Travel
Smart.

Travel Smart Ranking - 2024 edition

Benchmarking global corporate flyers on leadership towards purposeful travel

March 2024

Executive Summary

The Travel Smart Ranking is an annual assessment of global companies based on their commitment and ambition to reduce emissions associated to business flying. In this 2024 edition, the ranking shows that a group of large companies that fly a lot do very little to reduce their corporate travel emissions.

- **While 57 large companies have set targets, 83% of global companies still don't have credible plans to reduce corporate flying emissions.**
- **A small group of companies have a bigger share of emissions than the rest of the companies in the ranking. The 25 biggest flyers without a target represent 36% of emissions from the 328 companies in our ranking.**
- **5 companies out of 328 meet the "gold standard": these top-ranked businesses report air travel emissions and commit to their absolute reduction of 50% or more, by 2025 or sooner.**
- **44 leading companies report the full climate impacts of their business flying by including non-CO2 emissions, but most companies in the ranking still do not take these into account.**
- **Half of some of the world's biggest flyers - 115 out of 234 based on available data - kept their emissions under 50% of 2019 levels in 2022. Only with clear targets can they ensure the sustained reduction needed.**
- **Governments should set mandates for businesses to reduce travel emissions, to report the full impacts of their air travel, and to include business flying emissions reduction targets in their climate transition plans.**

Most companies continue to delay their corporate flying reductions, even while their peers are taking action

Air travel emissions is the most climate-intensive form of travel, estimated to account for about 15-20% of air travel emissions globally,[1] and 25-30% at European level[2]. **83% of global companies analysed in the Travel Smart Ranking are failing to set ambitious targets to reduce corporate travel emissions**. These 271 global companies are still not taking the weight of their climate impact seriously, doing the bare minimum in their efforts to reduce emissions associated with business travel. **However, 57 global companies are proving that it is feasible to set targets and reduce flying while doing business successfully.** Reporting business travel emissions has become a more widespread practice, but taking the necessary extra step of setting a target that paves the way for real emission reductions is still lacking.

Top 25 flyers account for over a third (36%) of emissions from all companies in the ranking

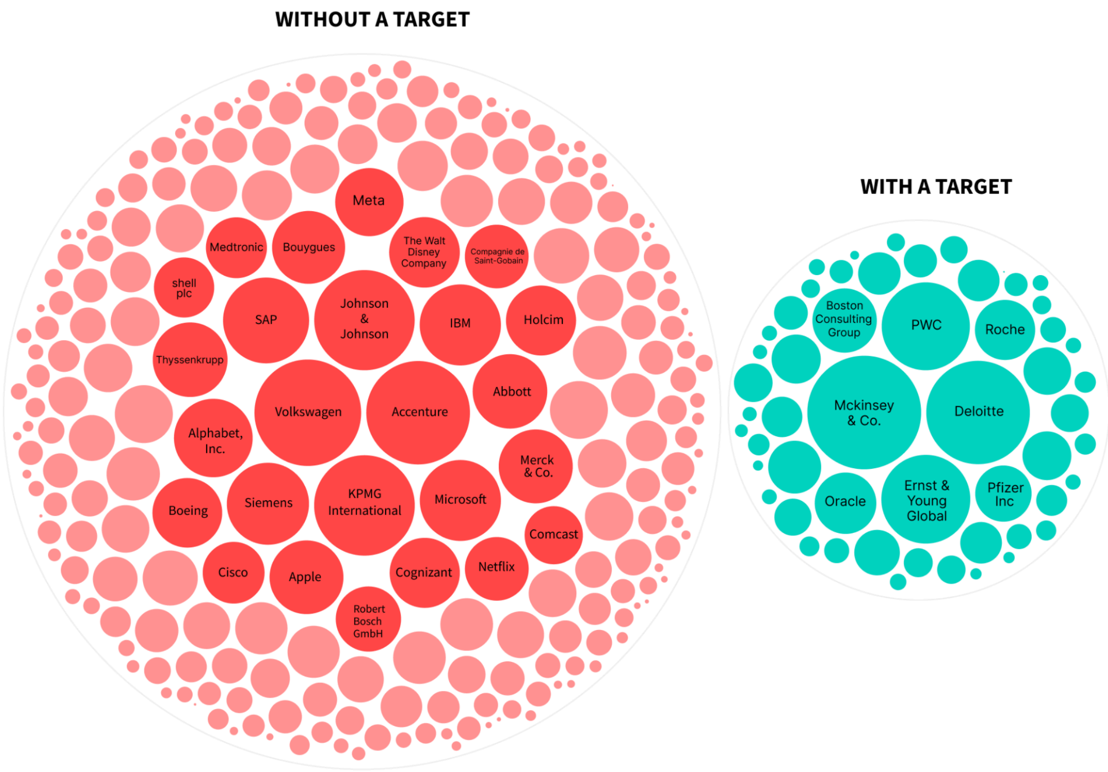
A small group of well-known companies have a bigger share of emissions than the rest of the companies in the ranking. The 25 biggest flyers without a target collectively accounted for 6.9 $MtCO_2$ of air travel emissions in 2019, or 36% of emissions from companies in our ranking, as shown in red in the figure below. Our calculation shows that **if the top 25 biggest flyers in our ranking set -50% targets for their business travel emissions by 2025, it would achieve 31% of the reduction across all companies[3].** However, too many of these big emitters don't have specific business travel reduction targets. The Travel Smart campaign calls upon them to set emissions reduction targets, and imitate best practices of their peers who have done so.

[1] McKinsey & Company, The Travel Industry Turned Upside Down Report, September 2020, https://www.mckinsey.com
[2] In-house estimation, Transport & Environment, *Roadmap to climate neutral aviation in Europe*, (2022).
[3] This calculation takes into account the 281 companies for which baseline (i.e. 2019 or 2018) business travel emissions are available.

Top 25 flyers have no credible plans to reduce corporate flying emissions

Business travel emissions in Mt of CO_2: 2,000 ◦ ◯ 43,000

● Top 25 flyers without a target ● The rest of the companies without a target ● Companies with a target



Source: CDP database and in-house T&E analysis

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Companies have innovated to perform while flying less

In 2022, companies' air travel emissions remained 46% below 2019 levels. This was to some extent still due to travel restrictions from the COVID-19 pandemic. But analysis shows that business travel has not rebounded in the same way as commercial aviation did in 2022, pointing out that corporations are innovating their practices to perform with less business flying. Companies ought to keep business travel emissions low and shift towards more sustainable and responsible business practices.

Gold standard companies

Of the 57 companies which have committed to reducing business travel emissions, 45 have set a business travel target and 12 have committed to reducing air travel specifically. However, this is not enough among a selection of 328 companies. **Only five companies in the ranking achieve the Travel Smart Campaign's "gold standard"** - i.e. reporting air travel emissions and committing to an absolute reduction of 50% or more, by 2025 or sooner. This year Zurich Insurance Group (finance, Switzerland) has joined Swiss Re (finance, Switzerland), Fidelity International (finance, United Kingdom), ABN Amro (finance, Netherlands) and Novo Nordisk (pharmaceuticals, Denmark).

The shift from air to rail, key to reducing business travel emissions

In this 2024 edition of the ranking, companies making a switch from air to rail travel as a measure to reduce emissions are singled out. Emissions reduction on certain common business routes by rail can reduce emissions by up to -97% compared to the same trip by plane[4]. Our survey found only 28 leading companies that have established policies to shift business flying to rail. The easiest way to drive such a shift is to set robust internal policies incentivising employees to choose rail for their business travels.

Governments need to step up measures to ensure that businesses keep their travel emissions down

In 2023, new steps were taken towards regulatory requirements affecting business travel. In Europe, the EU Corporate Sustainability Reporting Directive was approved, strengthening reporting for Scope 3 categories. In the United States, California's Corporate Climate Data Accountability Act made business travel emissions a required element of corporate reporting. Meanwhile, the UK Transition Plan Taskforce published its framework for company climate transition plans, including Scope 3 category targets; this is expected to be translated into market regulation in the near future. And the Netherlands has already made reductions a requirement: starting in July 2024, businesses above 100 employees will have to report to the government on progress towards the mandated 50% decrease in domestic mobility emissions by 2030, from 2016 levels. A broader, specific and rapid deployment of such requirements will be necessary.

[4] https://travelsmartcampaign.org/wp-content/uploads/Rail-first-for-business_2023-11-2.pdf