

Aviation: Enabling the Travel in Travel Retail

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The global trade association of the world's airlines

Founded in Havana, Cuba
April 1945

290 passenger & cargo member airlines,
200 countries worldwide

83% of global air traffic

Headquarters: **Montreal**

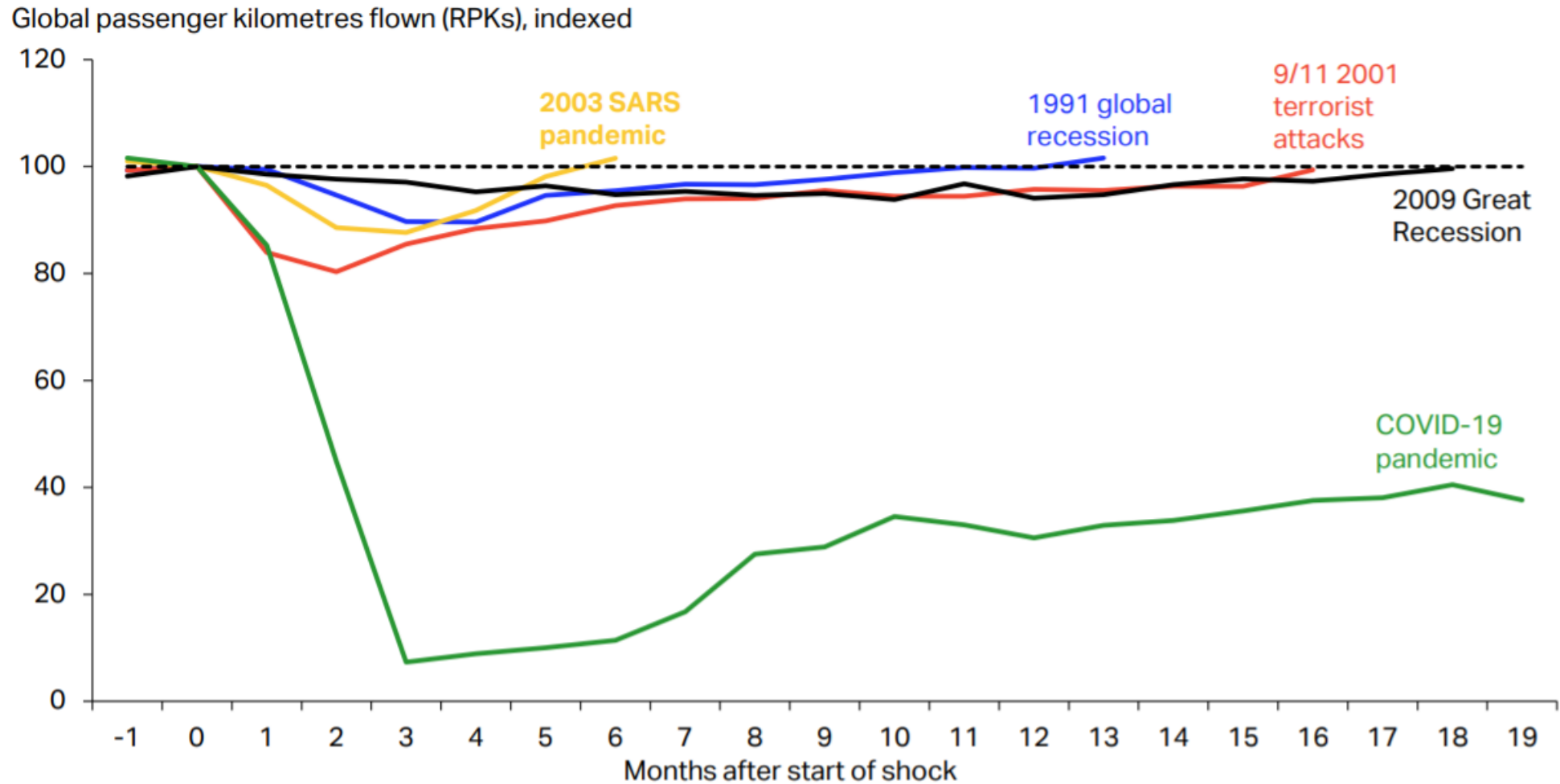
Executive: **Geneva**

Regional : **Amman**
Beijing
Madrid
Miami
Singapore

50+ local country offices



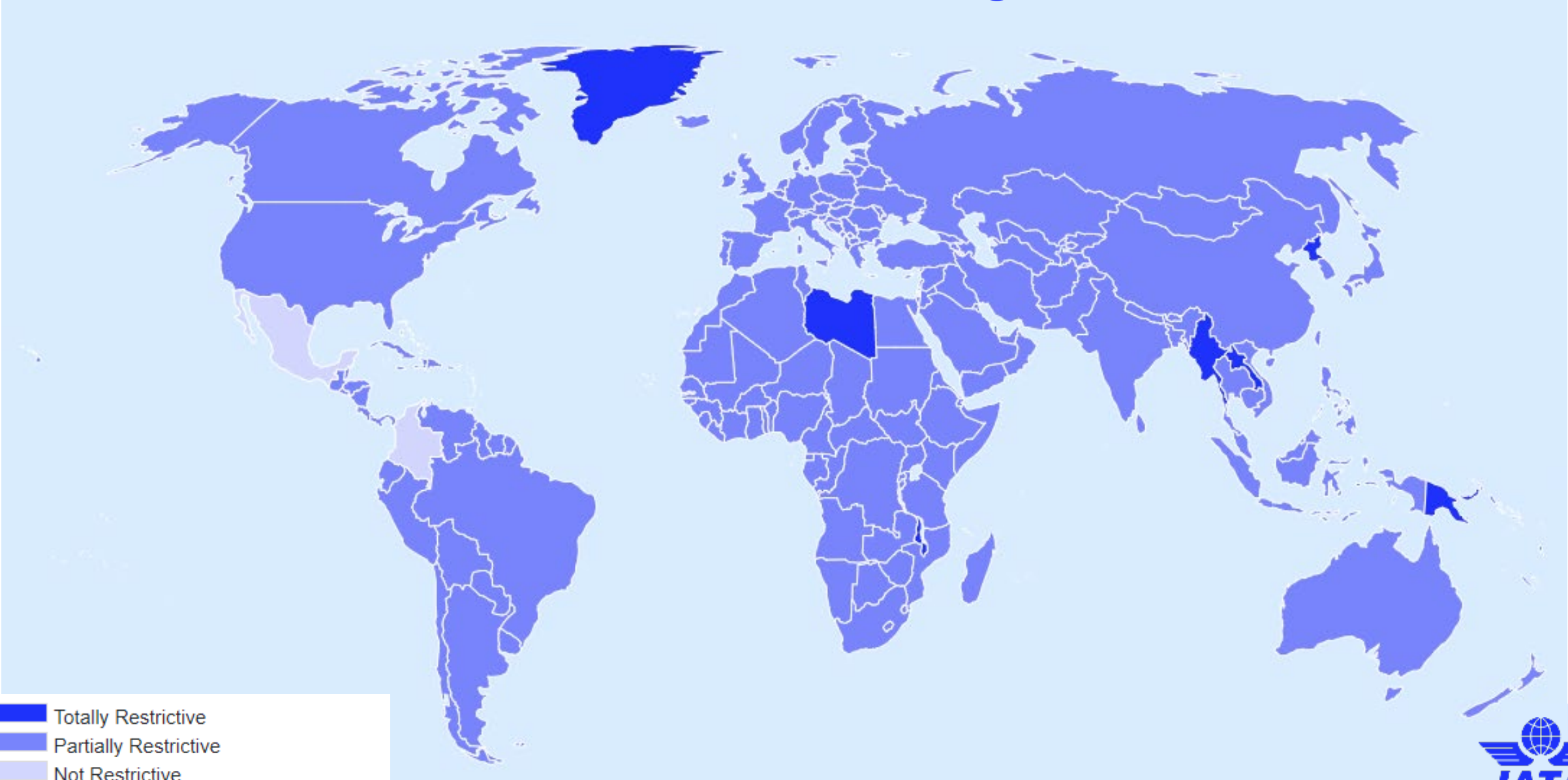
COVID-19 – biggest and longest shock to hit aviation



Source: IATA Economics using data from IATA Monthly Statistics. Data is adjusted for seasonality.



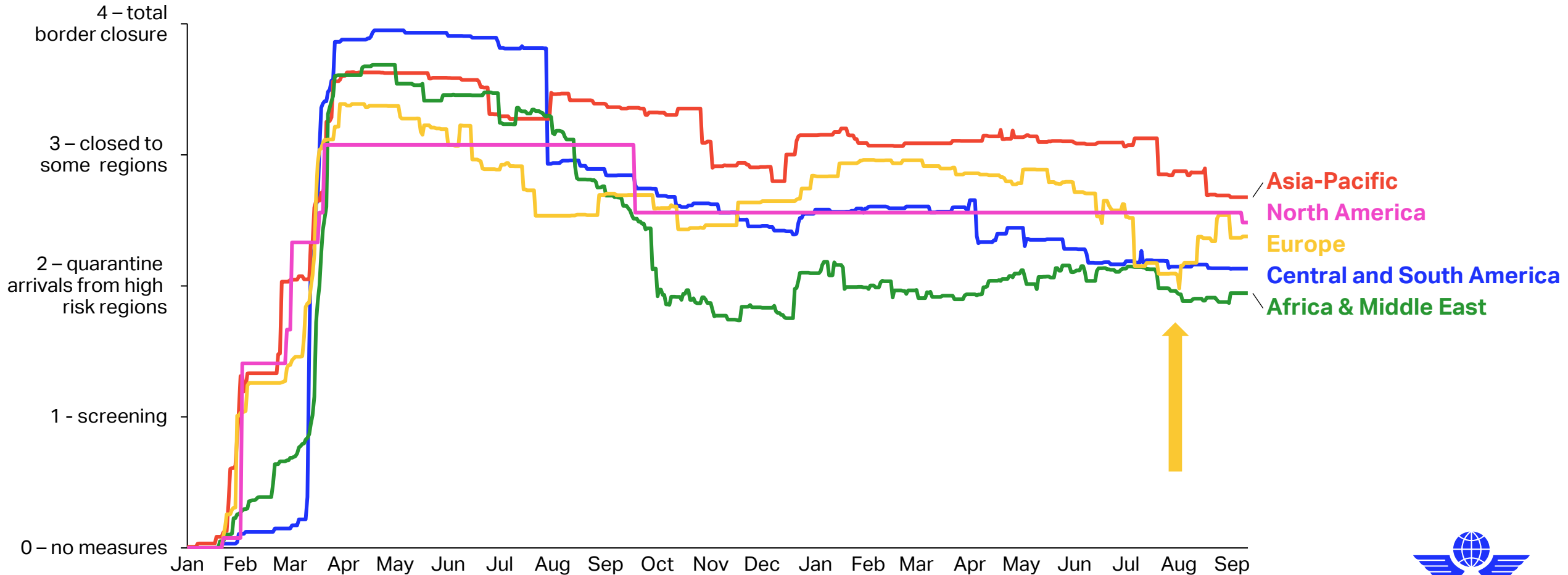
Travel restrictions are creating travel barriers



- Totally Restrictive
- Partially Restrictive
- Not Restrictive
- Latest updates currently under review



... and limit the recovery of international travel



International travel stringency index weighted by population (Jan 2020-Sep 2021)
Source: IATA Economics analysis based on Oxford University data



Aug. 2021 International Passenger Demand*

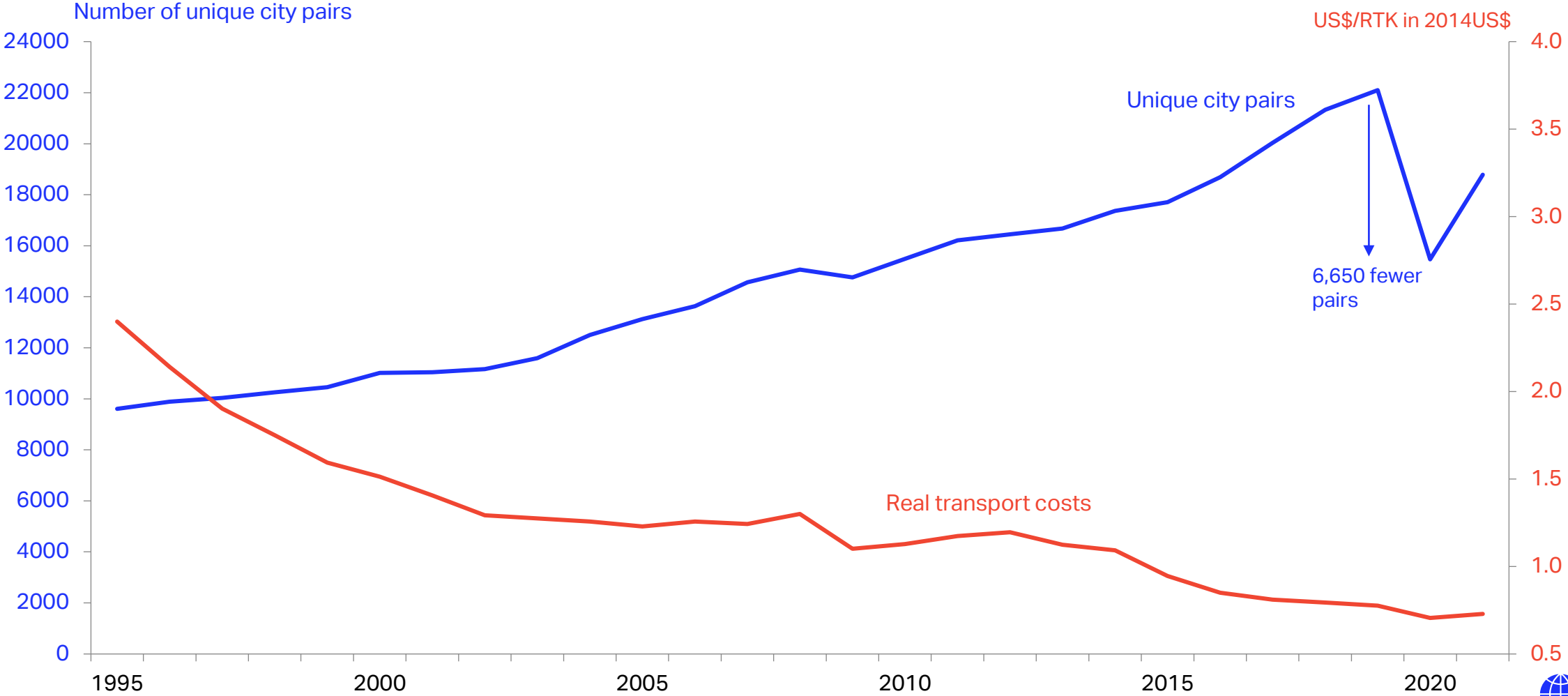
-68.8%

*measured in RPKs (Revenue Passenger Kilometers)

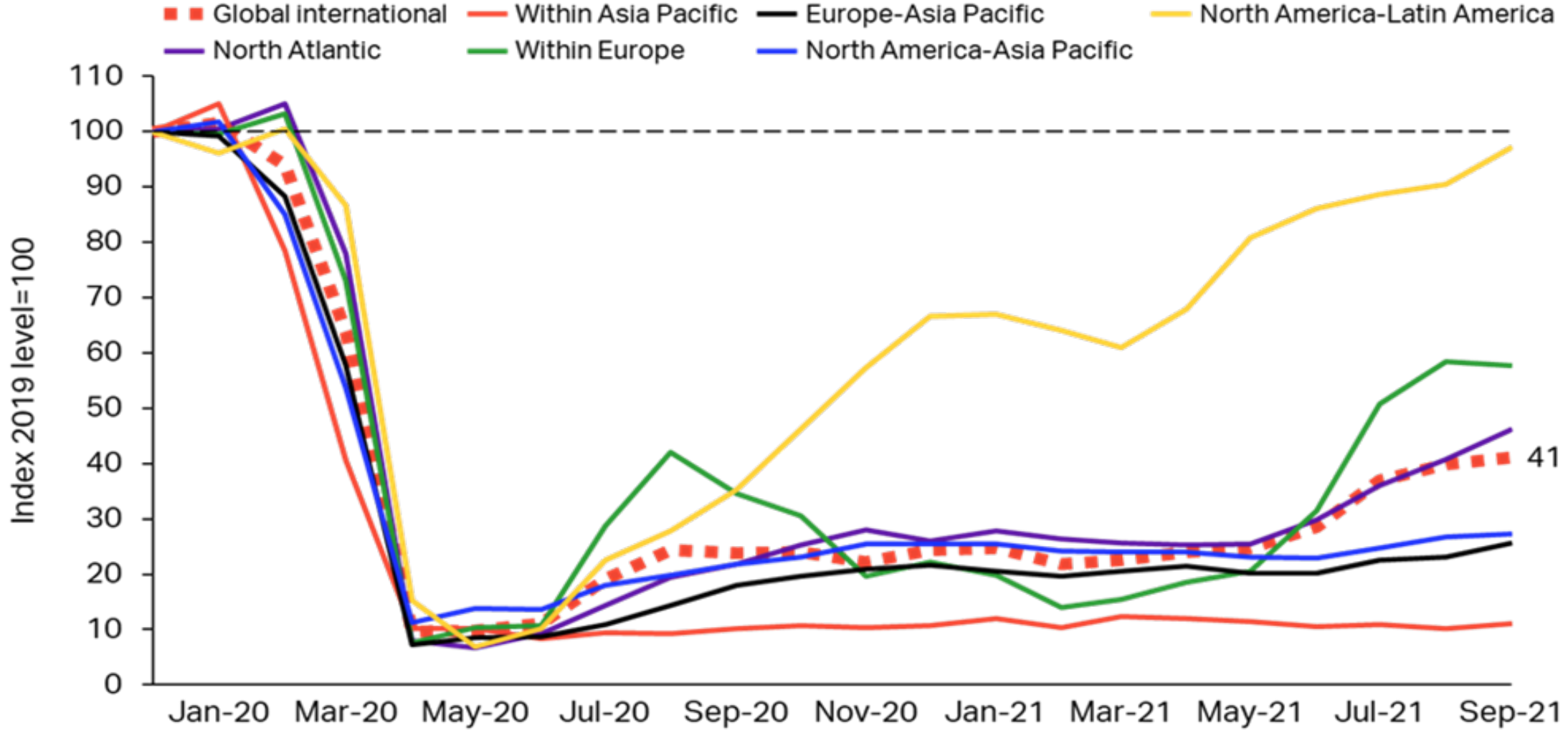
Aug. 2021 Domestic Passenger Demand*

-32.2%

Reduced connectivity – 6 650 city pairs lost in 2020



Diverging connectivity recovery across regions



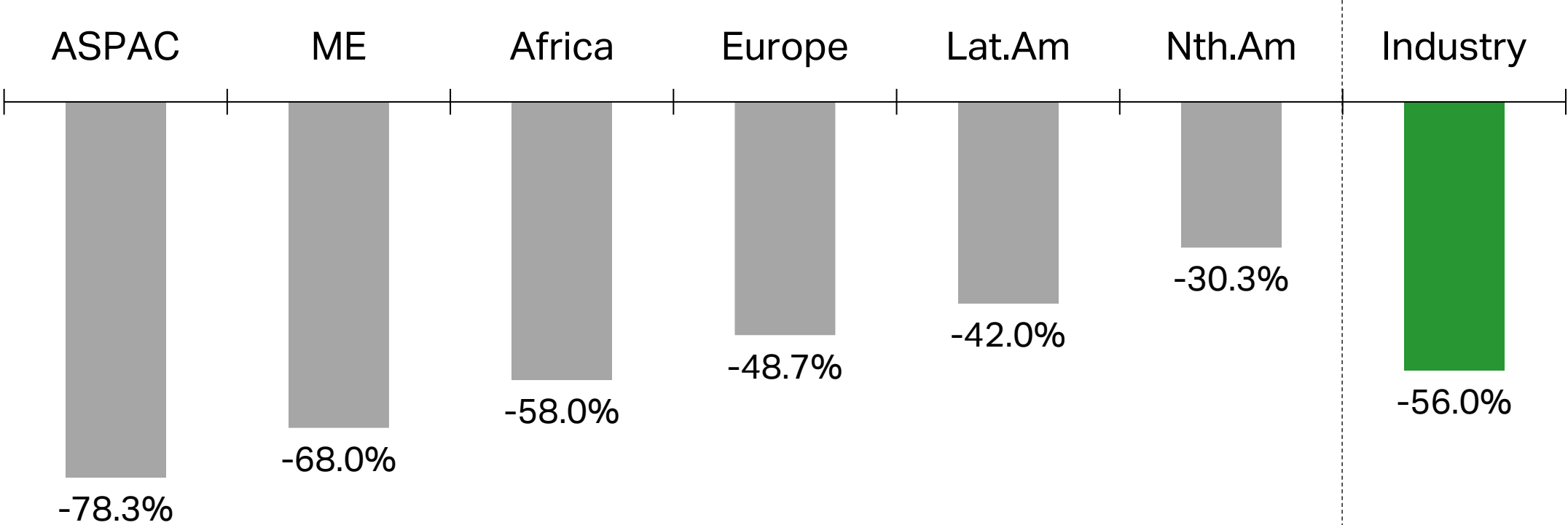
IATA Connectivity Index using data from OAG

22 October 2021



Regions with large domestic markets, short-haul lead recovery

Growth in passenger volumes, by region of airline registration



RPKs, % change vs. Aug 2019
Source: IATA Monthly Statistics



High scenario

Baseline scenario

Low scenario

Recovery to 2019 level in mid-2023

Recovery to 2019 level by end 2023

Recovery to 2019 level after 2027



EUROCONTROL short-term traffic scenario for *Europe until March 2022

% traffic compared to 2019



* Europe = ECAC 44 Member States

Source: EUROCONTROL, Short-term traffic scenario October 2021



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people think it's time
for **governments to start**
opening up air travel as
COVID-19 cases
decrease



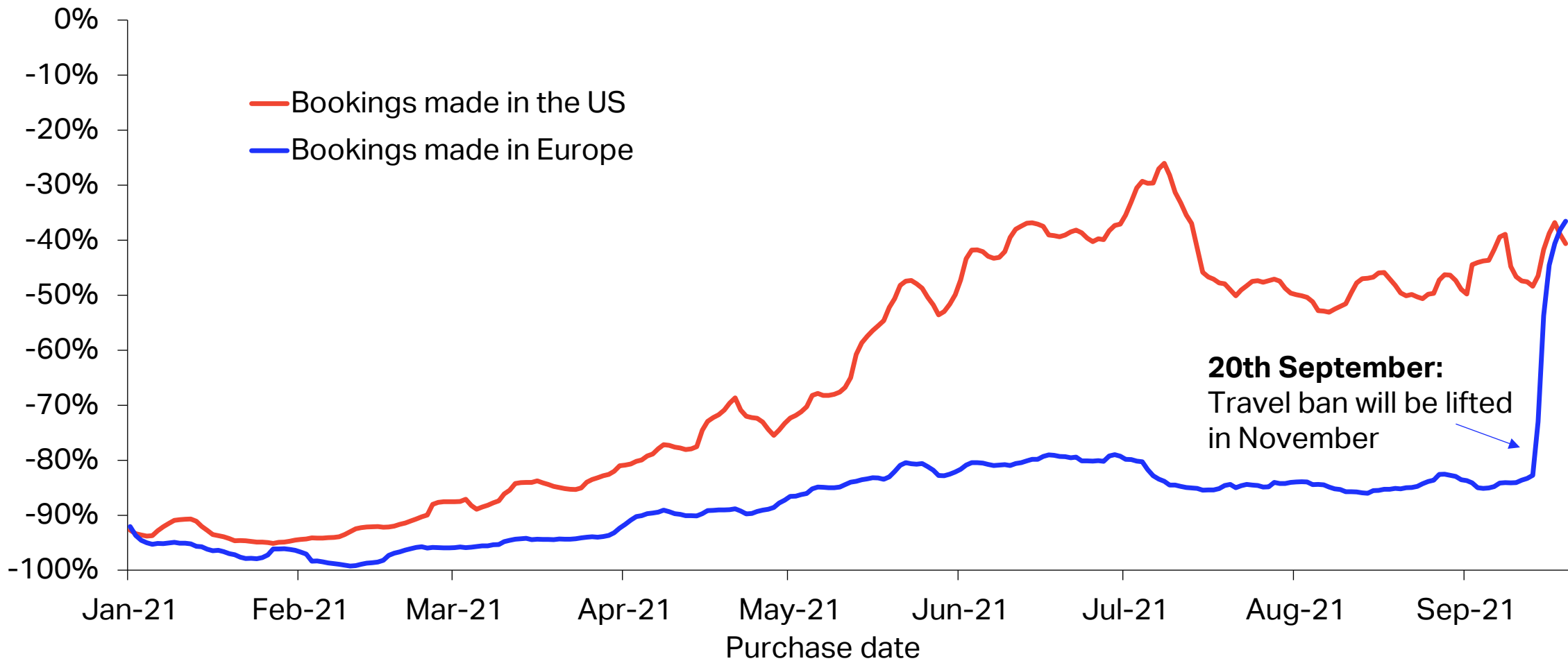
62%

are frustrated by air
travel restrictions

68%

say travel restrictions
have negatively impacted
their quality of life

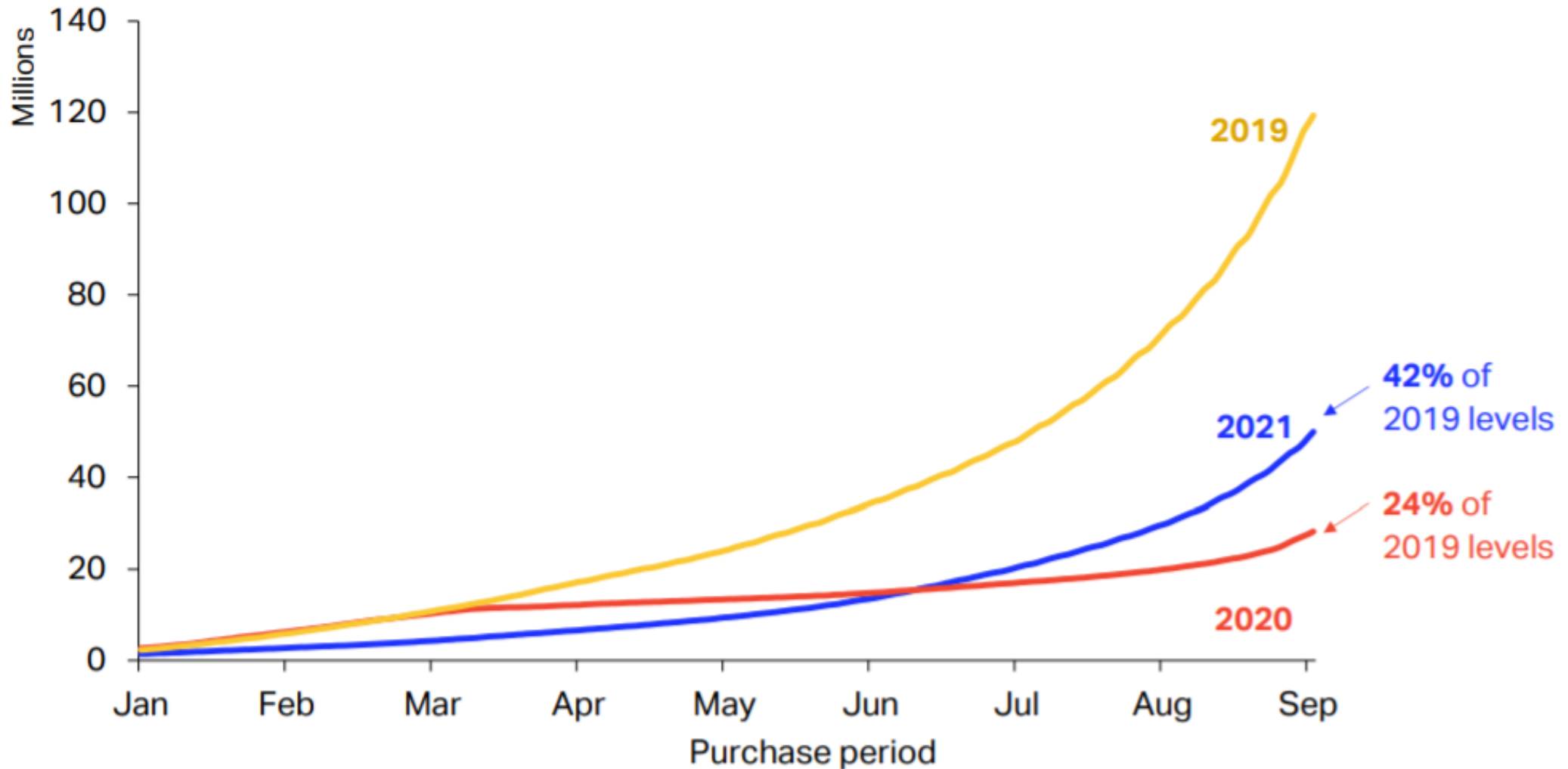
Pent-up demand: surge in bookings upon US announcement



Bookings US-Europe, 7-day MA in % change vs 2019
Source: IATA Economics using data from DDS



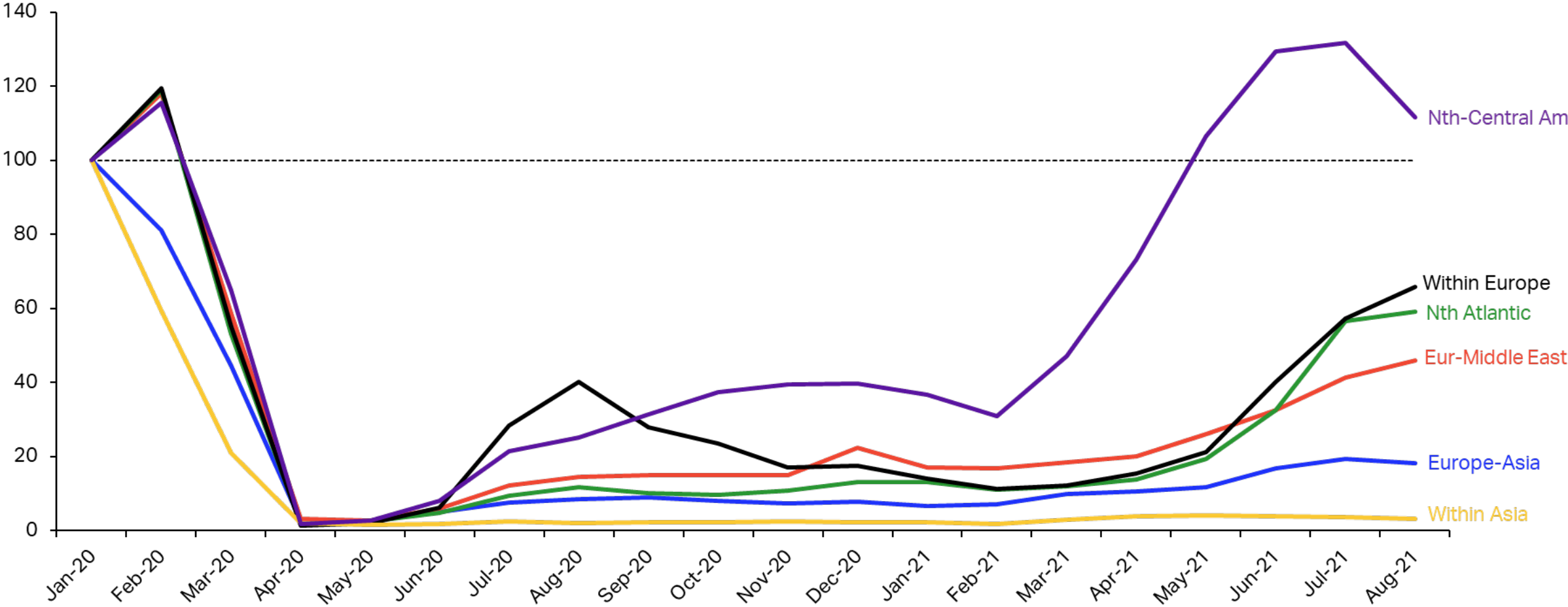
... But Q4 bookings still well below pre-crisis levels



Global cumulative passenger bookings for Q4 travel
Source: IATA Economics using data from DDS ticketing database



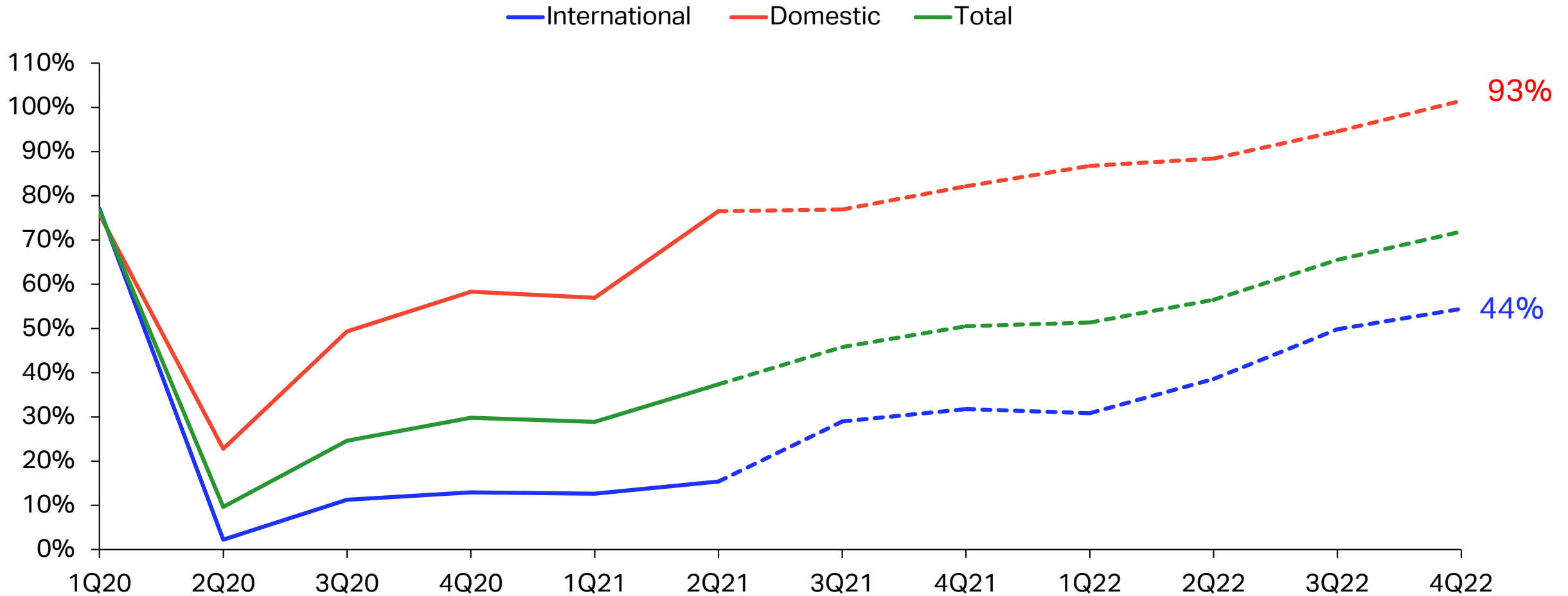
Quickest recovery: short-haul and leisure travel market



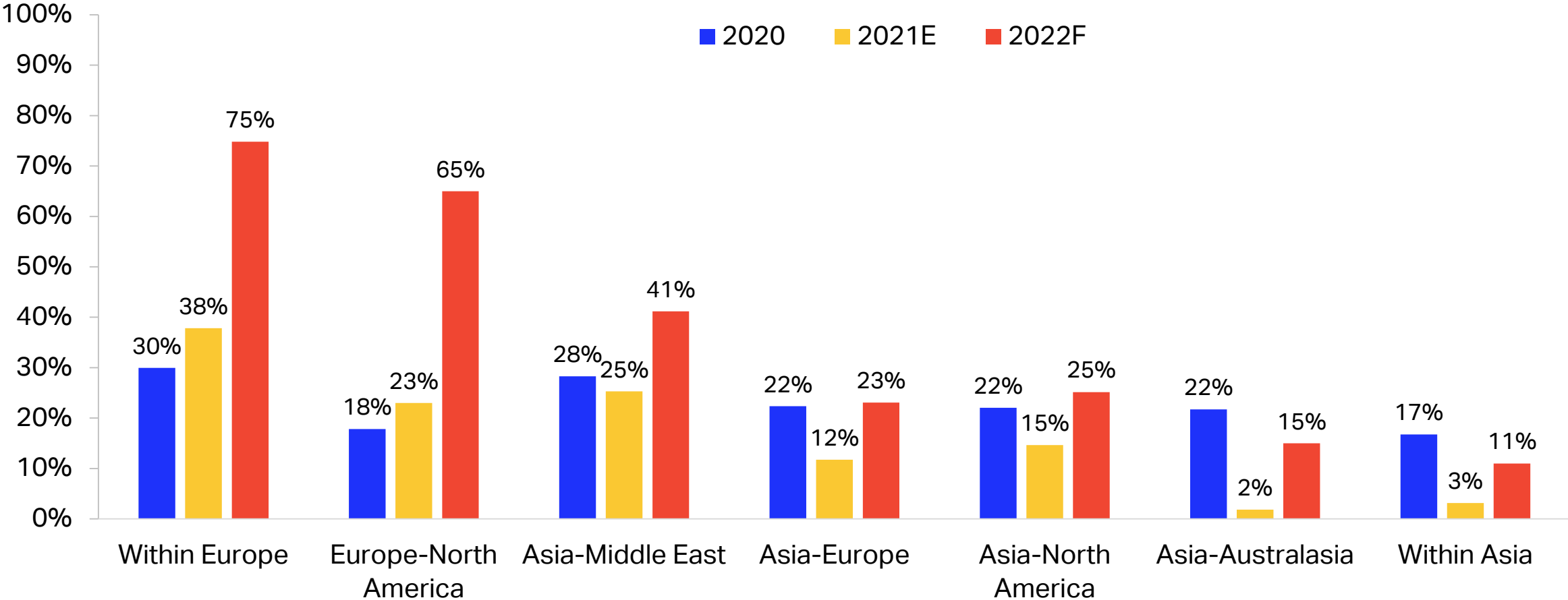
Seasonally adjusted RPKs (Indexed, Jan 2020 = 100)
 Source: IATA Economics, IATA Monthly Statistics by Route



Domestic travel demand will continue to be strong



And it will be supported by intra-Europe & North Atlantic



Main international Routes (RPKs % of 2019 levels)
 Source: IATA Economics Airline Industry Financial Forecast update, October 2021



Supporting the air travel restart

87%

of travelers want
a digital system for
health certificates



**Airlines will
achieve carbon net
zero by 2050**

Sustainable future

Freedom to connect with
the world over:

... to explore and learn

... to trade and build markets

... to appreciate cultures



We have a plan

Abate 21.2 Gt* of CO₂ :

- Sustainable aviation fuels
- New aircraft technology
- More efficient operations & infrastructure
- New zero-emissions energy sources (electric/ hydrogen power)

* Estimated cumulative total 2021-2050



A new dawn for recovery





Q&A

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