BUSINESS ENVIRONMENT COUNCIL
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Business Environment Council

Embedding Climate Resilience in Hong Kong:

Corporate Readiness and Practical Recommendations

October 2025

Content

Executive Summary

This publication assesses how Hong Kong companies are embedding climate adaptation and resilience into governance, culture and strategic decision-making, and proposes targeted recommendations to close the gap between intent and implementation. Findings derive from Business Environment Council ("BEC") Corporate Climate Resilience Readiness Survey and complementary analysis of corporate practices and Hong Kong's policy context. We diagnose the systemic barriers behind this "implementation gap" and, based on this rigorous analysis, prescribe a clear framework of policy recommendations to bridge the chasm between intent and impact.

Key findings

A Pervasive Implementation Gap

96% of respondents are developing or have established resilience goals, but only 24% have formal implementation plans; large firms show more structured approaches while small-and-medium enterprises ("SMEs") favour pragmatic, cost-driven solutions.

Principal Barriers

Constrained access to finance (47%), insufficient government policy/ incentives (47%) and lack of in-house expertise (40%), with SMEs most affected.

Governance and Disclosure Gaps

72% report designated senior oversight and 68% use board reporting, yet only 36% publicly disclose resilience strategies and few firms have fully integrated financial quantification of climate risk.

Risk Assessment and Prioritisation Shortfalls

57% do not conduct scenario analysis and 43% lack formal risk-ranking processes; only 11% have completed quantitative estimates of net financial climate risk.

A Blind Spot on Systematic Risk

33% assess only direct operations; just 8% fully measure physical risk across the value chain.

Practical Measures Underway

Companies are implementing a mix of physical measures (flood barriers, drainage, cooling systems), operational responses (flexible work, staff training) and efficiency improvements (LEDs, smart BMS), but uptake is inconsistent.

Insurance and Finance Gaps

36% report insurance coverage for major physical losses, 28% do not, and 36% are unsure; access to targeted adaptation finance is limited.

Recommendations

To address these systemic weaknesses, this report's recommendations are designed to directly tackle the primary barriers of finance, expertise, and policy uncertainty.

- Improve access to green and adaptation finance through targeted grants, concessional loans and blended-finance facilities with simplified processes for SMEs.
- Promote climate-risk insurance products (parametric/ hybrid solutions) and SME-focused outreach.
- Strengthen policy signals and provide Hong Kong-specific scenario guidance and standardised methodologies for climate-financial quantification.
- Expand capacity building: sector-tailored toolkits, subsidised advisory services and a one-stop resource portal for corporates.
- Encourage comprehensive value-chain risk assessment using incentives and shared data platforms.
- Promote disclosure and board accountability; mainstream scenario analysis and financial quantification into capital planning.
- Foster public–private partnerships to finance and pilot resilient infrastructure projects.

Hong Kong businesses recognise climate risks and have started to act, but meaningful progress requires coordinated public-private interventions to remove practical barriers. Implementing the proposed recommendations will mobilise finance, broaden insurance coverage, build capacity, and embed climate resilience in corporate governance — strengthening Hong Kong's economic resilience and competitiveness in a changing climate.

Introduction

Escalating Climate-related Physical Hazards Threatening Hong Kong's Infrastructure and Economy

Hong Kong's unique urban environment and its role as a leading global financial centre make its business community particularly vulnerable to a range of climate-related risks. The city faces increasing physical threats, including intensified typhoons, storm surges, flooding, and rising sea levels, which threaten infrastructure and operational stability. Additionally, heat stress and water scarcity are emerging as significant operational challenges, exacerbating the vulnerability of businesses to climate impacts. According to BEC's "Hong Kong Climate Resilience Roadmap for Business" [1], these physical risks are expected to intensify, with the International Monetary Fund warning that, under worst-case scenarios, Hong Kong's gross domestic product ("GDP") could decline by as much as 10.9% by 2050 due to climate-related physical hazards [2].

Regulatory Transition and Compliance Imperatives

Simultaneously, transitioning to a sustainable, low-carbon economy introduces a different set of risks for Hong Kong corporations. Mandatory climate-related disclosures, such the Hong Kong Exchanges and Clearing Limited ("HKEX") will require companies to report on their climate risks and opportunities in line with the Task Force on Climate-related Financial Disclosures ("TCFD") from January 2025. Furthermore, new standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") — HKFRS S1 and HKFRS S2 — align with international sustainability reporting frameworks and have been in effect since August 2025. These regulations compel firms to develop comprehensive climate risk management strategies, conduct scenario analyses, and assess the financial impacts of climate change. Non-compliance could lead to regulatory sanctions, reputational damage, and reduced access to capital.

The physical impacts of climate change, coupled with the evolving regulatory landscape, create complex challenges for Hong Kong's business sector. The need for proactive adaptation and resilience-building has become more urgent than ever. Businesses that fail to address these risks may face severe operational disruptions, financial losses, and diminished competitiveness in an increasingly sustainability-focused global market.

[1] Business Environment Council. (2015). Hong Kong Climate Resilience Roadmap for Business. Retrieved from https://bec.org.hk/sites/default/files/publications/BEC_Hong_Kong_Climate_Resilience_Roadmap_for_Business_report.pdf

[2] International Monetary Fund. Asia and Pacific Dept. (2025). Hong Kong SAR's Economy in the Face of Climate Change: Risks and Prospects. *IMF Staff Country Reports*, *2025*(016), A003. Retrieved from https://www.imf.org/en/-/media/files/publications/selected-issues-papers/2025/english/sipea2025051.pdf

Publication Objectives

In light of these pressing issues, this publication aims to evaluate the extent to which climate adaptation and resilience are embedded in corporate governance, culture and strategic decision-making, and sets the findings in the context of Hong Kong's economy and exposure to climate hazards. It seeks to develop tailored recommendations for relevant stakeholders to collaborate together and enable businesses effectively manage, and mitigate their physical and transitional climate risks, ultimately contributing to a more robust and resilient Hong Kong.

Findings and Analysis

Survey Context and Scope

The BEC Corporate Climate Resilience Readiness Survey ("the Survey") was conducted in July 2025 to assess how Hong Kong–based companies understand, govern and act on physical and transition climate risks. The Survey received 28 valid responses. Although the sample size is indicative rather than statistically representative, it indicates the low level of awareness in Hong Kong. The Survey provides a timely and informative "pulse check" of the Hong Kong business community.

Respondent profile:

- Company size: 61% of respondents were SMEs [3], 39% were larger organisations with more than 100 employees (Figure 1).
- Sectoral coverage: Respondents spanned a range of sectors; the largest groups were Property & Construction (33%), Commercial & Professional Services (15%) and Industrial Engineering (11%) (Figure 2).

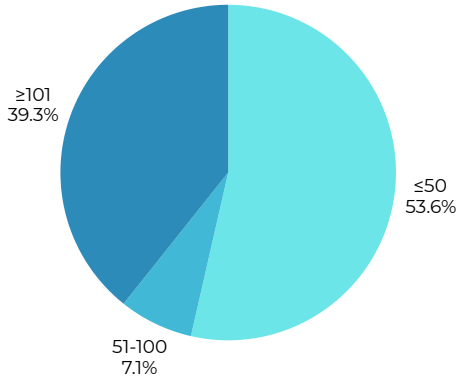

Figure 1 Survey respondents' company size

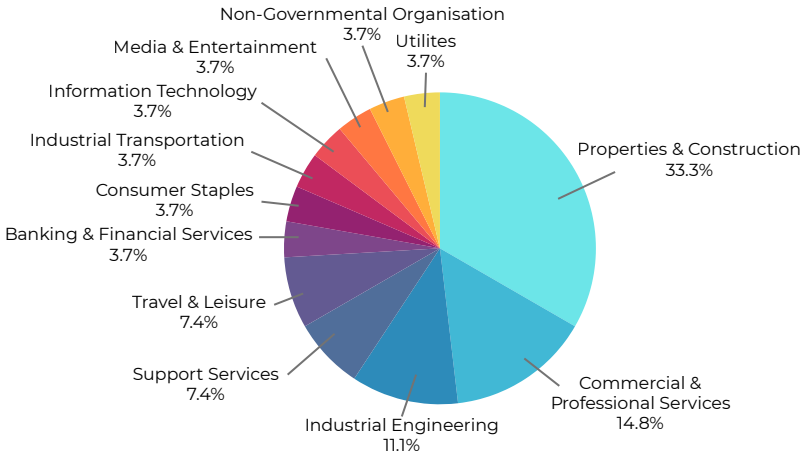

Figure 2 Survey respondents' business profile

Resilience Readiness in Hong Kong Companies: Governance, Strategy and Practice

This section assesses the extent to which adaptation and resilience are embedded in corporate governance, organisational culture and strategic decision-making. The evidence shows broad awareness of climate risks and intentions to act, but material variation in maturity and implementation across organisations.

[3] SMEs are (1) manufacturing enterprises which employ fewer than 100 persons or (2) non-manufacturing enterprises which employ fewer than 50 persons (Support and Consultation Centre for SMEs, 2024).

Summary of Key Findings

High stated engagement but mixed implementation

96% of firms are developing (50%) or have established (46%) adaptation and resilience goals; 4% have no strategy.

Scale drives maturity

Large corporations tend to use formal, organisation-wide processes and advanced analytics; SMEs favour pragmatic, cost-driven, solutions-oriented approaches.

Principal barriers

The barriers include insufficient government policy/ incentives (47%), limited access to funding (47%) and lack of in-house expertise (40%), with SMEs disproportionately affected.

Governance uptake

72% report a designated senior-level lead or committee for resilience; 68% use regular board reporting as an accountability mechanism.

Strategic alignment

32% report full alignment of business strategy with resilience goals; 57% report partial alignment.

Assessment and prioritisation gaps

57% of respondents do not conduct scenario analysis and 43% lack a formal risk-ranking process; only 11% have quantified net financial climate risk to date.

Implementation shortfall

38% have only high-level plans or ad-hoc actions; 24% have formal implementation plans.

Technology and tools

Common supports include sustainable materials/ green technologies (58%), external climate consultancies (42%) and IoT sensors for monitoring (42%).

Disclosure and engagement

36% publicly disclose adaptation and resilience strategies in ESG/ sustainability reports; the inclusion of quantitative metrics and scenario results is limited.

(1) Integration of Adaptation and Resilience

Engagement and Goal Setting

96% of surveyed Hong Kong companies report active engagement with adaptation and resilience: 46% have established clear priorities and goals; 50% are in the process of developing them (Figure 3). This indicates increasing awareness but varying degrees of operationalisation.

This indicates increasing awareness but varying degrees of operationalisation. The critical insight here is that the challenge is no longer about convincing businesses that they need to act, but about enabling them how to act effectively. The bottleneck has shifted from awareness to execution.

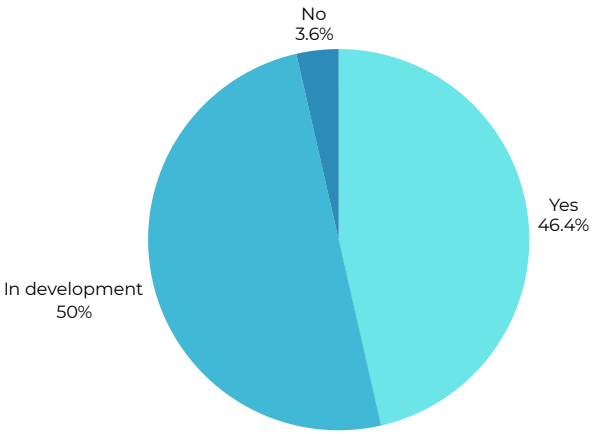

Figure 3 Respondents' climate adaptation and resilience goals establishment

Approaches by Organisational Scale

The maturity of adaptation and resilience strategies differs considerably based on organisational scale. Organisations do not follow a single uniform framework for evaluating resilience investments; however, common internal processes emerge. There is a clear distinction between approaches adopted by SMEs and those used by large corporates:

SME Approaches	Large-corporate Approaches
Pragmatic and flexible approach, heavily influenced by cost-effectiveness and immediate operational needs.	Formalised, organisation-wide processes that embed climate risk into strategic and financial planning.
Preference for comprehensive, end-to-end solutions (technology, installation, financing, operations and maintenance).	Use of advanced hazard modelling and scenario analysis (including long-range SSP-aligned scenarios) to inform investment decisions.
Prioritisation based on demonstrable whole-life value or reductions in potential future losses; projects must meet predefined thresholds to be elevated in priority.	Structured financial mechanisms and oversight (for example green bonds, sustainable finance frameworks, dedicated funds), supported by internal evaluation committees.
Consideration of operational feasibility and the credibility of external partners; emphasis on solutions that displace incumbent practices with minimal disruption.	

This divergence highlights a two-speed resilience journey in Hong Kong. Without targeted support, there is a risk that SMEs will be left behind, creating systemic vulnerabilities even as larger corporations fortify their own operations.

Governance and Accountability

A key indicator of the integration of climate action is the presence of dedicated oversight. 72% of respondents report a designated senior-level person or committee for adaptation and resilience (Figure 4). Common accountability mechanisms include regular reporting to the board (68%), integration of climate objectives into departmental targets (50%) and internal audits/ reviews (50%) (Figure 5).

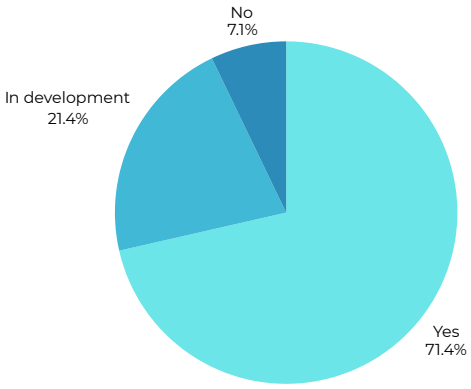

Figure 4 Presence of senior management or board level for driving adaptation and resilience strategy

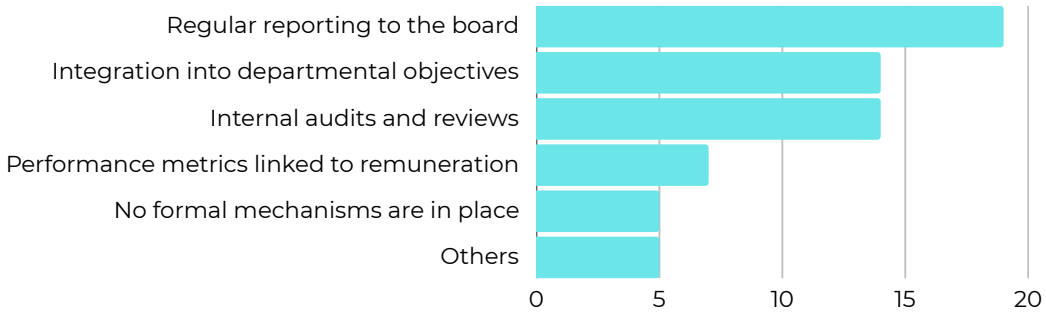

Figure 5 Accountability mechanisms for achieving adaptation and resilience goals

Strategic Alignment

Strategic alignment with resilience goals is evident, though not fully realised across all organisations. 32% of firms report full alignment between business strategy and resilience goals; 57% report partial alignment, typically achieved through monitoring, capacity building and asset risk assessments. 7% are uncertain about alignment, a group that includes resource-constrained SMEs (Figure 6).

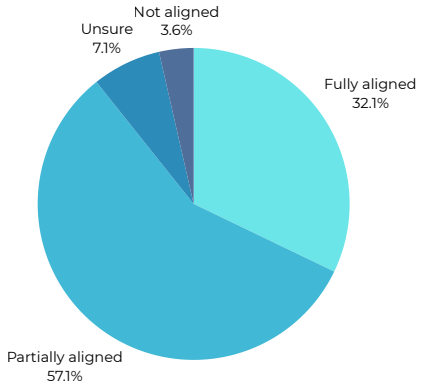

Figure 6 Respondents' alignment of their business strategies with climate resilience goals

(2) Barriers to Action and Motivations for Strategy Development

Despite the widespread recognition of the need for climate adaptation and resilience, organisations face a number of barriers in developing and implementing effective strategies. Insufficient government policy or incentives and lack of funding were cited as the primary challenges, each reported by 47% of respondents (see Figure 7). A further 40% of organisations indicated a lack of expertise as a significant impediment, particularly acute for SMEs.

This convergence on finance and policy sends an unequivocal signal to policymakers and financial institutions: the business community, especially smaller firms, perceives the path to resilience as too expensive and the policy landscape too uncertain to justify significant investment. They are essentially in a "wait-and-see" mode, waiting for stronger top-down incentives and more accessible capital.

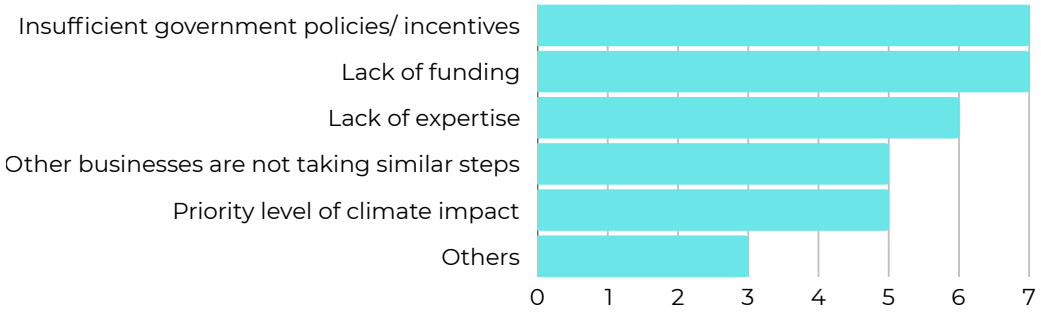

Figure 7 Barriers to developing climate adaptation and resilience strategies

Among firms with established goals, primary motivations are reputational enhancement as a climate-responsible organisation (85%), improved operational or resource efficiency (77%) and adoption of new technologies/ innovation (77%) (Figure 8). Internal promotion and capacity building commonly used methods include training programmes (92%), internal communications (85%), leadership endorsement (69%) and incentives (54%) (Figure 9).

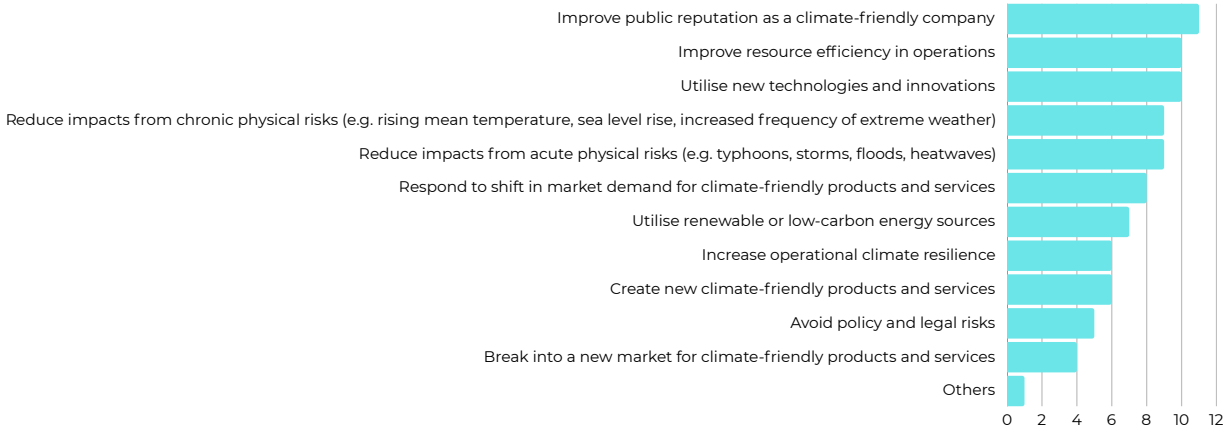

Figure 8 Motivations for developing climate adaptation and resilience strategy

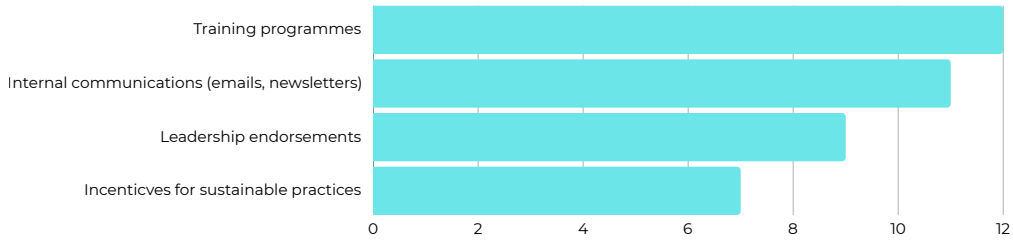

Figure 9 Methods for promoting adaptation and resilience strategies among employees

(3) Risk Identification and Assessment: Embedding Resilience in Decision-making

Use of Scenario Analysis and Frameworks

Only 43% of respondents reported conducting scenario analysis; 57% did not (Figure 10). Common frameworks used to identify risks and opportunities include the GHG Protocol (67%), TCFD (67%) and SBTi (58%) (Figure 11). Widely referenced scenario pathways include IPCC SSPs and RCPs (Figure 13). Common analytical approaches beyond scenario analysis include Risk & Control Self-Assessment (32%) and a range of bespoke or qualitative methods (11%) (Figure 12).

This finding is particularly alarming considering the mandatory TCFD-aligned disclosure requirements from HKEX starting in January 2025. It suggests that **a majority of the market may be unprepared for regulatory compliance, posing a significant risk not only to the companies themselves but to the stability and transparency of Hong Kong's market.**

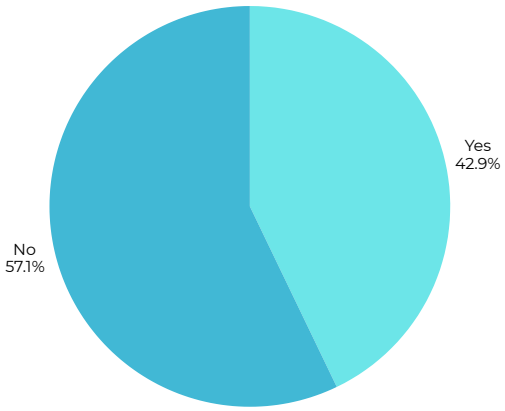

Figure 10 Number of respondents in conducting scenario analysis

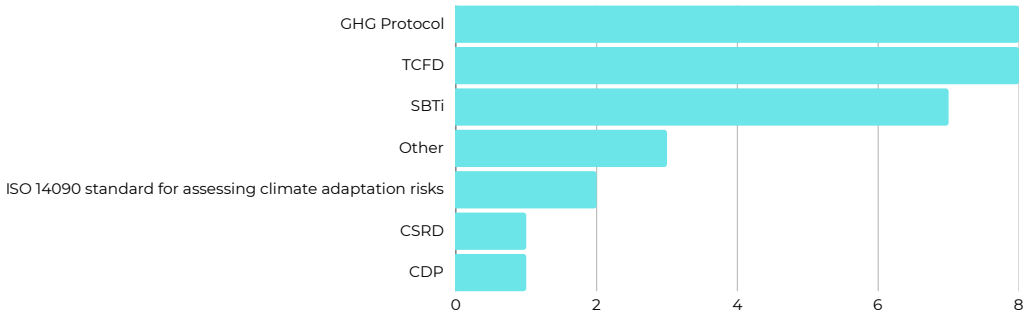

Figure 11 Frameworks companies used to identify climate risks and opportunities

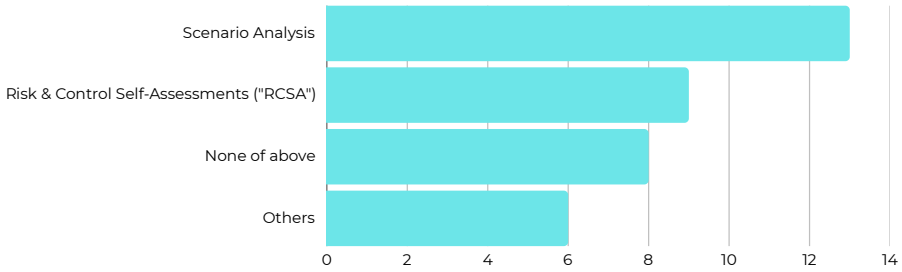

Figure 12 Tools or methods respondents used to analyse the causes and consequences of climate risks

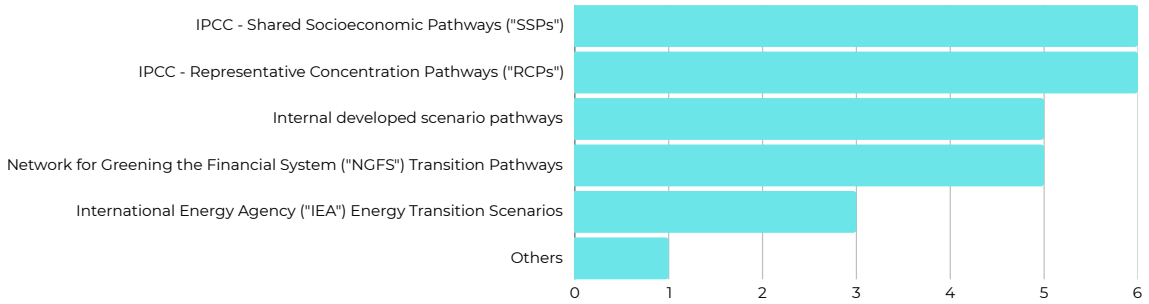

Figure 13 Scenario pathways referenced for potential impact on business

Risk Awareness and Coverage

Companies show strong awareness of acute physical hazards: 92% identify and assess typhoons/ storms and flooding. Chronic physical risks (sea-level rise, increasing severe weather) are identified and assessed by 75% of respondents. Transition risks — policy/ legal and reputational — are identified and assessed by 75% (Table 1).

Table 1 Respondents identified its exposure to the following climate-related risks

Risk Category	Risk Type	Not Identified	Identified, Not Assessed	Identified & Assessed
Physical - Acute	Typhoons/ Storms (e.g. facility integrity, accessibility)	0%	8%	92%
	Floods (e.g. supply chain, transport, safety)	0%	8%	92%
	Heat waves (e.g. employee health, grid overload)	17%	0%	83%
Physical - Chronic	Rising mean temperature (e.g. energy costs, material degradation)	16%	17%	67%

Table 1 Respondents identified its exposure to the following climate-related risks (cont.)

Risk Category	Risk Type	Not Identified	Identified, Not Assessed	Identified & Assessed
Physical - Chronic	Sea-level rise (e.g. coastal erosion, infrastructure damage)	25%	0%	75%
	Increased severe weather frequency	25%	0%	75%
Transition	Policy and legal risks (e.g. carbon pricing, reporting obligations)	0%	25%	75%
	Technology risks (e.g. cost of transition, stranded assets)	8%	25%	67%
	Market risks (e.g. shifts in customer preference, material costs)	8%	25%	67%
	Reputation risks (e.g. consumer attitudes)	0%	25%	75%

Risk Considerations and Prioritisation

Most organisations consider greenhouse gas emissions (71%), energy source mix (64%), supply-chain vulnerabilities and employee health and safety in risk analyses (Figure 14). However, 43% of respondents lack a formal prioritisation process; among those that do, methods include Impact Matrices (21%) and financial impact quantification (18%) (Figure 15). The principal dimensions used for scoring are likelihood (83%), operational impact (83%) and reputational impact (83%); financial impact and overall financial effect are included by 58% (Table 2). **Only 11% have completed a quantitative estimate of net financial climate risk; 50% are in the process of quantifying it and 39% have not attempted it (Figure 16).**

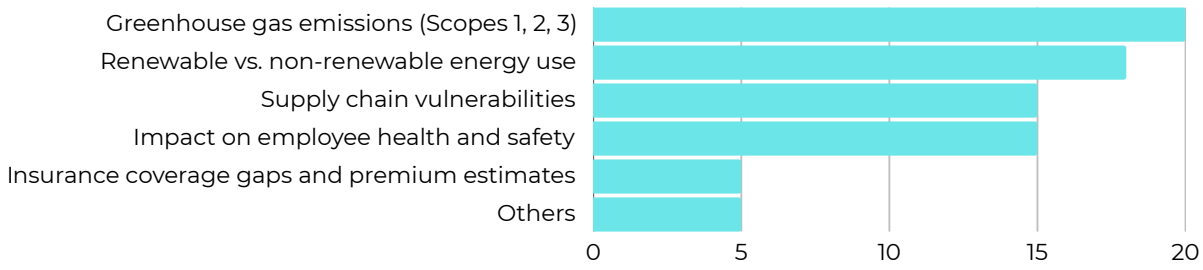

Figure 14 Respondents' key considerations included in the risk analysis

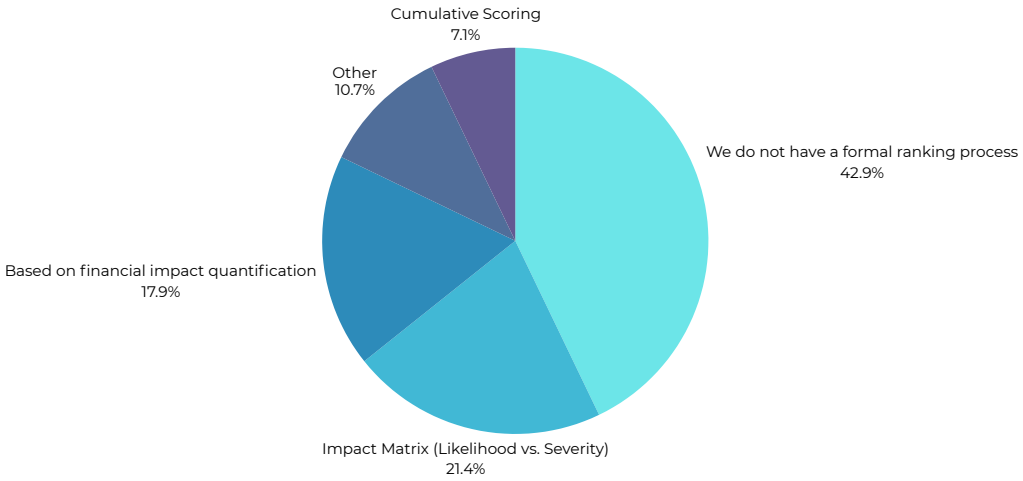

Figure 15 Methods used to determine overall risk priority ranking

This statistic reveals a critical maturity gap. Without quantifying financial risk, climate change remains a conceptual, non-financial issue. The inability of nearly 90% of firms to put a pound value on their climate risk means it is not being properly integrated into capital allocation, investment decisions, or corporate strategy, fundamentally undermining the concept of "embedding resilience".

Table 2 Respondents' approach in scoring identified physical risks

Dimension	Used for Scoring	Not Used
Likelihood (Short, Medium, Long Term)	83%	17%
Severity - Financial Impact	58%	42%
Severity - Operational Impact	83%	17%
Severity - Reputational Impact	83%	17%
Overall Financial Impact (Cost, Revenue Loss)	58%	42%

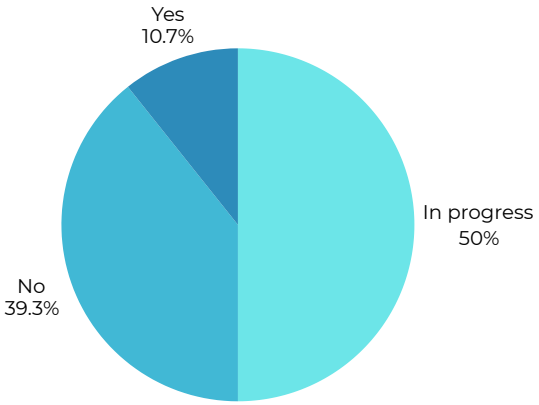

Figure 16 Respondents' progress in quantifying climate-related financial risk

Value-chain Scope

Assessment scope is often limited: 59% partially measure physical risk across their value chains, 8% do so fully, and 33% limit measurement to direct operations (Figure 17). This narrow focus exposes businesses to cascading disruptions originating outside direct operations.

It implies that many companies are strengthening their own front door while leaving the back door and all the windows open to systemic shocks originating in their supply chains, creating a false sense of security.

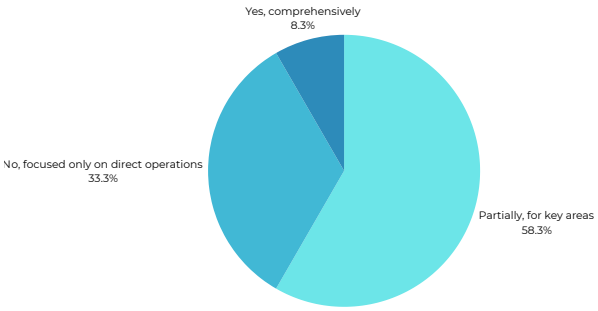

Figure 17 Risk identification process measuring physical risk through the entire value chain

Tools and Analytics

Adopted technologies include sustainable materials/ green construction technologies (58%), external climate consultancies (42%) and IoT sensors for flood/ temperature monitoring (42%) (Figure 18).

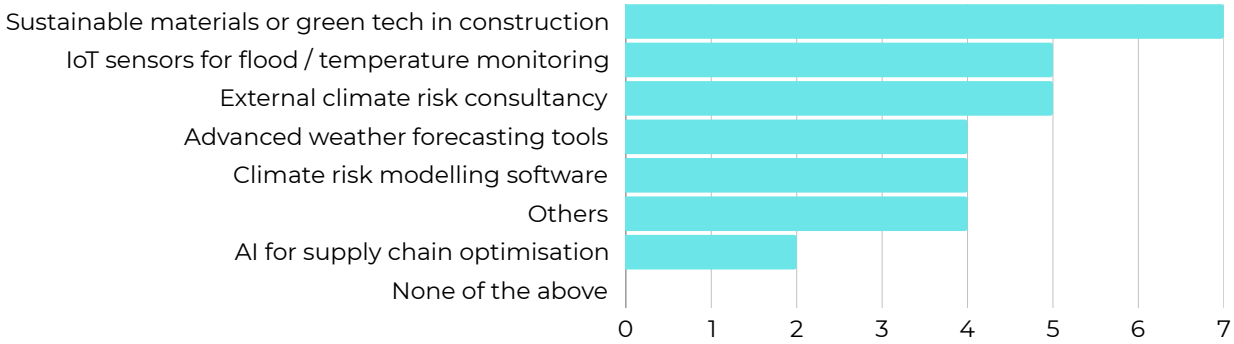

Figure 18 Adoption of technologies and analytics for climate risk management

(4) Implementing Adaptation and Resilience: From Planning to Implementation

While robust risk assessment frameworks and methodologies are essential (as discussed in the above section), concrete actions through the implementation of adaptation measures is paramount to building true organisational resilience. This section evaluates the measures undertaken by surveyed companies to translate their climate adaptation and resilience strategies into concrete action. It examines the scope of measures for each of type risks, as well as planning frameworks for adaptation strategies.

Planning Approaches

Effective implementation of adaptation and resilience measures requires a robust planning phase. This section examines the methodologies employed by surveyed companies in the planning stage, highlighting key distinctions between SMEs and large corporations.

SME Approaches: Agility and Market Responsiveness

SMEs demonstrate a high degree of agility and market responsiveness in their approach to identifying adaptation opportunities. Key themes emerging from the data include:

Market Awareness

Some respondents frequently leverage market trends and peer practices to inform their decision-making, by actively seeking information and advice from professional to identify relevant adaptation measures. This emphasis on external sources highlights their ability to quickly adapt to evolving market demands.

Continuous Improvement

Some respondents prioritise service and process improvement assessments as a means of identifying adaptation opportunities, with regular reviews and process optimisations and service improvements.

Technology Driven

They demonstrate a strong focus on implementing readily available technologies and are keen to explore practical applications of new innovations.

Large Corporate Approaches: Structured and Strategic Alignment

In contrast to the agile approach of SMEs, large corporations tend to employ more structured and strategically aligned methodologies for identifying and prioritising adaptation opportunities. The central themes emerging are:

Formal Planning and Feedback Loops

Most of the large corporates are involved with a climate adaptation and resilience plan that involve feedback on past impact and what would happen for a certain circumstance.

Strategic Use of External Expertise

Some respondents leverage consultancy services to enhance operational efficiency, explore new business opportunities, and drive strategic improvements.

Systematic Reviews and Analysis

Formal assessments are routinely conducted to inform and refine strategic decision-making.

The difference between smaller and larger scale entities is whether the company identifies what could be done for improvement and has plans for assessment to look at that.

The Implementation Gap: Formal Plans vs. Ad-hoc Actions

A material implementation gap exists. Approximately 38% of respondents have only high-level plans or take ad-hoc action; 24% have formal implementation plans (Figure 19). This gap constrains the translation of strategy into measurable risk reduction.

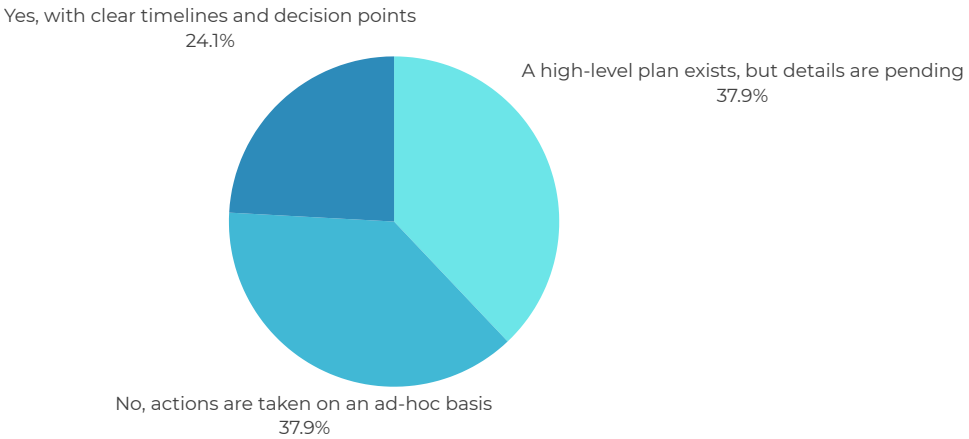

Figure 19 Companies with formal implementation plans

Measures Deployed to Address Physical Risks

Surveyed companies are adopting a range of specific measures to mitigate the impacts of identified physical risks, demonstrating a proactive commitment to enhancing operational resilience.

Typhoons and Storms

Rainwater harvesting/ stormwater management (32% in progress), undergrounding of key cables (21%), temporary flood defences and wind-resistant measures.

Flooding

Flood barriers/ gates/ detention ponds (25% in progress), relocation of critical assets (18%).

Increasing Temperatures

Natural shading, green roofs, cool surfaces (29%); smart/ efficient air-conditioning systems (46%).

Employee Safety and Preparedness

Flexible working during extreme weather (54%), staff training on safety and sustainability (68%).

Infrastructure and Efficiency

LED lighting/ motion sensors (75%), water and energy waste reduction programmes (75%), on-site renewables (58%), smart building management systems (54%) (Table 3).

Table 3 Implementation of adaptation measures by risk category

Measures	Not Considered	Under Consideration	In Progress
For Typhoons/ Storms			
Rainwater harvesting/ Stormwater management	46%	21%	32%
Undergrounding of key cables/ infrastructure	61%	18%	21%

Table 3 Implementation of adaptation measures by risk category (cont.)

Measure	Not Considered	Under Consideration	In Progress
For Flooding			
Flood barriers, floodgates, detention ponds	43%	32%	25%
Relocation of critical assets from high-risk zones	54%	21%	18%
For Increasing Temperatures			
Use of natural shade, green roofing, cool surfaces	21%	50%	29%
Smart/ efficient air conditioning systems	18%	36%	46%
For Employee Safety			
Flexible work hours during extreme weather	21%	29%	54%
Employee training on sustainable/ safe practices	3%	29%	68%
For Infrastructure Improvements			
Corrosion protection coatings	46%	25%	29%
LED lights and motion sensors	7%	18%	75%
On-site renewable energy systems (e.g. solar)	21%	21%	58%
Water and energy waste reduction programmes	11%	14%	75%
Smart building management systems	17%	29%	54%

Insurance and Financial Risk Transfer

In addition to implementing physical adaptation measures, surveyed companies also rely on financial instruments to manage climate-related risks, and the use of insurance to limit the impact. 36% of respondents report insurance coverage that limits financial losses from major physical risks; 28% do not have such cover and 36% are unsure of their current or future insurance position (Figure 20). This indicates a need to improve access to appropriate insurance products and clearer industry guidance.

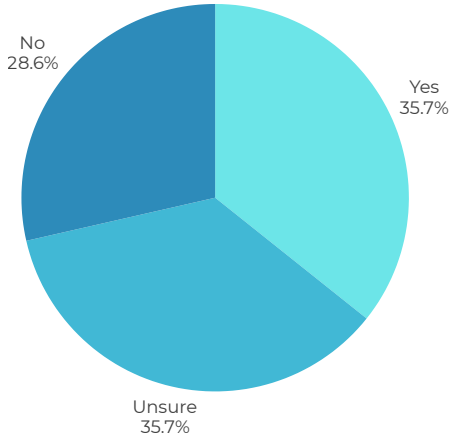

Figure 20 Companies with insurance coverage

(5) Transition Risk Management

The transition to a low-carbon economy presents significant challenges and opportunities for Hong Kong businesses. A proactive approach to managing transition risks is therefore crucial for long-term sustainability and competitiveness. This section examines the approaches adopted by surveyed organisations, highlighting the distinction between SMEs and large corporations.

SME Approaches

SMEs display a diverse range of approaches to addressing transition risks, often shaped by their unique circumstances, limited resources, and a focus on immediate business priorities.

Product-Centric Strategies Dominate

Transition risk mitigation is frequently framed around existing product or service offerings, leveraging those assets to drive sustainability efforts rather than overhauling the whole organisation.

Strategic Partnerships

Some respondents collaborate with organisations focused on sustainable development serve as a means of identifying and mitigating transition risks, leveraging external expertise and resources.

Large Corporate Approaches

Large corporations in different sectors exhibit a comprehensive and multi-faceted approach to managing transition risks, demonstrating a commitment to integrating these considerations into long-term strategic planning.

Comprehensive Assessments and Targeted Action

A recurring theme is the completion of detailed transition risks and opportunities assessments, often building upon existing studies. These assessments identify key transition drivers such as shifts in consumer preferences and latest policy development which help guide action and opportunity for innovation.

Decarbonisation Targets and Roadmaps

A clear commitment to achieving net-zero emissions is evident, often operationalised through concrete targets and decarbonisation roadmaps. Examples include setting a 2050 Net Zero Carbon Target and implementing detailed decarbonisation plans to 2035.

Green Finance Mobilisation

Financial institutions will mobilise green finance through the issuance of green bonds to support projects within eligible project categories (e.g. green buildings, clean transportation, energy efficiency) and the issuance is a landmark achievement, followed and solidifying the commitment to a sustainable finance practice to provide to their employees.

(6) Stakeholder Engagement and Reporting

Disclosure Practices

36% of respondents publicly disclose adaptation and resilience strategies in ESG/ sustainability reports; 22% provide limited detail and 21% have no current plans to report. 14% intend to disclose in the next one to two years; 7% publish dedicated climate reports (Figure 21). Disclosure content is variable: 68% include climate-related opportunities, 64% report measurable metrics, 43% address physical risks, 39% address transition risks, 36% publish scenario analysis results and 29% quantify financial impacts (Figure 22).

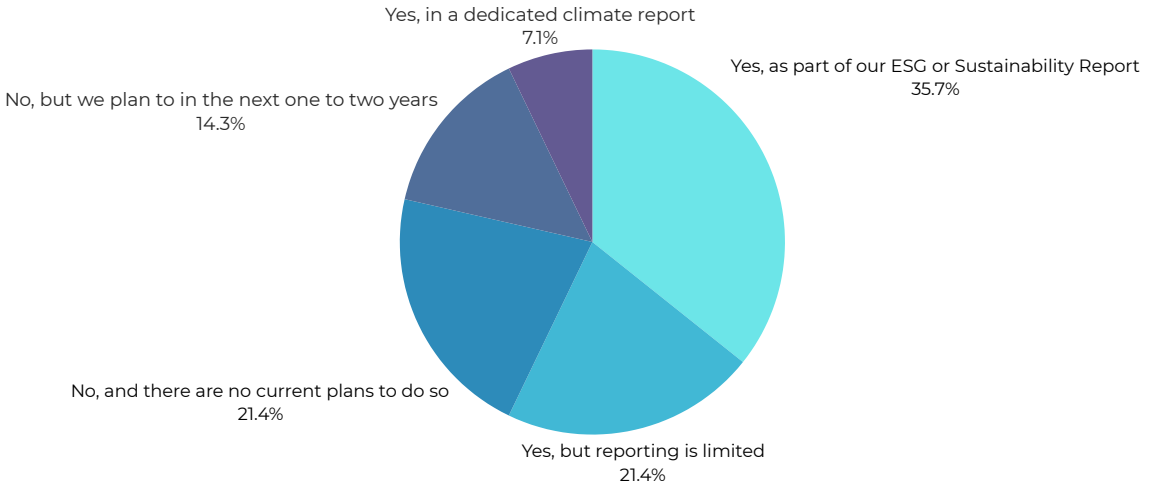

Figure 21 Public reporting on company climate adaptation and resilience strategies

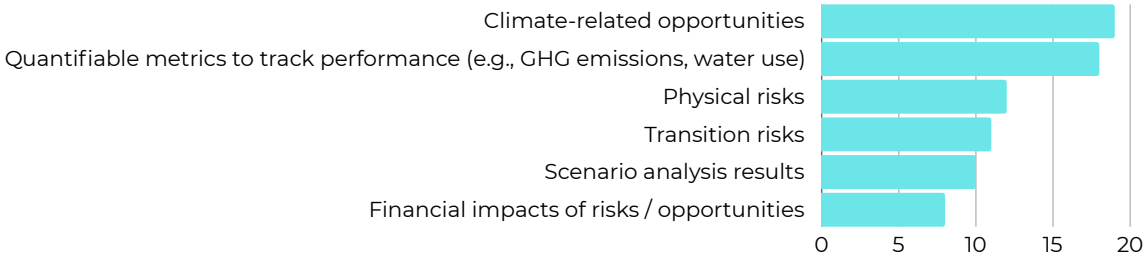

Figure 22 Information included in climate-related disclosures

Engagement Frequency and Methods

Internal engagement typically occurs annually (47%) or biannually (14%); external engagement is annual for 43% of firms, while 25% never engage externally on adaptation issues (Figures 23 and 24). Communication methods include multi-channel reporting (ESG reports, corporate websites, social media), third-party assurance and participation in stakeholder dialogues, which firms use to enhance transparency and credibility.

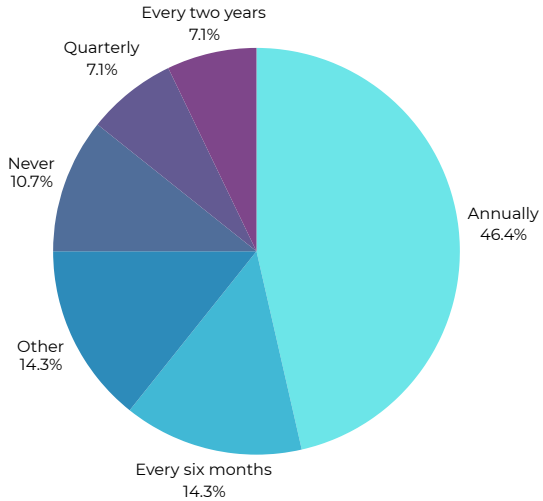

Figure 23 Frequency of conducting internal stakeholder engagement activities to gather feedback

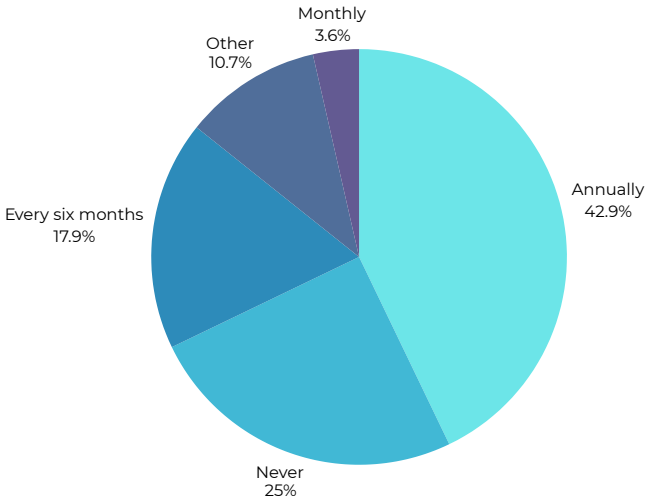

Figure 24 Frequency of conducting external stakeholder engagement activities to gather feedback

Methods for Effective Communication

Respondents employ a broad range of strategies to ensure effective stakeholder communications, demonstrating a strong commitment to transparency and stakeholder inclusion.

Transparency and Credibility

Some organisations produce comprehensive sustainability reports aligned with internationally recognised frameworks such as TCFD, IFRS S1/ S2, and the HKEX ESG Code. Many incorporate independent assurance from reputable providers, thereby enhancing the credibility of their disclosures. Third-party ESG ratings, such as those from S&P Global Ratings and Sustainalytics, serve as external validation of their climate strategies and initiatives.

Multi-channel and Targeted Communication

To reach diverse stakeholder groups including investors, customers, regulators, and the wider community, some respondents utilise a variety of channels. These include detailed ESG disclosures, corporate websites, social media platforms, and dedicated investor relations. Such approaches support accessibility and ensure stakeholders receive timely, relevant information.

Dialogue and Feedback Mechanisms

Efforts are made to maintain open lines of communication through responses to stakeholder queries, feedback channels, and engagement workshops. Some organisations have implemented structured feedback loops, enabling continuous improvement in messaging and demonstrating responsiveness to stakeholder concerns.

Support needs for Hong Kong Corporates

Surveyed firms identified the following priority supports (Figure 25):

Financial and Policy Support

71% requested improved disbursement of grants, subsidies and incentives; clearer policy timelines and Hong Kong-specific scenario studies to inform planning.

Capacity Building and Guidance

61% sought written, practical guidance (industry-specific methodologies for quantifying financial impacts and risks, e.g. PCVaR/ CTVaR); 54% requested hands-on training, toolkits, templates and case studies.

Industry and Community Engagement

Initiatives to involve schools, communities and diverse stakeholders, and sector-tailored resilience opportunities.

Infrastructure and Supply-chain Support

Assistance to upgrade resilient public infrastructure and guidance on sustainable supply-chain management.

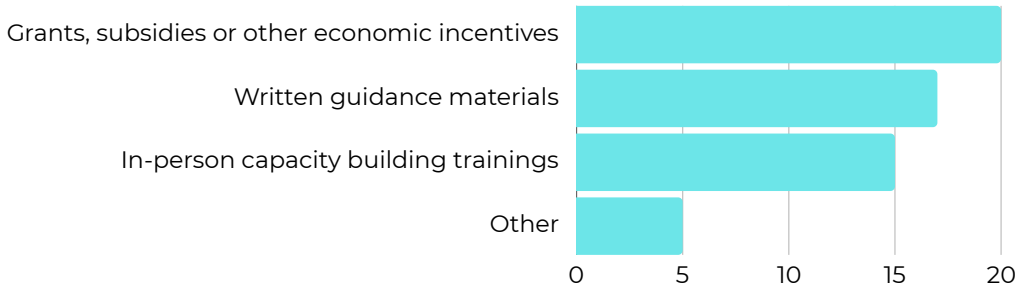

Figure 25 Support needed in building a climate adaptation and resilience strategy

The Path Forward: BEC's Policy Recommendations

The 2025 Policy Address, released in September, outlined a range of government priorities but did not include specific, targeted measures to enhance Hong Kong's climate resilience. The Climate Action Plan 2050, which features a chapter on adaptation and resilience, is scheduled for revision next year. The recommendations below are intended to complement and operationalise that Plan, addressing gaps identified by the business community.

Our survey and analysis reveal that Hong Kong companies recognise both physical and transition climate risks but face practical barriers — particularly constrained access to finance, limited insurance options, gaps in technical capacity, inconsistent disclosure practices, and incomplete value-chain risk coverage. These recommendations are aimed at fostering collaboration among government bureaux, regulators, financial institutions, insurers, industry bodies, and businesses. They are practical, Hong Kong-specific, and designed to accelerate large-scale implementation, with particular consideration for SMEs and sectors with high physical exposure.

1. Improve Access to Green and Adaptation Finance

To unlock adaptation investment particularly for SMEs, access to finance must be radically improved. Nearly half of survey respondents (47%) identified lack of funding as the primary barrier, underscoring the urgency of this issue. Delivering smaller, simpler financial instruments tailored to adaptation — rather than the large-scale mitigation financing dominating the market — will help break the funding deadlock and enable local projects to move forward. These tailored approaches can facilitate practical, locally relevant adaptation initiatives.

Recommended actions:

- Establish targeted grant and concessional loan programmes for adaptation measures (flood defences, building retrofits, resilient critical assets) with streamlined application and disbursement procedures for SMEs.
- Create blended-finance facilities that co-finance adaptation projects with public funds, commercial lenders and development partners to reduce perceived risk and lower the cost of capital.
- Offer project development support (technical assistance and template business cases) bundled with finance to speed uptake and improve bankability.

2. Develop Climate-risk Insurance Products and Market Capacity

Expanding insurance coverage and market mechanisms is essential for effectively transferring residual physical risks. Survey findings indicate uneven awareness and adoption of insurance solutions across firms, limiting their widespread use. Increasing the availability and understanding of insurable options will help transfer residual risks, thereby strengthening business continuity.

Recommended actions:

- Promote the development of parametric and hybrid insurance products calibrated to Hong Kong's hazard profile (typhoons, storm surge, flooding, extreme heat), including public-sector reinsurance backstops or catastrophe pools to improve affordability.
- Support pilots that combine insurance with risk-reduction investments (e.g. premium discounts for verified resilience upgrades) to align incentives.
- Provide an information campaign and brokerage support aimed at SMEs to increase uptake and clarify policy terms.

3. Strengthen Policy Signals and Provide Hong Kong-specific Guidance

Addressing regulatory and informational uncertainties is vital for stimulating private sector investment. Some respondents noted that unclear policies and lack of local guidance are major barriers to decision-making. Establishing clear and transparent policy timelines, alongside localised technical guidance, can reduce these uncertainties and foster a stable, predictable environment. These measures will empower private investors to assess and manage transition and physical risks confidently, creating a foundation for sustainable growth.

Recommended actions:

- Publish Hong Kong-specific climate scenarios and stress-testing guidance, including spatially resolved hazard projections and sectoral impact pathways to support scenario analysis and adaptation planning.
- Set clear policy timelines and expectations for resilience standards where appropriate (e.g. building codes, infrastructure procurement) to guide corporate planning and capital expenditure.
- Issue sectoral guidance and standardised methodologies for quantifying climate-related financial impacts, including approaches for PCVaR/ CTVaR/ CVaR to enable consistent measurement and comparability across sectors.

4. Expand Capacity Building and Practical Tools

Building in-house capacity — especially among SMEs and lower-capacity organisations — is crucial to address skill gaps. With 40% of respondents citing lack of internal expertise as a major obstacle, this hampers their ability to implement necessary measures. Providing practical tools, such as sector-specific toolkits, templates, and checklists for project appraisal, business case development, and funding applications, can help bridge this gap.

Recommended actions:

- Develop and disseminate sector-tailored toolkits, templates and checklists for adaptation project appraisal, business-case development and funding applications.
- Deliver hands on training, workshops and advisory services (publicly funded or subsidised) targeted at SMEs and lower capacity firms; include practical modules on scenario analysis, risk quantification and insurance procurement.
- Establish regional knowledge hubs or a one stop portal consolidating resources, case studies and vendor lists to reduce transaction costs for businesses seeking support.

5. Encourage Comprehensive Value-chain Risk Assessment

Promoting a holistic approach to value-chain risk assessment is essential for systemic resilience. Currently, 33% of respondents focus solely on their direct operations, often overlooking vulnerabilities within their supply chains. However, disruptions across supply chains can trigger cascading effects that amplify systemic risks. Addressing this gap by encouraging broader and more inclusive risk assessments will help build a more resilient and adaptive economy.

Recommended actions:

- Provide incentives (financial or preferential procurement) for firms to extend physical and transition risk assessments across their value chains.
- Develop shared data platforms or sectoral risk maps to enable smaller firms to access supply-chain exposure information and to facilitate joint resilience planning.
- Explore and consider targeted disclosure requirements or guidance that encourage upstream and downstream risk reporting for systemically important sectors.

6. Integrate Climate Risks into Governance and Capital Planning

Advancing transparency, strengthening governance, and embedding climate considerations into strategic decision-making are critical to mainstreaming climate risk management. Currently, 57% of respondents indicated that their business strategies are only partially aligned with climate resilience goals. Encouraging boards to prioritise climate risks and ensuring transparent reporting will accelerate progress.

Recommended actions:

- Encourage regular board-level reporting on climate resilience and require disclosure of governance arrangements for resilience in corporate reporting frameworks.
- Promote wider adoption of scenario analysis and financial quantification of climate risk as inputs to investment appraisal, asset valuation and capital allocation decisions.
- Support assurance and common metrics (aligned with HKEX/ HKICPA guidance) to improve comparability and investor confidence.

7. Foster Public–private Partnerships for Resilient Infrastructure

Mobilising co-investment through public–private partnerships ("PPPs") is the key to strengthening infrastructure resilience vital for business continuity. Many companies identify infrastructure gaps as systemic risks impacting their operations and the broader economy. Collaborations between government and the private sector can upgrade critical infrastructure, reduce vulnerabilities, and promote long-term economic stability.

Recommended actions:

- Co-design funding mechanisms (public-private finance facilities, resilience bonds or blended funds) to upgrade critical urban and network infrastructure (drainage, coastal defences, power resilience).
- Pilot co-investment projects that demonstrate commercially viable resilience solutions and provide replicable models for wider rollout.
- Facilitate multi-stakeholder working groups (government, utilities, insurers, financiers and industry representatives) to align technical standards, financing approaches and implementation timelines.

In pursuing these recommendations (Table 4), policymakers should prioritise equity and SME accessibility by designing proportionate, low-transaction-cost programmes. A phased, scalable approach — starting with high-exposure sectors — can help pilot and demonstrate the effectiveness of models before scaling. Promoting data sharing and interoperability through standardised formats and open platforms will enhance resilience planning. Lastly, aligning incentives across stakeholders — through financial, regulatory, and procurement mechanisms — will be essential to rewarding measurable risk reduction and resilience outcomes.

Table 4 Responsibility & Action Matrix — BEC Policy Recommendations for a Resilient Hong Kong

Recommendation	Relevant Stakeholder Groups	Actions
R1 Improve access to green and adaptation finance	Government	• (FSTB) Establish targeted grants and concessional loans; establish blended-finance facilities • (CEDB) Streamline SME application/ disbursement • (EEB) Ensure alignment with climate goals
	Regulators	• (HKMA) Enable prudential treatment for blended instruments; endorse facility structures • Provide guidance to banks on risk-weighting for adaptation finance
	Industry Bodies (incl. BEC)	• Convene stakeholders; advocate SME-friendly design • Disseminate information on funding schemes
	Large Corporates	• Identify projects; provide co-finance/ offtake commitments
	SMEs	• Apply for programmes; implement funded resilience measures
	Financial Institutions/ Insurers	• Administer and disburse funds • Design tailored SME lending products participate in blended facilities
R2 Develop climate-risk insurance products and market capacity	Government	• (FSTB) Consider public reinsurance backstops; fund pilots to improve affordability
	Regulators	• (IA) Approve parametric/ hybrid product frameworks; ensure market conduct safeguards
	Industry Bodies (incl. BEC)	• Promote pilots and awareness campaigns
	Large Corporates	• Integrate insurance into resilience planning; pilot products
	SMEs	• Engage brokers; join pilot schemes

Recommendation	Relevant Stakeholder Groups	Actions
R2 Develop climate-risk insurance products and market capacity	Financial Institutions/ Insurers	• Offer financing linked to insured assets; incorporate into credit assessment
R3 Strengthen policy signals and provide Hong Kong-specific guidance	Government	• (EEB, HKO) Publish HK climate scenarios, spatial hazard projections, policy timelines • (DEVB, CEDD) Set resilience expectations (codes/ procurement)
	Regulators	• (HKMA) Issue stress-testing guidance • (HKEX, HKIPCA) Align regulatory expectations with scenarios
	Industry Bodies (incl. BEC)	• Translate guidance into sector roadmaps • Provide industry feedback on the practicality and usability of guidance
	Large Corporates	• Incorporate guidance into strategy and capex planning
	SMEs	• Adopt guidance in operations/ planning
	Financial Institutions/ Insurers	• Integrate scenarios into risk modelling and policies
R4 Expand capacity building and practical tools	Government	• (EEB, CCNSD) Fund training grants, subsidised advisory services, and one-stop portal
	Regulators	• (HKMA, HKEX) Endorse training standards and recognised toolkits
	Industry Bodies (incl. BEC)	• Deliver workshops, case studies, sector toolkits
	Large Corporates	• Allocate resources for staff capacity building

Recommendation	Relevant Stakeholder Groups	Actions
R4 Expand capacity building and practical tools	SMEs	• Use external certified courses, online training, or shared programmes instead of costly in-house capacity building
	Financial Institutions/ Insurers	• Provide SME advisory clinics and product literacy sessions • Offer insurance procurement and claims readiness training
R5 Encourage comprehensive value-chain risk assessment	Government	• (CCWGI, HKO) Introduce incentives (grants/ preferential procurement); fund shared data platforms/ sector risk maps
	Regulators	• (HKEX) Consider disclosure guidance covering upstream/ downstream exposures for critical sectors
	Industry Bodies (incl. BEC)	• Coordinate supply-chain mapping and data sharing initiatives
	Large Corporates	• Extend risk assessments across suppliers/ customers; include resilience criteria in procurement
	SMEs	• Provide supplier data; engage in joint resilience planning
	Financial Institutions/ Insurers	• Require value-chain risk due diligence in lending to exposed sectors • Adjust pricing/coverage based on supply-chain vulnerabilities
R6 Integrate climate risks into governance and capital planning	Government	• (FSTB) Align public reporting expectations; encourage disclosure of resilience governance
	Regulators	• Set/ endorse disclosure standards; recommend assurance approaches aligned with HKEX/ HKICPA
	Industry Bodies (incl. BEC)	• Promote reporting templates and board training
	Large Corporates	• Institute board-level resilience reporting; embed climate in capex/ valuation

Recommendation	Relevant Stakeholder Groups	Actions
R6 Integrate climate risks into governance and capital planning	SMEs	• Improve transparency proportionate to capacity; adopt basic reporting
	Financial Institutions/ Insurers	• Require climate disclosure in credit/investment approvals
R7 Foster public–private partnerships for resilient infrastructure	Government	• (FSTB, CCWGI) Co-design PPP funding mechanisms (resilience bonds, blended funds); de-risk early projects; enable policy
	Regulators	• Streamline PPP approvals; clarify procurement and regulatory frameworks
	Industry Bodies (incl. BEC)	• Broker partnerships; showcase pilot projects and lessons learned
	Large Corporates	• Commit commercial resources and operational expertise to pilots
	SMEs	• Participate as suppliers/ contractors in pilot projects
	Financial Institutions/ Insurers	• Provide project finance; structure blended transactions

Conclusion

Bridging Hong Kong's Climate-Risk Implementation Gap: Practical Public–Private Measures to Build Business Resilience

This publication finds that Hong Kong businesses broadly recognise the materiality of both physical and transition climate risks and have begun to respond through goal-setting, governance arrangements and targeted measures. Nevertheless, a substantial implementation gap remains. Primary weaknesses include constrained access to adaptation finance, limited and uneven insurance coverage, shortages of in-house technical expertise (particularly among SMEs), inconsistent use of scenario analysis and financial quantification, incomplete assessment across value chains, and a scarcity of formal implementation plans and board-level accountability.

Addressing these gaps requires coordinated public-private action within Hong Kong's institutional framework. The recommendations presented — covering targeted green and adaptation finance, development of climate-risk insurance products, Hong Kong-specific scenario guidance, expanded capacity building, incentives and tools for value-chain risk assessment, strengthened disclosure and board oversight, and public–private collaboration on resilient infrastructure — are practical, scalable and tailored to local needs. Implementation should prioritise SME accessibility, adopt phased pilots in high-exposure sectors, establish an inter-bureau coordination mechanism, and include measurable indicators to track progress.

In advance of the Climate Action Plan 2050 revision next year, adopting these measures would help translate strategic commitments into deliverable actions that reduce vulnerability, mobilise capital for adaptation, and embed climate resilience into corporate decision-making. Collectively, these steps will enhance Hong Kong's economic resilience, safeguard assets and livelihoods, and support the city's long-term competitiveness in a changing climate.

Acknowledgement

This project is the work of BEC's Policy & Research team, with the support from BEC Climate Change Business Forum Advisory Group ("CCBF AG"). BEC would like to express our gratitude to all contributors who have assisted in the content and development of this publication. Appreciation is also due to member companies, particularly the Steering Committee of the BEC CCBF AG, whose financial support has been vital to this project.

About Climate Change Business Forum Advisory Group ("CCBF AG")

BEC CCBF AG advocates for greater awareness and capacity building in climate change mitigation, adaptation, and resilience among BEC's members and the wider business community in Hong Kong. It also serves as a platform for BEC to engage with relevant regulatory authorities on climate-related issues and to facilitate collaboration between local and international experts in the field of climate change.

Stakeholders Acknowledgement

BEC Climate Change Business Forum Advisory Group Steering Committee (2023-2025)

Airport Authority Hong Kong
CLP Power Hong Kong Limited
Cundall Hong Kong Limited
Henderson Land Development Company Limited
Hongkong Land Limited
Link Asset Management Limited
New World Development Company Limited
Ove Arup & Partners Hong Kong Limited
Shell Hong Kong Limited
Sun Hung Kai Properties Limited
Swire Coca-Cola Limited T/A Swire Coca-Cola HK
Swire Pacific Limited
Swire Properties Limited
The Hongkong Electric Company Limited
Veolia Hong Kong Holding Limited

BEC Staff

Mr Merlin Lao, Head – Policy & Research
Ms Suki Han, Assistant Manager – Policy & Research
Ms Cody Leong, Senior Officer – Policy & Research (Former)

Appendix

BEC Corporate Climate Resilience Readiness Survey

General Information

1. *Company/ Organisation Name:

2. *Describe your company's business profile.
(Please refer to the Hang Seng Industry Classification System on the description of sector)

□ Property & Construction
□ Industrial Engineering
□ Conglomerates
□ Industrial Transportation
□ Commercial & Professional Services
□ Diversified Metals & Minerals
□ Travel & Leisure
□ NGOs
□ Utilities
□ Banking & Financial Services
□ Oil & Gas
□ Pharmaceuticals & Biotechnology
□ Support Services
□ Telecommunications
□ Information Technology
□ Other, please specify:

3. *What is the size of your company, in terms of the number of full-time equivalent employees?

□ ≤50
□ 51-100
□ ≥101

Section 1: Company Commitment to Adaptation & Resilience Strategies

This section evaluates the extent to which climate adaptation and resilience are embedded in your company's governance, culture, and strategic decision-making.

1.1 *To what extent has your company established clear priorities and goals for its climate adaptation and resilience strategy?

□ Yes
□ No
□ In development

Split: if answered "No" or "In development":
1.1.1 Which barriers hinder your company from developing a climate adaptation and resilience strategy? (Please select all that apply.)

□ Lack of funding
□ Lack of expertise
□ Insufficient government policies/incentives
□ Priority level of climate impact
□ Other businesses are not taking similar steps
□ Other, please specify:

Split: if answered “Yes”

1.1.2 What motivated your company to develop a climate adaptation and resilience strategy? (Please select all that apply.)

□ Avoid policy and legal risks
□ Utilise new technologies and innovations
□ Respond to shift in market demand for climate-friendly products and services
□ Improve public reputation as a climate-friendly company
□ Reduce impacts from acute physical risks (e.g. typhoons, storms, floods, heatwaves)
□ Reduce impacts from chronic physical risks (e.g. rising mean temperature, sea level rise, increased frequency of extreme weather)
□ Improve resource efficiency in operations
□ Utilise renewable or low-carbon energy sources
□ Create new climate-friendly products and services
□ Break into a new market for climate-friendly products and services
□ Increase operational climate resilience
□ Other (please specify):

1.1.3 How does your company promote adaptation and resilience strategies among employees? (Please select all that apply.)

□ Training programmes
□ Internal communications (emails, newsletters)
□ Leadership endorsements
□ Incentives for sustainable practices
□ Other (please specify):

1.2 *Is there a designated person or committee at the senior management or board level responsible for driving the adaptation and resilience strategy?

□ Yes
□ No
□ In development

Split: if answered “Yes”

1.2.1 If yes, please state the role or committee name:

1.3 *What mechanisms are in place to maintain accountability for achieving adaptation and resilience goals? (Please select all that apply.)

□ Performance metrics linked to remuneration
□ Regular reporting to the board
□ Integration into departmental objectives
□ Internal audits and reviews
□ No formal mechanisms are in place
□ Other (please specify):

1.4 How does your company evaluate and prioritise investments in climate resilience (e.g., new technologies, infrastructure upgrades)?

1.5 *Are the business strategies (e.g., investments, operations) aligned with climate resilience goals?

□ Fully aligned
□ Partially aligned
□ Not aligned
□ Unsure

1.6 Please share any additional comments regarding you answer above.

Section 2: Identification and Assessment of Climate Risks

This section assesses your company's process for identifying and evaluating climate-related risks across your value chain.

2.1 *Does your company conduct scenario analysis (e.g., IPCC climate scenarios)?

□ Yes
□ No

Split: if answered "Yes"
2.1.1 Which frameworks does your company use to identify climate risks and opportunities? (Please select all that apply.)

□ TCFD
□ SBTi
□ CDP
□ GHG Protocol
□ ISO 14090 standard for assessing climate adaptation risks
□ CSRD
□ Other (please specify):

2.1.2 Have you adopted any technology/platform/analytic tools to help your company manage climate risks? (Please select all that apply.)

□ IoT sensors for flood/temperature monitoring
□ Advanced weather forecasting tools
□ Climate risk modelling software
□ Sustainable materials or green tech in construction
□ AI for supply chain optimisation
□ External climate risk consultancy
□ Other (please specify):

□ None of the above

2.1.3 Risk Identification

Has your company identified its exposure to the following climate-related risks?

Risk Category	Risk Type	Not Identified	Identified, Not Assessed	Identified & Assessed
Physical - Acute	Typhoons/Storms (facility integrity, accessibility)			
	Floods (supply chain, transport, safety)			
	Heat waves (employee health, grid overload)			
	Others	(Please elaborate if needed)		
Physical - Chronic	Rising mean temperature (energy costs, material degradation)			
	Sea-level rise (coastal erosion, infrastructure damage)			
	Increased severe weather frequency			
	Others	(Please elaborate if needed)		
Transition	Policy and Legal Risks (e.g., carbon pricing, reporting obligations)			
	Technology Risks (e.g., cost of transition, stranded assets)			
	Market Risks (e.g., shifts in customer preference, material costs)			
	Reputation Risks (e.g., consumer attitudes)			
	Others	(Please elaborate if needed)		

2.1.4 Does your risk identification process measure physical risk through the entire value chain?

□ Yes, comprehensively
□ Partially, for key areas
□ No, focused only on direct operations
□ Not yet implemented

2.1.5 Risk Assessment
For the risks you have identified, how do you score them? Please check the dimensions you use.

Dimension	**Used for Scoring**	**Not Used**
Likelihood (Short, Medium, Long Term)		
Severity - Financial Impact		
Severity - Operational Impact		
Severity - Reputational Impact		
Overall Financial Impact (Cost, Revenue Loss)		
Other Approach		

Section 3: Risk Analysis

This section explores the depth of your risk analysis, including the use of specific tools and the quantification of financial impact.

3.1 *What tools or methods does your company use to analyse the causes and consequences of climate risks? (Please select all that apply.)

□ Scenario Analysis
□ Risk & Control Self-Assessments (RCSA)
□ Other (please specify):

□ None of the above

Split: if answer include Scenario Analysis

3.1.1 If using Scenario Analysis, which scenario pathways are you referring to for their potential impact on your business? (Please select all that apply.)

□ IPCC - Representative Concentration Pathways (RCPs)
□ IPCC - Shared Socioeconomic Pathways (SSPs)
□ International Energy Agency(IEA) Energy Transition Scenarios
□ Network for Greening the Financial System(NGFS) Transition Pathways
□ Internal developed scenario pathways
□ Other (please specify):

3.1.2 Please elaborate further on the scenarios and time horizons your company choose to analyse.

3.2 *What key considerations are included in your risk analysis? (Please select all that apply.)

□ Greenhouse gas emissions (Scope 1, 2, 3)
□ Renewable vs. non-renewable energy use
□ Insurance coverage gaps and premium estimates
□ Impact on employee health and safety
□ Supply chain vulnerabilities
□ Other (please specify):

3.3 *How do you determine an overall risk priority ranking?

□ Impact Matrix (Likelihood vs. Severity)
□ Cumulative Scoring
□ Based on financial impact quantification
□ We do not have a formal ranking process
□ Other (please specify):

3.4 *Has your company attempted to quantify the net financial risk from climate change across its portfolio?

□ Yes
□ In progress
□ No

Section 4: Adaptation & Resilience Planning and Implementation

This section reviews your company's approach to developing and implementing practical solutions to mitigate identified risks.

4.1. *Planning

How does your company identify and prioritise adaptation and resilience opportunities (e.g., new technologies, services, or process improvements)?

4.2 *Do you have a formal, step-by-step adaptation and resilience implementation strategy or roadmap?

□ Yes, with clear timelines and decision points
□ A high-level plan exists, but details are pending
□ No, actions are taken on an ad-hoc basis

4.3. *Implementation

[Physical Risks] Please indicate the status of the following adaptation and resilience measures in your organisation.

Measure	Not Considered	Under Consideration	In Progress
For Typhoons/ Storms			
Rainwater harvesting/ Stormwater management			
Undergrounding of key cables/ infrastructure			
Others	(Please elaborate if needed)		

Measure	Not Considered	Under Consideration	In Progress
For Flooding			
Flood barriers, floodgates, detention ponds			
Relocation of critical assets from high-risk zones			
Others	(Please elaborate if needed)		
For Increasing Temperatures			
Use of natural shade, green roofing, cool surfaces			
Smart/efficient air conditioning systems			
Others	(Please elaborate if needed)		
For Employee Safety			
Flexible work hours during extreme weather			
Employee training on sustainable/ safe practices			
Others	(Please elaborate if needed)		
Infrastructure Improvements			
Corrosion protection coatings			
LED lights and motion sensors			
On-site renewable energy systems (e.g., solar)			
Water and energy waste reduction programmes			
Smart building management systems			
Others	(Please elaborate if needed)		

[Transition Risks] Please briefly describe any current adaptation and resilience measures implemented by your organisation regarding identified transition risks (no more than 250 words).

Section 5: Financial Alignment with Adaptation & Resilience Strategies

This section examines how your company's financial and investment decisions support its climate adaptation and resilience objectives.

5.1 *Does your company have insurance coverage that would limit financial losses from major physical risks?

□ Yes
□ No
□ Unsure

5.2 *Which time horizons has your company assessed climate risks and opportunities over? (Please select all that apply.)

□ Short-term (1-3 years)
□ Medium-term (3-5 years)
□ Long-term (10+ years)
□ None of the above

5.3 *How does your company ensure its investment strategies align with climate opportunities? (Please select all that apply.)

□ We actively invest in companies with strong ESG/climate resilience performance.
□ We prioritise capital expenditure on efficient infrastructure and technologies.
□ We are diversifying resources away from climate-vulnerable inputs.
□ We are divesting from assets/companies with high climate risk (e.g., non-eco-friendly).
□ Our financial planning includes tracking emissions linked to investments.
□ This is an area for future development.
□ Other (please specify):

5.4 *Does your company invest in climate-resilient opportunities? (Please select all that apply.)

□ Greener companies
□ Efficient infrastructure
□ Renewable energy technologies
□ Resource diversification
□ Others (please specify):

5.5 *Are financial decisions (e.g., investments, insurance) aligned with adaptation and resilience goals?

□ Fully aligned
□ Partially aligned
□ Not aligned

Section 6: Stakeholder Engagement and Reporting

This section assesses how your company communicates its adaptation and resilience strategies, risks, and performance to internal and external stakeholders.

6.1 *Does your company publicly report on its climate adaptation and resilience strategies?

□ Yes, in a dedicated climate report
□ Yes, as part of our ESG or Sustainability Report
□ Yes, but reporting is limited
□ No, but we plan to in the next 1-2 years
□ No, and there are no current plans to do so

6.2 *What information is included in your climate-related disclosures? (Please select all that apply.)

□ Physical risks
□ Transition risks
□ Climate-related opportunities
□ Quantifiable metrics to track performance (e.g., GHG emissions, water use)
□ Scenario analysis results
□ Financial impacts of risks/ opportunities

6.3 *How frequently does your company conduct internal stakeholder engagement activities (e.g. interviews and surveys) to gather feedback regarding climate adaptation and resilience?

□ Monthly
□ Quarterly
□ Every 6 months
□ Annually
□ Every 2 years
□ Never
□ Others (please specify):

6.4 *How frequently does your company conduct external stakeholder engagement activities (e.g. supplier interviews, customer surveys) to gather feedback regarding climate adaptation and resilience?

□ Monthly
□ Quarterly
□ Every 6 months
□ Annually
□ Every 2 years
□ Never
□ Others (please specify):

6.5 *How frequently does your company communicate about exposure to climate risks, and the company's adaptation and resilience strategy to stakeholders?

□ Monthly
□ Quarterly
□ Every 6 months
□ Annually
□ Every 2 years
□ Never
□ Others (please specify):

6.6 How do you ensure that communications to stakeholders (investors, customers, regulators) about climate risk are relevant, specific, and reliable?

Closing

1. How can BEC and the Hong Kong government support your company in building a climate adaptation and resilience strategy? Please select all that apply.

□ Grants, subsidies or other economic incentives
□ In-person capacity building trainings
□ Written guidance materials
□ Other (please specify):

2. Please elaborate on what support you need for better climate adaptation and resilience.

Sign off

1. Your name:

2. Your job title:

3. Contact email:

4. Contact phone number:

5. Do you consent to BEC using data from your response to this questionnaire or your company's published sustainability report to illustrate sectoral practices in our publications?

□ Yes, BEC can use both my questionnaire response and my company's published sustainability report
□ No, please contact me directly for more information

- End -

CREDITS

Graphics and Layout from Canva

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