



## News Release

19 November 2024

### **HSBC, CATHAY PACIFIC AND ECO CERES PARTNER FOR MAJOR SUSTAINABLE AVIATION FUEL INITIATIVE IN HONG KONG**

***Tri-party pilot will support Hong Kong's use of innovative decarbonisation technologies and Hong Kong's aspiration as a regional SAF hub***

HSBC Hong Kong, Cathay Pacific and EcoCeres are launching a significant initiative to support the use of sustainable aviation fuel (SAF) in Hong Kong. By bringing together Hong Kong's largest bank, its home airline, and a leading Hong Kong-based SAF producer, the collaboration aims to support a key innovation for the long-term decarbonisation of air travel and foster a local SAF ecosystem for Hong Kong.

HSBC Hong Kong is entering into a one-time purchase agreement for around 3,400 metric tonnes of SAF produced by EcoCeres, which will be used in Cathay Pacific flights departing from the Hong Kong International Airport.

EcoCeres' SAF is derived from 100% waste-based biomass feedstock, which can deliver an estimated reduction of up to 90% in greenhouse gas emissions compared to conventional jet fuel, certified by International Sustainability and Carbon Certification (ISCC). This batch of SAF is made from fully traceable feedstock of used cooking oil. The reduction in lifecycle carbon emissions is estimated to be 11,800 metric tonnes, compared with use of the same volume of conventional jet fuel. It is equivalent to the carbon emissions arising from around 10,000 roundtrip Economy class seats between Hong Kong and London on Cathay Pacific flights.

**Mr Lam Sai-hung, Secretary for Transport and Logistics of the Hong Kong SAR Government, Ms Clara Chan, Chief Executive Officer of the Hong Kong Investment Corporation Limited, Ms Luanne Lim, Chief Executive Officer Hong Kong of HSBC, Mr Ronald Lam, Chief Executive Officer of the Cathay Group and Mr Matti Lievonon, Executive Chairman of EcoCeres** officiated a ceremony to mark the collaboration.



Mr Lam Sai-hung, Secretary for Transport and Logistics of the Hong Kong SAR Government said at the ceremony, “The announcement of this tripartite partnership arrives at a crucial time. The collaborative efforts of Cathay Pacific, HSBC and EcoCeres in advancing sustainability resonate with the Government’s initiatives and vision. As mentioned in the Chief Executive’s Policy Address last month, our goal is to establish a usage target for SAF within next year, aiming to significantly reduce carbon emissions in the aviation sector.”

The recent Hong Kong SAR Government’s Policy Address reaffirmed the city’s commitment to SAF development. For Hong Kong to cultivate the growth and application of SAF, as well as maintain its status as a leading international aviation hub, collaboration between government and business stakeholders is essential. The collaboration announced today signposts meaningful progress in this direction and encourages the public and private sectors to pursue further SAF initiatives.

Ms Clara Chan, Chief Executive Officer of the Hong Kong Investment Corporation Limited (“HKIC”) said, “As Patient Capital, the HKIC has been pressing ahead with our investment in and strategic partnership with enterprises with great vision, teams and growth potential, which fit our dual mandate to support the future development of Hong Kong. EcoCeres is a classic example of a home-grown company, which has developed into a well-recognised unicorn on the global stage. We are pleased to see its commitment and concrete actions to support Hong Kong, as well as its continued development as a global trailblazer in SAF development and usage.

Today’s partnership demonstrates the curation of “Tri-Synergy” – synergy between Hong Kong’s roles as international green technology and finance centre, as well as international aviation centre, synergy among stakeholders from different industries comprising HSBC, Cathay Pacific and EcoCeres, and synergy among Hong Kong and rest of the world. We look forward to the continued growth of this partnership and SAF’s development in Hong Kong.”

Ms Luanne Lim, Chief Executive Officer Hong Kong, HSBC, said, “This is the largest SAF purchase that HSBC has undertaken to date. The Hong Kong initiative will serve as a pilot programme, which could help pave the way for broader implementation. It reflects our support for new economy solutions and demonstrates how businesses can collaborate to support innovative decarbonisation technologies.”



In October 2020, HSBC set an ambition to become a net zero bank by 2050. The bank released its first Net Zero Transition Plan in January 2024, outlining its approach and the actions underway to help meet that ambition.

Mr Ronald Lam, Chief Executive Officer of the Cathay Group, said, “We are grateful to HSBC for this landmark partnership, showcasing shared sustainability leadership, and to EcoCeres for their market leading SAF production. We are very encouraged by the participation by more and more corporates in SAF related initiatives. At the same time, we look forward to the development of a comprehensive SAF policy in Hong Kong as soon as possible, which is essential to raise and future-proof our home city’s competitiveness as an international aviation hub and foster its transition to low-carbon energy.”

Cathay aims to achieve net-zero carbon emissions by 2050 and to use SAF for 10% of Cathay Pacific’s total fuel consumption by 2030. To accelerate the transition to SAF, Cathay launched its Corporate SAF Programme in 2022, enabling members to reduce their indirect emissions associated with air transportation. HSBC Hong Kong was a launch member of the Cathay Corporate SAF Programme. The programme has a total commitment of over 6,050 metric tonnes of SAF in 2024.

Mr Matti Lievonon, Executive Chairman of EcoCeres said, “We are thrilled to contribute to the groundbreaking collaboration with HSBC and Cathay Pacific in piloting Hong Kong’s first SAF ecosystem. This initiative will support HSBC in improving the traceability of its travel supply chain, and also exemplifies an initiative to support progress towards a greener future. We are confident that this tri-party partnership will serve as a successful model, inspiring global efforts towards decarbonisation in the aviation sector and promoting the shift to renewable energy solutions.”

EcoCeres is one of the few companies in the world that can convert waste into various types of sustainable transportation fuels, accounting for around 20% of SAF market share globally in 2022 and 2023, according to the global SAF production volume published by the International Air Transport Association (IATA).

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### Photo Caption



Mr Lam Sai-hung, Secretary for Transport and Logistics of the Hong Kong SAR Government (middle), Ms Clara Chan, Chief Executive Officer of the Hong Kong Investment Corporation Limited (second from right), Ms Luanne Lim, Chief Executive Officer Hong Kong of HSBC (second from left), Mr Ronald Lam, Chief Executive Officer of the Cathay Group (first from left) and Mr Matti Lievonon, Executive Chairman of EcoCeres (first from right) officiated a ceremony to mark the launch of a significant initiative to support the use of sustainable aviation fuel (SAF) in Hong Kong.

### Notes to editors:

#### Cathay Pacific

Premium full-service airline Cathay Pacific is the home carrier of Hong Kong with over seven decades of history, and is a founding member of the oneworld global alliance. Cathay also comprises the cargo division Cathay Cargo, low-cost carrier HK Express and its lifestyle business. Cathay is a member of the Swire Group and is listed on the Hong Kong Stock Exchange (HKSE). For more information, please visit [www.cathaypacific.com](http://www.cathaypacific.com).

#### EcoCeres Inc.

EcoCeres is a pure-play renewable fuel producer, with over a decade of experience in biomass utilisation, incubated by Towngas and backed by international investors Bain Capital and Kerogen Capital. Founded with a mission to address the challenges of climate change, EcoCeres has earned a reputation as a global innovator in the conversion of waste into renewable fuels, renewable chemicals and materials. As an ISCC-certified decarbonisation solution provider, the company produces industrial scale sustainable aviation fuel (SAF), hydrotreated vegetable oil (HVO), renewable naphtha and cellulosic ethanol (CE) through its proprietary processes.



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