

# Mainland China

Mainland China’s regulatory environment is evolving to support its efforts to achieve carbon neutrality by 2060 and an emissions peak by 2030.

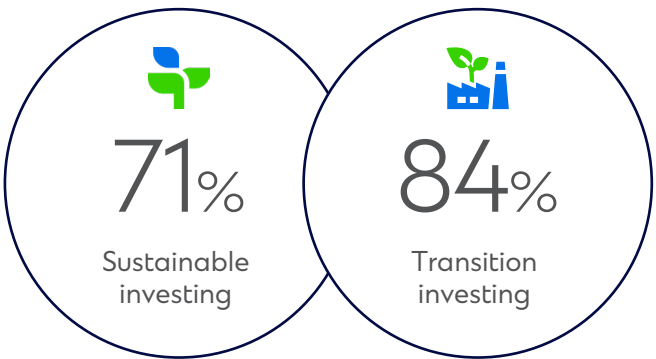
In 2024, Mainland China released its first corporate sustainability disclosure standards aligned with global ESG frameworks, marking a significant step in harmonising disclosures across the country. From 2026, ESG reporting will become mandatory for large, listed companies, with the full framework operational by the end of this decade.

In 2024, Mainland China collaborated with the European Union and Singapore to align green taxonomies, facilitating cross-border green loans and bonds to fund sustainable investment projects. In the same year, the market finalised its guidance catalogue for industries on green and low-carbon transition to facilitate the development of tailored policies to attract green investments and enhance green financing tools.

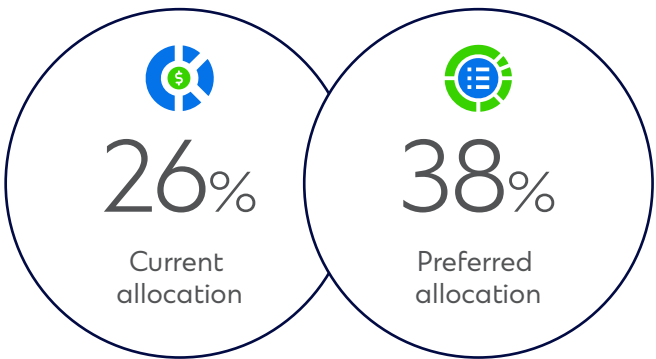


## General sentiment

Investors in Mainland China who took part in our survey demonstrate a stronger appetite for transition investing than for sustainable investing.



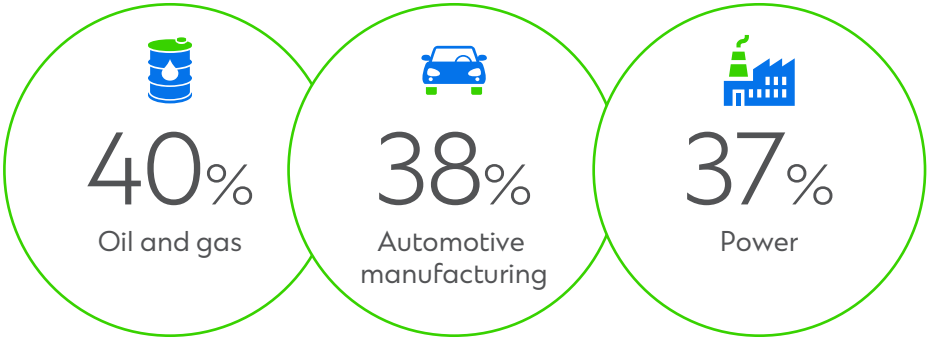
Mainland China investor portfolios currently allocate 26 per cent to sustainable investments and plan to increase this to 38 per cent, marking one of the highest projected growths among the markets surveyed.



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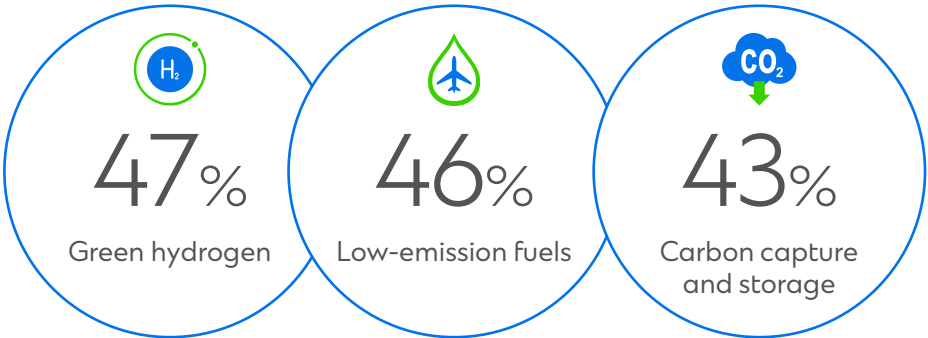
## Exposure to high-emitting sectors

Of the eight markets surveyed, more Mainland China investors have exposure to high-emitting sectors in their portfolios, including oil and gas and power, pointing to the market’s reliance on energy-intensive industries.



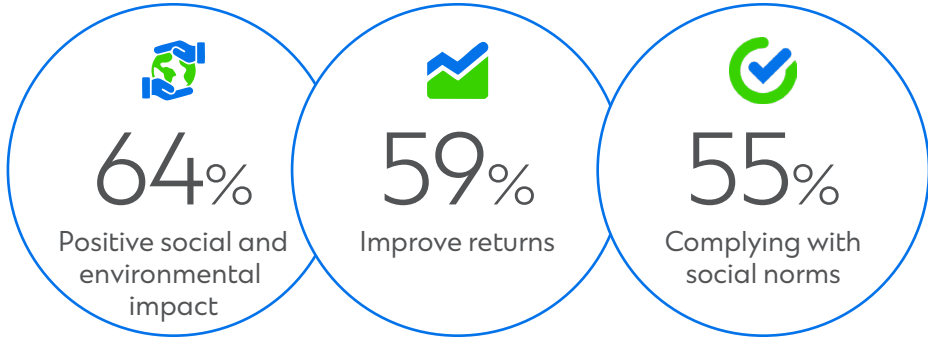
## Themes of interest

Investors are interested in transition themes such as green hydrogen, followed by low-emission fuels and carbon capture and storage.



## Investor motivations

Environmental and social impact emerges as a key priority for investors in Mainland China, and this is followed by improving returns and complying with social norms.



## Investor barriers

Investor barriers about elevated risk and skepticism over investment impact are significantly higher in Mainland China than in other markets. More than half of investors also find a lack of benchmark a barrier to investing.

