



CORPORATE TRAVEL COMMUNITY

Empowering a new community of travel managers

State of The Corporate Travel Industry

Dr. Benson Tang
Executive Director
Corporate Travel Community

27th JUN 2023

Run Down

- 1) Strategic Overall Global Health / Economy
- 2) Pulse Check in Corporate Travel
- 3) Corporate Travel Sustainability Trend







Amway



BAIN & COMPANY

BCG BOSTON CONSULTING GROUP



DBS BANK

EY
Building a better working world

Canon
SINGAPORE

Goldman Sachs



AUTODESK



London Stock Exchange

MSD

SIDLEY AUSTIN LLP
SIDLEY

NETFLIX



workday.

SIEMENS



Nestle

Micron™

McKinsey & Company



UOB



CBRE

ASCENSIA
Diabetes Care

Unilever

syngenta.
Global

Abbott

JUNIPER
NETWORKS

ORGANON

Johnson & Johnson

VITAL
shared services

NETFLIX

COSTAMARE INC.

Temasek
POLYTECHNIC

ByteDance

illumina

TRANS-POWER



JPMORGAN
CHASE & CO.

INSEAD

الفطيم
Al-Futtaim

BRENNTAG



Singapore
TOURISM
BOARD



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DCF

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MODEC

ST Engineering

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WEALTH

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telenor

servicenow®



CORPORATE
TRAVEL
COMMUNITY

Fortune 500 Firms



China Development Research Foundation | 中文

CHINA DEVELOPMENT FORUM

2023

*Engaging With the World for
Common Prosperity*

March 25-27, 2023
Beijing Diaoyutai State Guesthouse

Sponsor: Development Research Center of the State Council
Organiser: China Development Research Foundation

CDF WeChat



CDRF WeChat



CDRF Weibo



- 1) Which company is ranked number 1 in Fortune 500 in 2022?
- 2) What is the global annual revenue in USD?
- 3) How many headcounts in this firm globally?

Fortune 500 Firms

Fortune Global 500 list of 2022

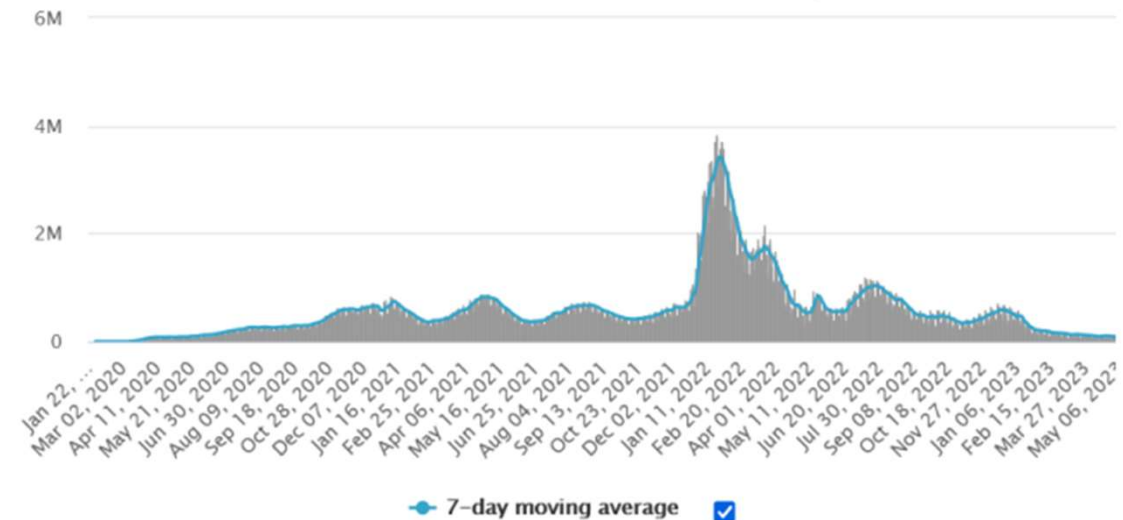
Rank	Company	Country	Industry	Revenue in USD
1	Walmart	United States	Retail	\$572.8 billion
2	Amazon	United States	Internet Services and Retailing	\$469.8 billion
3	State Grid	China	Energy	\$460.6 billion
4	China National Petroleum	China	Petroleum	\$411.7 billion
5	Sinopec Group	China	Petroleum	\$401.3 billion
6	Saudi Aramco	Saudi Arabia	Energy	\$400.4 billion
7	Apple	United States	Technology	\$365.8 billion
8	Volkswagen	Germany	Automobiles	\$295.8 billion
9	China State Construction	China	Construction & Engineering	\$293.7 billion
10	CVS Health	United States	Health care	\$292.1 billion

Rank	Name	Employees	Price	Today	Price (30 days)
1	Walmart WMT	2,300,000	\$149.34	▼ 0.49%	
2	Amazon AMZN	1,541,000	\$97.83	▼ 2.09%	
3	Foxconn 2317.TW	826,608	\$3.40	▲ 0.49%	
4	Accenture ACN	738,000	\$283.76	▼ 0.51%	
5	Volkswagen VOW3.DE	645,868	\$136.32	▲ 0.02%	
6	Tata Consultancy Services TCS.NS	616,171	\$39.58	▲ 0.87%	
7	Deutsche Post DPW.DE	583,816	\$46.03	▲ 0.01%	
8	United Parcel Service UPS	500,000	\$189.85	▼ 1.35%	
9	Kroger KR	500,000	\$47.32	▼ 1.33%	

WHO ends global health emergency designation for COVID-19

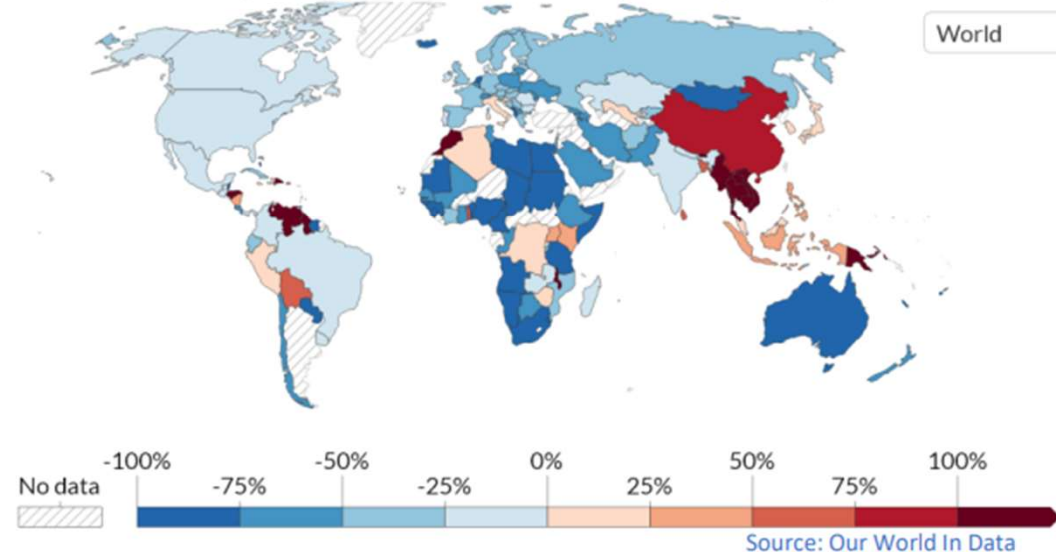
- UN World Health Organization (WHO) announced on 05-May-2023 that COVID-19 is now an “established and ongoing health issue which no longer constitutes a public health emergency of international concern (PHEIC)”. With the PHEIC over, global coordinated action on COVID-19 will be replaced with management on an individual country basis
- The WHO noted factors contributing to the decision included the decreasing trend in COVID-19 deaths, the decline in COVID-19 related hospitalisations and ICU admissions, along with high levels of population immunity
- WHO cautioned that removing the emergency designation does not mean the crisis is over and the emergency status could be reinstated if there is a change in the COVID-19 situation

Global recorded new COVID-19 cases to 08-May-2023



Source: Worldometer

Biweekly change in COVID-19 cases (to 08-Apr-2023)



Euromonitor: Improving global outlook, with some economies more resilient than expected

- Euromonitor International, via its 2Q2023 Global Economic Outlook, forecast global economic growth of 2.4% for 2023 and 3% for 2024. Global economic conditions have improved since the 1Q2023 forecast, although persistent inflation and high interest rates remain a drag on activity and there are considerable degrees of risk and uncertainty
- Euromonitor has revised its outlook upwards for most large advanced economies, with the exceptions of Canada, Japan and South Korea. Emerging markets in the Asia Pacific are expected to continue to outperform wider global activity, supported by a post-pandemic economic rebound in China
- Global inflation remains high (6.9% forecast for 2023), and is not expected to return to pre-pandemic levels until 2025
- Risks remain tilted towards the downside, with stagflation identified as the key downside risk

**Global real GDP growth
baseline forecast 2020-2025**

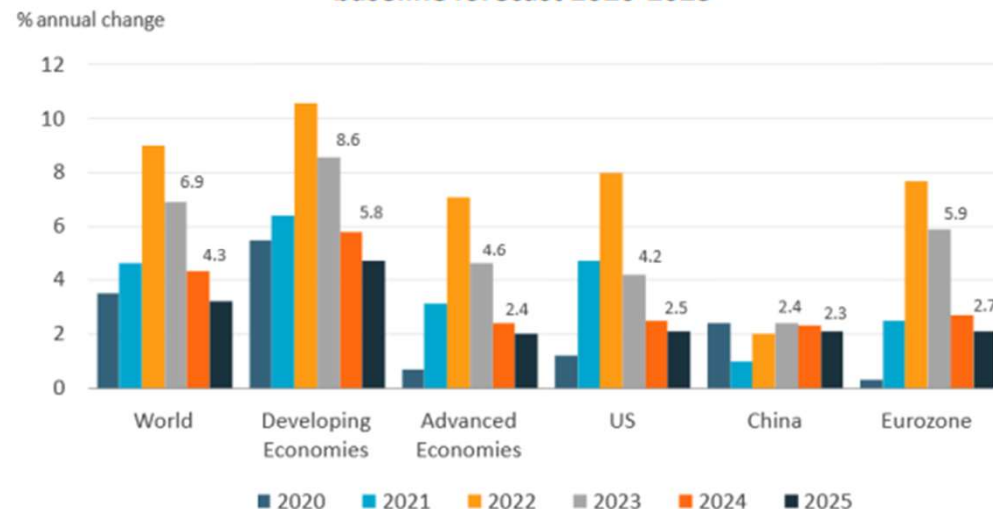


Source: Euromonitor International Macro Model
Notes: (1) Data from 2023 onwards is forecast, updated 3 April 2023; (2) Regional aggregates calculated using PPP weights

Source: Euromonitor International Macro Model



**Global consumer price inflation
baseline forecast 2020-2025**



Source: Euromonitor International Macro Model
Notes: (1) Data from 2023 onwards is forecast, updated 3 April 2023; (2) Regional aggregates calculated using PPP weights

Source: Euromonitor International Macro Model



Jet fuel prices continue downward trend, but oil demand is growing

- Jet fuel prices ended the week to 05-May-2023 at USD90.9 per barrel. Prices fell almost 15% month-to-month. Jet fuel prices are now down almost 50% on where they were at the same point in 2022
- IATA forecasts airlines will face lower fuel costs overall in 2023. Jet fuel prices climbed sharply around the end of 1Q2022 and then peaked during 3Q2022 at more than USD175 per barrel with record crack spreads
- Stronger than expected global economic activity is contributing to greater than anticipated global oil consumption, which could lead to increased prices and greater price instability. During Apr-2023, US jet fuel demand reached its highest level since Dec-2019 and domestic consumption grew in China. Global inventories of oil and refined products remain near record lows, although there has been some recovery since late 2022

Oil and jet fuel prices 2016-2023



Source: IATA, S&P Global, Macrobond

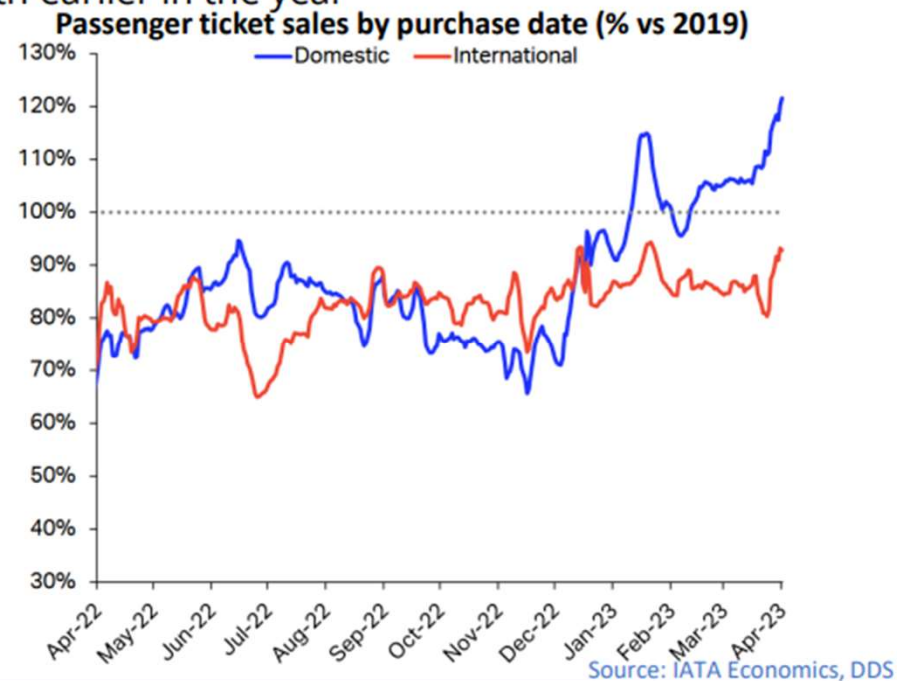
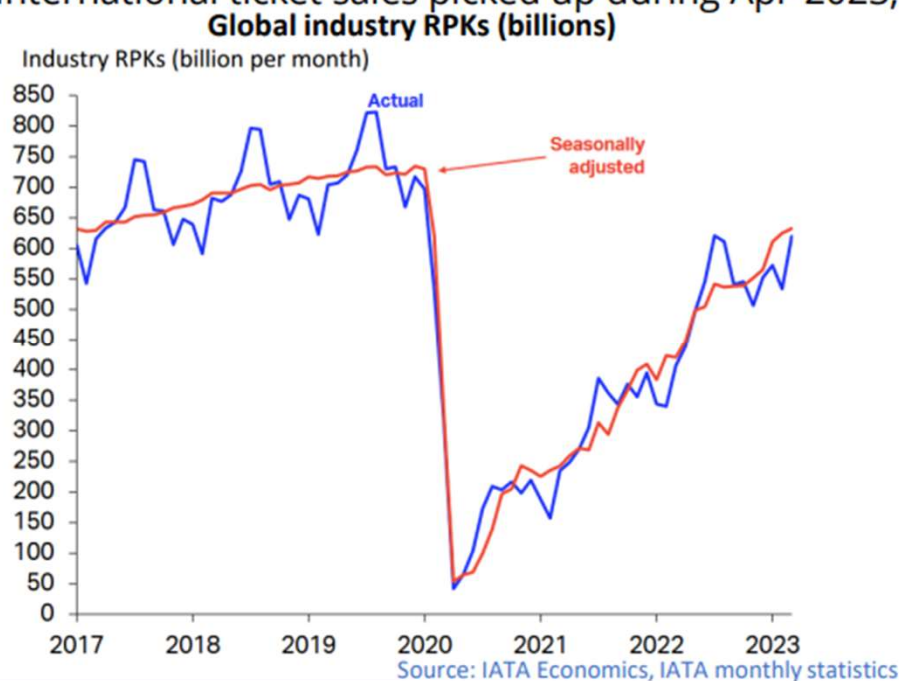
IATA jet fuel price index Jan-2022 to May-2023 (2000 = 100)



Source: IATA, S&P Global

IATA: Global air travel shows strong growth in Mar-2023

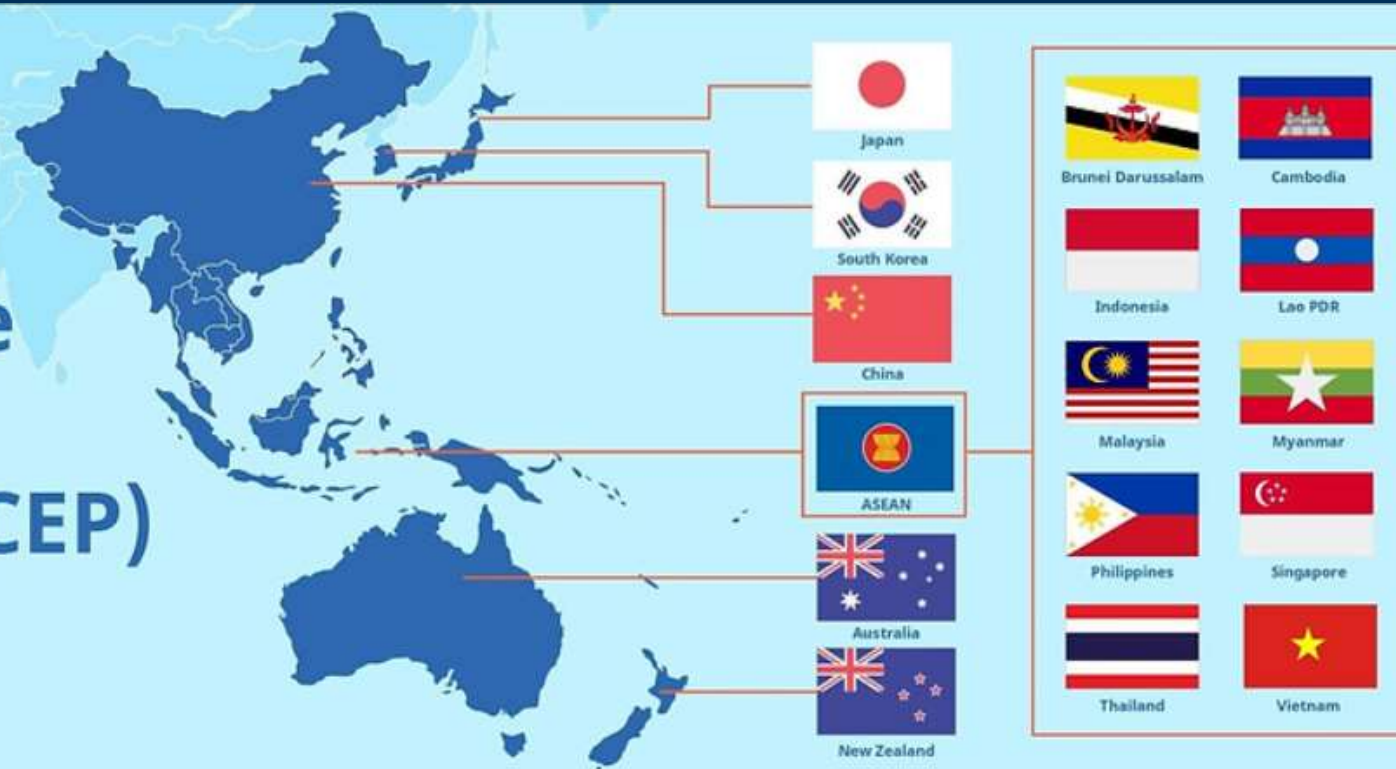
- IATA reported airline industry passenger traffic (RPKs) grew 52.4% year-on-year in Mar-2023, reaching 88% of 2019 levels. Month-on-month was 1.2%, consistent with a recent moderating of growth trends
- Domestic markets were at 98.9% of pre-pandemic periods, with year-on-year growth of 34.1% in Mar-2023
- International RPKs were at 68.9% of 2019 volumes, with Asia Pacific carriers experiencing the fastest growth (+158.4%). The end of travel restrictions and China's reopening have triggered has seen substantial capacity added between the Asia Pacific and the rest of the world
- Global bookings for domestic air travel continue to grow, reaching 20% above 2019 levels as of mid Apr-2023. International ticket sales picked up during Apr-2023, after slow growth earlier in the year



2) Pulse Check in Corporate Travel

Regional Economic Collaboration

Regional Comprehensive Economic Partnership (RCEP) Agreement



15 NOV
2020

Signing of the
agreement



World's largest free
trade agreement



Comprising 30% of global GDP and
about 1/3 world population

Graphic by Ministry of Trade and Industry Singapore

Digital Economy Partnership Agreement (DEPA)

2020
12 JUN

Signed by Singapore, Chile and New Zealand

The **first of its kind agreement** representing a new form of economic engagement and trade in the digital era.

DEPA will:

Facilitate seamless end-to-end digital trade

Enable trusted data flows

Build trust in digital systems

Facilitate end-to-end digital trade:

Digital Identities

Develop safe and secure digital identities that are mutually recognised.

E-invoicing

Shorter invoice processing time, faster payment and cost savings when similar e-invoicing standards are adopted.



Paperless Trade

Reduce time for document transit and cargo clearance, resulting in lower operating costs.

FinTech and E-Payments

Promote cooperation among companies in the FinTech sector and develop FinTech solutions for businesses.



Build trust in digital systems and facilitate opportunities for participation in the Digital Economy:

Artificial Intelligence

notes the adoption of ethical AI governance frameworks, which factor in principles that the countries have agreed to, in order to harness AI in a responsible manner.

These include: (i) AI should be transparent, fair and accountable, and (ii) AI must have human-centred values.

Digital Cooperation

Cooperation-building efforts such as a digital SME Dialogue to promote information sharing and exchange.



Online Consumer Protection

Adopt or maintain laws and regulations that guard against fraudulent, misleading or deceptive conduct that causes harm to consumers engaged in online commercial activities.

Digital Inclusivity

Remove barriers to the digital economy and promote digital inclusion and participation.



Enable trusted data flows:

Personal Data Protection

Develop mechanisms to protect personal data being transferred across borders, based on international frameworks.

Open Government Data

Expand access to, and use of, open government data to generate new opportunities for businesses, especially SMEs.



Cross-border Data Flows

Businesses can transfer information across borders and serve their customers, regardless of where they are located.

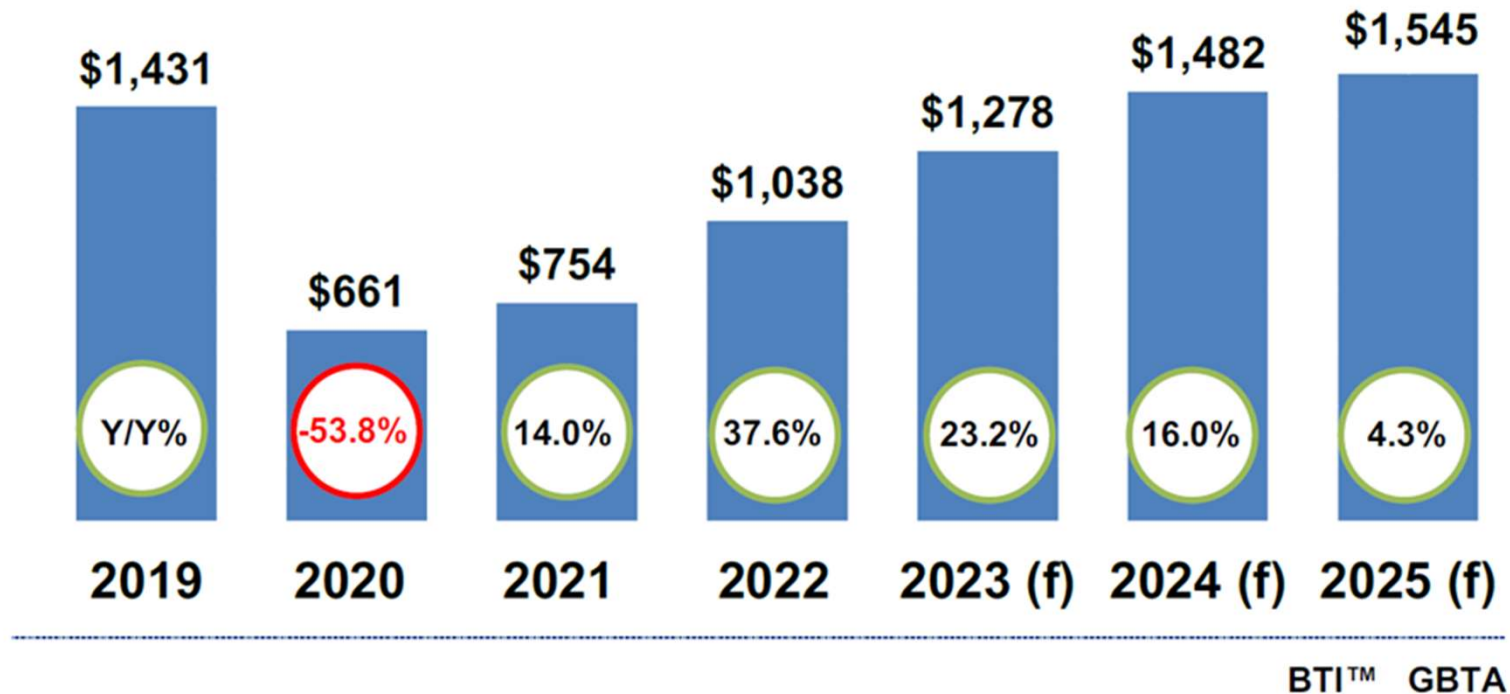
Data Innovation and Regulatory Sandboxes

Facilitate the development of new products and services by promoting data-driven innovation across borders.



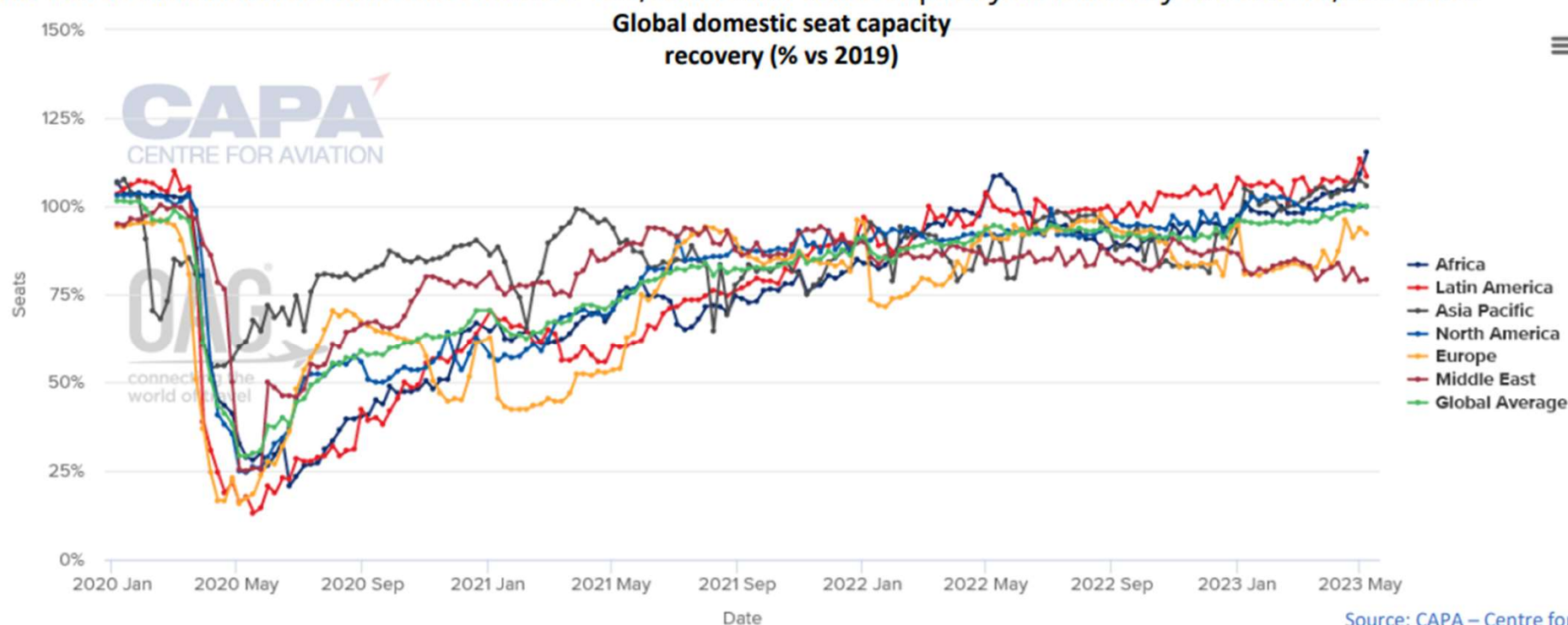
Corporate Travel Recovering

Business Travel Spend (Billions U.S. \$)
Forecast and Year Over Year Growth (%)



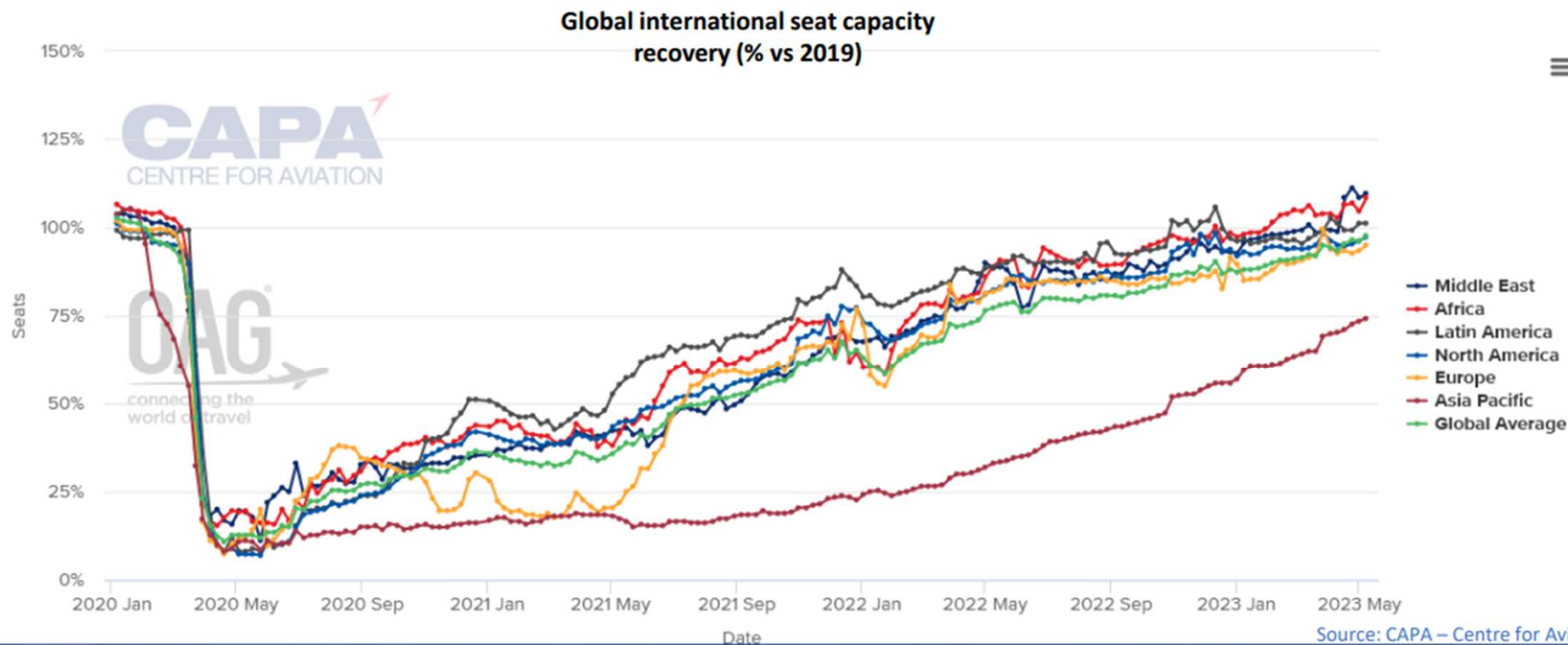
Global domestic seats return to pre-pandemic levels

- Global scheduled domestic seat capacity was 65.3 million seats for the week to 08-May-2023, matching capacity in the same week for 2019. Domestic capacity in Africa is now 15% above pre-pandemic levels, while Latin American is 8% above 2019 and Asia Pacific markets are up by 6%. Only Europe and the Middle East remain substantially below pre-pandemic volumes
- Over the last four weeks, changes in capacity have been relatively minor. Airlines in Europe have added 240,000 seats and North American carriers have added 190,000. Asia Pacific capacity has fallen by about 245,000 seats



International seats at 55 million per week, reaching 97% of 2019 levels

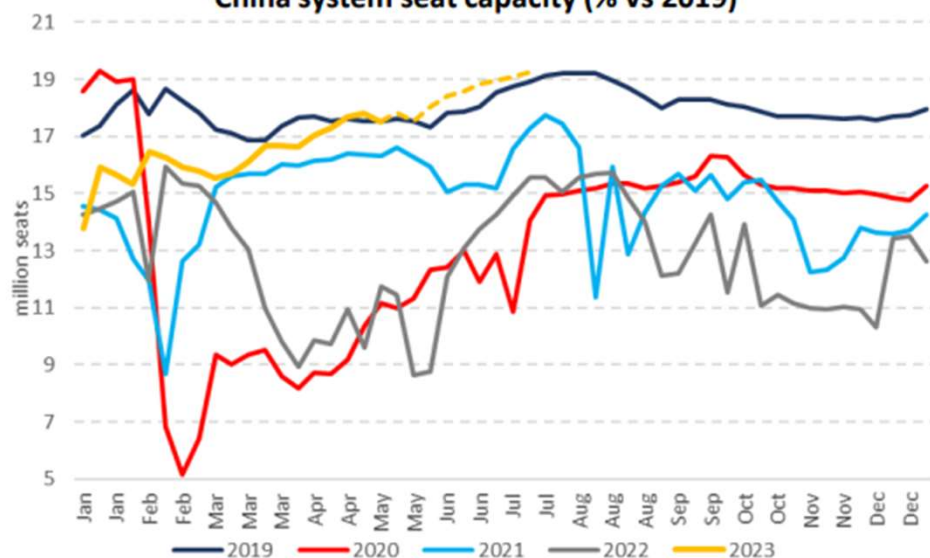
- Global international scheduled seat capacity on offer for the week to 08-May-2023 reached 56 million seats, 97% of 2019 volumes. Compared to the same week in 2022, airlines are offering an extra 12.7 million international seats
- Airlines added just under 1 million new international seats over the past four weeks. Europe has been responsible for most of this increase, with smaller growth in Asia Pacific. North American capacity continues to plateau, while small decreases were seen in Africa, the Middle East and Latin America



China Overview

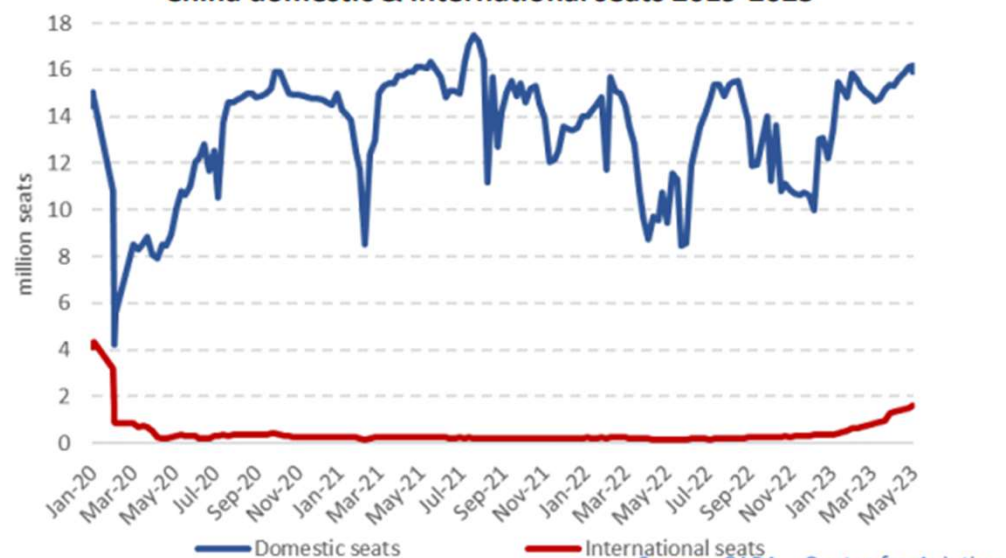
- Scheduled system capacity for China was 17.5 million seats for the week to 08-Apr-2023, with capacity remaining at pre-pandemic volumes for the past three weeks. Forward capacity projections have eased in the last month
- Domestic capacity was 15.9 million seats, down 285,000 seats over the week. The decline is largely due to schedules returning to normal following the short Labour Day holiday period. COVID-19 case growth may have also contributed
- Around 100,000 seats were added in international markets, reaching 1.6 million per week. The China-US market remains the standout, but for the wrong reasons, with capacity 94% below 2019 levels as of late Apr-2023

China system seat capacity (% vs 2019)



Source: CAPA – Centre for Aviation

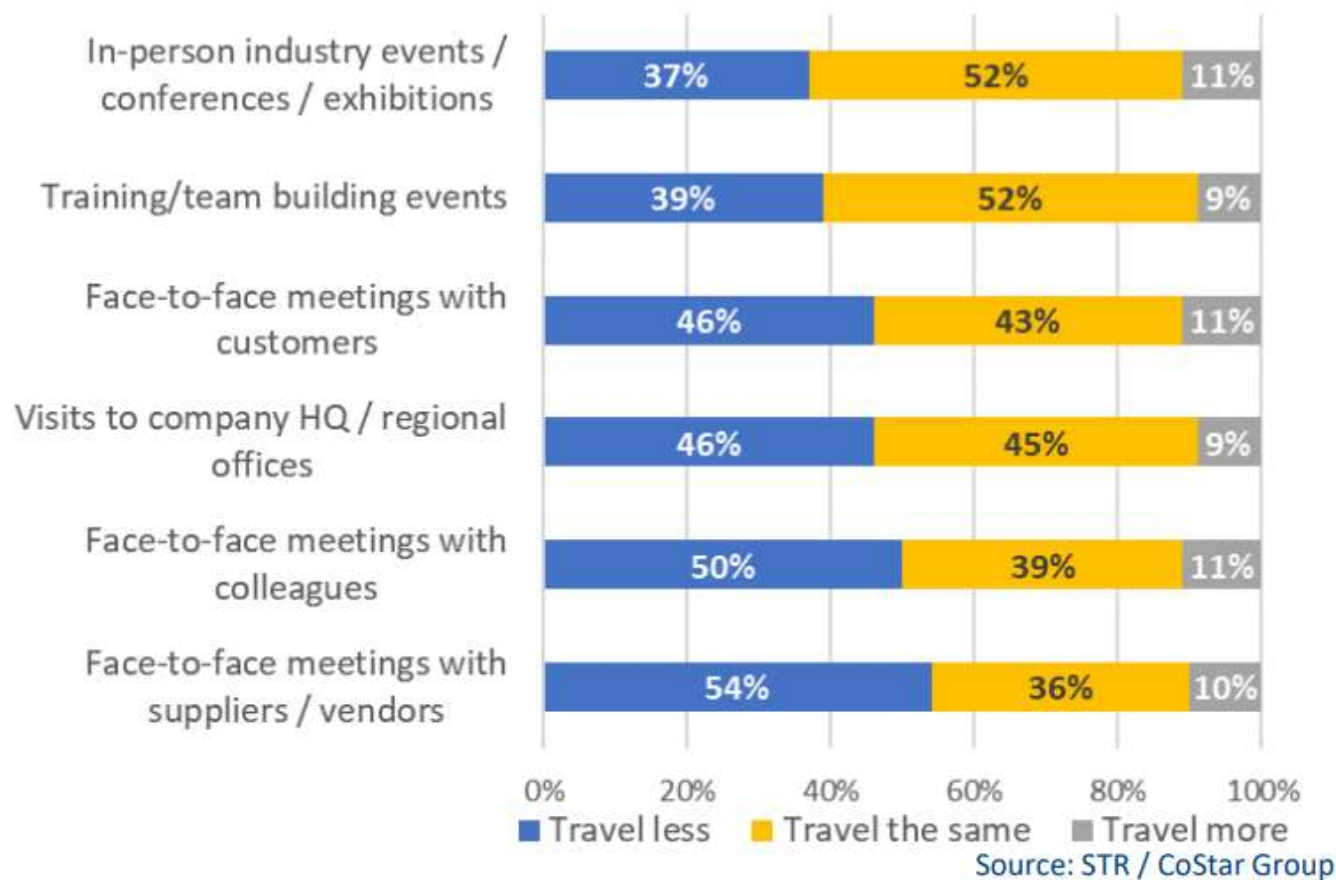
China domestic & international seats 2019-2023



Source: CAPA – Centre for Aviation

Business Travel Intent

Business travel intent compared to pre-COVID-19



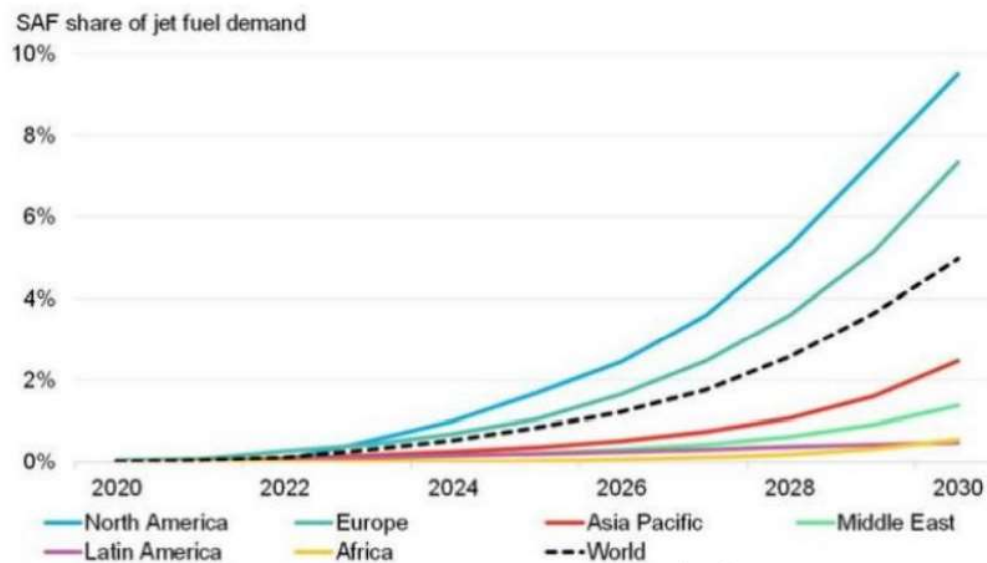
3) Corporate Travel Sustainability Trend

Sustainable Aviation Fuel

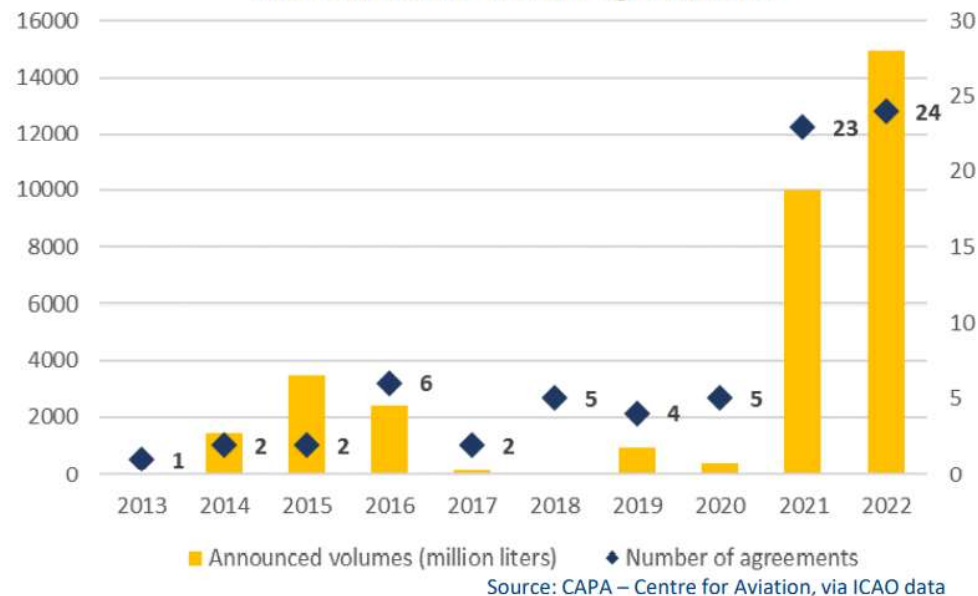
BloombergNEF: SAF to account for 5% of aviation fuel use by 2030

- Bloomberg New Energy Finance (NEF) estimates global demand for sustainable aviation fuel (SAF) will reach 7 billion gallons in 2030, potentially up to 10.6 billion gallons (7.5%) of global demand under an accelerated policy scenario
- US and Europe are leading adoption, although supply is scarce and concentrated with a few suppliers. Other large are markets beginning to establish policies, roadmaps and targets
- For 2022 year to date, announced uptake volumes for commercial airline SAF deals has reached 1.5 billion liters, compared to 1.9 billion liters in the previous nine years combined

Sustainable aviation fuel blend by region - Economic Transition Scenario



Announced SAF offtake agreements



Cathay Pacific Sustainable Aviation Fuel



2021 SUSTAINABLE DEVELOPMENT PERFORMANCE HIGHLIGHTS

A pioneer in sustainable aviation fuel development – Fulcrum

One of the major obstacles for widespread SAF use is supply volume and infrastructure. Since 2014, when Cathay Pacific became the first airline investor to take an equity stake in Fulcrum BioEnergy, Inc., we have focused on developing the supply side. Fulcrum is a US-based sustainable aviation fuel developer, which is a world pioneer in the development and commercialisation of converting municipal solid waste into sustainable aviation fuel. The plant can convert 175,000 tonnes of waste into more than 11 million gallons of zero-carbon transportation fuel each year.



Fulcrum BioEnergy's Sierra BioFuels Plant in start-up operations, January 2022

Cathay Pacific's SAF flights

Our target to have SAF represent 10% of our fuel consumption by 2030 builds on our commitment to buying 1.1 million tonnes of SAF over 10 years. Our modern fleet provides an ideal platform for the use of SAF given the craft's cutting-edge technology and high fuel efficiency.



We pledged to use SAF for

10%

of jet fuel consumption by
Cathay Pacific by 2030.

Our sustainable aviation fuel: From waste to wing



Collection

Municipal waste
is collected.



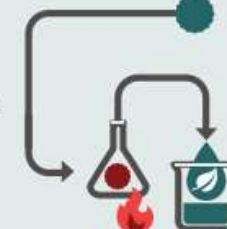
Segregation

Materials are
sorted. Suitable
waste for jet fuel
is consolidated.



Conversion

Waste is converted
into jet fuel through
a thermochemical
process.



Delivery

Fuel is blended, tested and
delivered into wing.



Greenhouse gas
emissions

-80%*

* Compared to traditional jet fuel, Fulcrum BioEnergy's SAF can reduce life cycle greenhouse gas emissions by up to 80%.

Case Study – Informa Plc



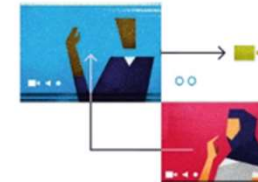
02

Conversation with the Group Chief Executive



SC Stephen A. Carter
Group Chief Executive

BW Ben Wielgus
Head of Sustainability



BW Last year, we talked about a new normal and the global economy moving to more sustainable models. A year on, do you think we have entered a new normal?

SC In business, we're always dealing with change. Issues rise quickly or slowly to a peak - some then disappear, others fade into the background or pass us by. The important ones, such as sustainability, stay and become institutionally mainstream.

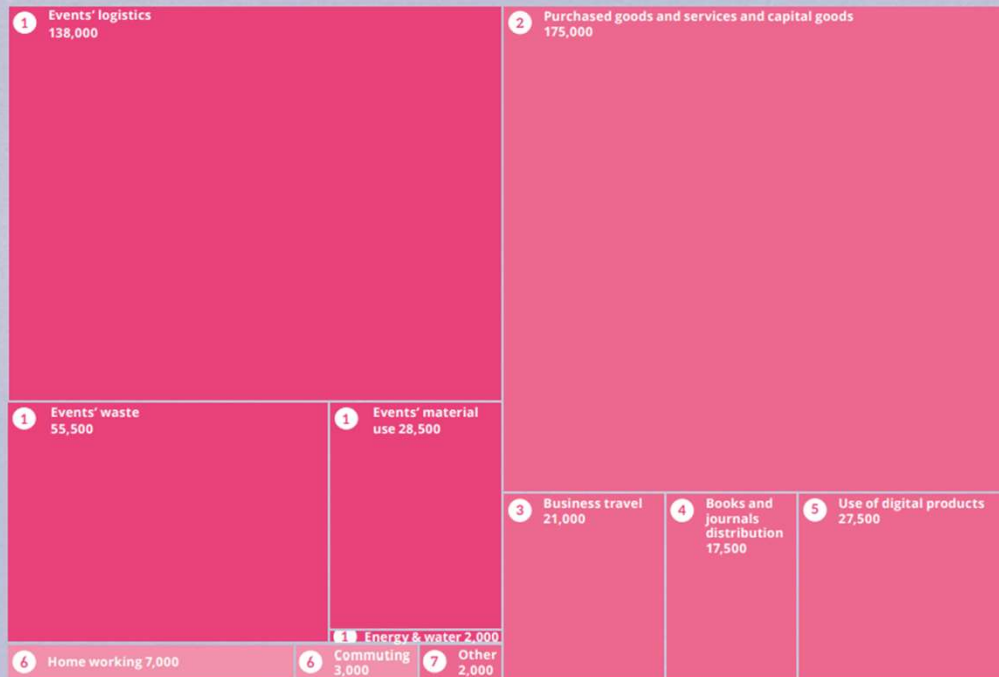
When I took over as Chief Executive of Informa nearly ten years ago, many businesses had sustainability programmes - but the issue was low on the agenda and it certainly wasn't a strategic issue. Today, no business could operate, raise capital, or attract talent without taking sustainability seriously. That's a phenomenal change in just a decade.

BW Taylor and Francis has done a lot of work in recent years to make its physical and digital products more sustainable, and we've done a lot of work to make our live events more sustainable. With a growing focus on adding digital products into our offerings, how does that affect our sustainability ambitions?

Thanks to our convening power, we get cutting edge knowledge to more people – and get it to them faster. This is how we make our biggest difference.

Case Study – Informa Plc

Breakdown of our 2022 scope 3 emissions related to our science-based targets (tCO₂e)



Examples of some of our carbon reduction programmes

1 Reducing emissions at events

Our sustainable events management system is helping our events reduce their carbon footprint. It includes programmes such as switching to renewable electricity at venues, encouraging venues and suppliers to be more energy efficient around issues such as logistics, eliminating disposable stands and cutting waste.

[See pages 6-11 and 40-43 for details](#)

2 Purchased goods and services, and capital goods

We are working with our procurement and operations teams to engage with our top suppliers to more accurately measure our supply chain emissions, including programmes to share our knowledge with venues, printers and other contractors on sustainability. We are also asking our suppliers to join us in moving to renewable energy and developing carbon reduction initiatives in line with the industry's Net Zero Carbon Events Initiative, which we helped create.

3 Business travel

We continue to encourage efficient travel, digital alternatives, including the use of video conferencing, and are working with travel partners to encourage more sustainable hotel and travel choices. All emissions from our business travel are compensated using high-quality, verified carbon offsets.

[See \[informa.com/carbonoffsetting\]\(https://informa.com/carbonoffsetting\) for more details](#)

4 Distributing books and journals

We take a digital first approach to publishing in response to customer demand. The move towards on-demand printing, nearer to customer markets, also helps us to reduce waste and carbon emissions from printing, storing and shipping our products.

5 Use of digital products

Informa is a founder member of Digital Impact (DIMPACT), a collaboration between the University of Bristol and major media companies, aimed at helping the industry understand and manage carbon emissions from digital content.

[See page 13 of the 2021 Sustainability Report for more details](#)

6 Employee commuting and home working

Since we adopted a balanced working model, our commuting emissions have decreased, but home working emissions have increased. As part of our CarbonNeutral® company certification, we offset both sources of emissions. By engaging colleagues in climate change topics, we hope to help them reduce these emissions.

[For more details, please see our KPIs table at:](#)

informa.com/sustainability-kpis

INFORMA PLC SUSTAINABILITY REPORT 2022



Charles Dickens – Tale of Two Cities

- It was the worst of times, it was the best of times.
- It was the season of darkness, it was the season of light.
- It was the winter of despair, it was the spring of hope.

