



CLIMATE PHILANTHROPY GUIDEBOOK

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CEGA Members



China Environmental Grantmakers Alliance (CEGA)

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Preface



Ruiying Zhang

Executive Director of the China Environmental Grantmakers Alliance (CEGA)

The Climate Philanthropy Partnership Initiative (CPPI) was launched by CEGA members and partners in order to further promote the contribution of social resources to national low-carbon and green development goals and global climate governance. The project aims to mobilize more upstream philanthropic resources and social resources to enter the field of climate and ecological environment protection, and explore the construction of a sustainable climate, ecological and environmental philanthropy ecosystem, so as to support the social forces to take concerted actions and expand their influence.

One of the key components of the program is to build a climate philanthropy knowledge system to provide scientific, professional and systematic guidance on climate giving. The *Climate Philanthropy Guidebook* is critical to the system, with other important reports completed so far include *Impact Report: Climate Philanthropy Case Studies* and *Climate Philanthropy Partnership Action Plan 2030**. These reports go hand in hand; we suggest you use them together.

The *Climate Philanthropy Guidebook* is not a detailed procedural operation manual, but an inspiring and strategic guide. Chapter 1 of the report, the foreword, demonstrates the urgency of the climate crisis, explains that only a joint effort of the whole society can respond to it, and explains the significance of climate philanthropy; Chapter 2 analyzes the motivation of international and domestic climate giving from a philanthropic point of view, pointing out that climate philanthropy is strategic philanthropy, which is different from traditional charity, and philanthropists can customize their choice according to their own situation; Chapter 3 is designed to provide donation strategy advice for philanthropists and enterprises who would like to know how to give climate donations, after reading the first two chapters. Chapter 3 includes a variety of analysis and comparison of donation modes and value. Chapter 4 presents several exemplary cases, including the story of Mr. Xie Zhenhua, former Special Envoy for Climate Change Affairs of China, who donated his personal Awards to establish the “Global Climate Change and Green Development Special Fund” and the “Zhenhua Green Transition and Sustainable Development Fund”. Finally, the conclusion shows that climate philanthropy is in line with the new stage of charity development, where charity and economic development continue to integrate. Meanwhile, society will develop in the way that “social value leading the economic value”. Especially at the time when China is formulating the 15th Five-Year Development Plan of the national economy, the Guide can effectively help the third sector to play a role in the country's green and low-carbon development.

* *Impact Report: Climate Philanthropy Case Studies*, see: http://cega.org.cn/data/file/2024/11/20/22191_zi6d_1446.pdf

Climate Philanthropy Partnership Action Plan 2030, see: http://cega.org.cn/data/file/2025/10/27/44026_xdpz_2714.pdf



The Guidebook has been developed with the support of CEGA members and partners, and the full guidance and endorsement of CEGA Decision-making Committee, the Steering Committee Committee of CPPI program. The Guide has also received pertinent advice from experts in the field. We would like to express our deepest gratitude to them!

Though this Guidebook is imperfect due to time and our capacities constraints, it still represents a valuable first step in breaking new ground. We hope readers will offer both understanding and constructive comments. We will continue our efforts to contribute as much as we can to the development of climate philanthropy in China!

Remarks From the Experts



Fu Changbo

Professor, Beijing Normal University
Director General, China Charity Federation's Family Legacy and Charitable Trust Committee

China's climate and ecosystem philanthropy remains weak overall, with related issues accounting for less than 2% of national philanthropic funding. We need to mobilize more upstream philanthropic resources and social forces to enter the climate and ecological environment protection arena, and build a climate and ecological environment philanthropy ecosystem that is organized, vibrant, and sustainable, in order to help achieve the country's 3060 dual-carbon goal. The Climate Philanthropy Guidebook aims to provide a concise introduction and guidance for enterprises and philanthropic organizations that are not yet involved in the climate and ecological environment sector. We hope to promote more enterprises and charitable organizations to participate in national and global climate governance, and build a beautiful China and a better home on earth.



Wang Mou

Researcher, Chinese Academy of Social Sciences, Member of the Chinese Government's Delegation to the UN Climate Negotiations

The Climate Philanthropy Guidebook is an action guide with both strategic height and practical depth. Against the background of the increasingly urgent global climate crisis, this guide systematically organizes the policy background, financial mechanism and action path of domestic and international climate philanthropy. It not only analyzes in-depth the motivation and strategy of donations, but also showcases the innovative practices of philanthropy in key areas such as energy transformation, ecosystem restoration, community adaptation, etc. through a wealth of domestic and international cases - such as the Xie Zhenhua Climate Fund, the SEE Foundation, and so on. It precisely targets philanthropists, entrepreneurs, foundations and other diversified subjects, and provides various participation methods from direct donation, equity donation to charitable trust and impact investment, helping readers find the right target and act efficiently under the goal of “dual-carbon”. The guide not only fills the gap of the industry strategy, but also highlights the urgency and possibility of “collaborative governance by social forces”, which can provide reference and guidance for every actor who cares about the future and is willing to tackle the climate challenge with their philanthropic efforts.

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2. Hou Yuanqing: Deputy Secretary General, China Green Carbon Foundation
3. Wang Limin: Vice President, Changjiang Conservation Foundation
4. Xie Yuhong: Vice President and Secretary General, All-China Environment Federation (ACEF)
5. Xie Xiaohui: Secretary General of Vanke Foundation and Co-Chair of the Steering Committee and CEGA Decision-Making Committee
6. Yan Baohua: Secretary General, Mangrove Conservation Foundation (MCF)
7. Yao Yao: Secretary General, Alibaba Foundation and Co-Chair of CEGA, Decision-Making Committee
8. Yang Biao: Secretary General of Society of Entrepreneurs and Ecology (SEE) Foundation, Co-Chairman of the Steering Committee

Expert Members

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| Table of Contents

Executive Summary	1
Chapter 1: Foreword	2
1.1 The Climate Crisis and Its Impacts	2
1.2 The Value and Significance of Climate Philanthropy	3
1.3 Current Status and Trends of Climate Philanthropy	5
Chapter 2: Research on Donation Motivation.....	10
2.1 International Climate Giving Motivations	10
2.2 Domestic Climate Giving Motivations	13
2.3 Analysis of Barriers to Giving	15
Chapter 3: Donation Strategy Analysis.....	18
3.1 Direct Giving	18
3.2 Establishing a Specialized Fund/Foundation	21
3.3 Charitable Trusts	23
3.4 Internet Charity	26
3.5 Donor Advised Funds (DAF).....	26
3.6 Employee Volunteering and Matching Gifts.....	28
3.7 Giving Returns Analysis	29
3.8 Giving Suggestions for Different Groups	33
Chapter 4: Climate Philanthropy Case Studies	35
4.1 Xie Zhenhua Donates Personal Award to Establish Climate Fund.....	35
4.2 Society of Entrepreneurs and Ecology Foundation	37
4.3 JCET Environmental Protection and Health Fund.....	39
4.4 Lao Niu Foundation	40
4.5 Vanke Foundation	41
Conclusion	44
Appendix I: Strategic Philanthropy: From Helping to Changing.....	45
Appendix II: List of Review Experts.....	47
Appendix III: Organizational Profile	48

Executive Summary

This guide was developed under the guidance of the Climate Philanthropy Partnership Initiative Steering Committee, systematically outlining the background, motivations, donation strategies, tools, and classic cases of climate philanthropy. The report highlights a significant funding gap in global and Chinese climate change responses: developing countries require approximately \$2 trillion annually through 2030. Yet global climate philanthropy spending in 2023 totaled only \$9.3–15.8 billion (USD), while domestic foundations’ annual charitable expenditures average around 1.5 billion yuan. Climate-specific project scales remain limited, and the potential of private capital remains largely untapped.

Key findings include: climate philanthropy can fill the funding gap and serve as a catalyst for policy advocacy, capacity building, and pilot demonstrations; however, it is constrained by insufficient institutional incentives (e.g., incomplete rules on equity/real estate donations and taxation), difficulties in quantifying the effectiveness of climate programs, inadequate disclosure and trust mechanisms, and a lack of NGO professionalism and financing tools. The report also observes that international donors are driven by tax incentives, socio-cultural traditions of giving back to the society, and family values, while domestic donors are more motivated by Family and Country Sentiment, giving back to the local community, corporate ESG compliance, and brand values. Domestic climate philanthropy is transitioning from piecemeal funding to “strategic philanthropy,” with greater emphasis on replicability and sustainable impact.

Corresponding donation models are diversified: traditional cash and material donations; establishment of special funds or independent foundations; innovative models of charitable trusts and donor-advised funds (DAFs); Internet-based philanthropy and matching mechanisms; and recoverable grants and impact investing are widely recognized as tools to leverage private capital and achieve sustainable recovery.

The recommendations focus on four paths: First, refine policy and tax incentives to lower barriers for non-cash donations and support tools like charitable trusts and DAFs. Second, promote blended finance to leverage private capital. Third, establish unified performance evaluation and disclosure standards, strengthening third-party verification to rebuild trust. Fourth, advance public-private philanthropic partnerships (Public-Private-Philanthropy Partnership, PPPP), prioritizing investments in critical areas such as renewable energy, industrial decarbonization, nature-based solutions, and climate adaptation.

In conclusion, climate philanthropy has a strategic leverage role; through institutional improvement, tool innovation and cross-border cooperation, limited philanthropic resources can be transformed into long-term climate governance capacity with a magnified effect on the state and society.

Chapter 1: Foreword

1.1 The Climate Crisis and Its Impacts

The three major crises—intensifying climate warming, severe natural and ecological destruction, and rampant pollution and waste—are intertwined and mutually reinforcing, triggering a series of chain reactions that inflict widespread and severe negative impacts on the Earth’s ecosystems and human society, even giving rise to a series of secondary disasters. Therefore, urgent and effective action to address these three crises in a coordinated manner is imperative.

With the comprehensive and fundamental improvement in ecological and environmental quality, climate change has become the more pressing challenge facing China’s sustainable development. Adverse climate impacts have proven more far-reaching and extreme than anticipated, and climate risks will intensify and escalate rapidly, posing systemic threats to ecosystems, food security, public health, social stability, and economic development.

At the ecosystem level, warming is causing glaciers to melt and sea levels to rise, which not only directly inundates coastal lowlands, but also triggers seawater backwash, leading to salinization of coastal soils and destruction of agricultural land and freshwater ecosystems; more than 10 percent of the world’s land area is already affected¹. Ecological damage increases soil erosion, and in extreme weather such as heavy rainfall, it can easily lead to mudslides, landslides, and other geologic disasters, threatening the lives and property of mountain residents. In addition, as sea surface temperatures rise and the oceans acidify, the symbiotic relationship between corals and zooxanthellae breaks down, resulting in coral bleaching².

In the area of food security, climate change is profoundly affecting crop productivity and stability by altering the hydrothermal conditions of agricultural production and the risk of pests and diseases, as well as impeding agricultural productivity growth in mid- and low-latitude regions. The rate of warming in China is significantly higher than the global average, and thus food production is increasingly exposed to climate-related risks. On the one hand, extreme events occur frequently: for example, the 2008 snowstorm (14 million hectares affected), the 2014 drought in North and Northeast China (summer grain damaged), the 2021 Henan rainstorm (corn crop failure) and the strong cold wave at the end of the year. On the other hand, warming triggers a chain reaction: the spread of pests and diseases to higher latitudes and higher altitudes, changes in crop fertility (earlier and shorter), and ultimately a decline in yield quality. Increased climate volatility further amplifies the uncertainty of agricultural production.

Public health systems face multidimensional pressures from climate change. Warmer temperatures exacerbate the spread of communicable diseases such as malaria, West Nile virus and Lyme disease, and the high prevalence of insect-borne infections such as dengue fever and malaria expand to higher latitudes. Extreme weather events pose a direct threat to population health, with

¹ Food and Agriculture Organization of the United Nations. The Global Status of Saline Soils.

² UN Chronicle. 2013. *Impacts of Climate Change on Coral Reefs and the Marine Environment*. <https://www.un.org/zh/chronicle/article/21095>

numerous epidemiological studies confirming that heatwaves lead to an increase in the incidence of cardiovascular disease and a 22% increase in the risk of cardiovascular disease-related deaths³. In addition, climate variability-induced reductions in food production may lead to an increase in malnourished populations, while the destruction of ecosystems diminishes their provision of natural medicinal resources, further exacerbating the burden on public health services.

Social stability is also threatened. Millions of people are being forced to migrate due to extreme weather, rising sea levels and uninhabitable conditions; the World Bank estimates that 216 million people are projected to be at risk of displacement by 2050 due to climate-related disasters. Resource scarcity, especially of water, has triggered conflicts and tensions in some regions. The increasing number of “climate migrants” puts pressure on social resources and public services in the places to which they move, which may lead to social conflicts. Food security issues may also lead to social unrest, with underdeveloped regions more severely affected.

Climate-related losses to the economic system are increasing on a regular basis. Climate change costs the world up to \$16 million per hour; by 2050, global annual losses due to climate change will be between \$1.7 trillion and \$3.1 trillion⁴. In addition to direct economic losses, damage to assets or disruption of economic activities caused by extreme weather and climate events can have secondary impacts, such as indirect economic losses due to damage to infrastructure such as transportation, water facilities, and electricity. For example, in July 2021, China’s total economic losses due to extreme rainstorms in Henan amounted to 379.3 billion yuan, of which the indirect economic losses were 1.8 times higher than the direct losses, amounting to 244.4 billion yuan. Climate change exerts indirect impacts through industrial chains, with northern warming and humidification leading to a decline in the suitability of farm equipment in traditional dry farming areas, while hot summer weather has caused electricity loads to surge, increasing summer electricity demand by tens of terawatt-hours (TWh) in China, the United States, and India (the world’s three largest electricity markets) . In addition to threatening human health, extreme heat is projected to cause annual productivity losses of US\$2.4 trillion by 2030⁵. In the long term, climate risk has become a key variable influencing investment decisions, and the implementation of policies such as the EU’s Carbon Border Adjustment Mechanism (CBAM) may increase export costs for China’s high-carbon industries, forcing industries to accelerate their low-carbon transition.

1.2 The Value and Significance of Climate Philanthropy

Since the establishment of the United Nations Framework Convention on Climate Change (UNFCCC) in 1992, key agreements such as the Kyoto Protocol and the Paris Agreement have been successively introduced, gradually refining the global climate governance system. Countries have progressively advanced emission reduction and adaptation actions by formulating and submitting Nationally Determined Contribution (NDC) roadmaps. On the Chinese front, President Xi Jinping pledged in 2020 that China would peak its carbon emissions before 2030 and achieve carbon neutrality before 2060. The 14th Five-Year Plan has explicitly outlined efforts to strengthen new energy, energy efficiency, and carbon market development. The 15th Five-Year Plan is expected to further intensify climate change response measures to ensure the realization

3 National Center for Cardiovascular Disease, Report on Cardiovascular Health and Disease in China 2023.

4 World Economic Forum. 2023-10-18. “Climate change costs the world up to \$16 million per hour, new study shows”. <https://cn.weforum.org/stories/2023/10/climate-change-costs-the-world-more-than-16-million-dollars-per-hour/>

5 World Economic Forum . 2025. “Insuring against extreme heat: Addressing the risks in global warming”.

https://reports.weforum.org/docs/WEF_Insuring_Against_Extreme_Heat_Navigating_Risks_in_a_Warming_World_2025.pdf

of the “dual carbon” goals. In September 2025, at the UN Climate Summit, China announced its new 2035 NDC targets: Non-fossil energy consumption will account for over 30% of total energy consumption. The combined installed capacity of wind and solar power will exceed six times the 2020 level, striving to reach 3.6 billion kilowatts. Forest stock volume will surpass 24 billion cubic meters. New energy vehicles will become the mainstream in new vehicle sales. The national carbon emissions trading market will cover major high-emission industries. A climate-resilient society will be fundamentally established.

However, there is currently a massive funding gap in the global response to climate change. Research by the Climate Policy Initiative⁶ indicates that to limit global warming to 1.5°C by 2050, annual investments of \$6.7-10 trillion in climate action will be required to curb climate change. Regarding climate adaptation, the Intergovernmental Panel on Climate Change (IPCC) indicates that developing countries require \$127 billion annually in adaptation funding by 2030. Yet actual investments between 2017 and 2018 totaled only \$23-46 billion. Although COP29 secured a commitment from developed nations to provide \$300 billion in annual climate finance, this still falls short of just one-quarter of the scientifically estimated need.

Both public and private funding is currently far from adequate, and this is where the role of social forces such as philanthropy comes to the fore. In the overall pattern of action to address climate change, the government, enterprises, public welfare organizations and the public and other multiple subjects together constitute an organic governance network, climate charity as an indispensable part of which has the characteristics of flexibility, innovativeness and complementarity, and is able to fill in the gaps that are difficult to be covered by public finance and market mechanisms in climate action.

Climate philanthropy occupies a unique niche, particularly in areas such as capital mobilization, public advocacy, pilot demonstrations, and cross-sector collaboration. For example, Bloomberg Philanthropies has pledged to replace the budget gap in the United States in the United Nations Framework Convention on Climate Change (UNFCCC) after the Trump administration’s “withdrawal from the Paris Agreement” to ensure continued support for climate action, which has boosted the global climate process. In terms of functional positioning, climate philanthropy is not only a supplementary source of funding, but also an important driver of idea dissemination, capacity building and institutional innovation. Through funding scientific research, pilot projects, public education and policy advocacy, it helps to form a closed loop of climate governance from awareness to action and from local to systemic. Therefore, clarifying the role of climate philanthropy in the overall climate governance system will help donors understand more clearly the social value and strategic significance of their donation behavior.

The motivation for non-government actors such as corporations and foundations to participate in climate philanthropy is driven by both external pressures and internal demands. On the one hand, as the public’s awareness of environmental protection and international reputation increase, and as governments improve corporate ESG or sustainability disclosure standards, corporations are facing stricter and stricter regulation and market evaluation. Engaging in climate philanthropy can enhance brand image and address the concerns of investors and regulators. On the other hand, companies themselves need to proactively manage climate risks and explore opportunities for low-carbon transformation. At the same time, domestic and international high net worth individuals

6 <https://www.climatepolicyinitiative.org/wp-content/uploads/2024/10/Global-Landscape-of-Climate-Finance-2024.pdf#:~:text=fall%20short%20of%20needs%2C%20with,climate%20finance%20would%20be%20agreed>

and institutional philanthropists are increasingly concerned about sustainable development, and a large number of “green” foundations have emerged as a result of government incentives. In recent years, the Chinese government has introduced a number of policies to encourage the development of public welfare, providing institutional safeguards for philanthropic organizations to join the climate cause. As a result, the potential for private capital to be deployed in the climate sector has attracted widespread attention, and the drivers of return on capital and social impact are increasing.

Given the urgency of climate issues and the growth of social power, this report has been compiled to provide systematic analysis and guidance for the climate philanthropy sector. The core target audience of this report covers a wide range of actors in the climate philanthropy space, and aims to provide targeted guidance for different groups to act:

(1) Philanthropists and High Net Worth Individuals:

The report focuses on the strategic importance of climate philanthropy and guidance on giving models for individuals with financial power and social influence, and provides case studies on how private wealth can be transformed into sustainable financial flows for climate action.

(2) Entrepreneurs and CSR Decision Makers:

Aimed at corporate groups, the report focuses on the synergistic paths between climate philanthropy and corporate ESG strategies, and helps corporations realize the win-win situation of “business value - social value” when fulfilling their environmental responsibilities.

(3) Foundations (public and private fundraising) , environmental organizations and civil society institutions:

Provides foundations with ideas for program funding and best practices in climate philanthropy.

This report will help public interest foundations and corporate donors to clarify their engagement paths and build a stronger climate action landscape by analyzing the current state of climate governance, climate change impacts, and climate philanthropy policies, mechanisms, and practice cases in global and Chinese climate governance. We hope to promote the synergistic efforts of government, society and the market, promote the precise investment of philanthropic resources in climate solutions, enhance the role of social capital in realizing the goals of carbon peaking and carbon neutrality, and provide decision-making references for the development of climate philanthropy in China.

1.3 Current situation and development trend of climate philanthropy

1.3.1 International Climate Philanthropy

Between 2003 and 2023, global climate philanthropy totaled about US\$84.89 billion⁷. According to the ClimateWorks Foundation, global climate philanthropy in 2023 ranges from \$9.3 billion

⁷ Fan, Shuting; Wang, Can; Zhong, Hanying; Dong, Xinyang; An, Kangxin (2025). International Public Multilateral Climate Finance Dataset from 2000 to 2023. figshare. Dataset.

<https://doi.org/10.6084/m9.figshare.28171535.v1>

to \$15.8 billion; of this amount, \$4.8 billion was given by climate foundations, and \$5-11 billion was given by individuals. The community of climate funders is expanding as new philanthropic organizations enter the field and cross-sector collaboration is present; climate mitigation funding from foundations has nearly tripled, from \$1.7 billion in 2019 to \$4.8 billion in 2023.

The development of international climate philanthropy is characterized by the following trends:

(i) Continued expansion and significant growth in the scale of funding

In recent years, the scale of international climate philanthropy has shown strong momentum of continuous growth. According to the ClimateWorks Foundation's Funding Trends 2024 report, climate finance soared by 20% in 2023, outpacing overall growth in global philanthropic contributions for the first time since 2020.

This growing trend reflects rising international attention to climate issues and an accelerating convergence of philanthropic resources to the climate sector. A growing number of high-net-worth individuals, corporate foundations, and large international philanthropic organizations, recognizing the urgency of the climate crisis, have increased their financial support for climate philanthropy programs. Some foundations set up by technology giants have invested a large amount of funds in the field of climate science and technology innovation, helping to develop new clean energy technologies, improve energy efficiency and other projects.

(ii) Diversification of investment fields and attention to emerging fields

The investment areas of international climate philanthropy continue to expand, from traditional clean energy, forest protection and other areas, gradually extending to industrial emission reduction, adaptation and resilience building and other emerging key directions. The industrial sector, which has been grossly underfunded in the past despite accounting for one-third of global emissions, is now receiving increased attention.

As countries tighten emissions reduction requirements in the industrial sector, philanthropic funding is flowing into this domain to support corporate initiatives in low-carbon technology R&D and production process optimization, accelerating the industry's green transition. Adaptation and resilience efforts have also emerged as new focal points. In 2023, related initiatives secured at least \$600 million in foundation funding to help communities adapt to intensifying climate impacts and enhance their resilience. In coastal regions, philanthropic funding supports the construction of protective infrastructure like seawalls, bolstering communities' capacity to withstand rising sea levels and storm surges. In agriculture, grants enable farmers to adopt climate-resilient cultivation techniques and crop varieties, safeguarding food security.

(iii) Strengthening geographical cooperation and focusing on the needs of developing countries

Geographically, international climate charity has strengthened cooperation and optimized resource allocation. In the past, the United States and Europe received a larger share of tracking funds for a single country or region, while Africa, Oceania, Latin America, and other Asian regions, despite their large populations, received relatively little funding. Today, philanthropic organizations are becoming aware of the irrationality of this geographic funding gap and are beginning to increase their support for developing countries. A number of international philanthropic coalitions have joined with foundations in multiple countries to work on cross-border climate philanthropy

projects. In sub-Saharan Africa, international philanthropic organizations, in cooperation with local governments and NGOs, have invested in the construction of solar microgrid projects to provide clean electricity to remote villages. These projects not only solve the problem of local energy shortage, but also reduce the dependence on traditional fossil energy, and help local communities to cope with climate change. At the same time, through technical training and capacity building, they enhance the ability of local organizations and communities to independently respond to climate change and promote sustainable development.

(iv) Advocating cross-border cooperation and promoting systemic change

The international climate philanthropy sector increasingly emphasizes cross-sector collaboration, advocating for coordinated efforts among diverse stakeholders—including philanthropic organizations, governments, businesses, and research institutions—to drive systemic change. Philanthropic organizations leverage their flexibility and innovation to pioneer the identification of climate challenges and the development of solutions; governments foster an enabling environment for climate action through policy formulation and regulatory safeguards; businesses harness their financial, technological, and market advantages to scale and commercialize climate solutions; Research institutions provide the scientific foundation and technical support for climate action. By joining forces, these stakeholders create a powerful synergy. In certain urban sustainability projects, philanthropic organizations provide initial funding to support research institutions in conducting city-wide carbon emission surveys. Based on these findings, governments develop targeted low-carbon urban development plans. Businesses then participate by investing in and constructing low-carbon transportation infrastructure, green buildings, and other projects. Together, they build exemplary low-carbon cities, driving systemic change across multiple levels—from urban planning and energy utilization to transportation systems—to effectively combat climate change.

1.3.2 Climate Philanthropy in China

In China, according to China Foundation Center’s data for 2021-2023, Domestic foundations maintain relatively stable annual public expenditure on climate and ecological environment projects, averaging approximately 1.5 billion yuan. Among these, only 126 foundations spent no less than 300,000 yuan annually on climate and ecological environment projects for two consecutive years from 2022 to 2023⁸. In addition, CEGA conducted seven consecutive years of statistical analysis from 2018 to 2024 on the expenditures of CEGA member partners for public welfare projects related to climate and ecological environments. The findings indicate that funding levels have remained largely stable at 300-400 million yuan, with an upward trend. Amid the three-year pandemic, many social organizations faced fundraising challenges and survival pressures. The overall funding stability and healthy development of climate and ecological organizations hold significant importance, demonstrating the resilience of grassroots climate action and widespread recognition of its value.

China’s climate philanthropy presents distinctive localized and strategic features in the development process:

1. Domestic climate philanthropy projects are usually closely integrated with rural revitalization, highlighting community-based development, and fit with international climate, community and

⁸ China Foundation Center. (2025). How does the Foundation Transparency Index “FTI2024” perform in the environment category? https://mp.weixin.qq.com/s/k1xL_NgZ7wK1-65HILzldg

biodiversity standards (CCB standards); in terms of funding sources, they mostly rely on corporate social responsibility (CSR) or corporate foundations, and are synergistic with corporate ESG strategies and sustainability disclosure guidelines, forming a win-win model for both philanthropy and business. In addition, private forces focus on cooperation with the government, respond to policy guidance, and actively use commercial mechanisms and Internet platforms to achieve scale.

2. Domestic climate charity implementers-local environmental organizations have assumed the roles of “advocates”, “supervisors/actors”, “enablers” and “change agents”. “Enabler” and “changemaker”, to promote public awareness, policy implementation and low-carbon transformation. The strategic significance of SEE Foundation lies in its systematic, long-term intervention to promote overall social change, and its commitment to forming sustainable, large-scale solutions. In domestic practice, the SEE Foundation’s “Green Chain Action”, Ant Forest, Vanke’s near-zero carbon community, the Old Cow Foundation’s desertification prevention and control, the China Green Carbon Foundation’s ecological carbon sink project, and the transformation of retired fishermen by the Changjiang Conservation Foundation are all examples of how the diversified paths have contributed to the effectiveness of the dual-carbon goal. In 2024, CEGA released *Impact Report: Climate Philanthropy Case Studies* at COP29, which is the first philanthropic impact report released by Chinese environmental nonprofit organizations at the United Nations Climate Change Conference, demonstrating that China’s civil society climate action has progressed from local practice to the role of global governance.

3. China’s climate philanthropy is transforming into strategic philanthropy. Traditional philanthropy is essentially an act of kindness, providing assistance to individual cases through financial resources, material goods, or direct action. Strategic philanthropy, however, builds upon this foundation by shifting focus from isolated incidents to systemic issues. It seeks sustainable, replicable solutions and drives systemic social change to address long-term, far-reaching societal problems. This approach maximizes the social impact of philanthropic inputs. Climate philanthropy is strategic philanthropy because climate change is a crisis for all of humanity and is a serious social issue that requires a shift in governmental awareness and management styles, as well as a transformation of the energy system and a green transformation of businesses. Entrepreneurs and philanthropists investing philanthropic funds in this area to bring about these critical changes is the greatest value of philanthropy.

Indeed, Public-Private-Philanthropy Partnerships (PPPPs or 4Ps) are also well represented in the strategic area of climate philanthropy. Through 4Ps, stakeholders in the climate and ecosystem sectors utilize the power of policy, market and finance, technology, and culture to create a platform for information exchange and cooperation among participants; match research and investment opportunities to accelerate the efficiency of industry-academia-research transformation and the application of innovative solutions; establish friendly ties with government partners in the project sites to create a conducive policy environment; and explore new local cooperation models and fund management mechanisms to jointly create a sustainable and prosperous future that transcends generations.

4. China’s climate charity is in line with the direction of policy advocacy. Under the strategy of building an ecological civilization and the “dual-carbon” goal, private climate charity has ushered in important development opportunities. May 2025, the Ministry of Ecology and Environment and other 15 departments jointly issued the “Action Plan for the Construction of a National Climate Change Standards System”, which strengthens the top-level design guidelines. The technological revolution and institutional breakthroughs have catalyzed each other, opening up a number of

strategic directions for climate philanthropy:

First, digital transformation has profoundly reshaped the public welfare model, for example, Tencent's survey of 270 charitable organizations reveals that 66% urgently require digital empowerment⁹. Companies like Alibaba and Tencent have leveraged AI and internet platforms to develop applications such as "AI Public Welfare Assistant" and "Birdwatching Buddy," significantly enhancing project efficiency and public engagement.

Secondly, digital nomadic culture provides a new path for youth to participate in climate action, and places such as Liangzhu, Anji of Zhejiang Province, and Guangshan, Henan Province, collaborate to promote ecological and economic development through the model of "youth community+culture and tourism industry".

Third, social media has broken through the traditional communication barriers, and short videos and live broadcasts have become effective channels for fundraising and popularization of science, such as the SEE Foundation promotes public awareness and donation conversion for the "100 Million Saxaul Trees" project on Tiktok;

Fourth, the voluntary carbon market is entering a stage of high-quality development. Driven by the implementation of corporate emission reduction commitments under SBTi and the Paris Agreement's Article 6.4 carbon credit mechanism (PACM), cross-border carbon credit trading is becoming institutionalized. MSCI predicts that the size of the global carbon credit market will grow from US\$1.5 billion in 2024 to US\$7-35 billion in 2030, providing sustained impetus for private participation in the development of carbon sink projects and methodological innovation.

Fifthly, there will be a deeper integration of nature-based solutions (NbS) and community-based climate resilience building, and civil society organizations, relying on traditional eco-wisdom and on-the-ground practices, will play a key role in urban habitat restoration and rural alternative livelihoods.

As the "1+N" climate policy system continues to be systematized, climate philanthropy, a strategic philanthropic mechanism that integrates the efforts of multiple parties to carry out actions, will become an increasingly important subject of innovation and support for action, and will be able to be strongly integrated into China's ecological civilization construction and the international sustainable development goals system.

9 Tencent Foundation, Tencent Research Institute, (2021). 2021 Study on Digitization of Public Welfare

Chapter 2:

Motivations for Giving

2.1 International Climate Giving Motivations

Global philanthropic funding has shown a continuous upward trend, particularly in high-income regions such as Europe and North America. In the climate sector, philanthropic funding from these regions also plays a significant and influential role. Upon comprehensive consideration, the motivations for European and American High-Net-Worth Individuals (HNWIs) or families to give in the climate and environmental fields include tax incentives, social culture, strategic philanthropic considerations, family legacy, and so on. For enterprises, the motivation of climate charity comes more from the public's demand for corporate social responsibility and the need to shape brand value.

I. Tax incentive policy:

Tax policy in Europe and the United States has a significant impact on charitable giving, serving as institutional basis for promoting donations by high net worth individuals. In the U.S., high-income donors enjoy higher income tax credits, and generally 50% of their annual income can be used to deduct charitable donations; many wealthy families even consider donations as part of their annual tax planning¹⁰. In contrast, the UK has a Gift Aid system whereby charities can claim an additional £0.25 from the government for every £1 donated to qualifying charities, which, together with the donor's tax rebate, further increases the value of the donation¹¹. In addition, UK higher-rate taxpayers can claim an additional tax credit for donations on their tax return. Overall, the tax incentives reduce the cost of giving and go some way to meeting the needs of the wealthy to “use their surplus resources wisely” and to gain tax compliance and social acceptance¹², which to a certain extent encourages the flow of wealth to the public welfare.

In addition to tax deductions for donations, high inheritance tax policies are one of the key economic incentives for HNWIs to make charitable donations, and this incentive is becoming more pronounced in the area of climate philanthropy. At the institutional level, the high rates of inheritance tax in some European and American countries (e.g., the federal estate tax in the U.K. and the U.S. tops out at around 40%) and the stringent way in which it is levied (e.g., the U.S. adopts the principle of “tax first, divide later”) result in significant costs for direct inheritance. In order to avoid the tax burden, HNWIs generally make use of the tax exemption policy of charitable donations: in the UK, if more than 10% of the estate is used for charity, the tax rate of the part of the estate that exceeds the tax exemption amount can be lowered to 36%; in the US, some families have set up private foundations or charitable trusts, etc., which not only avoid estate tax, but also

¹⁰ <https://www.ccsfundraising.com/insights/charitable-giving-in-the-uk/#:~:text=3,which%20differ%20in%20the%20UK>

¹¹ Anoushka Kenley, Jamie O'Halloran and Karl Wilding. 2021. Mind the Giving Gap - Unleashing the potential of UK philanthropy.

¹² Environmental Funders Network. 2017. what Influences wealthy donors to give to different causes. a research Review.

obtain income tax credits and capital gains tax reductions, and foundations only need to pay 1% of their estate tax to the taxpayer. The foundation only needs to spend 5% of its assets on “charitable-related activities” (covering family members’ salaries, etc.), and the actual control is still in the hands of the family. However, the law strictly limits the objects of tax-exempt donations to prevent improper tax avoidance, and to a certain extent ensures that donations are used for genuine public welfare purposes.

II. Social and cultural factors and self-realization:

Maslow’s Needs Theory states that people seek respect and self-actualization after satisfying their basic needs. For HNWIs, engaging in climate philanthropy is a way to fulfill higher-level needs. According to a report by Bank of New York Mellon Wealth Management, the biggest motivation for HNWIs to donate is self-fulfillment: “Sharing my wealth makes me feel good about myself,” and “Charitable giving makes me feel happy.” By supporting climate projects, they can contribute to solving global problems, gain a sense of fulfillment in giving back to society, build an ideal self-image, and realize the value of life beyond material pursuits.

British and American societies encourage philanthropy as a path to self-fulfillment, while emphasizing the responsibility of the wealthy to give back to society. Historically, from George Peabody to Andrew Carnegie and other pioneers of modern charity precedent, calling on the rich to benefit the public as their own responsibility. While American culture generally expects ultra-high-net-worth individuals to give generously and reap the rewards of their personal reputations, British society has traditionally been more low-key, but in recent years high-dollar donations have also gained increasing attention. Research has found that HNWIs tend to give to because of multiple emotions and interests: they are willing to translate their “empathy for a cause” into action because they feel they “can and should” do something about it; and the process of giving gives them a sense of self-improvement, fulfillment, and connection to others. In addition, the HNWIs interviewed indicated that they place more emphasis on participation and influence when choosing their funding recipients, and that they prefer to establish in-depth partnerships with public welfare organizations, reflecting their “active rather than passive” philanthropic style. In short, socio-cultural factors shape the value orientation of “giving back and recognition” on the one hand, and motivate donors to enhance their social reputation and personal satisfaction through philanthropic behaviors on the other.

In addition, the participation of HNWIs and corporations in climate philanthropy improves their public image, transforming them from mere wealth holders to social contributors, earning them respect and praise, and making them part of the social elite. Large corporations taking the initiative to assume social responsibility and increase donations can increase the trust of the government. Charitable donations have also become a way for corporate managers to show their noble character and enhance their social status, which objectively promotes the development of philanthropy despite possible opportunistic motives.

Religious beliefs and ethical concepts are important drivers of giving among some European and American HNWIs. Although religious motives are less directly mentioned in the public commitments signed by billionaires, religious beliefs have deep roots in European and American philanthropic culture. For example, many American philanthropists are deeply influenced by religion, that private property is in fact the escrow of public resources, and donations are the return of God’s gifts, but also the embodiment of their own moral and spiritual pursuit. Carnegie’s view that “it is a shame to die in great wealth” reflects the social elite’s perception of the social

responsibility of wealth, and this socio-cultural concept is often used as an intrinsic value to promote the wealthy to use their wealth for charity and to give back to the community¹³.

III. About Strategic Philanthropy¹⁴

In recent years, many HNWI's have viewed climate environmental giving as a means to drive systemic change. Compared to traditional philanthropy, climate programs are more in line with HNWI's need for "strategic philanthropy" due to their long-term nature, measurability and policy synergy. Rather than simply handing out charity, they are more inclined to adopt an "entrepreneurial mindset" in their philanthropic endeavors, seeking to influence public policy and market mechanisms¹⁵. In addition, for the sake of efficiency and flexibility, some donors are abandoning the traditional charitable foundation model in favor of investing through structures such as limited liability companies (LLCs). This allows them to more readily invest in high-risk technology and innovative projects, such as carbon removal technologies.

Some companies view climate philanthropy as a strategic investment. By supporting climate-related programs, companies can enhance their brand image, increase consumer recognition and loyalty, and explore new markets and business opportunities. For example, some environmental companies have invested in climate philanthropy, which is in line with their corporate values and business direction, attracts environmentally concerned consumers, enhances market competitiveness, and realizes a win-win situation for both philanthropy and business. In short, the core of strategic philanthropy is a long-term vision: use funds for actions that can amplify impact, such as technology research and development, policy advocacy or cross-border cooperation, with a view to accelerating the market and the system to green transformation.

IV. Family legacy and intergenerational impact:

For many HNWI's, philanthropy is not only a personal act, but also part of family tradition and legacy. Research and interviews show that many HNWI's passion for environmental causes comes from childhood experiences and parental influences, and common hobbies of the whole family (e.g., getting close to nature) can also lead to joint donations¹⁶. At the same time, they consciously incorporate environmental

philanthropy into family conversations in the hope that their children and grandchildren will inherit this value. Many family offices and wealth advisors have also noticed the high level of interest in climate issues among the next generation and are helping their clients to plan long-term multi-generational philanthropic strategies. Climate action is a global public good that enhances family social capital, and the foundation structure ensures cross-generational control and avoids the risk of being "too rich for three generations". This means that HNWI's view giving as a means of "creating value for future generations", which creates ongoing positive feedback at the family level. According to the data, they regard their personal wealth as excess resources that can be used for the public good, and hope to cultivate public spirit in their children through active participation and role modeling.

13 Billionaires in Global Philanthropy: a Decade of the Giving Pledge - PMC <https://pmc.ncbi.nlm.nih.gov/articles/PMC8147574/>

14 For reflections on strategic philanthropy, see Appendix I, "Reflections on Strategic Philanthropy: From 'Helping' to 'Changing'".

15 [morganstanley.com](https://www.morganstanley.com/cs/pdf/Funding-Climate-Action-Pathways-for-Philanthropists-March-2023.pdf)

<https://www.morganstanley.com/cs/pdf/Funding-Climate-Action-Pathways-for-Philanthropists-March-2023.pdf>

16 [greenfunders.org](https://www.greenfunders.org)

<https://www.greenfunders.org/wp-content/uploads/FINAL-Wealth-Advisor-Report-compressed.pdf>

In summary, the motivations of HNWI in the UK and U.S. in climate and environmental philanthropy over the past decades are diverse and complex: tax incentives and social culture have shaped the macro-environment, religious ethics and familial factors provided intrinsic drivers, and strategic considerations guided them toward philanthropy with broader vision. These motivations collectively propelled the evolution in the scale and strategy of charitable giving in recent years, also reminding policymakers to balance incentives and regulation in order to channel more private wealth toward public environmental causes.

2.2 Domestic Climate Giving Motivations

Under the influence of China's unique socio-cultural and historical traditions, climate charitable giving behavior presents a motivational structure different from that of the West. Chinese individual philanthropists are driven by national sentiment, personal values and giving back to their hometowns, etc. These motives are rooted in traditional cultural values, but also integrated with modern national strategies and civil innovation practices, forming a set of driving logic with Chinese characteristics.

Enterprises, on the other hand, are motivated by strategic investment, internal governance, and responding to policy and social expectations. An in-depth understanding of these motivations is important for guiding more philanthropic resources into climate philanthropy and promoting climate governance in China and globally.

I. philanthropic motivations of high net worth individuals and families

The deep motivation of Chinese individuals and families to participate in climate philanthropy is rooted in the traditional cultural values of collectivism and intergenerational responsibility. The family sentiment of “the rise and fall of the world is the responsibility of everyone” has been transformed in contemporary times through institutionalized vehicles. For example, the “Lu Guanqiu Charity Trust for Rural Development and Aspiration” established by Lu Weiding of Wanxiang Group exemplifies the integration of private capital with national strategies like rural revitalization. In China, individual philanthropists often reflect a profound attachment to their ancestral lands or hometowns in their giving, demonstrating both humanistic concern for local communities and a deep-seated hope for the next generation.

Taking Wuxi as an example, its philanthropic tradition boasts a long and rich history, with individual philanthropists' contributions to their hometown consistently forming its core thread. From Taibo's journey to Wu, which laid the moral foundation for the region as a “Land of Supreme Virtue,” to the Ming Dynasty scholar Gao Panlong establishing China's earliest non-governmental charitable organization, the Tongshan Society, to practice the ideal of social welfare; from the Hua family building the “First Charitable Estate in Jiangnan” during the Qing Dynasty to benefit the local community, to the modern Rong family leveraging industry to give back to their hometown—establishing schools, building roads and bridges, and developing water conservancy projects—each instance reflects the profound involvement of local elites in hometown development. This philanthropic model, driven by gentry and industrial leaders, deeply integrated moral cultivation, industrial progress, and social welfare, ultimately forming the most profound spiritual cornerstone of Wuxi's urban character, renowned for its “Warmth and Water.”

II. corporate philanthropy motivation: the dual drive of strategy

and policy

Corporate climate charity behavior presents a deep coupling of policy response and business strategy. Enterprises tend to utilize their own business niche, experience and resources to engage in efficient and sustainable philanthropic activities. In China, finding win-win solutions is a pragmatic way to balance business interests and social needs.

(i) Strategic Investment and Branding Considerations

From the perspective of corporate strategy, participation in climate charity is an important means for companies to realize strategic layout and brand image enhancement. By supporting climate-related public welfare programs, companies can show their concern for environmental issues and sense of social responsibility, and enhance consumer recognition and loyalty to the corporate brand. Some environmental technology companies are actively involved in climate charity, donating funds to promote clean energy technology, energy saving and emission reduction projects, which not only fits the business direction of the enterprise, but also enhances the brand influence of the enterprise in the field of environmental protection, which helps to open up new markets, attracts more environmentally friendly consumers, and realizes the benign interaction between charitable inputs and commercial interests. The enterprise's own carbon reduction actions are also gradually transmitted to its value chain, collaborating with upstream and downstream industrial partners to jointly promote green and low-carbon transformation.

(ii) Policy Guidance and Social Expectations

The Chinese government has implemented a series of policies to promote sustainable development and address climate change, encouraging companies to participate in environmental public welfare activities. In 2024, China's Shanghai and Shenzhen stock exchanges jointly issued the "Guidelines on Sustainability Reporting for Listed Companies," announcing the arrival of the era of mandatory disclosure of ESG reports by listed companies in the country, and the nine ministries and commissions of the Ministry of Finance and other ministries jointly issued the "Guidelines on Enterprise Sustainability Disclosure - Basic Guidelines". Nine ministries and commissions, including the Ministry of Finance, jointly issued the "Corporate Sustainability Disclosure Guidelines - Basic Guidelines (Trial)", providing a unified framework for corporate sustainability disclosure.

2025 In February, President Xi encouraged private enterprises at a forum on private economy to "actively fulfill their social responsibilities, actively build harmonious labor relations, improve ecological and environmental protection, participate in public welfare and charitable undertakings as much as they can, and give more love to the society." In addition, as the public's awareness of environmental protection rises, expectations of corporate social responsibility are also increasing. For example, after some major climate disasters, enterprises actively donate funds for post-disaster restoration in response to the social expectations for enterprises to play a role in addressing climate change.

Correspondingly, Consequently, businesses fund the initial trial-and-error phase of innovative solutions through charitable donations. Once replicable operational models are established, they can leverage policy changes and transfer these solutions to relevant government departments for broader regional implementation, thereby simultaneously expanding their corporate influence.

(iii) digital technology empowers public participation in Internet philanthropy

Digital technology is reshaping the charitable trust mechanism, Ant Group uses “green energy” to realize real-time data linkage between personal carbon footprint and ecological restoration projects, so that each donation generates verifiable environmental benefits. The public welfare platforms created by many Internet technology companies (e.g. Tencent, Alipay, Sina, Taotian, etc.) have greatly lowered the threshold for the public to participate in philanthropic activities and donations, and without a complicated process, you can donate at any time through your cell phone and check the progress of the project, which promotes wider public participation in public welfare activities. This has promoted the participation of a wider range of people, businesses and consumers in charity programs.

2.3 Analyzing the barriers to giving

Despite the diversity of motivations, climate philanthropy in China faces a unique dilemma. As mentioned earlier, China’s philanthropic giving is growing overall, but the climate sector accounts for a very low percentage of the total. According to CFC statistics, foundation programs and funding related to environmental and climate issues account for only 2% of all foundation programs in China.

I. Institutional Barriers

The institutional environment is one of the key factors affecting giving. In China, although the Charity Law and other regulations have established the legal status of philanthropy, the institutional support for environmental and climate public welfare is not yet perfect. On the one hand, tax policy incentives are limited. The state stipulates that corporate public welfare donation expenditure within 12% of annual profits can be deducted before tax, and individual public welfare donations can be deducted within 30% of taxable income; non-cash donations (equity, real estate) tax deduction rules are missing, and corporate climate donations can’t enjoy the same tax deduction treatment as cash donations. On the other hand, the supervision and qualification requirements of charitable organizations are strict, and many private environmental protection organizations are difficult to register and limited in development. In addition, there is still a lack of specialized charitable funding tools in China’s climate sector, and green financing mechanisms such as charitable trusts are still in their infancy, which limits the allocation of social capital to the climate sector. The segregation mechanism between charitable trust assets and corporate assets is imperfect, increasing the legal risks for donors.

In terms of policy incentives, in addition to tax incentives, the country’s specialized incentives for climate philanthropy are still limited. In addition to general funding guidance, special subsidies and supporting policies for climate charity have not yet been desk, making the organization’s funding environment restricted. The current benefits for charitable organizations and donors mainly rely on existing charitable tax policies, without higher incentives or supporting measures for climate projects. Some studies suggest that relevant regulations should be improved to increase the benefits for public welfare organizations in terms of value-added tax and income tax. In addition, the establishment of government-guided funds, matching gift programs or special foundations can be explored to guide social capital into the climate sector. Existing studies and industry reports generally agree that policy support should not only be reflected in taxation, but should also include simplifying donation procedures and encouraging innovative funding models. Overall, the current incentives have not yet been able to fully mobilize the willingness of the donor body to invest in climate issues.

II. Public Awareness and Trust Mechanism

The degree of public concern and willingness to act on climate change directly affects the potential of climate donations. The long-term and global nature of climate issues is difficult to arouse immediate emotional resonance. Although climate issues have received more attention in the media and education in recent years, public awareness of climate issues and related public welfare programs is still insufficient. In the environmental sector, this is reflected in the low visibility and impact of climate projects, the difficulty of gaining widespread trust, and the public's bias against environmental organizations and NGOs. In addition, when the central government's environmental governance is effective, the public tends to have the perception that "the government should do it all", which reduces individual willingness to donate to the climate and environment.

Trust is the cornerstone of public service giving. Donors care a lot about the reputation and credibility of public welfare organizations, and the lack of trust will significantly reduce the willingness to donate. Transparency in the use of funds is a major challenge for public goods¹⁷. Specifically in the climate sector, if donors do not know where the funds are going or are worried about the effectiveness of the program, they will often hesitate or even give up their support. Therefore, improving the trust mechanism and enhancing information disclosure and transparency is the key to breaking through the donation barrier. For example, donors' trust can be enhanced by improving annual reports, public disclosure systems for the use of in-kind goods and funds, and third-party audits. If individuals do not have sufficient knowledge of climate issues or lack trust in public welfare organizations, it is difficult to motivate them to donate even if policy incentives exist. At present, domestic climate projects lack a unified and standardized performance evaluation and incentive constraint mechanism for climate charity projects, which makes it difficult for the public to judge the effectiveness of climate charity actions.

III. Complexity of Climate Change Issues and Barriers to Communication

Currently, although stakeholders are concerned about climate issues, they lack systematic knowledge of the technical path of climate issues (e.g., carbon removal, biodiversity finance), and wealth management organizations focus on traditional philanthropy, failing to provide professional climate investment advice. Typical climate philanthropy projects are tree planting projects with high visibility, while systematic emissions reduction technologies, or climate resilience enhancement projects that are more difficult to quantify results, receive less attention, leading to fragmentation of funds. Environmental organizations are short of capital and human resources, do not have sufficient scale, and lack the capacity to design financial instruments to turn climate projects into quantifiable, investable programs. Smaller organizations may lack the expertise, systems management, and program evaluation capacity to effectively use and demonstrate the results of donated funds, further reducing the incentive to donate. The complexity of climate issues therefore raises the difficulty when communicating about climate, affecting the willingness of HNWI, corporations and the public to donate.

To summarize, climate charitable giving in China faces multiple barriers including system, awareness, trust, policy and capacity. Existing research agrees that a multi-pronged approach is needed: on one hand, improve legal policies and incentives, and on the other hand, enhance

17 Zhu Huan. 2025. Current Dilemmas and Response Strategies of China's Public Welfare Philanthropy. *Modern Management*, 2025, 15(5), 52-57. <https://doi.org/10.12677/mm.2025.155127>

governance and financial transparency of public welfare organizations, and increase public trust and participation. Current research focuses on the general framework and common countermeasures, and there is not enough specialized research on the niche area of climate donations. In the future, empirical research and case analysis should be strengthened to explore effective climate philanthropy models and summarize experiences in a timely manner, so as to guide more social resources to participate in public welfare actions to address climate change. The only way to unleash the critical power of public interest groups in climate governance is to break through policy blockages, strengthen professional capacity, and promote a culture of giving.

Chapter 3:

Analysis of Giving Strategies

Climate philanthropy has different ways of categorizing based on giving patterns. *The Climate Philanthropy Partnership Action Plan 2030* details eight key areas of work based on working areas: ecological protection and restoration, pollution control, carbon emission reduction, climate adaptation, public awareness and advocacy, international exchange and cooperation, promotion of green and low-carbon enterprises, and industry construction and development. Instead of repeating the details here, we will analyze the donation strategies from the funders' perspective and from the strategy perspective:

3.1 Direct Donation

I. Materials and cash

Direct donations refer to donors delivering funds, materials, etc. directly to grantees for the purpose of carrying out climate philanthropy programs. Common grantees include charitable organizations dedicated to climate protection, research institutions or specific project implementers.

Donors can make direct donations through a variety of channels. Commonly, donors can donate online through the donation links provided by the charitable organization's official website, Internet charity platform, etc., and follow the guidelines to fill in the donation amount and personal information to complete the donation; offline, they can donate by mailing a check or cash to the charitable organization or donating at the charitable activities. For example, individuals can find a donation portal on the official website of an environmental foundation, enter the amount they wish to donate, choose the purpose of the donation (can choose a specific project or use it as a non-restricted fund for the organization, etc.), and then submit it to complete the donation process. In the case of corporate donations, a more complex decision-making process may be involved, but ultimately the funds or materials are transferred directly to the recipient.

Advantages:

- **Efficiency:** the donation process is direct, the funds or materials can quickly reach the hands of the recipient, can be used in a timely manner to carry out the project; for some urgent climate projects (such as responding to sudden natural disasters triggered by environmental problems), it can quickly provide support.
- **High Transparency:** Donors know exactly who they are donating to and the general purpose of the donation, and the recipients usually publicize the use of the donated funds, which is easy for donors to supervise.
- **Simple operation:** Whether it is an individual or an enterprise, the operation process is relatively simple, without the need for complex procedures and intermediate links.

Disadvantages:

- Difficult to form a scale effect: the amount of direct donations from a single donor is limited, and if there is a lack of effective integration mechanisms, it is difficult to bring together funds for large-scale climate projects.

II. Corporate share donation:

Corporate share donation refers to corporate shareholders donating their company shares to charities or setting up specialized charitable trusts to support climate philanthropy. After the donation, the charity becomes a shareholder of the company, can participate in company decision-making to a certain extent and can obtain income from the appreciation of the shares for charitable projects. The specific process is as follows:

1. Determine the willingness to donate and the grantee: The donor first clarifies his or her intention to donate the shares and the desired public welfare goals, such as supporting education, environmental protection and other charitable programs. Subsequently, the donor will screen the grantee, which usually needs to be a non-profit organization with the qualification of pre-tax deduction for donations, such as foundations, charitable associations, etc., and the donor can check its qualification through the official website of “Charity China” and other channels.

2. Internal decision-making and legitimacy review: If the donor is a company, it needs to fulfill the internal decision-making procedures in accordance with the Company Law and the company’s articles of association. The transfer of shares of a limited liability company generally requires the consent of a majority of the other shareholders, and the other shareholders need to give up the right of first refusal; for a joint stock company, the decision-making process will be conducted in accordance with the relevant regulations. At the same time, to ensure that the proposed donation of equity has not been pledged, frozen or disputed, otherwise the donation may be invalid.

3. Signing the donation agreement: The donation agreement should specify the number and type of donated shares, the original value of the property, the lock-up period, the transfer method, the public welfare purposes, the terms of billing, the rights and obligations of the grantee (e.g. whether or not to participate in the operation of the company) as well as the method of assessing the fair value, and other key matters. For example, the donor may agree that the grantee may not transfer the equity interest within a certain period of time in the future, or may specify that the equity dividends will only be used for specific charitable programs.

4. Register the change of shareholding:

- Non-listed companies: first amend the articles of association to clarify that donations are exempted from the right of first refusal and other provisions, and update the register of shareholders; thereafter, apply to the market regulatory authorities for changes in industrial and commercial registration, submitting the resolution of the shareholders’ meeting, the agreement on the transfer of equity interests, the qualification documents of the grantee, the donation agreement, proof of identity and other materials.
- Listed companies: submit the application for change to China Securities Depository and Clearing Corporation, complete the transfer of equity in accordance with the prescribed procedures, and fulfill the relevant commitments and information disclosure obligations in compliance with the Securities Law and securities regulatory requirements.

5. Tax treatment and bill acquisition: the donor determines whether it can enjoy tax incentives based on relevant tax regulations and makes tax declaration. Individuals donating equity, public welfare donation support the amount is generally determined by the original value of the property in which the individual holds equity; if the original value of the voucher cannot be provided, it is necessary to select the appraisal organization filed by the Ministry of Finance with a valuation report. Charitable organizations issue to the donor the “Uniform Bills for Public Welfare Donations” supervised by the Ministry of Finance, which is a key legal document for the donor’s tax deduction.

Advantages:

- **Long-term financial support:** if the company develops well, the share appreciation can enable the charity organization to obtain a continuously growing source of funds, providing long-term stable financial security for climate charity projects.
- **Expanded influence:** By becoming a shareholder, the charity can advocate climate protection-related ideas and measures in the company’s decision-making process, prompting companies to pay more attention to environmental responsibility in their business activities, thus promoting climate action and business win-win at a broader level.
- **Tax incentives:** Circular 45 (2016) of the Ministry of Finance and the State Administration of Taxation stipulates that equity donations made by enterprises to qualified public welfare social organizations shall be treated as equity transfers. The income from such a transfer is determined based on the historical cost of the donated equity. The term “equity” mentioned herein refers to equity interests in other enterprises held by an enterprise, including listed company shares. After making an equity donation, an enterprise shall determine the donation amount based on the historical cost of the equity, and deduct this amount according to the relevant provisions of the Enterprise Income Tax Law. The recipient civil society organization shall issue a donation receipt based on the historical cost of the equity provided by the donating enterprise.

Disadvantages:

- **Value fluctuation risk:** the value of the company’s shares is greatly affected by market fluctuations, if the company’s performance declines or the stock market as a whole fall, the value of the shares held by the charitable organization may shrink significantly, affecting the scale of charitable funds. Compared with cash donations, the grantee of equity donations needs to obtain funds for public welfare projects through dividends, share reductions and other means, which is a relatively complicated process, and the use of funds is not flexible enough, and may not be able to meet the urgent funding needs of public welfare projects in a timely manner.
- **Complex management and decision-making:** charities, as shareholders, need to participate in corporate governance decisions, which requires charities to have a high level of professional competence. Lack of relevant experience may make it difficult to play an effective role in decision-making, and may even result in damage to the value of the shares as a result of poor decision-making.
- **Legal and operational complexity:** Equity donation involves company law, securities law, tax law and other areas of laws and regulations, the handling process is cumbersome, from internal decision-making, agreement signing to the registration of changes in equity and tax treatment, any link wrong may lead to legal disputes, and there are differences in operational details

between different regions and different types of companies, which increases the operational difficulty.

3.2 Establishment of special funds/foundations

Establishment of a special fund: The establishment of a special fund refers to a fund set up by a donor under an existing charitable organization dedicated to supporting a specific climate charitable project, and the donor can make certain requirements on the direction of the use of the fund and the selection of projects.

The donor communicates and negotiates with the selected charitable organization to determine the purpose of the establishment of the special fund, the size of the fund, the rules for its use, and so on. After both parties sign the agreement, the donor will inject the funds into the account of the special fund set up by the charitable organization. The charitable organization carries out climate charitable projects in line with the purpose of the fund under the supervision of the donor in accordance with the agreement. For example, the Global Climate Change and Green Development Fund described in 4.1 of this report.

Establishment of a foundation: The establishment of a foundation means that the donor independently initiates the establishment of a charitable organization with legal personality, independently determines the foundation's purpose, scope of business (focusing on the field of climate philanthropy), organizational structure, etc., and is fully responsible for the planning, implementation and management of the charitable projects.

Donors should first define the mission and objectives of the foundation, such as focusing on climate adaptation programs or climate education promotion. Then, in accordance with relevant laws and regulations, prepare for the formulation of the constitution, the construction of the organizational structure (including the board of directors, supervisory board, etc.), the determination of office space, and the recruitment of personnel. After completing a series of preparatory work, submit application materials to the civil affairs department and other relevant regulatory agencies, and formally register the foundation after review and approval. After the foundation is established, it carries out climate charity activities by raising funds and planning projects. For example, a philanthropist decides to set up a foundation focusing on marine climate protection, hires professional environmentalists and managers to form a team, develops a detailed constitution and strategic planning, raises funds from the community, and carries out projects such as marine ecological restoration and marine climate monitoring.

The foundation originated on the European continent, with its concept emerging almost simultaneously with the British trust. After centuries of development, two distinct yet similar legal systems emerged within Europe's two major legal traditions. Compared to trusts, foundations possess non-profit legal personality and independent assets, yet this type of legal entity lacks shareholders. Like the trust system, the modern foundation system has also flourished and developed in the United States.

Common foundations in China include government-run foundations, corporate foundations and family foundations. Domestic corporate foundations focusing on the climate sector are mainly Vanke Foundation, Alibaba Foundation, CICC Charity Foundation, HSBC Foundation and so on. Family foundations, on the other hand, are a new concept imported from overseas and are relatively rare in China. The industry will be summarized as a special foundation also because

of its distinctive instrumental characteristics of family wealth inheritance and family spirit inheritance. The wealth of the Rockefeller family in the United States has been passed down through six generations, with the family foundation playing an indispensable role in this legacy. The first domestic family foundation was Lao Niu Foundation, founded in 2007 by Niu Gensheng. After that, Mr. Huang Jiesheng, grandson of Mr. Huang Yicong, founder of the Golden Light Group, and his wife Ms. Yu Heng established the Huang Yicong Charitable Foundation in 2010. That same year, Mr. Cao Dewang, Chairman of the Board of Fuyao Glass Industry Group Co., Ltd., founded the He Ren Charitable Foundation. The form of family foundations continues to evolve and innovate in China.

Family foundations, also known as private foundations, are usually established on the basis of donations or bequests of property by individuals or family members. The purpose is to operate, preserve, manage and invest the property in accordance with the wishes of the founder, and to make effective arrangements for the interests of one or more “beneficiaries” with kinship and interest relationships with the founder for the benefit of the property and its proceeds as a legal entity.

Family foundations are more popular in Europe and the United States. Among the nearly 100,000 foundations in the United States, only 1% of the community foundations belong to public charities, similar to the public foundations in China. Corporate foundations also account for only 3%, and the remaining 90% or more are private and family funded foundations, most of which are family foundations¹⁸.

A typical example of philanthropic asset management is the KAW Foundation of the Wallenberg family in Sweden, which was established in 1917 with an initial capitalization of about SEK 20 million (equivalent to nearly SEK 600 million today). Over the next hundred years, the family has continued to inject funds, with a cumulative endowment of 31.2 billion SEK. Despite substantial annual expenditures (approximately SEK 2 billion in recent years), the foundation’s total charitable assets have grown to SEK 156 billion through a long-term oriented, active investment management strategy. Its current robust funding capacity and substantial asset base not only demonstrate the exceptional effectiveness of charitable asset management but also form the fundamental basis for the foundation’s sustained ability to make significant contributions to the advancement of science in Sweden.

Advantages

- **Targeted:** Both funds and foundations can focus their activities on specific climate philanthropy goals, making it possible to focus resources on a particular type of climate issue.
- **Sustainability:** Through continuous fundraising and reasonable project planning, it can realize long-term stable operation and provide continuous support for climate philanthropy.
- **High autonomy:** Donors who set up a foundation have a high degree of autonomy and can fully control the development direction and program implementation of the foundation; donors who set up a special fund can also influence the use of the funds to a certain extent.

Disadvantages

- **High establishment costs:** the establishment of a foundation involves a great deal of preparatory

18 Public Benefit Foundation Management Database. <https://lib.3feng.im/resource/chinese-family-foundation.html>

work and expense, including legal formalities, personnel recruitment, office space rental and so on. The establishment of a special fund, although relatively simple, also requires communication and coordination costs with charitable organizations.

- **High management requirements:** professional management teams are required to operate foundations or special funds, involving financial management, project management, human resource management and other aspects, which may lead to wastage of funds, poor project results and other problems if not managed properly.
- **Strict regulation:** foundations and special funds are subject to strict laws and regulations, and need to disclose financial reports, project progress and other information on a regular basis, resulting in higher compliance costs.

3.3 Charitable Trust

In 2016, the Charity Law of the People's Republic of China was formally implemented, clarifying the definition and establishment process of charitable trusts. In 2017, the former CBRC and the Ministry of Civil Affairs jointly issued the Measures for the Administration of Charitable Trusts based on laws and regulations such as the Charity Law, the Trust Law and the Banking Supervision and Administration Law, marking the completion of the basic construction of China's charitable trust regulations and systems. In 2024, the newly revised Charity Law came into force, and this revision made another effort in tax incentives, adding new contents such as "natural persons, legal persons and unincorporated organizations that set up charitable trusts to carry out charitable activities shall enjoy tax incentives in accordance with the law", which further improved the charitable trust tax policy and injected new impetus for the development of charitable trusts. With the gradual improvement of policies, the number of charitable trusts and funds are growing.

As of August 2025, there were 2,528 charitable trusts filed in China, with a total property size of 9.97 billion yuan¹⁹. According to the 2024 China Charitable Trust Development Report, the trustees of charitable trusts show a diversified trend. In addition to charitable organizations, which account for 58% of charitable trusts, the number of trustees with the background of state and central enterprises is also increasing, accounting for more than 30% of the new charitable trusts established in 2024. In addition, the sources of property of charitable trusts are richer, including cash, equity, real estate, in-kind goods, intellectual property rights, trust beneficiary rights and insurance beneficiary rights, and so on.

Definition and characteristics: A charitable trust is an act in which the settlor entrusts his/her property to the trustee in accordance with the law based on charitable purposes, and the trustee manages and disposes of the property in the name of the trustee in accordance with the settlor's wishes to carry out charitable activities²⁰. In the field of climate charity, charitable trusts can use the trust property to support various climate protection projects, such as climate scientific research, ecological restoration, and clean energy promotion. The establishment of charitable trust has the following characteristics:

- (1) clear purpose, i.e., based on purely charitable purposes;
- (2) non-specific beneficiaries: in order to avoid the transfer of benefits and safeguard the public

¹⁹ Charity China (Civil Affairs Integrated Government Service Platform). <https://cszg.mca.gov.cn/biz/ma/csmh/e/csmheindex.html>

²⁰ 2016. chapter 5 of the Charity Law "Charitable Trusts".

welfare attributes of charitable trusts, its beneficiaries are not specific individuals or groups, and the trust document only stipulates the scope of beneficiaries and the procedures and methods of selecting beneficiaries;

- (3) independence of property: after the establishment of charitable trusts, the trust property is mutually independent of the trustor's and the trustee's inherent property are independent of each other. From the commissioner's point of view, the property no longer belongs to his own assets and is out of the scope of his financial risk; although the trustee manages and disposes of the trust property, he does not enjoy the right to income. The trust property only serves the charitable purposes set by the trust, and the independence ensures its safety, avoids the deterioration of the financial situation of the principal or trustee and affects the advancement of charitable causes, and provides a solid guarantee for the continuous realization of charitable purposes. For example, when the settlor is facing a debt crisis or bankruptcy liquidation, the charitable trust property will not be included in the liquidation scope and can still be used for charitable activities according to the original plan.

Establishment process:

- (1) The settlor must first define the purpose and scope of the charitable trust, such as focusing on climate adaptation projects in a specific region or promoting climate education globally. Concurrently, planning should encompass the scale of trust assets, duration of the trust, projected charitable expenditures, and anticipated outcomes.
- (2) Then choose a suitable trustee, which can be a trust company, a charitable organization or other institutions with professional management capabilities and qualifications. Both parties sign a trust contract, specifying key terms such as the size of the trust property, the delivery method, the management and utilization method, the selection criteria for charitable projects, and the method of income distribution.
- (3) After the settlor transfers the trust property to the trustee, the trustee, in accordance with the contract, applies professional knowledge to manage the investment of the trust property (to realize value preservation and appreciation under the premise of safeguarding safety and complying with the charitable purposes) and to screen and fund eligible climate charitable projects.
- (4) In order to ensure that the trust property is used in accordance with the wishes of the trustee and the charitable purposes, a trust monitor is usually established to supervise the behavior of the trustee. The trust monitor may be composed of professional environmentalists and legal experts, who will regularly review the trust company's project screening process and use of funds.
- (5) The trustee shall file the charitable trust document with the civil affairs department of the people's government at or above the county level where the trustee is located within 7 days from the date of signing the charitable trust document. If the trust company serves as the trustee, the civil affairs department of the district city where the trust company is registered shall perform the filing duties; if the charitable organization serves as the trustee, the civil affairs department that grants its registration or recognizes it shall be responsible for the filing.
- (6) Upon completion of the filing, the civil affairs department and the banking supervisory and regulatory authority shall promptly disclose to the society information on the filing and

termination of the charitable trust, the results of the inspection and assessment, and the results of administrative penalties and supervisory measures imposed on the trustee. The trustee shall publish information such as the explanation of the establishment of the charitable trust, the report on the handling of trust affairs, the report on the property status, and the reasons for change and termination on the information platform provided by the civil affairs department, and shall be responsible for the authenticity of the information.

Advantages:

- **Property independence and high security:** the trust property is independent of the inherent property of the principal and trustee, even if the principal or trustee present financial crisis and other problems, the trust property will not be affected, and it can be continuously used for the climate charitable projects to protect the stability of the charitable cause.
- **Professional management and value preservation and appreciation:** The trustee usually has professional financial and project management experience, and can carry out scientific investment management of the trust property to realize value preservation and appreciation, and provide more sufficient and lasting financial support for climate charity projects.
- **Flexible customization:** The trustee can make detailed agreements on the use of trust property, project direction, beneficiary objects, etc. in the trust contract according to his/her own charitable wishes and objectives, so as to meet the personalized climate charitable needs.

Disadvantages:

- **Higher establishment and management costs:** it involves a number of tasks such as signing the trust contract, hiring professional organizations (e.g. trustee, trust monitor, etc.), and handling legal formalities, which requires a certain amount of human, material and financial costs.
- **High expertise requirements:** Whether it is the client selecting the trustee and formulating the trust terms, or the trustee managing the trust property and screening the projects, it is necessary to have certain professional knowledge in the financial, legal and climate fields, or else it may result in the trust operating poorly or failing to achieve the expected charitable effect.
- **Challenges of information transparency:** Although there are monitoring mechanisms such as trust inspectors, in actual operation, it may be difficult for the trustees to grasp the detailed information on the management of the trust property and the implementation of the project in a comprehensive and timely manner, and there is the problem of information asymmetry.

3.4 Internet philanthropy

In the field of climate philanthropy, the Internet charity platform is gradually becoming an emerging force. It integrates the information of many climate charity projects, provides donors with convenient donation channels, breaks the time and space limitations of traditional donations, and promotes the efficient docking and allocation of charitable resources. Donors can directly understand the project objectives, implementation plan, budget details, implementation team and other detailed information through the platform, which enhances their understanding of the climate project and their trust in the implementing agency. After the donation is completed, the platform will provide donors with donation vouchers and push out regular feedback on the progress of the project.

In addition to the simplest way to donate goods and services through the Internet, it provides donors (especially corporations or corporate foundations) with a brand-new mode of charitable operation. Enterprises can combine their own business and climate strategy, and cooperate with public foundations to develop climate charity projects, which will be online and open for public fundraising on the Internet platform. The project also helps to build the brand image of the company in the process of dissemination and implementation. For example, HSBC has been working with SEE Foundation for many years to create nature-based solution projects and launch them on multiple public welfare platforms, protect and restore mangrove ecosystems and giant panda habitats in many parts of China, and promote marine blue carbon projects, etc. HSBC has become a zero-carbon pioneer in the industry and a favored private bank by many investors.

Advantages:

- **Mixed financing to expand the scope of fundraising:** Through the initial investment of charitable funds, the enterprise attracts the participation of a wider range of social capital and public donations, which promotes the mixed financing and resource integration of the project, and also helps to expand the scale and influence of the project.
- **Enhance the professionalism and credibility of the project:** Publicly-funded foundations are deeply cultivated in the field of charity and have accumulated rich experience in project operation and management as well as professional talent resources, and are familiar with the implementation process of charitable projects, regulatory requirements and the needs of beneficiaries. Enterprises provide funds and commercial perspectives, and foundations utilize professional charitable knowledge to ensure that the project operates in a standardized manner. At the same time, the official certification and long-term credibility accumulation of public foundations, as well as the Internet public welfare platform's audit and supervision mechanism of the project, enhance the credibility of the project in the public's mind.

Disadvantages:

- **Excessive reliance on platform traffic:** the attention and fundraising effect of some climate charity projects rely on the recommendation mechanism of the platform. If the project does not get enough exposure, it may face fundraising difficulties and affect the project.

3.5 Donor Advised Fund (DAF)

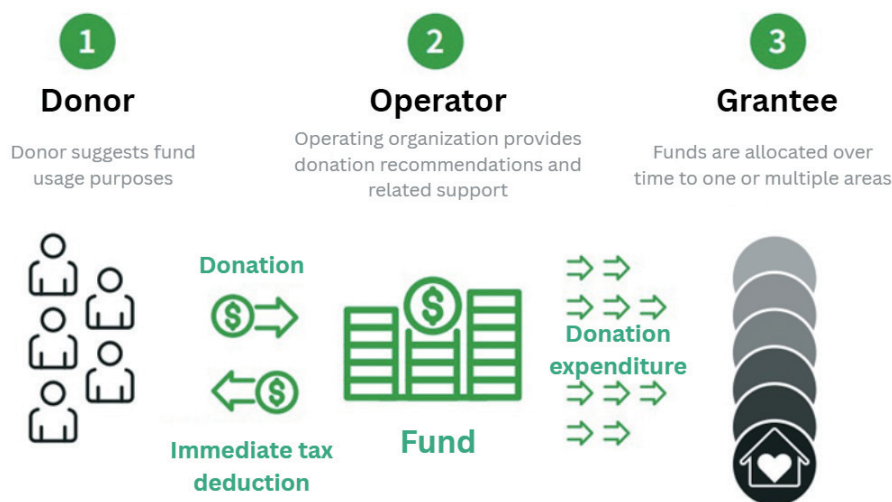
A Donor Advised Fund (DAF) is a philanthropic tool that originated in the 1930s in the U.S. DAFs

are individual endowment accounts or funds that are owned by a larger charitable foundation or sponsoring organization, whereby the donors contribute funds (which may take various forms such as cash, securities, real estate, etc.) to a dedicated DAF account established under a public charity. After making the donation, the donor retains the right to provide recommendations regarding the use of funds within the account, based on their specific focus on climate philanthropy.

Public charitable organizations manage accounts and ensure the compliant use of funds, allocating resources to eligible climate-related charitable projects or organizations based on donor recommendations. Concurrently, these organizations handle financial management and tax reporting for DAF accounts, providing regular account statements to donors. If the operating entity possesses legitimate tax-exempt status, donors may also receive immediate tax deductions on their contributions.

DAFs are slightly similar to restricted funds, but a restricted fund is a sum of money given by a donor to a specific charity for a specific purpose. A donor-advised fund, on the other hand, is a “charitable purse” that the donor establishes at a DAF-qualified charity, from which he or she then withdraws funds in installments and to specific recipients, recommending that the funds be given to a number of qualified charities.

This model breaks the limitations of traditional charity by giving donors a greater sense of participation and control, while leveraging the professional management of charitable organizations to ensure that charitable funds are operated in an efficient and compliant manner.



Case Study: Singapore’s Economic Development Board (EDB) has partnered with TT Foundation Advisors (TTFA), the foundation advisor of Temasek Trust, to launch a Donor-Advised Fund (DAF). This initiative aims to mobilize family offices and charitable foundations to invest in projects that align with EDB’s funding programs and generate high-quality carbon credits compliant with Article 6 of the Paris Agreement²¹. Domestically, charitable organizations primarily offering DAF operational models include the Shanghai United Foundation, Ling Shan Charity Foundation, Philanthropreneur Foundation, and Harmony Community Foundation²².

²¹ <https://www.zaobao.com.sg/realtime/singapore/story20250505-6292230>

²² Center for Asian Philanthropy and Society. 2023. Donor Advised Funds in the Asia-Pacific Region. https://wordpress.caps.org/wp-content/uploads/2023/10/CAPS_Decoded_Report_FINAL_CN.pdf

Advantages:

- **Flexibility:** Donors have the flexibility to decide where to use the funds after making a gift, adjusting the proposal at any time according to the latest developments in the field of climate philanthropy and their own priorities, so that the funds can quickly respond to the needs of different climate programs.
- **Tax Benefits:** Donors can enjoy tax deductions at the time of giving, without having to wait for the funds to actually be used for charitable projects, which is more attractive to donors.
- **Professional management:** Having a professional public charity in charge of account management and fund operation can leverage its expertise and resources to ensure compliance and effectiveness in the use of funds.
- **Charitable legacy:** DAF accounts can be an effective tool for family or business charitable legacy. Donors can designate family members or business successors as account advisors to participate in the charitable decision-making process and pass on charitable ideas and values.

Disadvantages:

- **Decision-making restrictions:** although donors have the right to make suggestions, the final decision-making power remains in the hands of public charities, which may result in the donor's wishes not being fully realized if there is a big difference between the donor and the institution in the direction of the use of funds.
- **Transparency issues:** Some donors may not have a deep enough understanding of the fund allocation process and program implementation of public charities, and have concerns about transparency.

3.6 Employee Volunteering and Matching Gifts

Among the multi-donor models of climate philanthropy, “Employee Volunteerism and Matching Gifts” is an innovative mechanism that can effectively integrate corporate human and financial resources and deepen social impact. The model usually consists of two core components:

- Providing public welfare leave and encouraging employees to participate in volunteer services: Enterprises provide employees with a number of days of “paid public welfare leave” each year through the formulation of humane internal policies, and actively encourage and guide employees to make use of such leave to participate in volunteer service activities related to climate change. Such activities may include: participating in tree planting or wetland protection field work by environmental protection organizations, providing low carbon knowledge to communities or schools, and using professional skills to assist nonprofit organizations in carbon accounting or green technology research and development.
- Establish a matching fund mechanism to amplify employees’ good deeds: The company promises to provide matching fund donations at a certain ratio (e.g. 1:1 or higher) for climate-related projects supported by employees’ volunteering, or for donations made by employees in their personal names to climate-compliant charitable organizations.

This combination of “volunteering+matching funds” can have multiple positive effects. On the one hand, it enhances the sense of participation and cohesion of employees, transforming them from

passive executors to active participants in charity, and resonating their personal values with the company's sense of social responsibility, which helps to enhance their sense of belonging, pride and team cohesion. On the other hand, to amplify the leverage of funds and social impact, the matching funds of the enterprise can pry and amplify the goodwill and actions of employees, so that the limited charitable budget to produce a greater scale of funds and social impact. In addition, this move can also shape a positive brand image and demonstrate the enterprise's commitment to fulfill its social responsibility in depth. It is not only the investment of funds, but also the practice of values by all staff, which helps to establish a responsible and warm brand image in the hearts of the public, customers and investors.

Internationally, many leading companies have implemented such strategies for a long time and achieved remarkable results. Apple, for example, has a long-running volunteer program that encourages employees to participate in community service and matches their volunteer time with personal donations. This mechanism not only supports a wide range of public welfare areas, including environmental protection, but also greatly inspires employees' enthusiasm for participation, transforming the company's climate commitment into the collective actions of tens of thousands of employees, creating a powerful positive cycle.

3.7 Donation Return Analysis

According to the Charity Law of the People's Republic of China, the core principles of charitable donations are voluntary and gratuitous. However, in addition to traditional pure public welfare donations, more and more donation strategies are now being combined with wealth management to realize social value while also taking into account financial returns.

3.7.1 Pure donations

Core features: funds are completely not for profit (without the pursuit of financial returns), focusing on maximizing environmental and social benefits.

Applicable scenarios: immature technology, long cycle (more than 10 years) or difficult to commercialize the climate field.

Pure charitable donations are gratuitous, the donor gives his property to the grantee, and the grantee acquires the donated property without paying the corresponding consideration to the donor. Charitable organizations to accept donations, should be issued to the donor by the financial sector unified supervision (printing) system of donation bills. Donors anonymous or give up to accept the donation note, the charitable organization shall make a good record.

Charitable organizations to accept donations, the donor asked to sign a written donation agreement, the charitable organization shall sign a written donation agreement with the donor. Written donation agreement includes the name of the donor and the charitable organization, the type of donated property, quantity, quality, purpose, delivery time and other content.

The donor has the right to query, copy the management and use of its donated property information, the charitable organization shall take the initiative to feedback to the donor in a timely manner. In addition, the charitable organization in violation of the purpose of the donation agreement, the abuse of donated property, the donor has the right to require it to correct; refused to correct, the donor can be to the people's government at or above the county level, the civil affairs department of the complaint, report, or to the people's court to file a lawsuit.

Before making donations to charitable organizations, members of the public may check whether the organization is legally registered with civil affairs authorities and whether it possesses public fundraising qualifications through the Charitable Organization Information Inquiry Portal on the Ministry of Civil Affairs' official website (<https://app.gjzwfw.gov.cn/jmopen/webapp/html5/cszzcx/index.html>)²³.

3.7.2 Recoverable Grants

Core features: the principal can be recycled, and the funds are returned when the project is successful, realizing the closed loop of “donation-recovery-re-donation”.

Applicable scenarios: medium-term projects (3-8 years) that have potential benefits but require preliminary verification.

Recyclable donation-type projects are commonly found in public welfare venture capital and charitable trusts. Venture capital for the public good through charities, nonprofit organizations, social enterprises or social benefit-driven business (the specific form of organization depends on the laws and culture of each country), to provide funding and strategic planning, management consulting and other non-financial support, to help them expand their social impact²⁴. It can also be simply understood as applying the concepts of venture capital and entrepreneurial investment from the commercial sector to the public welfare domain, thereby supporting the development of emerging forces within the industry.

The essence of Venture Philanthropy belongs to the hybrid model of recoverable donation and impact investment, but in specific practice, it is more in favor of recoverable donation. Its core feature is to support the growth of social enterprises through the provision of capital and in-depth empowerment, and ultimately pursuing the return of principal or reinvestment, rather than the maximization of financial profits. In terms of non-financial returns, VC for the public good is impact-oriented and pays more attention to the long-term development of the recipients, rather than focusing on the details of the use of the grant.

The value of Venture Philanthropy goes far beyond recovering funds, it builds up three important levels of leverage: financially, public welfare funds provide patient capital in the early stage, and pry subsequent commercial follow up investment when the solution is cultivated and mature; capacity level, Venture Philanthropy focuses on providing capacity building and accompanying growth for the organization through consulting or resource docking; and policy level, Venture Philanthropy projects are committed to promoting systemic change and ecological reconstruction. It fills the gap between pure donation (lack of sustainability) and impact investment (demand for mature returns), cultivates early climate solutions through “patient capital + deep empowerment”, and ultimately promotes the flow of recoverable capital into systemic innovation.

3.7.3 Impact Investing

Core features: Pursuing the dual goals of financial return and environmental return, usually realized through financial instruments.

Applicable scenarios: Mature fields with clear commercialization paths and potential for scale (e.g.

23 Guangming. <https://mp.weixin.qq.com/s/3cv4ClpFBiV-8lulvulQHg>

24 European Venture Capital for the Public Good (EVPA)

renewable energy)

Impact investing is a form of investment that seeks to generate positive social or environmental impact while pursuing financial returns. The World Economic Forum's report *Accelerating Impact Investing for Climate and Nature in Asia* explores how impact investing can provide financial returns while mobilizing funds for nature and climate action; and suggests solutions such as blended finance and public-private philanthropic partnerships (4Ps) to mitigate investment risk and attract capital²⁵.

In the climate sector, the scope for impact investing applications is vast - scaling up climate-smart solutions, sustainable infrastructure, and nature-based investments, to name a few. According to the International Monetary Fund, the key to rapidly scaling up private sector climate finance is to adequately price climate risk, promote innovation in investment and financing instruments, broaden the investor base, increase the participation of multilateral development banks and development finance institutions, and enhance climate information disclosure.

For example, the Vanke Foundation supports the industry through impact investing - modularizing and industrializing black gadflies farming, using mechanical and environmental control systems, and digital AI farming to achieve a food waste treatment capacity of 10 tons per module. If further scaled up, the super factory's high-efficiency conversion technology will effectively assist in the high-value utilization of food waste in large cities such as Shenzhen, converting about 20% of it into insect protein and about 50% into soil conditioners, reducing chemical fertilizer dependency²⁶.

In the climate sector, impact investing presents a variety of mainstream tools and rich practices.

(1) Green bonds are one of the most common tools, through which issuers raise funds specifically for climate-beneficial projects such as renewable energy projects, energy efficiency improvement projects, and low-carbon transportation construction.

(2) Sustainability-linked bonds: Unique to this type of bond is that the terms of the bond are linked to the issuer's pre-set sustainability goals, which are usually climate-related, such as achieving carbon emission reductions over a specific period of time, increasing the proportion of renewable energy used, etc. If the issuer achieves its goals, it can enjoy concessions such as interest rate adjustments; otherwise, it faces penalties such as interest rate increases. If the issuer achieves the target, it can enjoy benefits such as interest rate adjustments on the bond; otherwise, it faces penalties such as interest rate increases.

(3) Equity investments. Divided into direct investment and venture capital; investment institutions directly acquire equity in companies engaged in climate science and technology research and development, green energy production, environmental protection product manufacturing, etc., often focusing on early-stage innovative companies in the climate sector.

(4) With the development of the global carbon market, carbon credit trading has become an important practice of impact investment. By participating in carbon credit trading in the carbon market, investors can promote the rational allocation of carbon resources and incentivize enterprises to take the initiative to reduce emissions. Some investment institutions will also invest in carbon emission reduction projects, such as afforestation projects and energy-saving renovation

25 World Economic Forum. <http://www.yrdepcn.com/c91/20250401/i288107.phtml>

26 https://www.news.cn/fortune/2024-12/23/c_1212408496.htm

projects, etc. Carbon emission reductions generated by these projects can be converted into carbon credits sold after certification, realizing a win-win situation in terms of investment returns and climate benefits.

Comparison and selection guide of three types of models

Dimension	Pure donation	Recoverable Donation	Impact Investment
Financial Returns	Zero Return	Return of Principal	Principal + Base Earnings
Periodicity	1-3 years (short term)	3-8 years (medium term)	5-15 years (long term)
Risks	High technical/execution risk	Medium market validation risk	Controllable financial return risk
Suitable Entity	Traditional foundations	Corporate Foundations	Family offices/trusts
Climate	Basic Research, Policy Advocacy	Eco-agriculture, Blue Carbon Pilot	New Energy, Carbon Assets

3.8 Giving Suggestions for Different Groups

(1) High Net Worth Individuals or Families

High-net-worth individuals have the characteristics of large-scale capital and long donation cycle in climate philanthropy, which is suitable for adopting a strategic and structured donation method:

- Setting up a family foundation or charitable trust: through the establishment of a foundation or trust, to realize the combination of wealth inheritance and climate mission, such as the Old Cow Foundation through equity donations to achieve long-term preservation of assets and public welfare support.
- Adopt a donor-advised fund (DAF): Set up a DAF account under a qualified charitable organization, retaining the right to make recommendations on the use of the funds, balancing flexibility and professional management.
- Participate in Impact Investing: Invest part of the funds in projects with climate benefits and financial returns, such as renewable energy and carbon sinks projects, to realize “double returns”.
- Focus on intergenerational participation: guide the next generation to pay attention to climate issues and use climate philanthropy as a vehicle for passing on family values.

(2) Enterprises

Corporate donations should be synergized with their own business strategies, ESG objectives and social image, so as to achieve a win-win situation for both business and society:

- Set up corporate foundations or special funds: e.g. Vanke Foundation, Alibaba Foundation, HSBC Charity Foundation, etc., to incorporate climate action into the CSR system and enhance the credibility of the brand.
- Participate in industry initiatives and green supply chain: Join the “China Corporate Climate Action (CCCA)” and SEE Foundation’s “Green Chain Action” networks to promote emissions reduction in the industrial chain.
- Utilize Internet platforms for joint fundraising: Cooperate with public foundations to launch climate projects on Internet public platforms to attract public participation and expand social influence.
- Explore recyclable donations and impact investments: Support climate innovation projects with commercialization potential, such as the food waste treatment technology of black gadfly and CCUS technology, and realize financial recovery and reinvestment after successful pilots.

(3) Public

Although the amount of public donation is limited, it has the advantages of large base and high participation, the key lies in lowering the threshold of participation and enhancing trust and transparency:

- Small donations through Internet public welfare platforms: Utilize platforms such as Alipay Charity and Tencent Charity to select trusted climate projects for regular or one-time donations.

- Participate in behavioral public welfare and digital interaction: for example, Ant Forest accumulates energy to support ecological restoration through green behavior, enhancing participation and visibility.
- Pay attention to project feedback and transparency: Choose organizations that provide public announcements of project progress and feedback on results to ensure the effective use of donated funds.
- Join environmental organizations or volunteer actions: In addition to financial support, you can also participate in climate action through volunteer services and communication advocacy.

Chapter 4: Climate Philanthropy Case Studies

4.1 Xie Zhenhua Donates Personal Award to Establish Climate Fund

Background and Origin of Fund Establishment

Xie Zhenhua²⁷, as the core promoter of climate change affairs in China, has accumulated a wealth of international and domestic experience in his more than forty years of environmental protection work. He has successively led the creation of two climate funds with significant impact, reflecting the deep integration of personal dedication and national strategy:

(1) Global Climate Change and Green Development Special Fund: In 2017, Xie Zhenhua, then China's Special Envoy for Climate Change Affairs, donated the full amount of HK\$20 million from the LUI Che Woo Prize for Sustainable Development to his alma mater, Tsinghua University, to set up the Global Climate Change and Green Development Special Fund. Global Climate Change and Green Development Specialized Fund". At that time, global climate governance was facing many challenges, developed countries had repeatedly failed to fulfill their commitments on climate financing, and developing countries had insufficient capacity to cope with climate change. Xie Zhenhua hoped to use this fund to support research related to green and low-carbon development, international cooperation on climate change, and to reward outstanding students, contributing to domestic climate research and talent cultivation. With the support of this fund, Tsinghua University's Institute of Climate Change and Sustainable Development (hereinafter referred to as the "Institute of Climate") was established in December 2017, which has become an important base for climate research and talent cultivation in China. The fund aims to "support research related to green and low-carbon development, international cooperation on climate change, and reward outstanding students", making it the first special fund set up by a climate diplomat in China.

(2) Zhenhua Green Transformation and Sustainable Development Fund: In 2023, Xie Zhenhua once again used all the prize money he received from the Nobel Sustainable Trust Foundation as seed money to set up the "Zhenhua Green Transformation and Sustainable Development Fund" under the framework of the China Environmental Protection Foundation. The Fund focuses on the four core areas of international climate dialogue, forward-looking climate action, multilateral interaction, and talent cultivation, and carries out projects in the areas of climate change response and synergies with biodiversity protection and pollution prevention, helping China and the world accelerate green transformation and sustainable development, and building a global community of

²⁷ Former Special Envoy for Climate Change Affairs of China and Deputy Director of the National Development and Reform Commission (NDRC)

life together. On June 18, 2024, the Fund held its first Strategic Consultation Meeting in Beijing, marking the official launch of the Fund's operation. The meeting brought together representatives of many domestic and foreign enterprises and organizations to jointly plan for the development of the Fund.

Deep Motivation for the Establishment of the Fund: Idea, Strategy and Sentiment

By organizing Xie Zhenhua's statements and actions on many occasions, we can deeply analyze his deeper motives for donating to the fund:

(1) Practical expression of personal philosophy: Xie Zhenhua transformed his personal honor into public resources. He hoped that the fund could play the role of a 'small horse-drawn cart', prying social resources through seed money to form a leverage effect. At the Zhenhua fund meeting in 2024, he further asked the fund to "focus on the cultivation and exchange of talents of the young generation to address climate change", demonstrating its value of intergenerational equity.

(2) Strategic Innovation in Climate Governance: As a seasoned climate negotiator, Xie Zhenhua is well aware of the shortcomings in international climate financing mechanisms. His establishment of the fund serves as a strategic supplement to traditional climate financing mechanisms. At the 2015 Paris Climate Conference, when developed nations questioned emerging economies' capacity to shoulder financial burdens, Xie clearly defined China's role: "South-South cooperation is an important supplement to North-South cooperation." The fund's creation enhances developing countries' climate negotiation capabilities and fosters cooperation among them.

(3) The "second track" of international climate relations: Xie Zhenhua's 20-year friendship with U.S. Presidential Climate Envoy John Kerry has been a key link between U.S.-China climate cooperation. Even at the nadir of the relationship, the two maintained communication through "eight letters", which eventually led to the 2023 US-China Sunnyside Statement. Fund programs have become an important medium to expand unofficial diplomacy, such as the Tsinghua Fund's "Friends of the Paris Agreement Dialogue," which brings together key players in the global climate negotiations and establishes a high-level mechanism for mutual trust and exchange outside of the UN framework.

The establishment of the two funds is of great significance. As innovative supplements to the existing international climate financing mechanism, they provide "China's program" for the global climate governance order and enhance China's discourse power by supporting relevant projects and building platforms; provide diversified support for the domestic "dual-carbon" goal, etc., and accelerate the green transformation. It also provides diversified support for the domestic "dual-carbon" goal and accelerates green transformation; it also builds a talent echelon to guarantee the continuous innovation of climate action, which is a new paradigm for China's strategic layout of promoting global climate cooperation and practicing its commitment to green development.

To summarize, Xie Zhenhua has opened up an innovative path for climate action by leveraging social resources with his personal award funds. This path not only breaks through the traditional government-led model and shows the innovative mechanism of multi-subject participation, but also highlights China's big country's role in actively promoting global climate governance, and he himself deserves to be the leader of China's climate charity field.

4.2 Society of Entrepreneurs and Ecology Foundation

Motivation for Establishment

The Society of Entrepreneurs and Ecology Foundation (also known as the “SEE Foundation”) was founded by Society of Entrepreneurs and Ecology in 2008, with the aim of funding and supporting the growth of environmental civil society in China, and to build a public conservation platform involving “entrepreneurs, environmental organizations, and the public” to promote ecological protection and sustainable development.

Founded in 2004, Society of Entrepreneurs and Ecology is the first entrepreneur-oriented environmental non-governmental organization in China. It was founded on the basis of “social responsibility and ecological protection”, and in 2008, it further structured its environmental initiatives, organized its resources in the form of a foundation, and expanded its influence. In addition, at the end of 2014, the foundation was upgraded to a public foundation, giving it broader fundraising capacity and space for public participation.

In terms of motivation, the first is to gather entrepreneurs’ social responsibility resources to fill the gaps in environmental governance in a public welfare way; the second is to connect scientific research, government, nonprofit organizations and the public through platform operation to achieve synergy of environmental protection forces; the third is to cultivate and incubate environmental protection NGOs through the strategy of “professional funding + social guidance”, so as to enhance their autonomy and sustainability.

Operation Mode and Characteristics

SEE Foundation positions itself as a “grant-making modern foundation.” Building upon traditional funding approaches, it emphasizes standardization, transparency, and scientific rigor, leveraging flagship projects to channel resources toward socially-driven environmental actions.

At the end of 2014, the foundation transitioned into a public fundraising organization and has since focused its work on four key areas: desertification control, climate change and business sustainability, ecological conservation and nature education, and marine protection—all guided by a clear scientific orientation.

Its operational model emphasizes multi-stakeholder engagement through “platform-based cooperation”: mobilizing member companies to fulfill their environmental and social responsibilities; collaborating with research institutions to provide scientific support for projects; organizing public participation and volunteer initiatives; and leveraging policy coordination with government bodies. This integrated approach has fostered a synergistic ecosystem involving non-profits, academia, the market, and the public.

The foundation received a perfect score in the Foundation Transparency Index (FTI), ranking it among China’s most transparent foundations and placing first in philanthropic expenditures among Beijing’s top-rated foundations. Additionally, it has been recognized with honors such as the “National Advanced Social Organization,” “Beijing Model Social Organization Base,” and the “China-Europe Top Ten Green Foundation Award,” underscoring its credibility and pioneering role in the sector.

Main Programs and Influence

SEE Foundation has established a series of distinctive brand projects, covering different fields and regions, and making influential changes through the projects: for example, the “100 Million Saxaul Trees” project focuses on combating desertification by planting saxaul trees in the Alxa region to establish a green barrier. The “Blue Warrior” project, launched in 2012, addresses pollution of air, water, and soil. Over ten years, it has funded 62 partner organizations across 21 provinces, with cumulative grants nearing ¥80 million. The Green Supply Chain Initiative drives the green transformation of upstream and downstream enterprises in sectors such as real estate, textiles, and appliances. It employs “white,” “green,” and “black” lists to guide green procurement throughout the supply chain. More than 100 companies in the real estate sector have participated, achieving green procurement volumes exceeding ¥37 billion and reducing carbon emissions by over 4.47 million tonnes. The “Climate Change and Business Sustainability” strategy leverages commercial pathways to guide companies in fulfilling their dual carbon goals, providing systematic carbon neutrality solutions to drive the green transition across the entire chain—from production and supply chains to consumption. Ecological restoration actions (such as partnerships with Hang Seng Bank China and HSBC China on “Green Carbon + Blue Carbon” projects, involving forest tree planting in Sichuan and mangrove restoration in Fujian) stimulate community economies and eco-tourism through ecological improvements.

These projects not only implement on-the-ground environmental protection actions, but also demonstrate the ability to drive socialization, enhance eco-social benefits, as well as the impact of funding.

Significance of Innovation and Returns to Grantees

The SEE Foundation is an important innovator in China’s environmental civil society sector by mobilizing entrepreneurs to promote environmental protection through public funding. Its “four key areas”, “socialized conservation” platform, project system, research orientation and transparent governance constitute a new paradigm for environmental protection in Chinese civil society. From project sinking to organizational capacity development, from scientific research support to policy advocacy, from carbon emission reduction to ecological and social benefits, SEE Foundation has gradually formed a demonstration effect, and its influence has radiated across the country.

For the enterprise donors, SEE Foundation provides multi-level social value: demonstrating corporate social responsibility and green image; reducing cooperation risks and improving environmental competitiveness of suppliers through green supply chain mechanism; bringing resonance to employees and the public through participation in brand projects; improving industry insight through research results; and enhancing confidence in participation through transparency, openness, and credibility, thus forming a positive direction of “Empowerment + Giving Back”.

Since its establishment in 2008, SEE Foundation with entrepreneurs’ initiative and social collaboration as its core, has combined professional funding, credibility mechanism and project innovation to promote fruitful results in the fields of desert prevention and control, pollution control, supply chain greening, climate action and ecological restoration, and so on. SEE Foundation not only provides brand and social influence for its funders, but also promotes the professional and large-scale development of civil environmental protection.

4.3 JCET Environmental Protection and Health Fund

Jiangsu Changjiang Electronics Technology Co., Ltd. (hereinafter referred to as JCET), guided by the principles of sustainable development and corporate social responsibility, formally signed an agreement with the Wuxi Charity Federation in February 2023 to jointly establish the “JCET Environmental Protection and Health Fund.” Established with a corporate pledge of 15 million yuan, this fund is Wuxi’s first charitable fund created through innovative donation models integrating “charity + wealth management” and “charity + trust.”

Fund operation characteristics

This Fund is managed and operated by the Wuxi Charity Federation. At the beginning of the establishment of the fund, a number of targeted funding projects were launched simultaneously, covering environmental protection, medical assistance, education assistance and Yangtze River biodiversity protection. In terms of project selection, Wuxi Charity Federation and JCET jointly plan public welfare actions to ensure that they are in line with the company’s ESG objectives and social needs. For example, in the eco-project, JCET cooperated with the Changjiang Conservation Foundation to carry out the Yangtze River Biodiversity Conservation Project to strengthen biodiversity conservation through practical actions. Overall, the fund is based on the “charity + trust” model, and through targeted funding and corporate cooperation projects, it realizes the synergy between public welfare investment and corporate business: it not only embodies the company’s green development concept, but also drives the industrial chain to practice environmental protection and health management and realize green transformation.

Representative projects: Scientific Release of Endangered Fish from the Yangtze River

“Protecting the Beautiful Yangtze River - Scientific Release of Endangered Fish” is one of the flagship eco-public welfare projects funded by the foundation. The first event was jointly organized by the Jiangyin Municipal Government, Wuxi Charity Federation, and JCET Group on November 17, 2024. During this event, 430 Chinese sturgeon (a national first-class protected animal) and 20,000 Asian high-fin catfish (a national second-class protected animal) were released, marking the first scientific release of Chinese sturgeon in the Jiangyin section. On April 22, 2025 (the second event, coinciding with Earth Day), JCET again partnered with the Jiangyin Municipal Government and Wuxi Charity Federation for another release in Jiangyin, introducing 422 Chinese sturgeon and 16,000 longsnout catfish (a fish species endemic to the Yangtze River). Both events were fully funded by the JCET Environmental and Health Fund. Beyond providing financial support, JCET participated in project planning, organization, on-site monitoring, and offered matching donations for online public donations through the fund.

Scientific restocking differs from traditional release practices by emphasizing the restoration of ecosystem balance and the adaptability of native species. All Chinese sturgeons released in the second phase were implanted with microchips, enabling researchers to precisely track their growth and migration patterns. Centered on the theme of “Protecting the Yangtze River’s Ecological Environment and Biodiversity,” the project directly addresses national priorities in Yangtze River conservation and biodiversity preservation. Its ecological significance lies in replenishing endangered fish populations and restoring the Yangtze River ecosystem.

In terms of social impact, the initiative fostered collaboration among government, charitable organizations, businesses, and the public. The Wuxi Charity Federation noted this campaign achieved broader coverage and greater influence, significantly enhancing public participation and environmental awareness. Through this project, JCET integrated corporate resources with Yangtze River ecological conservation. This not only enriched the foundation's programmatic scope but also allowed the public to witness the company's commitment to green development firsthand, fostering sustainable mutual trust between the enterprise and the community.

Conclusion and Inspiration

When fulfilling their social responsibilities, enterprises should align public welfare with their development strategies, and make donations generate greater social value and management benefits through systematic management and partner collaboration. As a world-leading manufacturer of finished integrated circuits, JCET adheres to the ESG strategy of “compliant operation, human-centeredness, continuous innovation, green development, responsible sourcing, openness and win-win situation”, and integrates ESG systematic governance into its daily operation, so as to realize its own sustainable development while actively contributing back to the industry and the society. According to JCET, creating value for the industry and society, and seeking happiness for employees and the general public are the important driving force for the healthy development of enterprises, as well as the social responsibility that enterprises should fulfill. In this context, the company builds a bridge between economic benefits and social responsibility by setting up a fund to concentrate resources to support public welfare projects in the fields of environmental protection and public health.

4.4 Lao Niu Foundation

Background and Institutional Strategy

Lao Niu Foundation was established at the end of 2004 through the donation of all shares in Mengniu Dairy Group and a majority of the dividends earned from them by Mr. Niu Gensheng, the founder and former Chairman and President of Mengniu, together with his family. It is a foundation dedicated to charitable activities, guided by the mission that “Education establishes the foundation of a nation, the Environment establishes the foundation of survival, and Philanthropy establishes the foundation of society.”

By the end of 2024, the Lao Niu Foundation had collaborated with 200 institutions and organizations to implement 329 charitable projects. These initiatives have reached all 31 provinces (autonomous regions/municipalities) of China, as well as countries and regions including the United States, Canada, France, Italy, Denmark, Nepal, and Africa. The foundation's cumulative charitable expenditure has reached 1.72 billion RMB, directly benefiting 9.22 million people.

Approximately 30% of the Lao Niu Foundation's expenditure is dedicated to climate and ecological environmental protection. It has launched 48 flagship projects focusing on key areas such as vegetation restoration and protection, carbon sink afforestation, the establishment of public welfare protected areas, wildlife protection, wetland conservation, cutting-edge environmental research, and the development of international talent. Notable projects include the “Inner Mongolia Shenglo International Ecological Demonstration Zone,” “Lao Niu Winter Olympics Carbon Sink Forest,” “Carbon Neutrality for the China Green Companies Annual Meeting,” “Lao Niu

Biodiversity Conservation,” “Strategic Research on Wetland Protection in the Yellow River Basin,” “China Wetland Protection,” “Lao Niu Wetland Protection - Qomolangma (Mt. Everest) Nature Reserve,” and the “Tsinghua University Lao Niu Environmental Studies International Exchange Fund.”

Typical Projects and Influential Achievements

Taking the “Inner Mongolia Shenglo International Ecological Demonstration Zone Project” as an example, this initiative was jointly launched by the Lao Niu Foundation in collaboration with The Nature Conservancy, the China Green Carbon Foundation, and the Inner Mongolia Forestry and Grassland Administration. Rooted in an ecologically fragile region, the project employs a 30-year timeframe to explore ecological restoration models across four key areas: climate adaptation, vegetation restoration, water resource management, and green industry.

In its initial phase, the project planted over 3 million trees, achieving a survival rate exceeding 80% and significantly increasing species diversity. During the management phase, it piloted approaches such as understory economy and cooperatives, resulting in an average annual income increase of RMB 10,492 per cooperative household. The project created 1.14 million person-days of temporary employment and 18 long-term positions, benefiting numerous local farmers.

Registered as the first forestry carbon sink project in Inner Mongolia under the UNFCCC, it has received multiple certifications and awards, fully demonstrating its innovation, sustainability, and significant social benefits.

Furthermore, the “Lao Niu Winter Olympics Carbon Sink Forest” project is equally notable. With a donation of RMB 74.38 million from the Lao Niu Foundation, it afforested over 30,000 mu (approximately 2,000 hectares) around the Olympic venues in Chongli District, Zhangjiakou City, and along the expressways. Aimed at improving the ecological environment of the Winter Olympics host location, it established a multi-species, multi-layered forest landscape, adding a green legacy to the Games. The project has been recognized as part of the Olympic legacy.

4.5 Vanke Foundation

Founded in 2008, was recognized as a charitable organization in 2017 and rated as a 4A-level national social organization through the professional assessment by the Ministry of Civil Affairs in 2021. Guided by its vision of “building a beautiful and harmonious future for communities,” the Foundation has identified three key strategic pillars for its 2023–2027 five-year strategy: pioneering and promoting carbon-neutral communities, improving community waste management, and amplifying China’s climate stories. To date, the Foundation has cumulatively allocated over 1 billion RMB in charitable expenditures, with its outreach efforts reaching more than 7 billion person-times.

Motivation and Corporate Role

Initiated by Vanke Co., Ltd, the Foundation leverages the company’s inherent resources and practical expertise in land, construction, and community operations. This enables it not only to demonstrate low-carbon practices but also to integrate social mobilization, communication, and on-the-ground implementation. In response to China’s dual carbon goals and the current gap in non-governmental participation in international climate governance, the Vanke Foundation has positioned itself as an “International Forward-Looker.” It aims to empower civil society

organizations and broaden public awareness through corporate resources, thereby enhancing the visibility and influence of Chinese enterprises and social organizations on the global stage.

Typical Projects and Operation Modes

The Foundation has long supported the participation of Chinese enterprises, NGOs, think tanks, and media in the UNFCCC Conference of the Parties (COP). Since 2013, it has consistently funded and engaged in the development of the China Pavilion/China Corner, side events, and outcome exhibitions. In advancing corporate climate action, it co-launched and has supported the China Corporate Climate Action (CCCA) network since 2018 (now comprising 85 institutions), developing 5 sectoral guidelines and 6 collections of corporate climate action case studies, which feature 110 cases from enterprises. An online repository for these cases is scheduled to launch in 2025.

Specific initiatives include:

At COP26, funding the establishment of the “China Corporate Pavilion” in the UNFCCC Blue Zone (operational for 12 days, hosting 39 side events, and generating 2,275 media coverages).

At COP29, supporting 5 thematic side events, 2 press conferences, and an outcomes exhibition, resulting in 31 international media reports and over 220 million online views across various campaigns, courses, and videos.

The Foundation also conducts systematic capacity-building: from 2022 to 2023, it organized 5 empowerment sessions, adding one more in 2024, reaching 39 social organizations. It provided one-on-one coaching for several first-time participants and supported 6 organizations in successfully submitting observer applications to the UNFCCC in 2024. This long-term commitment has significantly enhanced the depth and breadth of Chinese civil society’s engagement in COPs and established a replicable model for public-private collaboration in international climate governance.

In its grantmaking approach, the Vanke Foundation adopts an industry ecosystem-building model. From the perspective of a funder, its methods in climate change funding, project progress and impact over the past decade, and the replicable model forged in enabling Chinese businesses and civil society to deeply engage in international climate narratives are characterized by: stable and robust financial support, strategic resource integration, and a transition from incubation to independent operation.

Overall, the Vanke Foundation—through industry research, pilot projects, capacity-building, and advocacy—strives to build a diverse, multi-dimensional ecosystem of climate storytellers. By fostering multi-level, cross-sector collaboration, it supports the development of this industry ecosystem, amplifies the reach of China’s climate stories, and through its ongoing participation in COP activities, helps the world better understand climate actions led by Chinese civil society.

Chinese Civil Society Organizations’ Participation in International Climate Governance, from Silence to Leadership

From 2009, when Mr. Wang Shi, Chairman of the Vanke Foundation, and two other entrepreneurs were invited to COP15 in Copenhagen and represented 100 companies in issuing the Chinese Corporate Low-Carbon Declaration, to 2013 at the Warsaw conference, where the Foundation first

supported the establishment of the “China Pavilion” and “China Corporate Day”—with the number of represented companies growing to 1,000—the participation of Chinese enterprises in climate action has continued to expand, surpassing one million by COP24 in 2018.

Since 2013, the Vanke Foundation has consistently supported and assisted in the development of the “China Corner” within the COP venues, co-hosted related side events such as “Corporate Day,” and beyond the conferences, actively explored climate initiatives to lead and unite domestic and international businesses on a green, low-carbon development path. It has also supported more Chinese social organizations in focusing on and engaging with COP.

As an “International Forward-Looker,” the Vanke Foundation continues to deepen its efforts across multiple fronts: fostering a community for telling China’s climate stories, engaging with COP+n international climate platforms, enhancing international communication capacities, advancing corporate climate action and digital empowerment platforms, and promoting synergies between climate change and biodiversity. Through these channels, it amplifies the narrative of China’s climate and biodiversity actions.

Climate governance requires the collective efforts of governments, enterprises, social organizations, research and education institutions, media, and the public. Moving forward, the Vanke Foundation will remain committed to its vision of “a beautiful and harmonious future for all,” dedicated to advancing environmental protection and public welfare causes. It will continue to explore new pathways for climate action that strengthen nongovernmental cooperation and elevate China’s voice in global climate governance. At the same time, the Foundation will stand alongside its partners, contributing more Chinese civil wisdom and strength toward the achievement of global climate goals.

Conclusion

As Wang Zhenyao, Chairman of China Philanthropy Research Institute of Beijing Normal University, has recently concluded, the “15th Five-Year Plan” (2026-2030) is the critical period of China’s modernization, with per capita GDP stabilizing above 10,000 US dollars, and some urban clusters exceeding 20,000 US dollars. We are entering an era of “Goodwill Economy,” where social value leads economic value, and the social service sector becomes the core engine of high-quality economic development. By harnessing the power of civil innovation, resource endowment, and professional expertise, we will support the national carbon neutrality goals and corporate green transitions. This will help forge a collaborative, multi-stakeholder climate governance framework guided by the government, synergized by society, and participated in by the public.

Developed in this context, this guide is based on the overarching framework of the “Climate Philanthropy Partnership Initiative (CPPI)” jointly launched by CEGA and its partners. It analyzes and summarizes the current state and development trends of climate philanthropy both in China and internationally. By outlining donation strategies and presenting classic cases, it aims to provide a systematic thinking framework and practical toolkit for philanthropists, corporations, foundations, and others intending to take climate action.

We hope that stakeholders concerned with climate and ecological issues will take proactive steps, commit financial and professional resources, engage more deeply in climate governance, support the green transition of society, and collectively contribute to building a more resilient future.

Please refer to the information below for additional resources²⁸:

28 1. *Climate Philanthropy Partnership Action Plan 2030*. (http://cega.org.cn/data/file/2025/10/27/43920_d6uh_4178.pdf)
2. *Impact Report: Climate Philanthropy Case Studies*. (http://cega.org.cn/data/file/2024/11/20/22191_zi6d_1446.pdf)

Appendix I: Strategic Philanthropy: From “Helping” to “Changing”

Traditional Philanthropy is easily understood by all. It is an act of compassion, providing assistance through funding, materials, or direct action. It typically addresses individual cases with the primary aim of “helping.”

Strategic Philanthropy, by contrast, represents an evolution from this basic form. It shifts the focus from individual incidents to systemic issues, and from “helping” individuals to seeking systemic solutions that drive social change. What is emphasized here is “change” — specifically, systemic social change that addresses deeply rooted social challenges, maximizing the social impact of philanthropic contributions. Approaching philanthropy from this perspective is what defines it as strategic.

For example:

- Helping one underprivileged child enroll in school is traditional philanthropy.
- Advocating for policies that ensure education access for all disadvantaged children, or establishing replicable and sustainable operational models, is strategic philanthropy.

It is also important to distinguish “Strategic Philanthropy” from “Philanthropic Strategy”:

Strategic Philanthropy addresses fundamental directional questions — it determines what to do.

Philanthropic Strategy, on the other hand, deals with implementation pathways, organizational management, and partnerships — the tactical execution after the broader direction is set. In essence, Strategic Philanthropy is realized through Philanthropic Strategy.

The main characteristics of strategic philanthropy:

- Focus on making a difference rather than just helping.
- Focus on long-term rather than short-term impact
- Focusing on major issues rather than individual events
- Seeking systemic and replicable solutions

Key tactics for implementing strategic philanthropy:

- Win-Win Collaboration
- Leverage resources
- Seize the moment
- Long-term persistence

Laying out strategic philanthropy requires philanthropists or charitable organizations to be

farsighted and strategize. Not only do they need to have love, but they also need to have strategic vision, insight into social issues, identify the strategic positioning of charitable giving, the focus point, and determine the purpose and vision. To make their charitable enthusiasm targeted, good use of funds to maximize the social benefits of charitable inputs.

Climate philanthropy belongs to strategic philanthropy, because climate change brings crisis to all mankind, it is a serious social problem, which needs to lead to the change of government awareness and management, and also needs to lead to the transformation of energy system, green transformation of enterprises and so on. Entrepreneurial philanthropists investing philanthropic funds in this area to bring about these key changes is the greatest value of philanthropy.

Ruiying Zhang, Executive Director

China Environmental Grantmakers Alliance

Appendix II: List of Review Experts

(in no particular order)

September 22, 2025 Review Session Experts:

1. Sun Zhen Former Deputy Director General, Department of Climate Change, Ministry of Ecology and Environment, China
2. Fu Changbo Professor, Beijing Normal University
3. Xie Yuhong Vice President and Secretary General, All-China Environment Federation
4. Liu Jiashun Vice Chair and Secretary General, China Green Carbon Foundation
5. Yao Yao Secretary General, Alibaba Foundation
6. Yang Biao Secretary General, SEE Foundation
7. Wang Limin Vice President, Changjiang Conservation Foundation
8. Wang Xiangyi Vice President and Secretary General, China Association for NGO Cooperation (CANGO)
9. Jia Ruying Secretary General, Beijing Sunny Green Environmental Protection Foundation
10. Zhang Zhiming Director, Policy Research Office, China Green Carbon Foundation
11. Cheng Jingyi Project Manager, China Green Carbon Foundation
12. Zheng Jingru Senior Program Manager, Lao Niu Foundation
13. Liu Xi Senior Program Manager, Climate Change and Biodiversity, Vanke Foundation
14. Guo Song Senior Manager, SEE Foundation
15. Xu Xiaofang Program Manager, Alibaba Foundation
16. Wu Yan Director, Cooperation and Development Department, Mangrove Conservation Foundation (MCF)
17. Ye Fei Communications and Strategic Partnerships Manager, Children's Investment Fund Foundation

Written Review Experts:

1. Wang Mou Researcher, Chinese Academy of Social Sciences, Member of the Chinese Government's Delegation to the UN Climate Negotiations
2. Wang Zhengang Deputy Secretary General, China Environmental Protection Foundation
3. Wang Yong Deputy Editor-in-Chief, China Philanthropy Times
4. Zhang Li Professor of Ecology, Beijing Normal University

Appendix III: Organizational Profile

All-China Environment Federation (ACEF)

Founded in 2005 with the approval of the State Council of the People's Republic of China, All-China Environment Federation (ACEF) is a nationwide non-profit civil society organization (CSO) registered with the Ministry of Civil Affairs, and administered by the Ministry of Ecology and Environment. It is composed of individuals, enterprises and public institutions that are enthusiastic about environmental protection. ACEF has more than 1,600 institutional members and over 15,000 individual members, with 25 specialized committees and 13 local offices. Its business covers all environmental issues.

Upholding the principle of "Great China, Great environment, Great Unity," ACEF is committed to promoting the building of a beautiful China and a clean and beautiful world, while focusing its work on the strategy of green, high-quality and sustainable development, fulfilling the country's ecological conservation and carbon peaking and carbon neutrality goals, and safeguarding the environmental rights of the general public and the society.

China Environmental Grantmakers Alliance (CEGA)

launched in Beijing on 29th January 2018, serves as a collaborative and information exchange platform for Chinese environmental grantmakers. CEGA aims to apply strategic philanthropy in environmental grantmaking to guide the funding direction so that to realize the maximum social benefit of charitable funds in the environmental field. The shared values of CEGA members include integrating resources, making joint efforts, and sharing success for a better environmental future.

CEGA is an environmental grantmakers collaborative program instead of an independent legal entity. It was affiliated to China Foundation Center from 2018 to March 2024. From April 2024 onwards, the program is affiliated to All-China Environment Federation and operates under the guidance of the CEGA Decision-making Committee. The 2024 Decision-making Committee consists of SEE Foundation, Alibaba Foundation, Mangrove Conservation Foundation (MCF), Lao Niu Foundation, Harmony Community Foundation, Vanke Foundation, China Green Carbon Foundation, All-China Environment Federation. The Decision-making Committee works for three years term, with its Chairman elected by the Decision-making Committee. Former chairman include Lei Yongsheng (Chairman of Lao Niu Foundation), Zhang Li (former Secretary General of SEE Foundation), Chen Yimei (former Secretary General of Vanke Foundation), and An Yaqiang (Secretary General of Lao Niu Foundation). The current co-chairs are Xie Xiaohui, Secretary General of Vanke Foundation and Yao Yao, Secretary General of Alibaba Foundation. Other members and partners of CEGA include Qiaonyu Foundation, The Paradise Foundation, Friends of Nature Foundation, Beijing Afforestation Foundation, Changjiang Conservation Foundation, Beijing GreenSunshine Environmental Foundation, Qinghai Lake Ecological Protection Foundation of Qinghai Province, Hubei Wetland Conservation Foundation, All-China Environment Federation, China Association for NGO Cooperation and strategic partner Energy Foundation.

SEE Foundation

SEE Foundation, a 5A Level public fundraising foundation, was established in 2008. Based on promoting industrial development, SEE Foundation works on four main areas, namely desertification control, climate change and business sustainability, ecosystem conservation and

nature education, and marine conservation. SEE has joined hands with more than 1,200 Chinese civil society organizations and individuals to carry out environmental protection work. SEE has received accumulatively nearly 1.1 billion times of support from the public. SEE expects to maximize the value of its social platform and inspires more and more people to participate in environmental protection, while securing the continued growth and optimization of resources from entrepreneurs and society for a better environment.





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