



# CORPORATE TRAVEL COMMUNITY

Empowering a new community of travel managers

## State of The Corporate Travel Industry

Dr. Benson Tang  
Executive Director  
Corporate Travel Community

**23<sup>rd</sup> NOV 2023**

















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

China Development  
Forum

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





## 第三届“一带一路”国际合作高峰论坛

THE THIRD BELT AND ROAD FORUM FOR INTERNATIONAL COOPERATION

2023年10月17-18日 中国·北京

17-18 OCTOBER 2023 BEIJING, CHINA





- 1) Which company is ranked number 1 in Fortune 500 in 2023?
- 2) What is the global annual revenue in USD?
- 3) How many headcounts in this firm globally?



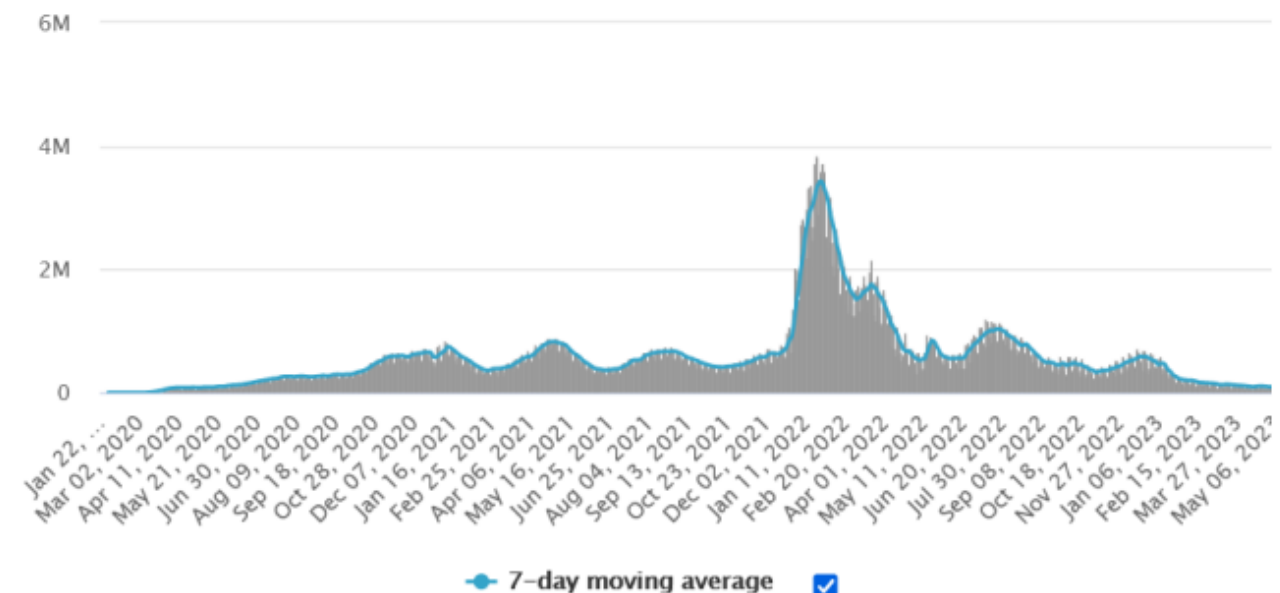
# FORTUNE

| RANK | NAME                     | REVENUES (\$M) | REVENUE PERCENT CHANGE | PROFITS (\$M) | PROFITS PERCENT CHANGE | ASSETS (\$M) | EMPLOYEES |
|------|--------------------------|----------------|------------------------|---------------|------------------------|--------------|-----------|
| 1    | Walmart                  | \$611,289      | 6.7%                   | \$11,680      | -14.6%                 | \$243,197    | 2,100,000 |
| 2    | Saudi Aramco             | \$603,651      | 50.8%                  | \$159,069     | 51%                    | \$663,541    | 70,496    |
| 3    | State Grid               | \$530,009      | 15.1%                  | \$8,192       | 14.8%                  | \$710,763    | 870,287   |
| 4    | Amazon                   | \$513,983      | 9.4%                   | \$-2,722      | -108.2%                | \$462,675    | 1,541,000 |
| 5    | China National Petroleum | \$483,019      | 17.3%                  | \$21,080      | 118.7%                 | \$637,223    | 1,087,049 |
| 6    | Sinopec Group            | \$471,154      | 17.4%                  | \$9,657       | 16.1%                  | \$368,751    | 527,487   |
| 7    | Exxon Mobil              | \$413,680      | 44.8%                  | \$55,740      | 141.9%                 | \$369,067    | 62,000    |
| 8    | Apple                    | \$394,328      | 7.8%                   | \$99,803      | 5.4%                   | \$352,755    | 164,000   |
| 9    | Shell                    | \$386,201      | 41.6%                  | \$42,309      | 110.5%                 | \$443,024    | 93,000    |
| 10   | UnitedHealth Group       | \$324,162      | 12.7%                  | \$20,120      | 16.4%                  | \$245,705    | 400,000   |

# WHO ends global health emergency designation for COVID-19

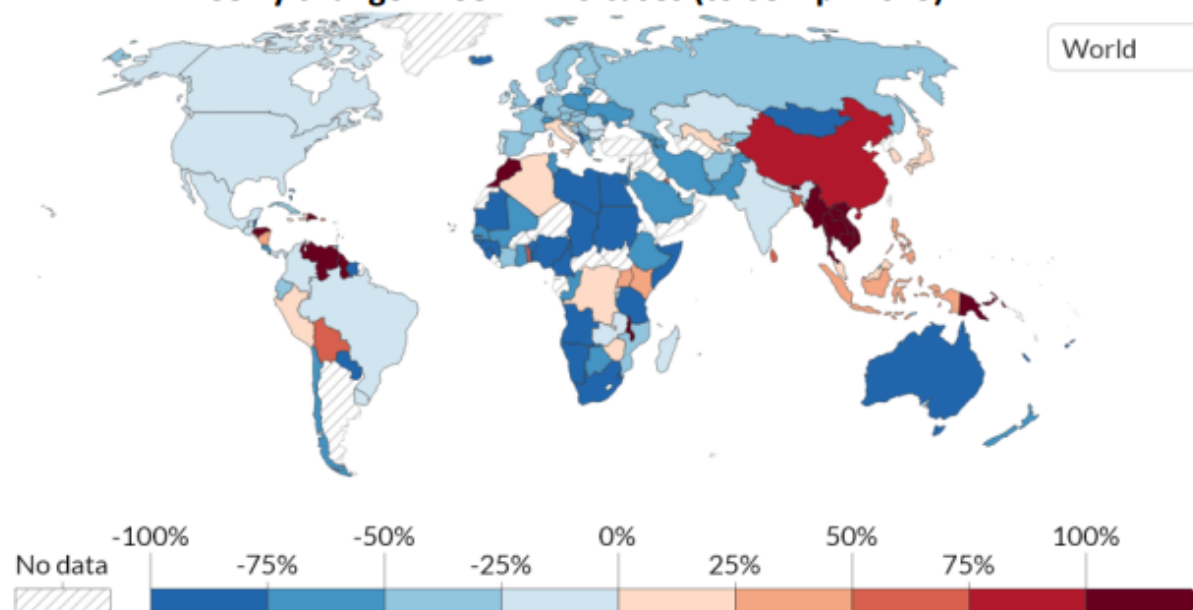
- UN World Health Organization (WHO) announced on 05-May-2023 that COVID-19 is now an “established and ongoing health issue which no longer constitutes a public health emergency of international concern (PHEIC)”. With the PHEIC over, global coordinated action on COVID-19 will be replaced with management 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)



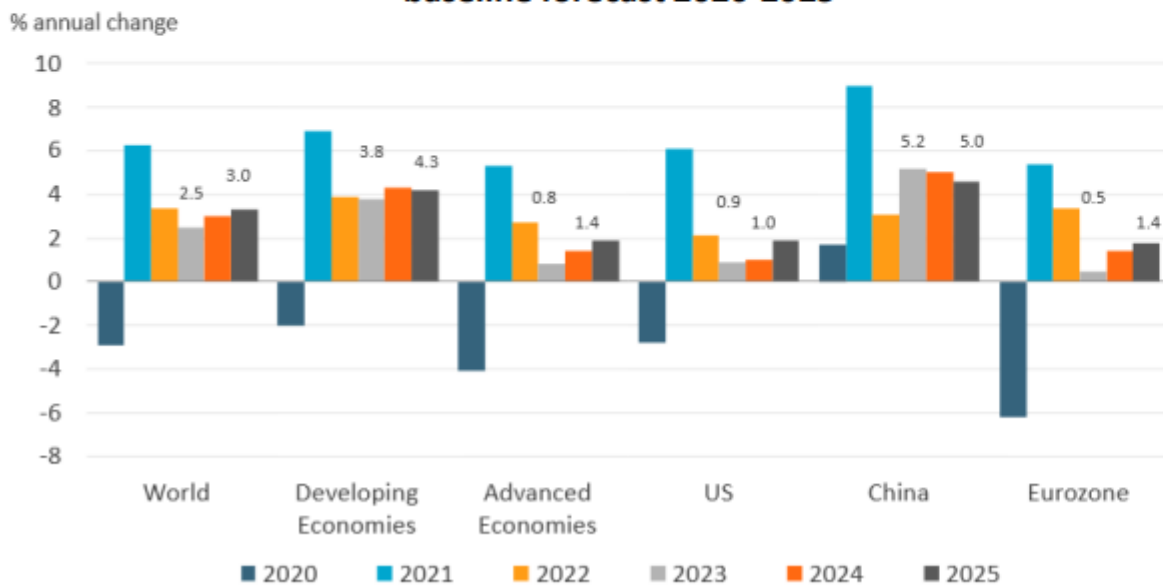
Source: Our World In Data



# 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

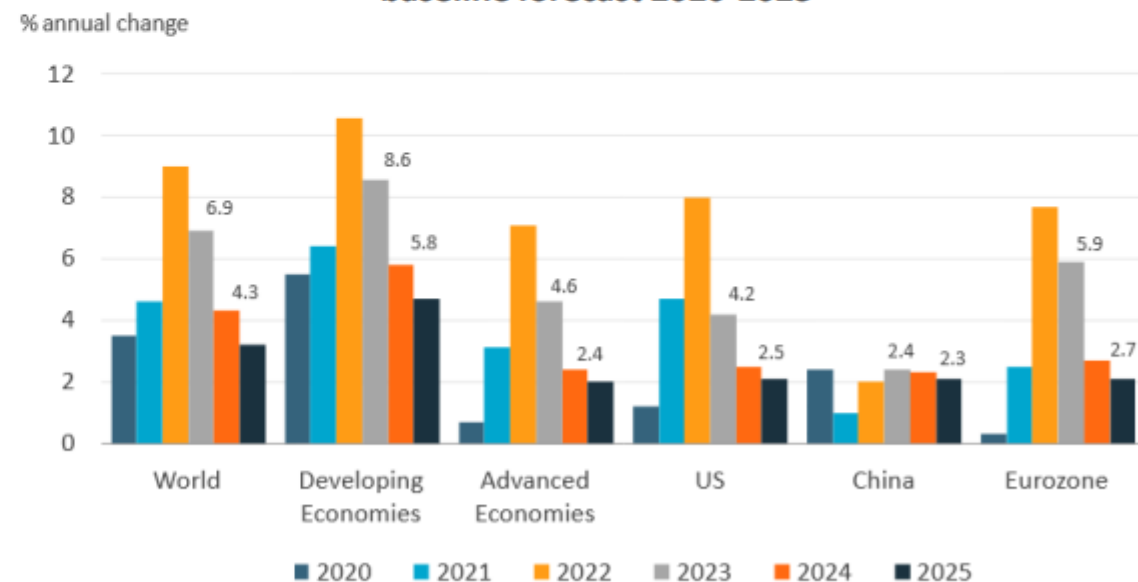
**Global real GDP growth  
baseline forecast 2020-2025**



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**

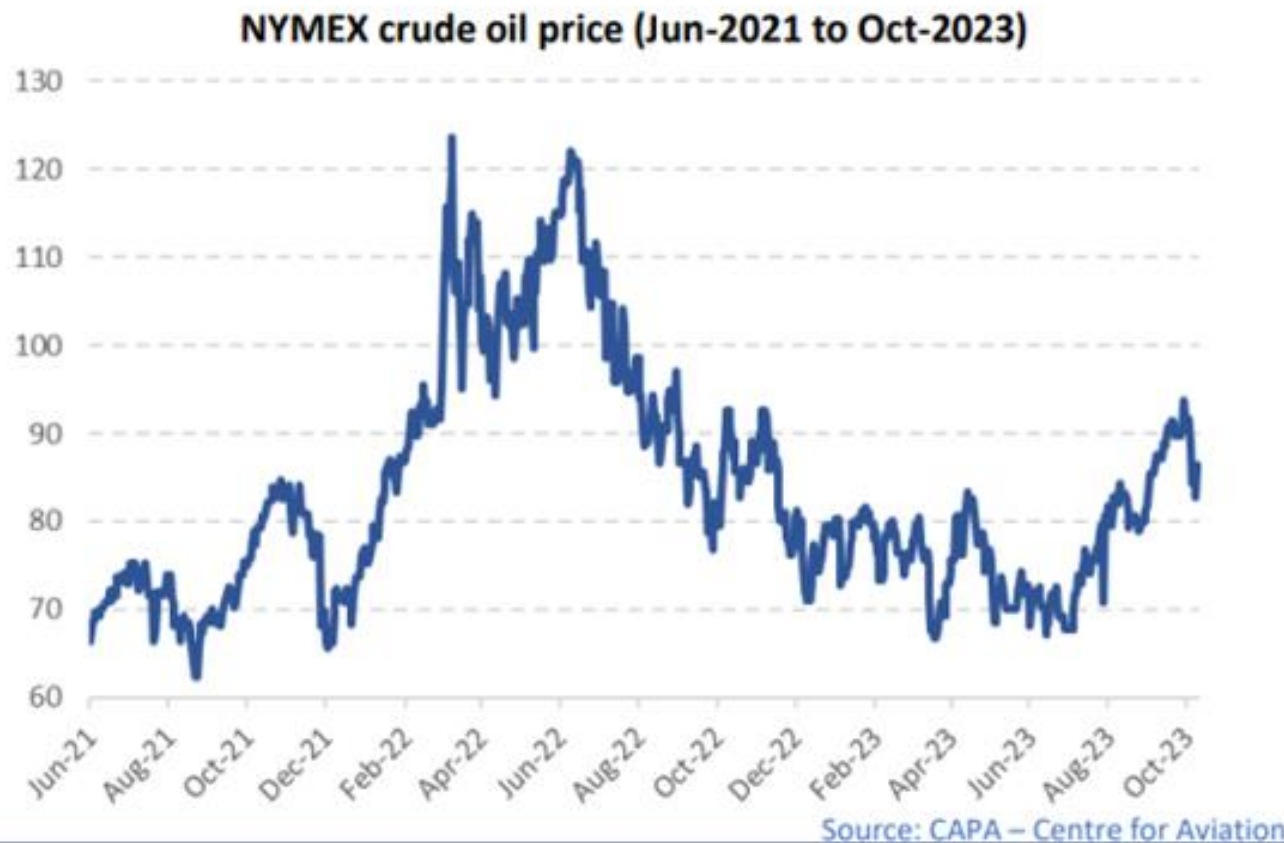


Source: Euromonitor International Macro Model  
Notes: (1) Data from 2023 onwards is forecast, updated 3 April 2023; (2) Regional aggregates calculated using PPP weights

Source: Euromonitor International Macro Model

# Jet fuel prices downward trend, but crude oil price is growing

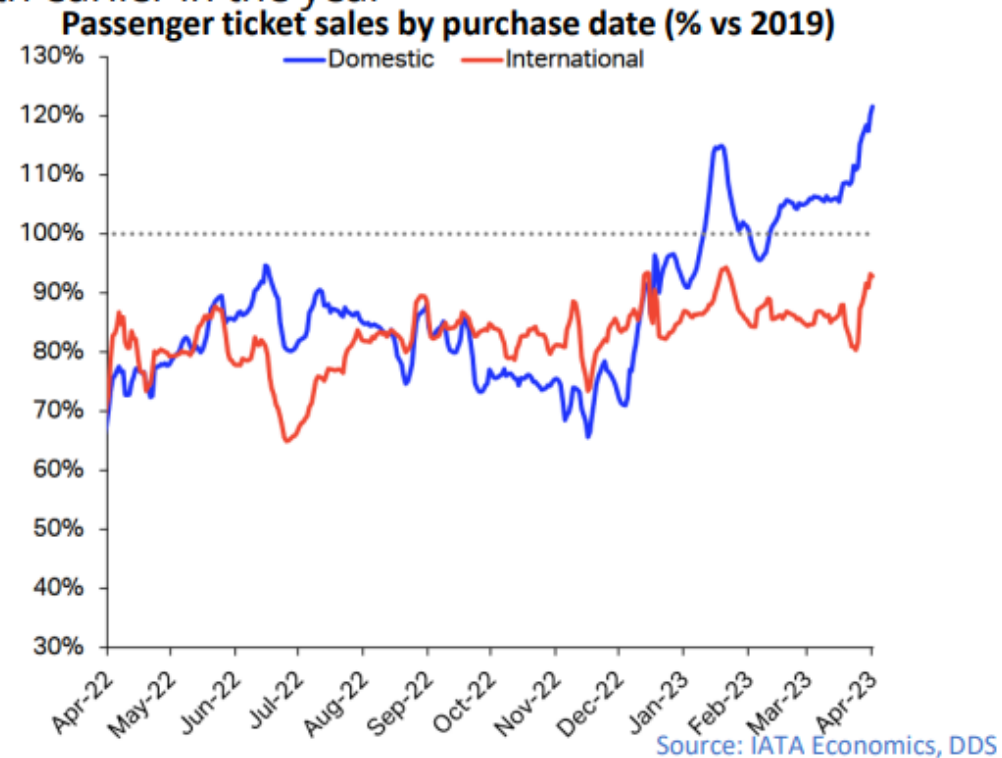
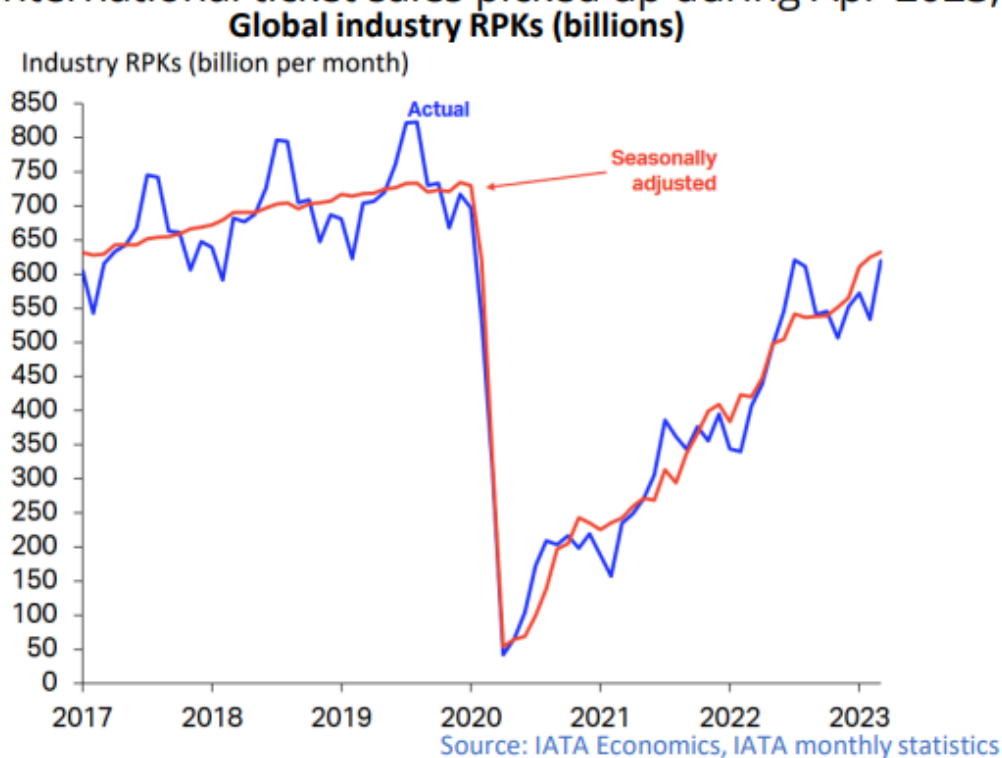
- US Energy Information Administration (EIA), via its Oct-2023 *Short Term Energy Outlook*, reported it expects oil prices (Brent spot) to average USD95 per barrel, up from a forecast average of USD84 per barrel in 2023.
- Jet fuel prices for the week to 06-Oct-2023 was USD121.62 per barrel, down 7.2% week-to-week and down 12.2% year-on-year. IATA noted jet fuel prices fell across all regions.





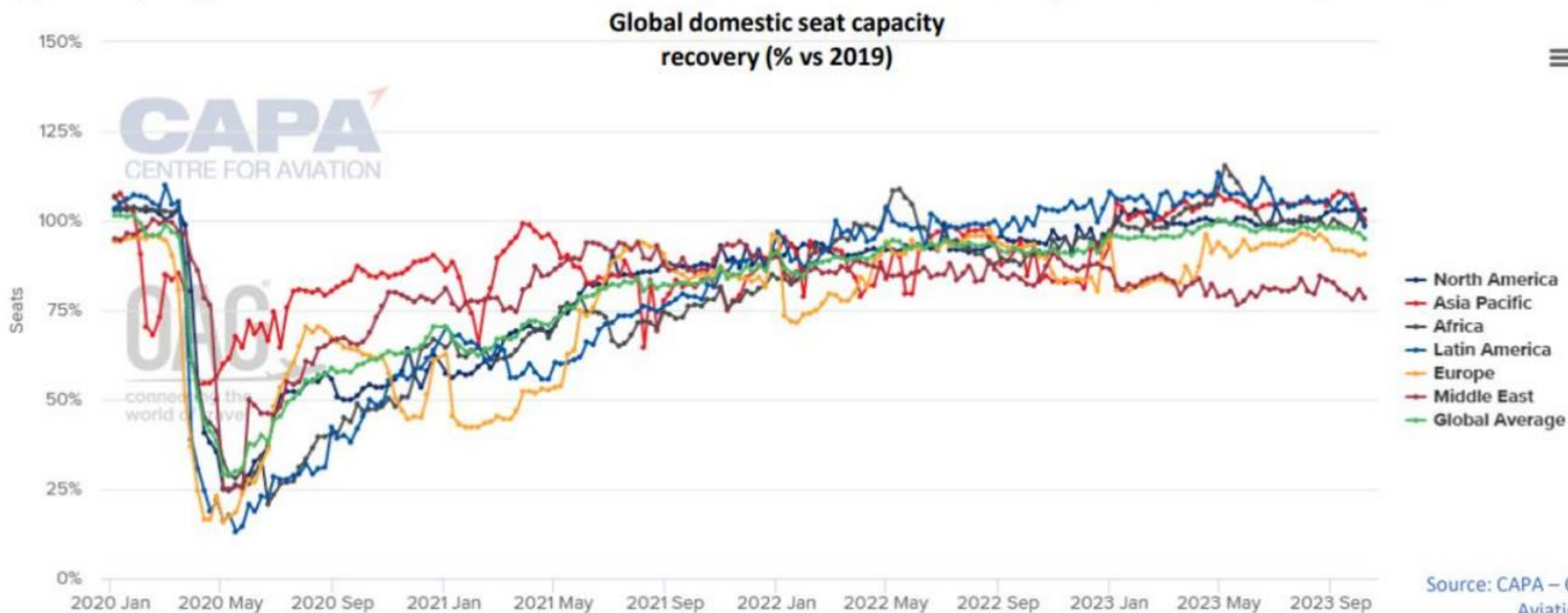
# IATA: Global air travel shows strong growth

- 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



# Global Domestic Seat Capacity

- Global domestic capacity for the week to 09-Oct-2023 was 65.7 million scheduled seats. Overall, global domestic capacity fell to 95% of 2019 levels, with substantial schedule revisions in several region.
- Airlines in the Asia Pacific shed more than 2 million seats from their schedules, with the end of the Golden Week national holiday period in China. Capacity in Europe was down 510,000 seats and Latin America fell 375,000 seats.
- North America was the stand-out in terms of growth, with airlines in the region adding 412,000 seats. There were marginal capacity additions across the Middle East (which has been trending down for months) and Africa.





# International seats Capacity

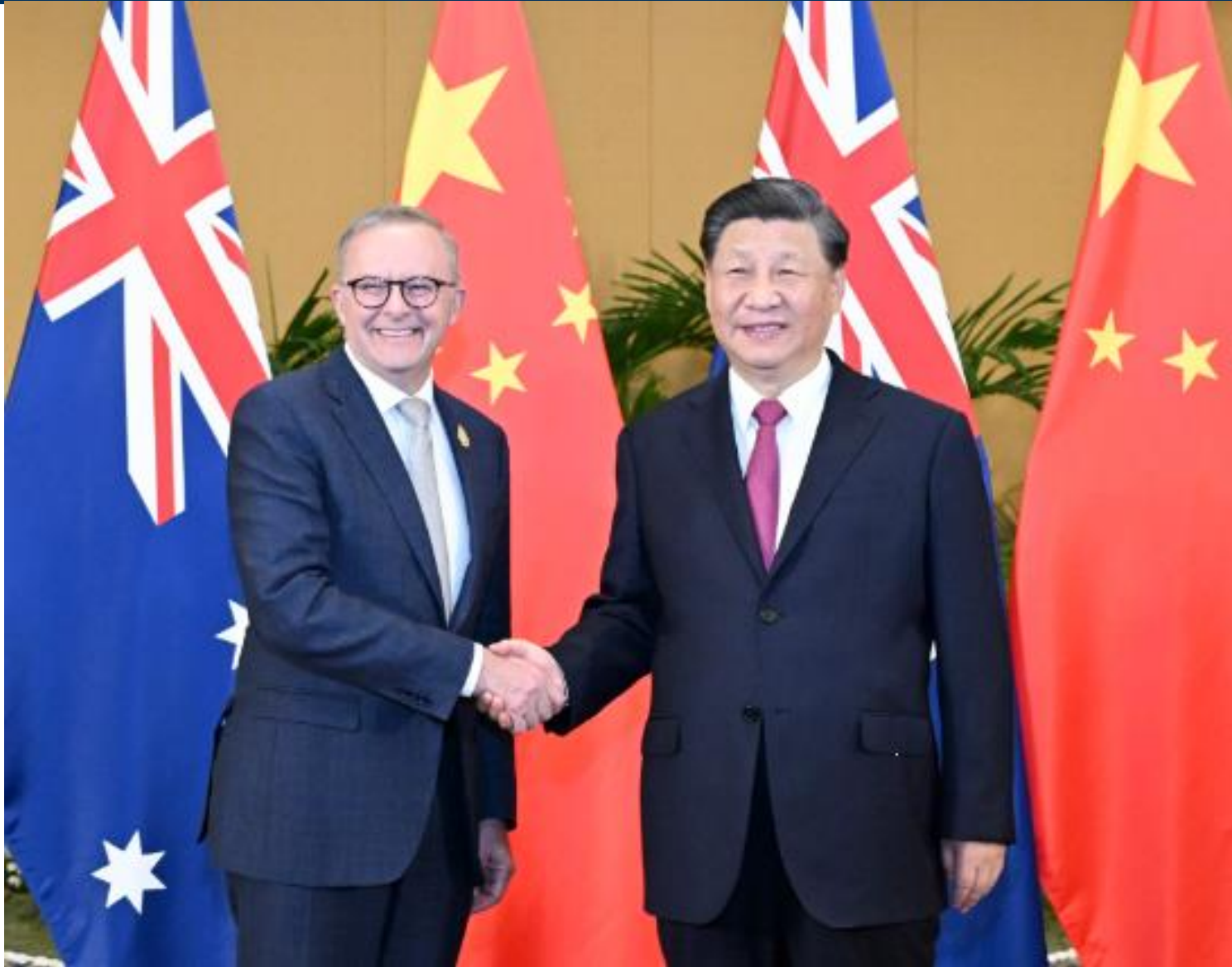
- Global international capacity for the week to 09-Oct-2023 was 59.2 million scheduled seats, reaching a new post-pandemic high of 103.2% of the equivalent week in 2019.
- Total capacity on offer fell almost 631,000 seats compared with the final week in Sep-2023. Airlines in Europe cut around 760,000 seats from their schedules as they wind down with the end of the 2023 summer schedule.
- International seat capacity across the Americas defied the global trend, with an extra 266,000 seats in Latin American and 143,000 seats in North America.



## 2) Pulse Check in Corporate Travel



# Australia State Visit to China



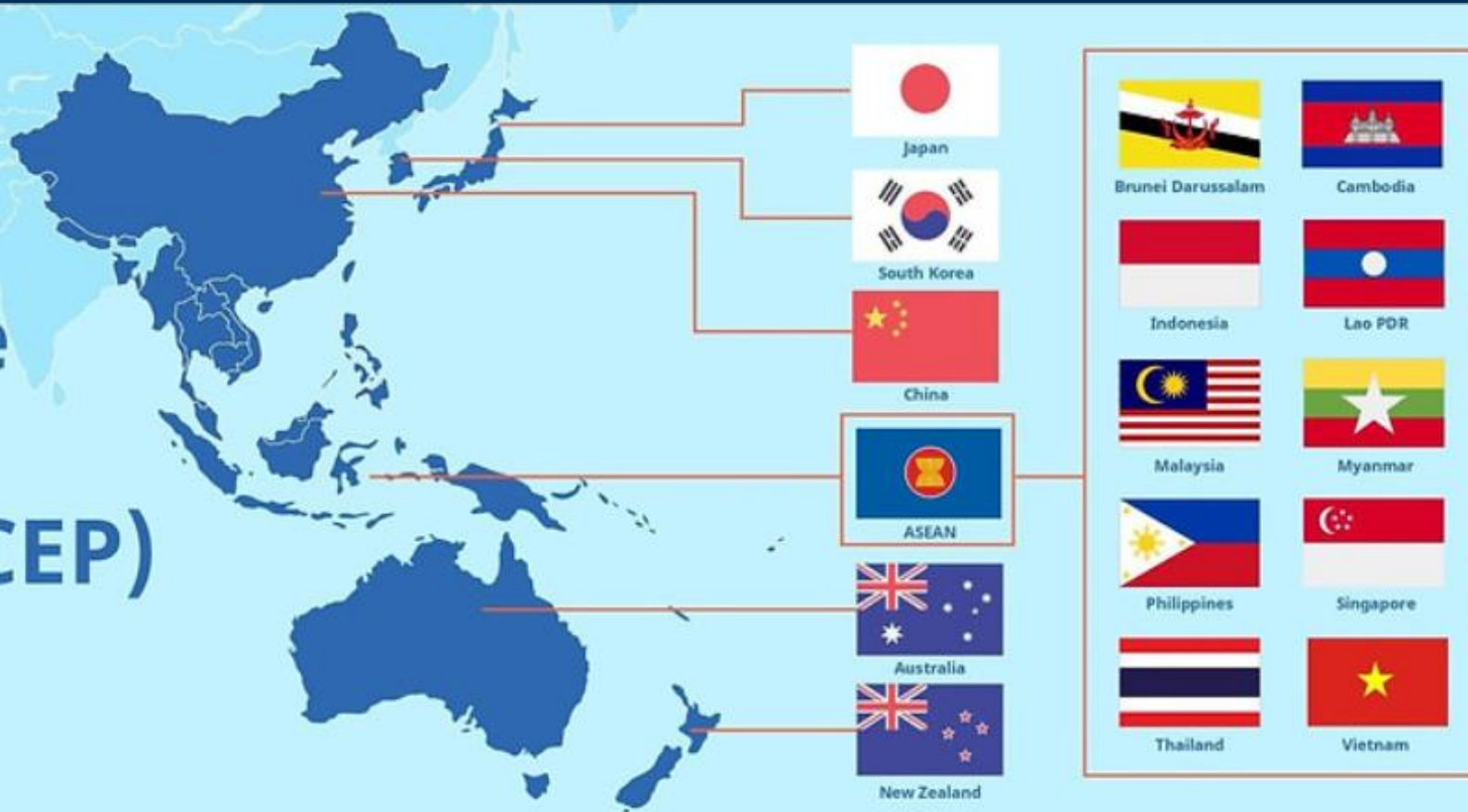
# Australia State Visit to China





# Regional Comprehensive Economic Partnership Agreement

## Regional Comprehensive Economic Partnership (RCEP) Agreement



Signing of the agreement



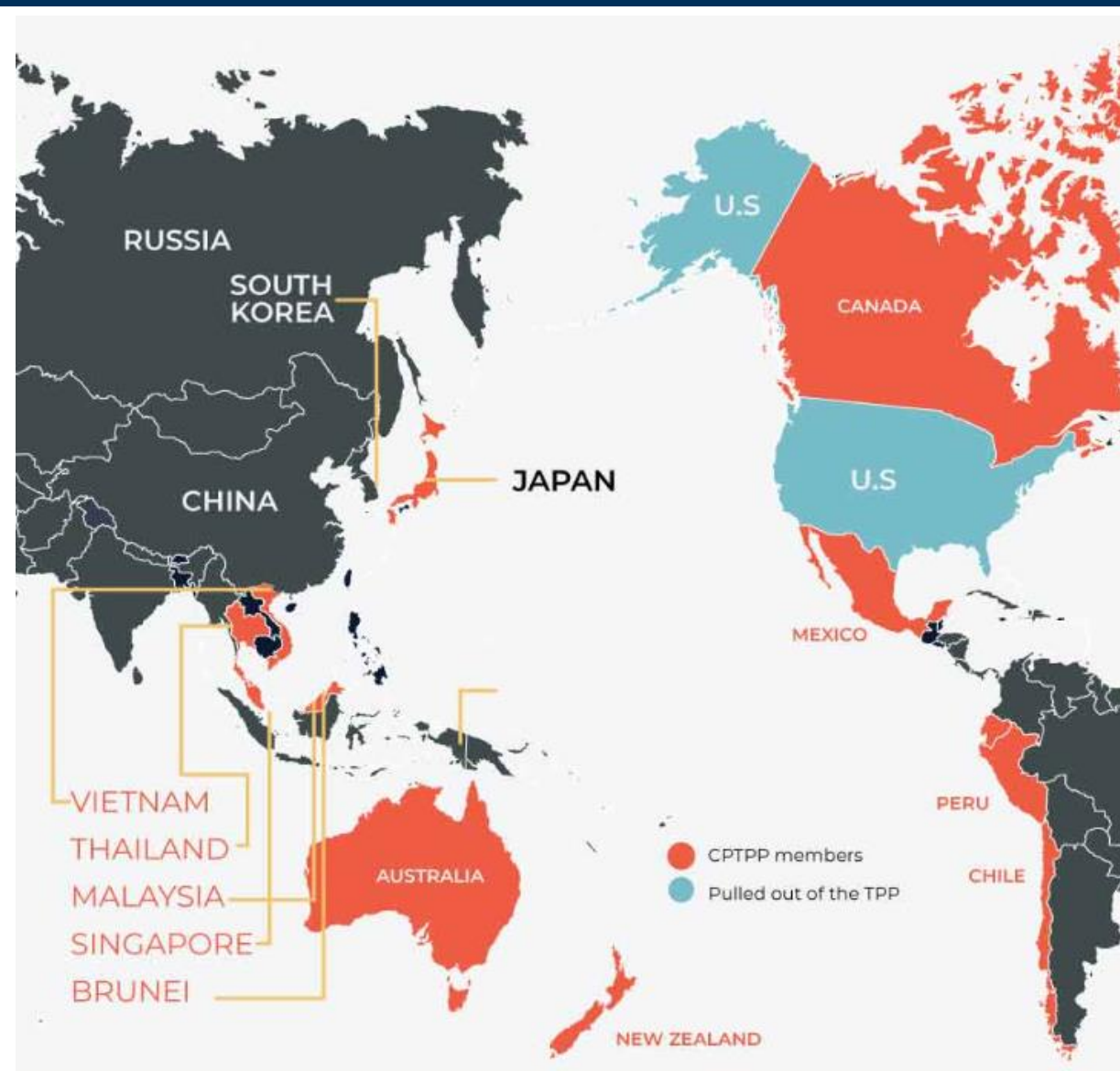
World's largest free trade agreement



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

Graphic by Ministry of Trade and Industry Singapore

# Comprehensive and Progressive Agreement for Trans-Pacific Partnership



## CPTPP Agreement Facts

**11** ratifying member states

Covers a combined GDP value of

**12.9%**  
of global GDP and  
**14.9%**  
of global  
trade volumes

Removes tariffs on an estimated

**95%** of goods  
traded between

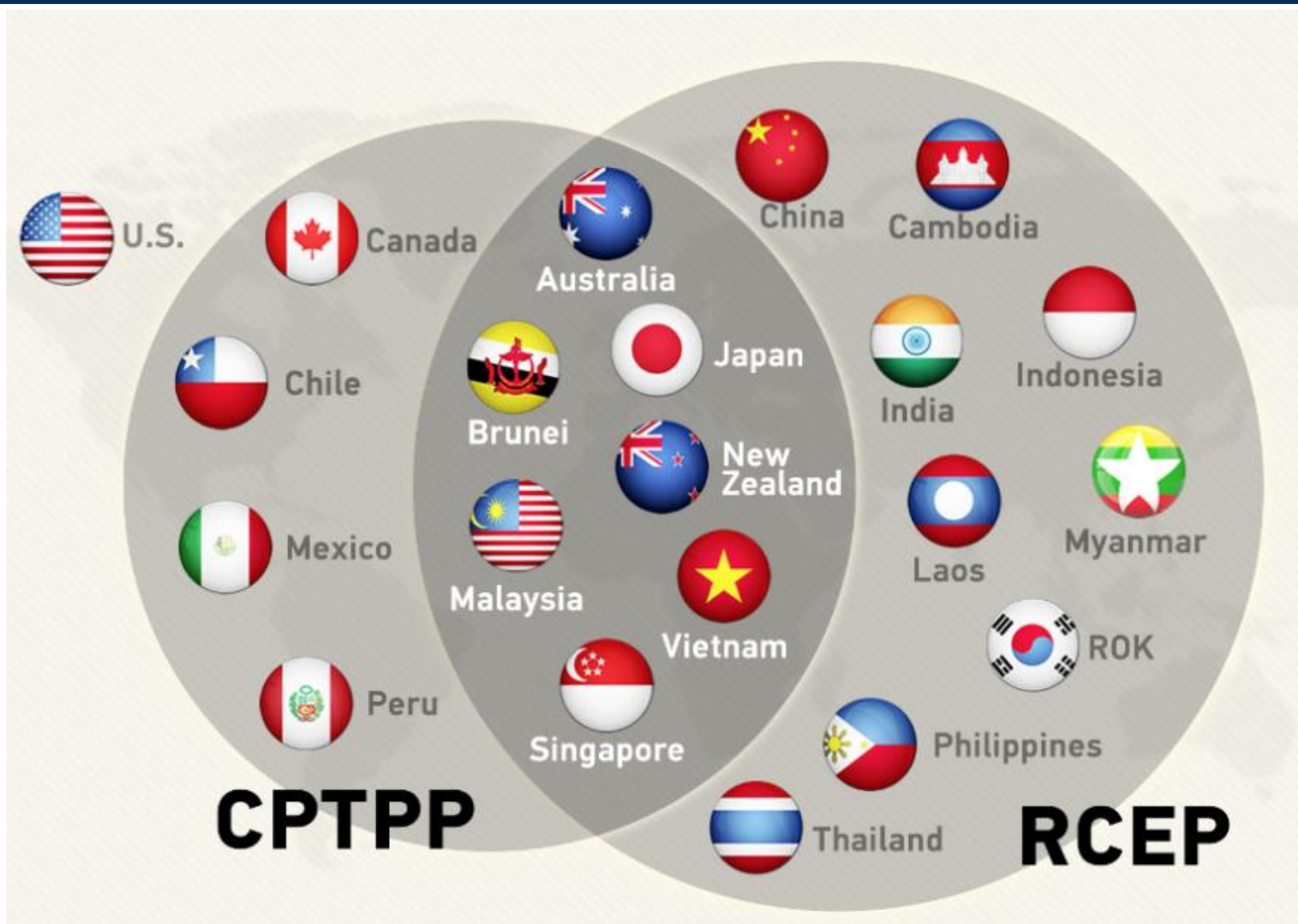
**CPTPP** countries

Will provide access

**500 million**  
people, with a combined GDP worth of  
**US\$10 trillion**

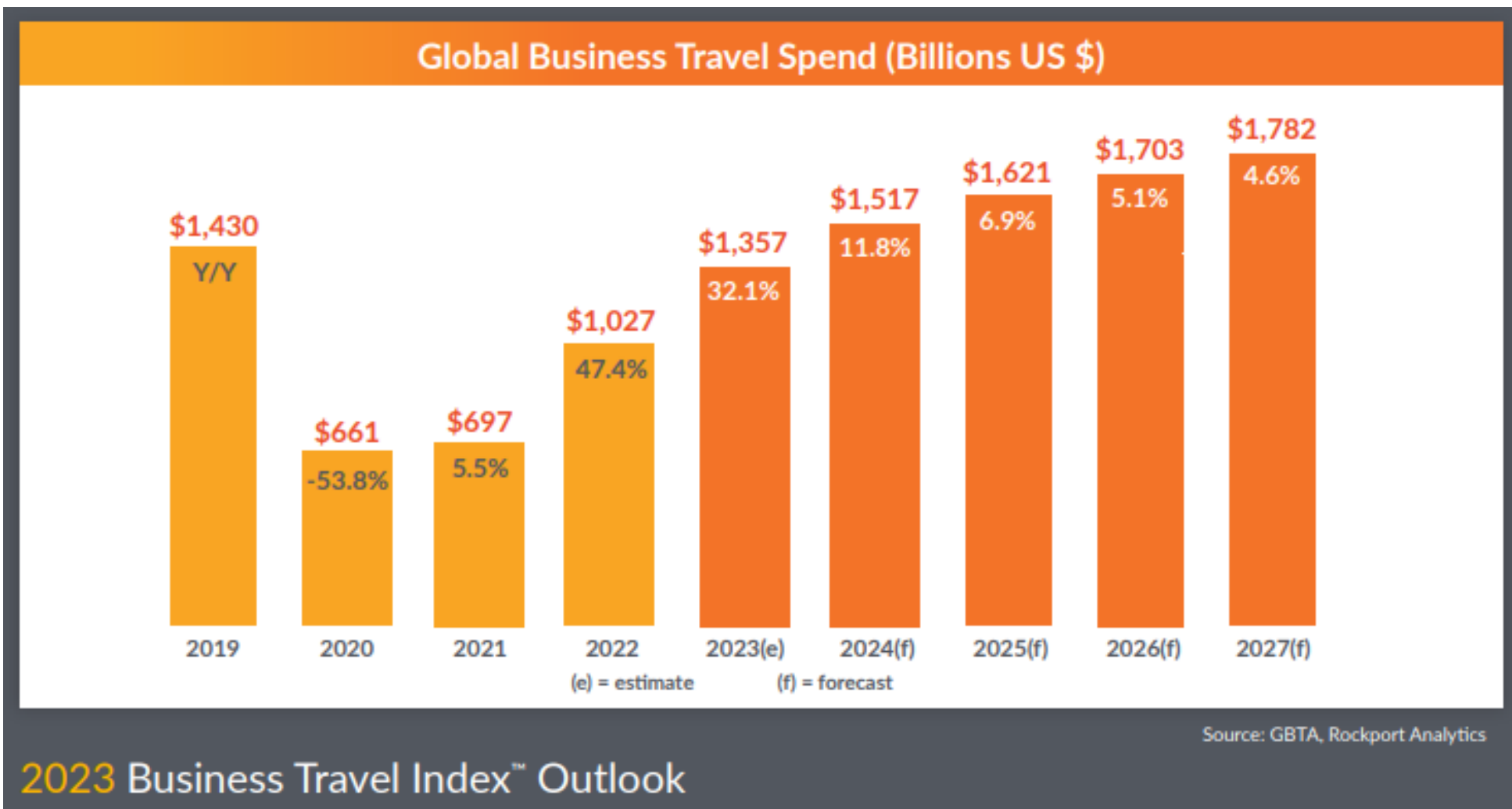


# RCEP and CPTPP





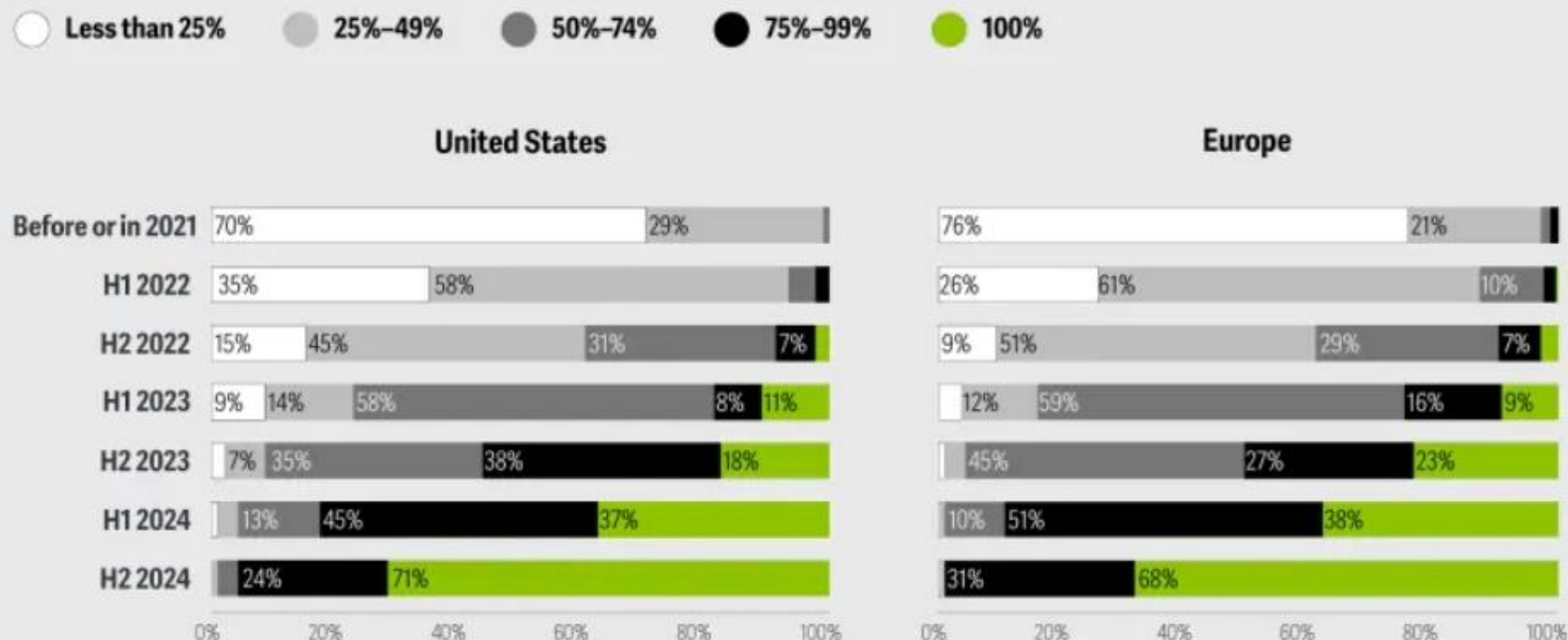
# Corporate Travel Recovering



# Companies' View on Travel Spend Recovery

## 71% of US companies expect a full recovery in travel spend by the end of 2024

*Spend as a percentage of 2019 by quarter, United States versus Europe respondents*



Question: When did or do you expect your company's quarterly travel spend to reach the following levels of 2019 spend?

Note: N (US) = 106; N (Europe) = 228.

Source: 2023 Deloitte Corporate Travel Survey.

# Companies' View on Travel Spend Recovery

## About a third of spend is expected to go to trips beyond United States and Europe

*International travel as a share of corporate travel spend, United States and Europe, 2023*



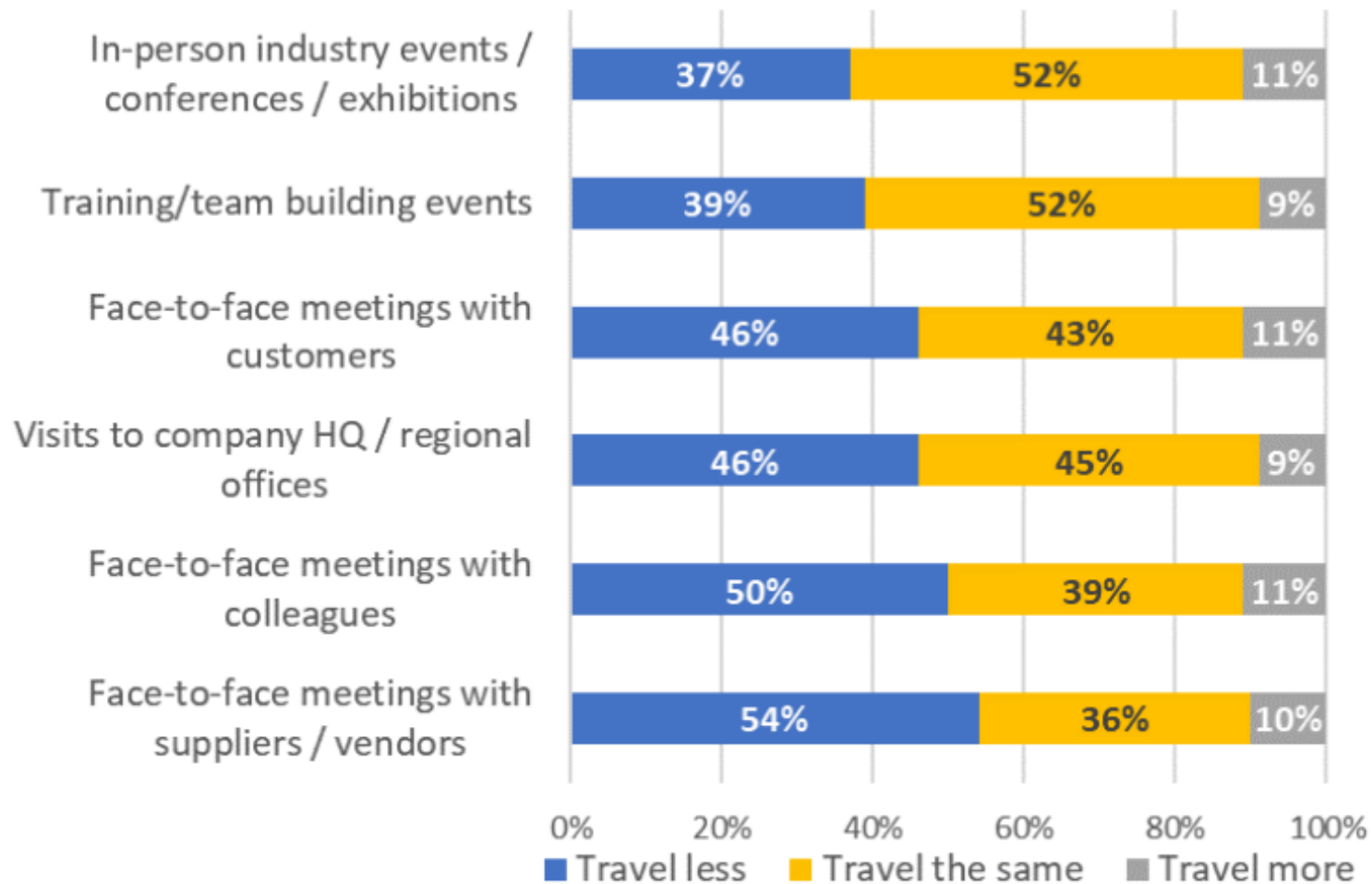
Questions: What is the expected domestic versus international proportion of your company's business travel spend? How does your company's travel spend break out among the following international regions?

Note: N (US) = 106; N (Europe) = 228.

Source: 2023 Deloitte Corporate Travel Survey.



## Business travel intent compared to pre-COVID-19



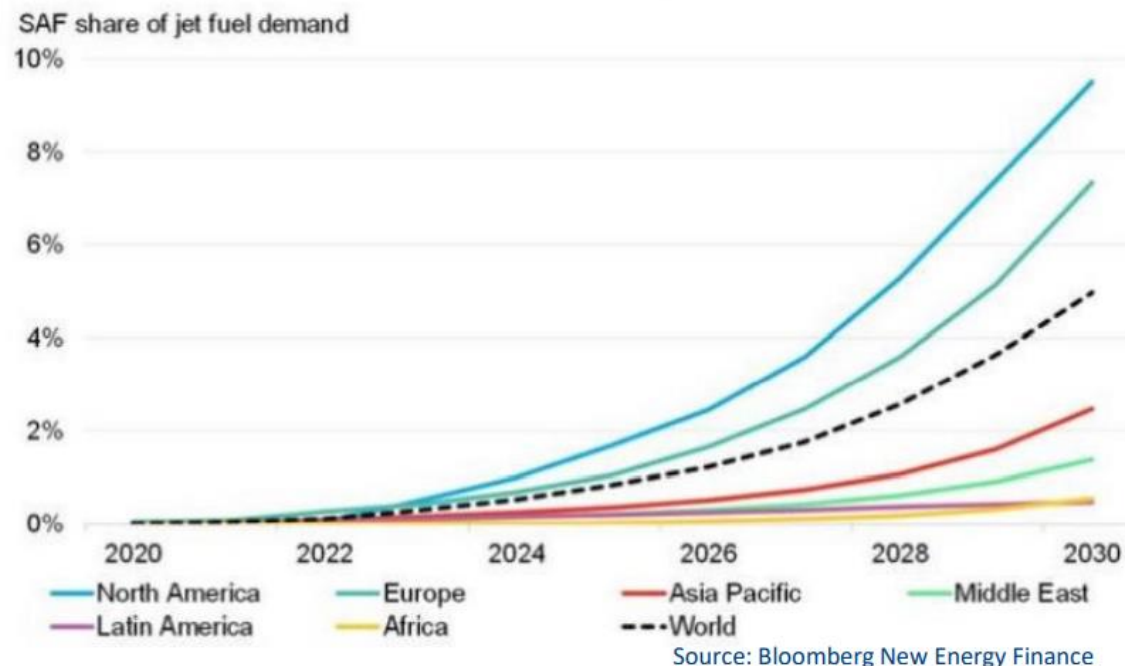
Source: STR / CoStar Group

## 3) Corporate Travel Sustainability Trend

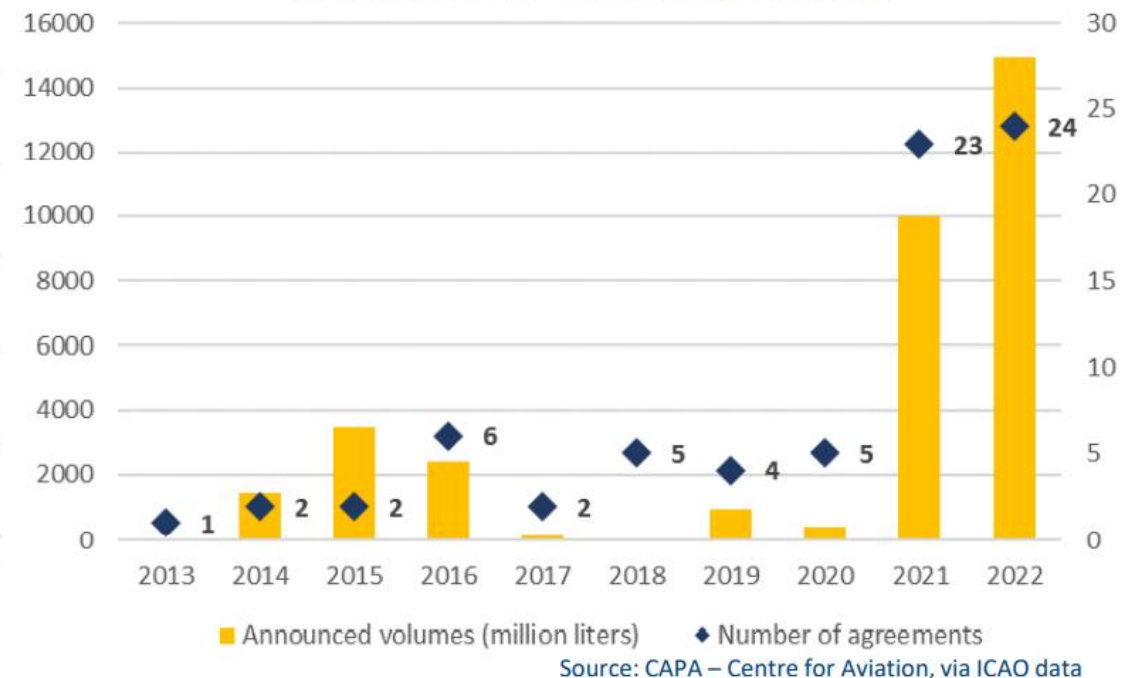
## BloombergNEF: SAF to account for 5% of aviation fuel use by 2030

- 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%

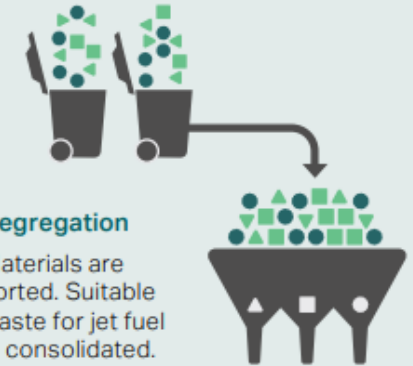
of jet fuel consumption by  
Cathay Pacific by 2030.

Our sustainable aviation fuel:  
From waste to wing



#### Collection

Municipal waste  
is collected.



#### Segregation

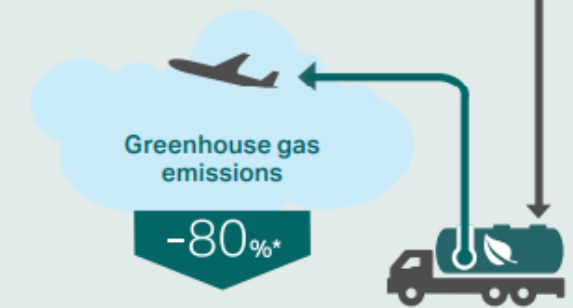
Materials are  
sorted. Suitable  
waste for jet fuel  
is consolidated.

#### Conversion

Waste is converted  
into jet fuel through  
a thermochemical  
process.

#### Delivery

Fuel is blended, tested and  
delivered into wing.



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

# Case Study – Informa Plc



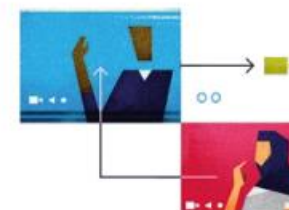
02

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.

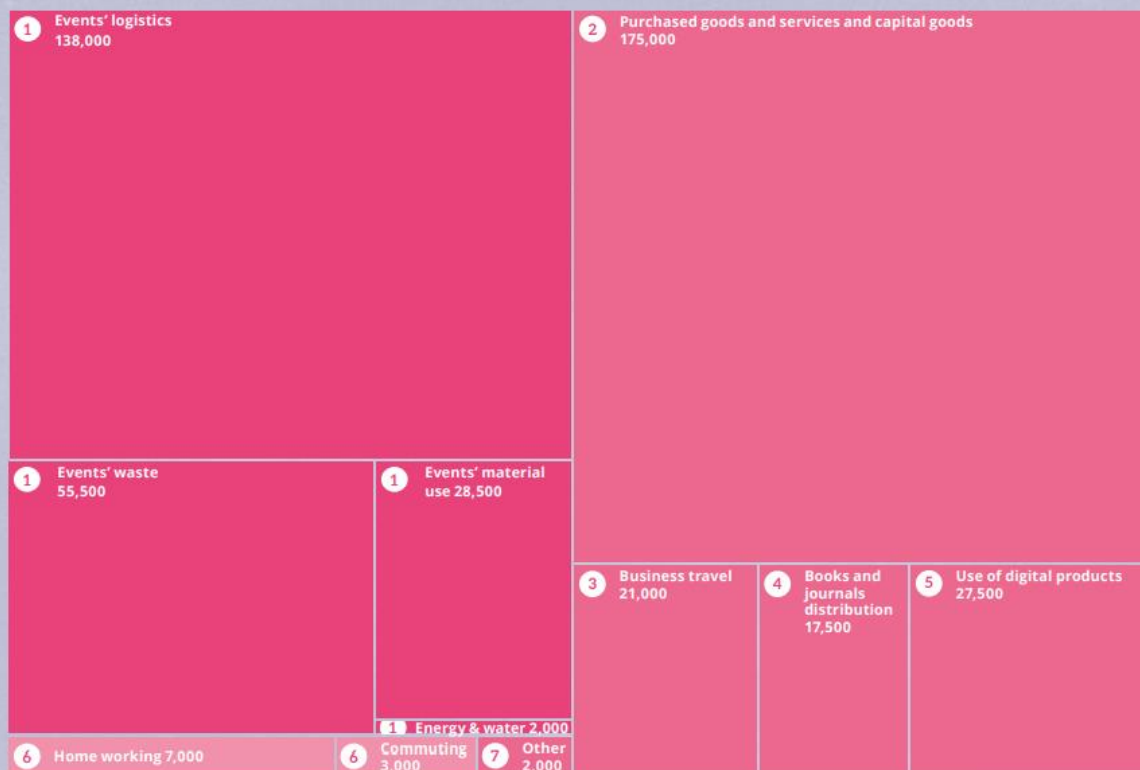
When I took over as Chief Executive of Informa nearly ten years ago, many businesses had sustainability programmes – but the issue was low on the agenda and it certainly wasn't a strategic issue. Today, no business could operate, raise capital, or attract talent without taking sustainability seriously.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



## Breakdown of our 2022 scope 3 emissions related to our science-based targets (tCO<sub>2</sub>e)



## 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](https://informa.com/sustainability-kpis)

INFORMA PLC SUSTAINABILITY REPORT 2022