assist customers to track their sustainability performance, identify opportunities, and focus on areas for improvement.
- Enhanced in 2025 by modularising questions by use cases, and upgrading the online reporting portal in light of market development and industry feedback.

Data Solutions

Questions & Comments