

FSTB welcomes Cathay Pacific's carbon credits settlement through HKEX's carbon marketplace Core Climate

The Financial Services and the Treasury Bureau (FSTB) today (December 18) welcomes Cathay Pacific Airways Limited's settlement of 50 000 tonnes of voluntary carbon credits, as part of their voluntary carbon offset programme, on the Hong Kong Exchanges and Clearing Limited (HKEX)'s carbon marketplace Core Climate.

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, said, "The transaction showcases how Hong Kong's green finance platform helps businesses achieve sustainability goals through our robust financial market infrastructures, and sets a benchmark example for more transactions to follow. This aligns with the vision of the Chief Executive's 2024 Policy Address in enhancing Hong Kong's green finance ecosystem and highlighting our role as a leading sustainable finance hub in Asia."

He added, "The Government will continue to support and promote co-operation and synergies between the HKEX and its Mainland and international counterparts in building a dynamic and trustworthy carbon marketplace. By enabling access to high-quality carbon credits verified by international standards, and facilitating interaction between local, Mainland and overseas carbon market participants, we aim to further strengthen Hong Kong's leadership in empowering green transition through finance."

The transaction highlights the role of Core Climate in supporting corporates on their climate transition journey, offering trustworthy settlement services to enhance efficiency and mitigate risks. It also reflects Cathay Pacific's commitment to sustainability as a leading airline in Hong Kong, and its efforts in proactively reducing carbon footprint. As the world's only carbon marketplace offering settlement in both Hong Kong dollars and Renminbi for international voluntary carbon credits at present, Core Climate provides businesses with access to quality carbon credits from internationally certified projects and reinforces Hong Kong's position as a leading regional hub for green and sustainable finance.

Besides promoting the development of the carbon marketplace, the FSTB last week published a roadmap on the full adoption of the International Financial Reporting Standards – Sustainability Disclosure Standards (ISSB Standards), leading Hong Kong to be among the first jurisdictions to align its local requirements with the ISSB Standards, reinforcing its leadership in sustainability reporting and disclosure, and furthering the efforts in building a comprehensive green finance ecosystem.

Hong Kong's commitment to carbon neutrality remains steadfast. The Hong Kong Special Administrative Region Government has pledged to achieve carbon

neutrality before 2050 and reduce the city's carbon emissions by 50 per cent before 2035. These ambitious targets, coupled with initiatives like Core Climate and the adoption of international sustainability disclosure standards, position Hong Kong as a leading international green finance centre driving sustainable development in Asia and beyond.