



Cepsa and Etihad join forces to accelerate the decarbonisation of air transport

- **Both companies will drive the development and production of sustainable aviation fuels (SAF) from circular raw materials, in addition to other energy alternatives such as green hydrogen and electrification**
- **This new partnership between Cepsa and a major airline represents the company's steadfast commitment to SAF and ambition to lead in these sustainable fuels with an annual production of 800,000 tons by 2030**
- **Sustainable fuels reduce CO₂ emissions by up to 80% compared to traditional options**

Cepsa and Etihad signed an MoU to accelerate the decarbonization of air transport by researching and producing sustainable aviation fuels (SAF). Both companies prioritise the development of these sustainable fuels as a tool to further reduce the carbon footprint of air transport and contribute to the goals of the UN's 2030 Agenda for Sustainable Development and the fight against climate change.

These fuels will be produced from circular raw materials that do not compete with food resources, such as used cooking oils, non-food animal waste or biodegradable waste from various industries, and will make it possible to reduce aircraft emissions by up to 80% compared to conventional kerosene.

The partnership, announced at the ADIPEC Exhibition & Conference in Abu Dhabi, will also work on the development of new energy alternatives such as renewable hydrogen and the electrification of Etihad's ground fleets, which include supply vehicles, baggage loading and unloading operations and aircraft assistance.

During the signing event, Maarten Wetselaar, CEO of Cepsa, said: "Decarbonising air transport is one of the major challenges of our times and Cepsa is committed to playing a critical role in meeting that challenge alongside important partners like Etihad. Partnerships like the one signed today reinforce our determination to transform air travel into a more sustainable mode of transport."

Adam Boukadida, Chief Financial Officer, Etihad Aviation Group, said: "Aviation decarbonization is the biggest challenge facing our industry and the development of commercially viable sustainable aviation fuel is a key requirement to meet the industry sustainability target. Our MoU with Cepsa allows us to tackle the first challenge, building demand for SAF, which in turn encourages further production and increases availability to eventually lower costs and enable further SAF uptake from the wider industry. It's a snowball effect, which is essential if we're to overcome the main challenges standing in the way to a commercially viable solution."



The MoU is in line with the European Commission's Fit for 55 package, which includes a legislative initiative called 'RefuelEU Aviation' that aims to boost the supply and demand of aviation biofuels in the European Union to 2% use by 2025, 5% by 2030 and 63% by 2050. This partnership supports several of the 2030 Agenda's Sustainable Development Goals: SDG 7 (ensure access to affordable, secure, sustainable and modern energy), SDG 8 (promote inclusive and sustainable economic growth, employment and decent work), SDG 12 (ensure sustainable consumption and production patterns) and SDG 13 (take urgent action to combat climate change and its impacts).

As one of the main producers and suppliers of aviation fuels in the Spanish market, this new agreement with a leading airline consolidates Cepsa's aim to become a leader in the clean energy sector and to spearhead the decarbonization of air transport. As part of its new strategic plan, Positive Motion, the company is developing an ecosystem focused on accelerating the decarbonisation of industrial customers and air and maritime transport, as well as the company itself, through the production of green molecules, mainly renewable hydrogen and biofuels. Cepsa aspires to be the leading biofuel producer in Spain and Portugal by 2030 and produce 2.5 million tons annually, with a particular focus on the sustainability of air traffic by producing 800,000 tons of SAF every year.

The company has established an ambitious roadmap to cut its emissions, placing it among the benchmark companies in its sector. Specifically, by 2030, it will reduce its Scope 1 and 2 CO2 emissions by 55% and the carbon intensity index of its energy products sales, which includes Scope 1, 2 & 3 by 15-20%. By 2050, Cepsa wants to go beyond net zero and have a positive impact, adding value in the communities where it operates by enabling its customers and other stakeholders to move forward in the right direction.

Etihad runs the most comprehensive, cross organisational aviation sustainability initiative ever undertaken. This umbrella programme, now in its third year, includes partnerships with Boeing, GE, Airbus and Rolls Royce, as well as a wide range of collaborations with pioneering new-technology organisations, academic researchers, smaller businesses and start-ups. Etihad's flagship sustainability programmes include the Greenliner programme using the airline's fleet of Boeing 787 Dreamliners as flying test-beds, as well as the Sustainable50 A350-1000 launched earlier this year.

In addition to the airline's comprehensive testing and innovation programme, Etihad became the first airline to secure commercial finance based on verified compliance with the Sustainable Development Goals of the United Nations (UN SDGs).

Cepsa is a leading international company committed to sustainable mobility and energy with a solid technical experience after more than 90 years of activity. The company also has a world-leading chemicals business with increasingly sustainable operations.

In 2022, Cepsa presented its new strategic plan for 2030, Positive Motion, which projects its ambition to be a leader in sustainable mobility, biofuels, and green hydrogen in Spain and Portugal, and to become a benchmark in the energy transition.



The company places customers at the heart of its business and will work with them to help them advance their decarbonization goals. ESG criteria inspire everything Cepsa does as it advances toward its Net Positive objective. This decade, it will reduce its Scope 1 and 2 CO2 emissions by 55% and the carbon intensity index of its energy products sales, which includes Scope 1, 2 & 3 by 15-20%, with the goal of reaching net zero emissions by 2050.

Etihad Airways, the national airline of the UAE, was formed in 2003 and quickly went on to become one of the world's leading airlines. From its home in Abu Dhabi, Etihad flies to passenger and cargo destinations in the Middle East, Africa, Europe, Asia, Australia and North America. Together with Etihad's codeshare partners, Etihad's network offers access to hundreds of international destinations. In recent years, Etihad has received numerous awards for its superior service and products, cargo offering, loyalty programme and more.

Etihad sees tackling the climate crisis as the most important issue of our time and was named the Airline Ratings Environmental Airline of the Year 2022. Through strategic partnerships with major global aviation brands and OEMs, Etihad is relentless in its pursuit of industry decarbonisation. To learn more, visit etihad.com.

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