



THE FUTURE OF TRAVEL MOBILITY:  
**SUSTAINABILITY**

**CLICK TO PLAY THE RECORDING**



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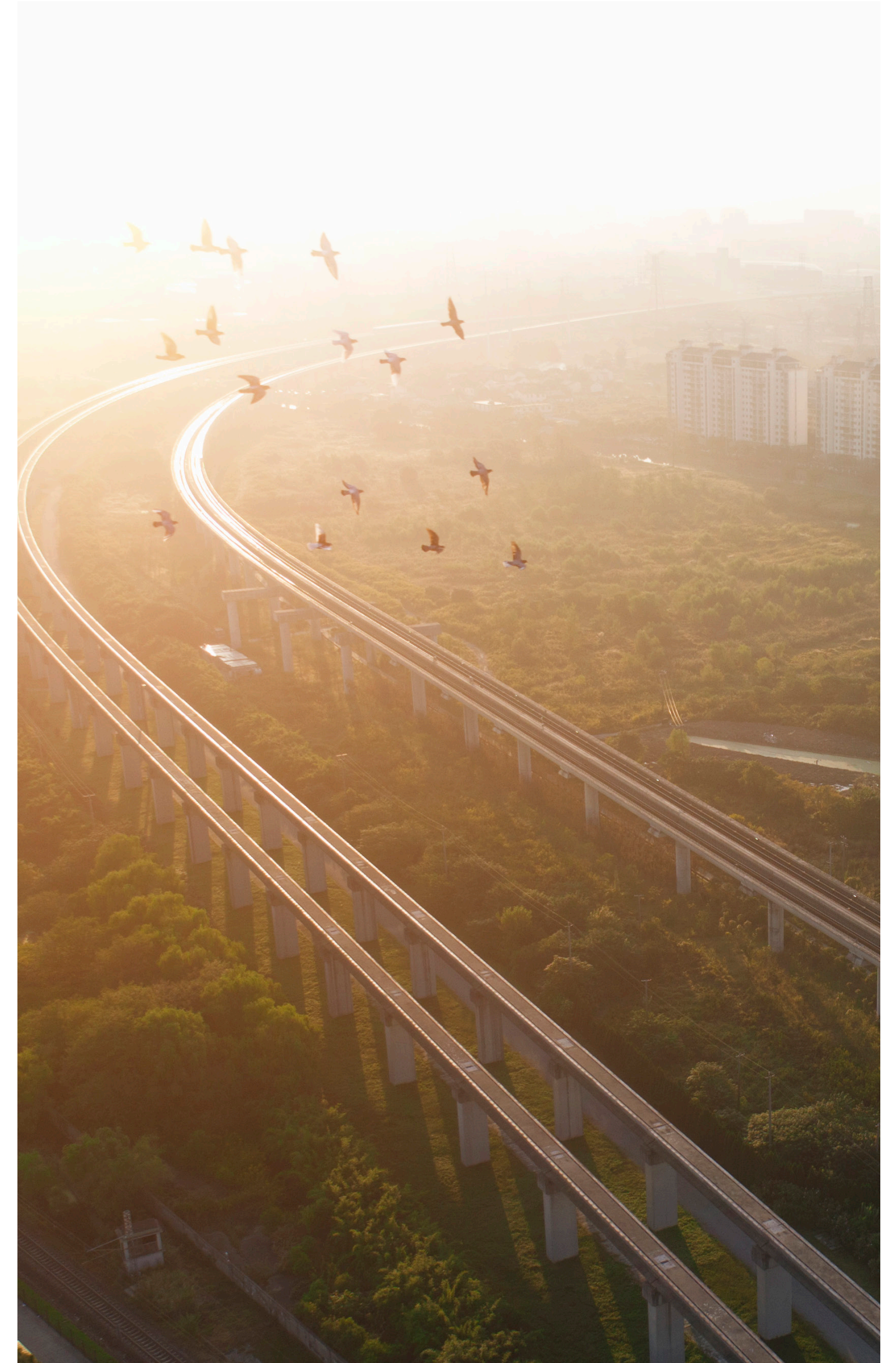




# OUR VISION

A travel industry that is...

- Better connected
- Positioned for faster, enduring growth
- More sustainable, seamless and secure, innovative and inclusive



# THE FUTURE OF TRAVEL MOBILITY PLATFORM

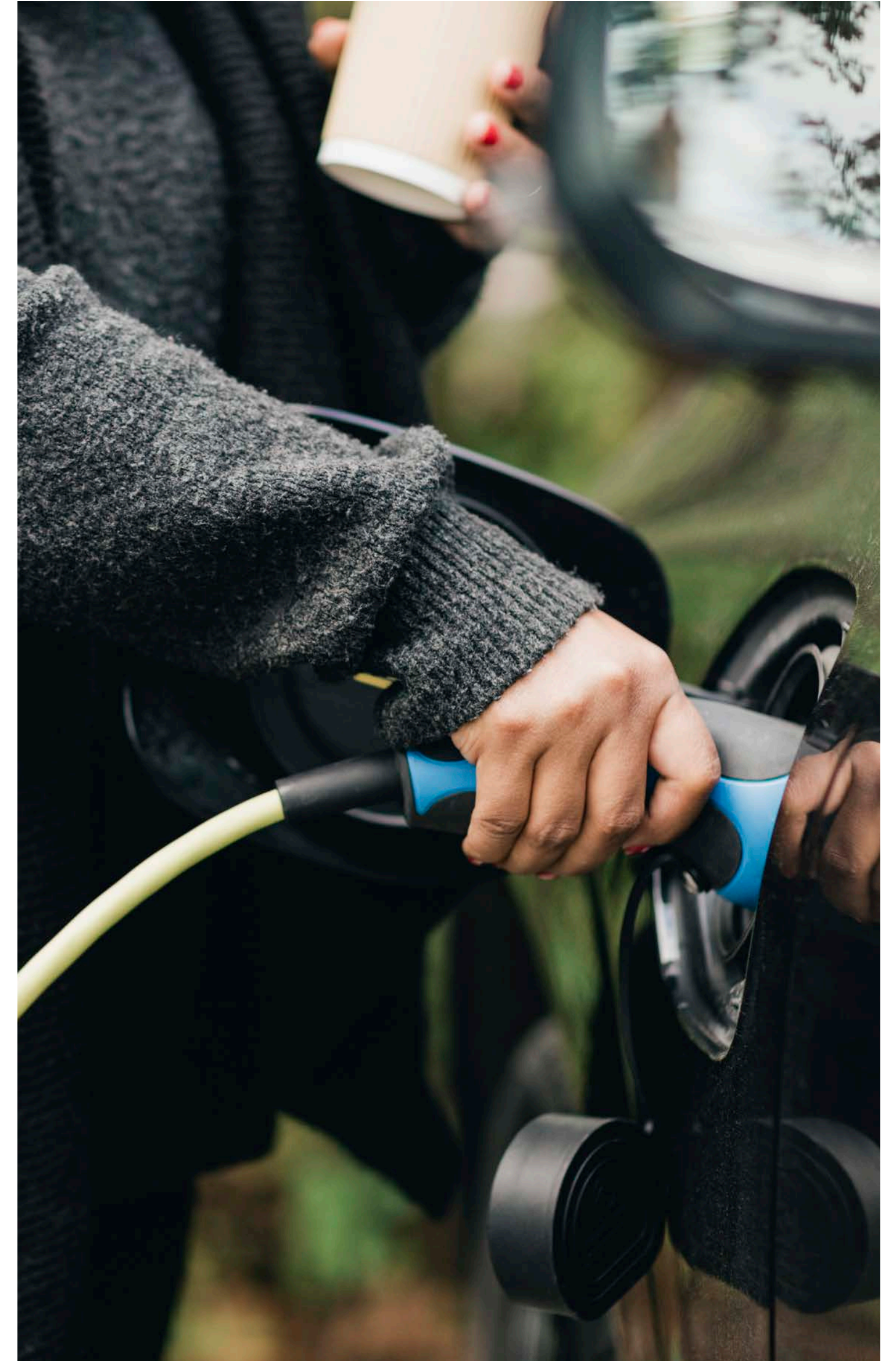




# THE FUTURE OF SUSTAINABLE TRAVEL

“We need to find **new sources of energy**... that make people feel they’re not having to choose between seeing the world and saving the world—**we can do both.**”

-Ed Bastian, Delta







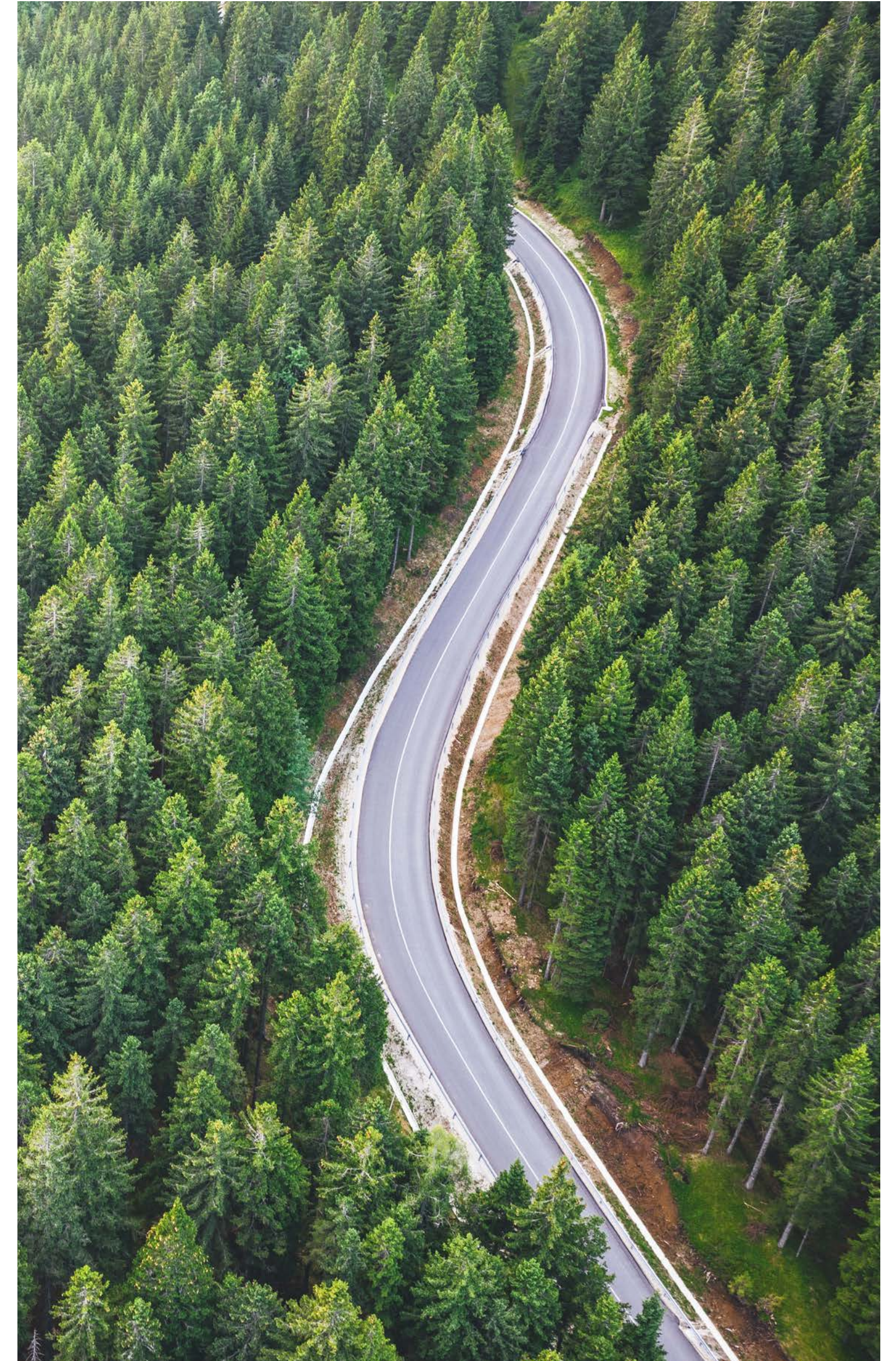
# TRAVEL'S SUSTAINABILITY IMPERATIVE

- Industry's future **competitiveness** and viability
- Consumer, investor, policymaker, employee **demands**
- **Talent** recruitment and retention
- Preserve natural assets



# DISCUSSION GOALS

- 1** **Review** sustainability trends and drivers in travel
- 2** **Share** our vision to support travel industry leadership
- 3** **Present** our policy goals for achieving the vision





# MICHAEL COOK

Director, ESG and Sustainability





# ESG Trends & ESG at American Express

U.S. Travel  
Association

MARCH 2022







# The evolution of ESG





# Why Environmental, Social & Governance (ESG) at American Express

At American Express, we see effective ESG management as critical to charting a path to a sustainable, inclusive, and successful future. For years, we have mobilized our business to address pressing global challenges, delivering high impact initiatives serving our colleagues, customers, communities, and other stakeholders.

PROMOTE DIVERSITY,  
EQUITY,  
& INCLUSION (DE&I)



BUILD FINANCIAL  
CONFIDENCE



ADVANCE CLIMATE  
SOLUTIONS





# Macro Trends: Key Drivers of ESG

## REGULATORS

Expanding regulations on ESG reporting, climate risk, and board diversity



- SEC to require increased disclosures on ESG
- UK mandated TCFD disclosures beginning in 2022
- EU Green Deal with proposed rules to achieve net zero by 2050

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## INVESTORS

Increasing shareholder proposals and requests for disclosure on ESG



- 220 investors w/ \$30T in assets called for 1,600 companies to set science-based targets<sup>1</sup>
- 7/10 investors will prioritize climate risks and opportunities during 2022 shareholder meetings<sup>2</sup>
- 2/3 of investors asking for executive compensation linked to ESG<sup>3</sup>

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## COLLEAGUES

ESG serves as a way to attract talent and motivate employees



- 70% are more likely to choose to work at a company with a strong environmental agenda<sup>4</sup>

<sup>1</sup>Source: [Investors demand science-based emissions targets 29 Sep 2021](#)

<sup>2</sup>Source: [EY 2022 Proxy Season In Review February 2022](#)

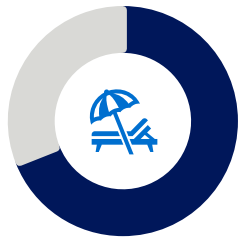
<sup>3</sup>Source: [Center for Sustainability & Excellence Linking ESG targets to executive pay 21 Oct 2021](#)

<sup>4</sup>Source: [Fast Company Survey 2019](#)



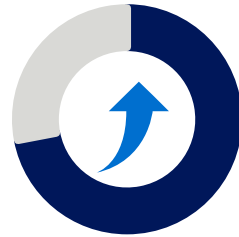


# Consumer Trends: Traveling with Purpose



**69%**

Agree they want to choose an airline/hotel that values diversity and inclusion, whose employees reflect a diverse customer base



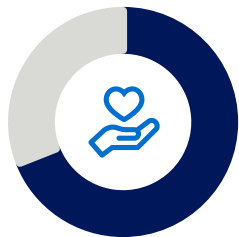
**72%**

Agree they are passionate about traveling to destinations that help boost tourism revenue and the local economy



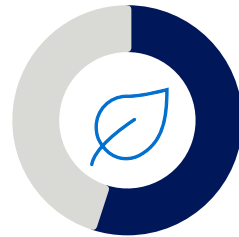
**68%**

Agree they are trying to be more aware of sustainability-friendly travel brands to support



**69%**

Agree they are interested in "philantourism"



**55%**

Say they are interested in 'carbon negative travel' and 60% agree they want to book with airlines that have a carbon neutral commitment



**76%**

Agree they want to spend more on travel to improve their well-being

This Amex Trendex online poll was conducted by Morning Consult between September 9-15, 2021, among a national sample of 2,000 general population travelers in the United States and 1,000 in Japan, Australia, Mexico, the United Kingdom, Canada, and India. The audience is defined as those with a household income of at least \$70K who traveled by air at least once in 2019. Results from the survey have a margin of error of plus or minus 2 percentage points.

Source: American Express Global Travel Trends Report, 2021, <https://www.americanexpress.com/en-us/travel/discover/get-inspired/global-travel-trends>



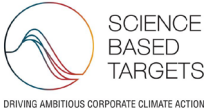
# Corporate Trends: Companies Taking Action on ESG

## NET ZERO COMMITMENTS



**2,577**

Companies committed to set science-based targets with SBTi



**300+**

Companies signed onto the Glasgow Declaration for Climate Action on Tourism to achieve net-zero by 2050



## COALITIONS



**100+**

Companies are members of the World Economic Forum's Clean Skies for Tomorrow Coalition and 10% SAF by 2030



**30,000+**

Properties members of the Sustainable Hospitality Alliance



## ESG REPORTING



**52%**

of US CEO's say they are seeing significant demand for increased reporting and transparency on ESG issues from stakeholders<sup>1</sup>

**96%**

Global 250 report on sustainability and a majority in alignment with GRI, SASB, and TCFD<sup>2</sup>



<sup>1</sup>Source: [2021 KPMG U.S. CFO Outlook](#)

<sup>2</sup>Source: ["The Time has Come" The KPMG Survey of Sustainability Reporting 2020](#)



# ESG Strategy at American Express





# Background

A comprehensive and collaborative approach



Cross-functional engagement





# Our ESG Strategy Framework

## ESG MISSION STATEMENT

To back people and businesses to thrive and create equitable, sustainable and resilient communities globally.



### PROMOTE DIVERSITY, EQUITY, AND INCLUSION

Support a diverse, equitable,  
and inclusive workforce,  
marketplace, and society.



### BUILD FINANCIAL CONFIDENCE

Provide responsible, secure, and  
transparent products and services to  
help people and businesses build  
financial resilience.



### ADVANCE CLIMATE SOLUTIONS

Enhance our operations and  
capabilities to meet customer and  
community needs in the transition to  
a low-carbon future.



# Responsible Backing Our Colleagues, Customers, and Communities

## 2020-2021 HIGHLIGHTS



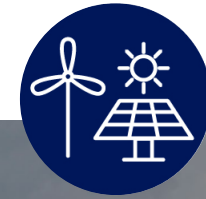
### PROMOTE DIVERSITY, EQUITY, AND INCLUSION (DE&I)

- **\$1B Action Plan** to promote DE&I through goals, commitments, and initiatives by the end of 2024
- **100% pay equity** achieved for colleagues across genders globally and races and ethnicities in the US
- **New disclosures** on median pay gap, hiring, promotion and retention
- **\$10M** pledged to the Coalition to Back Black Businesses in partnership with US Chamber of Commerce Foundation



### BUILD FINANCIAL CONFIDENCE

- **Shop Small Campaign** supported small businesses including an estimated **\$23.3B** in reported spending by US consumers on Small Business Saturday<sup>1</sup>
- **\$40M** pledged to Accion Opportunity Fund to expand access to loans for historically underfunded small businesses, including those owned by women and underrepresented groups
- **\$1M** Backing Historic Small Restaurants Program with National Trust for Historic Preservation in 2021



### ADVANCE CLIMATE SOLUTIONS

- **Carbon Neutral** in our operations since 2018 and powered by 100% renewable electricity<sup>2</sup>
- **RE100** Member, a global initiative of businesses committed to 100% renewable electricity
- **210,000+** trees planted with The Nature Conservancy since 2017
- **Low-carbon products** including Carbon Footprint Dashboard to help clients track emissions
- Joined **Science Based Targets initiative, Business Ambition for 1.5°C, and Race to Zero** in 2021

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<sup>1</sup>The American Express 2021 Small Business Saturday Consumer Insights Survey was conducted by Teneo on behalf of American Express and the National Federation of Independent Business (NFIB). The study is a nationally representative sample of 2,426 U.S. adults 18 years of age or older. The sample was collected using an email invitation and an online survey. The study gathered self-reported data and does not reflect actual receipts or sales. It was conducted anonymously on November 28, 2021. The survey has an overall margin of error of +/- 2.0%, at the 95% level of confidence. Projections are based on the current U.S. Census estimates of the U.S. adult population, age 18 years and over.



# LAUNCH OF OUR 2020-2021 ESG REPORT

To read the 2020-2021  
report and learn more, visit:  
[amex.co/ESG](https://amex.co/ESG)





Looking Ahead





# Looking Ahead

- ESG is constantly evolving with emerging regulations, priorities, and reporting standards
- Stakeholder expectations on ESG commitments, initiatives, and disclosures will continue to increase
- The return to travel presents new opportunities for innovation that positively impact people and the planet





Thank you





## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

*This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 which are subject to risks and uncertainties. The forward-looking statements, including the company's aspirational emissions and climate-related commitments and goals, contain words such as "believe," "expect," "anticipate," "intend," "plan," "aim," "will," "may," "seek," "should," "could," "would," "likely," "potential," "continue" or other similar expressions. Actual results may differ from those set forth in the forward-looking statements due to a variety of factors, including: competition, brand perceptions and reputation; an inability to develop and market value propositions that appeal to Card Members and new customers; the amount and efficacy of investments in product innovations, resources, marketing campaigns and programs; changing customer behaviors, interest in the company's products, resources and programs, and willingness to access capital provided by the company, spend money at small businesses and value environmentally and socially responsible products and services; management's inability to identify suitable suppliers, grantees, partners and community investments and negotiate acceptable terms; an inability to build partnerships and execute programs with other companies and of partners to meet their obligations to the company; changes in developing standards and certifications; the cost and availability of renewable energy, carbon removal and carbon offset projects, energy attribute certificates, certified paper and green buildings, and alternatives to single-use plastic; supply chain and market disruption; regulation; potential M&A activity; severe weather conditions, natural disasters and other catastrophic events; changes in the company's real estate, technology, colleague and community engagement, and risk management strategies; an inability of waste management systems to divert waste to recycling and composting facilities; and changes in economic or business conditions and the company's ability to grow, improve its financial performance and execute on its strategies. A further description of these and other risks and uncertainties can be found in the Company's Annual Report on Form 10-K for the year ended December 31, 2020 and the Company's other filings with the U.S. Securities and Exchange Commission. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. We undertake no obligation to update or revise any forward-looking statements.*







# U.S. TRAVEL ASSOCIATION'S SUSTAINABILITY GOALS

- 1** Spotlight industry progress
- 2** Amplify industry goals and leadership
- 3** Highlight why sustainability matters
- 4** Play offense to help the industry achieve its goals
- 5** Defend against harmful policies



# U.S. TRAVEL SUSTAINABILITY GOALS

## **SPOTLIGHT** INDUSTRY PROGRESS

- Showcase leadership and ongoing actions.



# U.S. TRAVEL SUSTAINABILITY GOALS

## **SPOTLIGHT** INDUSTRY PROGRESS

- Showcase the cutting edge
- Virgin Hyperloop
  - 600+ MPH
  - Fully electric, zero direct emissions



# U.S. TRAVEL SUSTAINABILITY GOALS

## **AMPLIFY** INDUSTRY GOALS AND LEADERSHIP

- Ambitious waste and emissions reduction targets
- Leading conservation efforts
- Significant sustainability investments
- Best practices on sustainability



# U.S. TRAVEL SUSTAINABILITY GOALS

## **HIGHLIGHT** WHY SUSTAINABILITY MATTERS

- Make the case: Sustainability is core to travel's future
- Keep up a steady drumbeat



# U.S. TRAVEL SUSTAINABILITY GOALS

## **PLAY OFFENSE TO HELP THE INDUSTRY ACHIEVE ITS GOALS**

- Identify and promote proactive policies



# U.S. TRAVEL SUSTAINABILITY GOALS

## **DEFEND AGAINST HARMFUL POLICIES**

- Bad Policy:
  - Slows progress towards sustainability goals
  - Penalizes the industry without advancing progress



# ERIK HANSEN

Vice President,  
Government Relations

U.S. TRAVEL  
ASSOCIATION®





# OUR POLICY PRIORITIES

Automakers are all-in on an **all-electric future.**

- Ford investing \$22 billion to electrify most popular products
- GM will **only** make EVs starting in 2035

INFRASTRUCTURE: EV CHARGING





# OUR POLICY PRIORITIES

- **Range anxiety:** most significant hurdle to EV adoption.
- **80%** of long-haul travel in U.S. is by car
- Travelers: **41%** would take more road trips if access to EV charging available
- **Solution:** Expand EV infrastructure along frequently used corridors and in popular destinations

**INFRASTRUCTURE: EV CHARGING**





# OUR POLICY PRIORITIES

Making **progress...**

- Infrastructure bill: **\$7.5 billion** to expand EV infrastructure
- Biden Administration goal: 500,000 new **EV charging stations** by 2030
- **\$5 billion** over five years for EV infrastructure

**INFRASTRUCTURE: EV CHARGING**





# OUR POLICY PRIORITIES

- State tourism offices and DMOs:  
**Engage with your state DOTs**

**INFRASTRUCTURE: EV CHARGING**



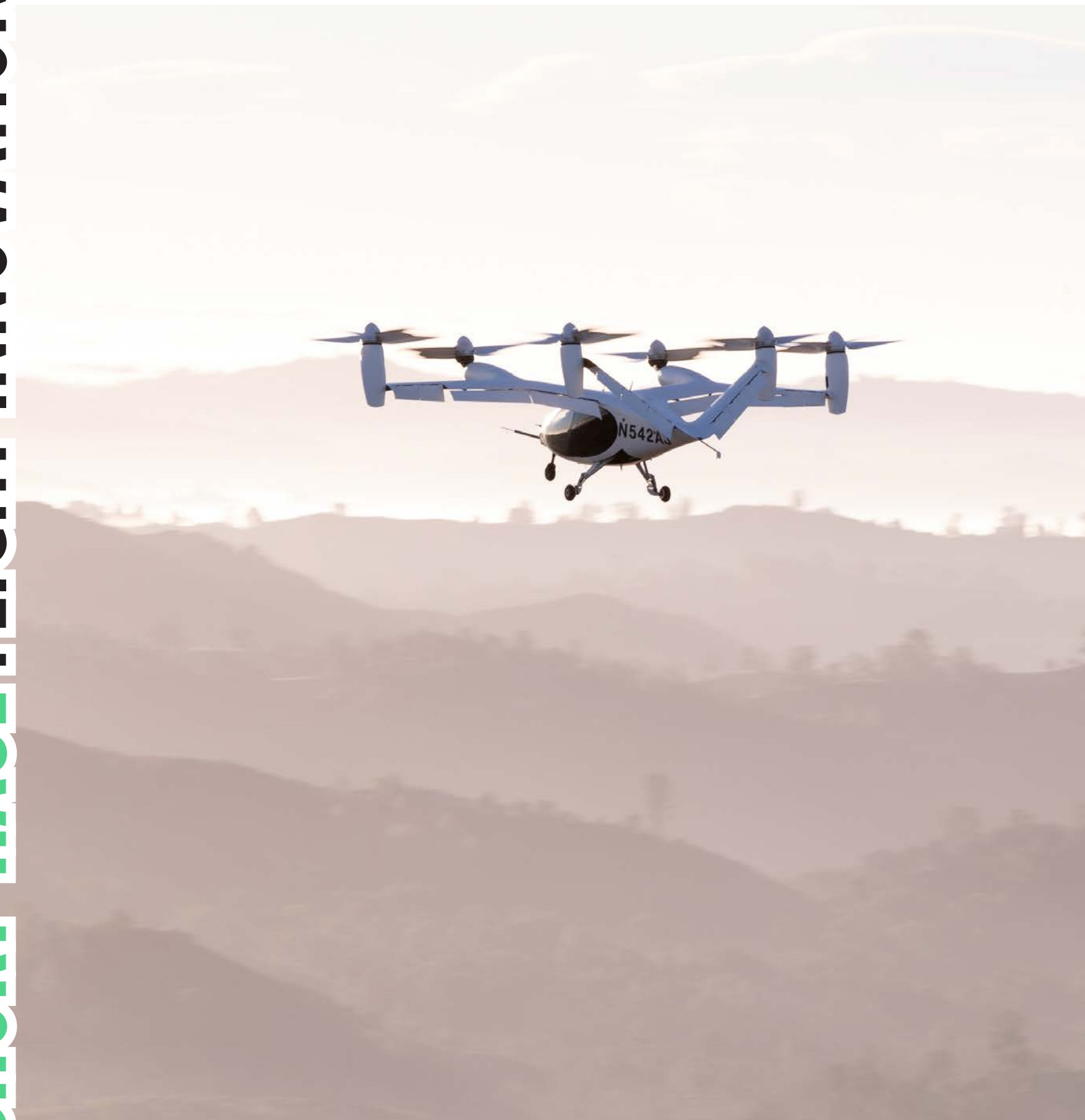


# OUR POLICY PRIORITIES

## Joby **Aviation**

- Four-passenger EVTOL air taxi service
- All-electric, zero emissions
- 150-mile range, 200 MPH top speed
- LAX to Orange County in 15 minutes

**SHORT-HAUL FLIGHT INNOVATION**





# OUR POLICY PRIORITIES

Airlines have committed to **net-zero carbon emissions** by 2050

Travelers prefer sustainable travel options:

- **18%** of Americans would travel more frequently if they had access to more sustainable flight options



**AIR TRAVEL: SAFES**



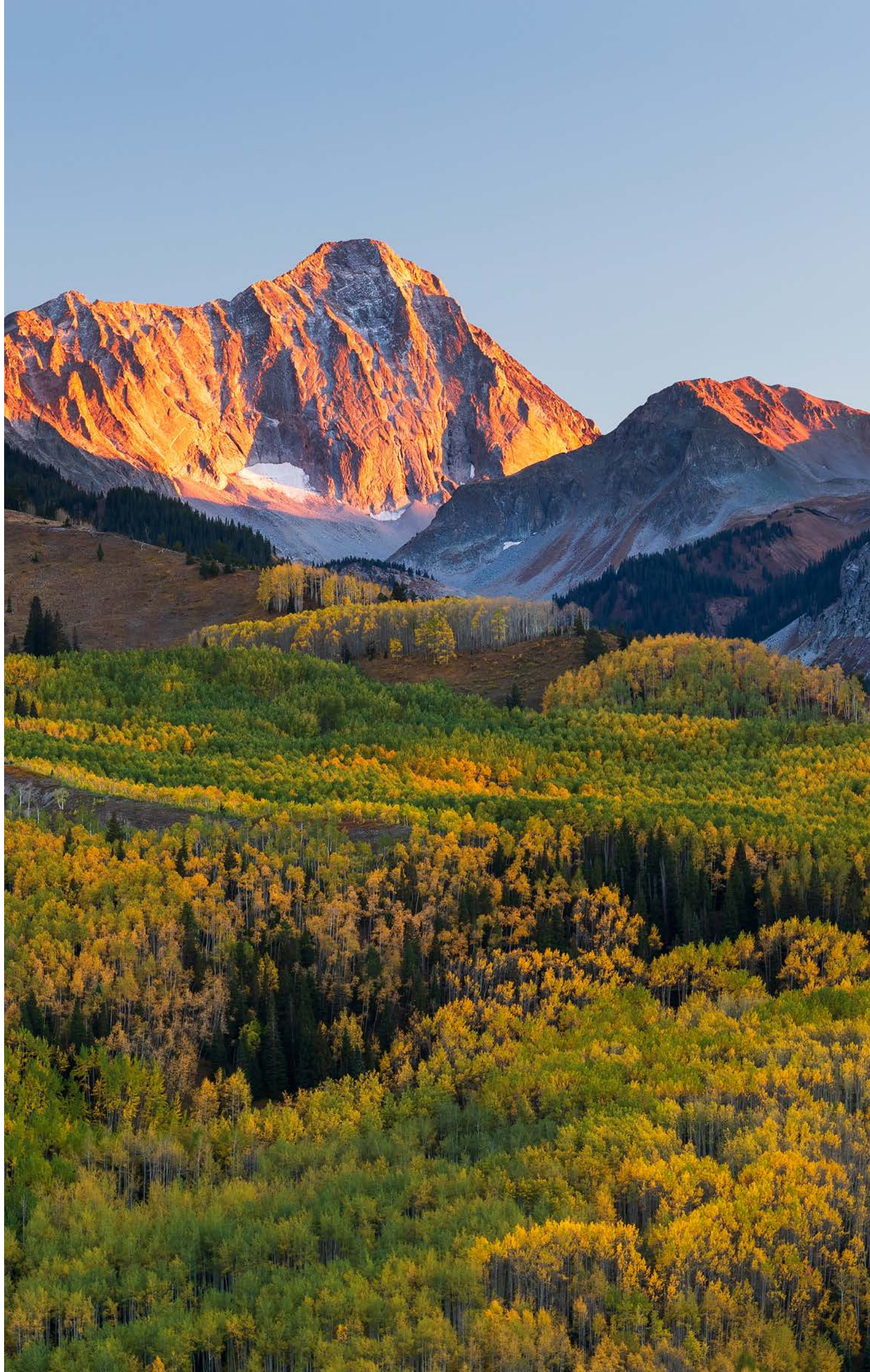
# OUR POLICY PRIORITIES

- Net-zero targets requires SAFs
- Problem: SAFs demand greater than supply
- Solution: Scale-up SAFs production and infrastructure
- U.S. Travel will advocate for policies to accelerate SAFs deployment



**AIR TRAVEL: SAFS**





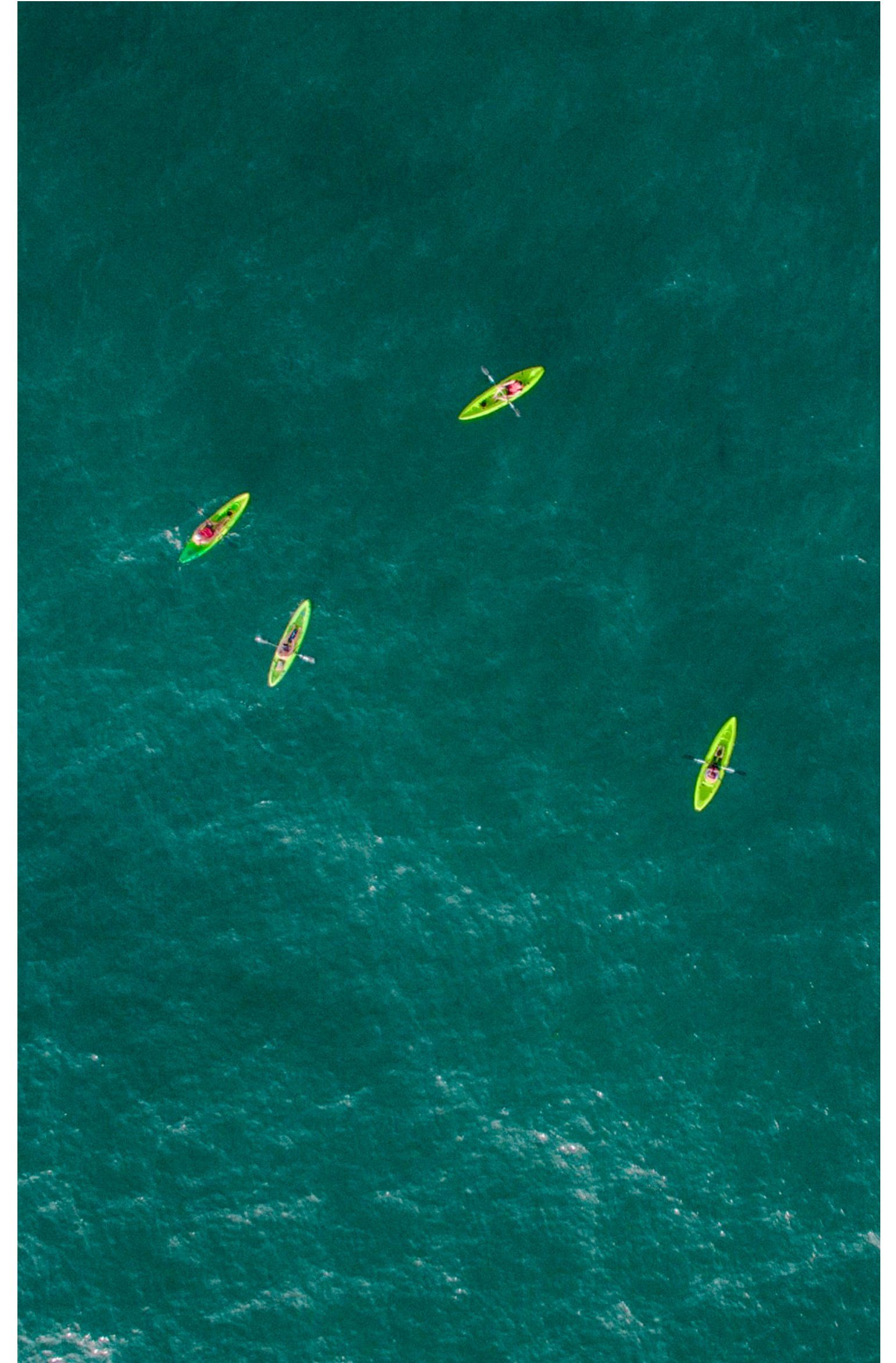
# SUSTAINABILITY WORKING GROUP

- Guide future efforts and determine U.S. Travel focus
- U.S. Travel members with subject matter expertise and sustainability experience



# OUR COMMITMENT

- Support national and global climate goals
- Become a recognized leader on sustainability





U.S. TRAVEL  
ASSOCIATION®



# Q & A