TRAVEL MARKETS INSIDER
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BY THE NUMBERS

IATA: strong air passenger demand continues in June

The International Air Transport Association's (IATA) passenger data for June 2022 shows that the recovery in air travel remains strong.

Total traffic in June 2022 (measured in revenue passenger kilometers or RPKs) was up 76.2% compared to June 2021, primarily propelled by the ongoing strong recovery in international traffic. Globally, traffic is now at 70.8% of pre-crisis levels.

Domestic traffic for June 2022 was up 5.2% compared to the year-ago period. Strong improvements in most markets, combined with the easing of some Omicron-related lockdown restrictions in the Chinese domestic market, contributed to the result.

Total June 2022 domestic traffic was at 81.4% of the June 2019 level.

International traffic rose 229.5% versus June 2021. The lifting of travel restrictions in most parts of Asia-Pacific is contributing to the recovery.

June 2022 international RPKs reached 65.0% of June 2019 levels.

The industry-wide passenger **load factor** (PLF) returned to above 80% for the first time since January 2020 and has increased by 12.9 percentage points over the past year. Both the domestic and international PLFs are above 80%, with the latter increasing significantly – by almost 30 percentage points – over the past 12 months.

"Demand for air travel remains strong. After two years of lockdowns and border restrictions people are taking advantage of the freedom to travel wherever they can," said Willie Walsh, IATA's Director General.

International Passenger Markets: The Americas

North American carriers experienced a 168.9% traffic rise in June versus June 2021. Capacity rose 95.0%, and the ***load factor climbed 24.1 percentage points to 87.7%, which was the highest among the regions.***

Latin American airlines' June traffic rose 136.6% compared to the same month in 2021. June capacity rose 107.4% and the load factor increased 10.3 percentage points to 83.3%. After leading the regions in load factor for 20 consecutive months, Latin America slipped back to third place in June.

International traffic: Rest of the World

Asia-Pacific airlines had a 492.0% rise in June traffic compared to June 2021. Capacity rose 138.9% and the load factor was up 45.8 percentage points to 76.7%. ***The region is now relatively open to foreign visitors and tourism which is helping foster the recovery.***

European carriers' June traffic rose 234.4% versus June 2021. Capacity rose 134.5%, and load factor climbed 25.8 percentage points to 86.3***%. International traffic within Europe is above pre-pandemic levels in seasonally adjusted terms.***

Middle Eastern airlines' traffic rose 246.5% in June compared to June 2021. June capacity rose 102.4% versus the year-ago period, and load factor climbed 32.4 percentage points to 78.0%.

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June 2022 (% year-on-year)	World share[1]	RPK	ASK	PLF (%-pt)[2]	PLF (level)[3]
Total Market	100.0%	76.2%	48.5%	12.9%	82.4%
Africa	1.9%	97.1%	62.0%	13.2%	74.3%
Asia Pacific	27.5%	33.7%	18.9%	8.1%	72.9%
Europe	25.0%	155.1%	96.1%	19.9%	86.0%
Latin America	6.5%	74.0%	67.2%	3.2%	81.7%
Middle East	6.6%	216.8%	89.3%	31.1%	77.2%
North America	32.6%	39.2%	26.4%	8.2%	89.1%

[1]% of industry RPKs in 2021 [2]year-on-year change in load factor [3]Load Factor Level

ETRC Q1 2022 Index: recovery of European TR continues amidst challenging conditions

The European Travel Retail Confederation (ETRC) has released the ETRC Business Performance Index* for the first quarter of 2022.

Following the significant recovery pace shown in Q2 and Q3 2021, the industry recovery slowed down in Q1 2022 in line with the previous quarter showing a sales deficit of 37% vs. the same quarter in 2019.

International PAX, on the other hand, experienced stronger recovery, taking the PAX deficit to 32% of Q1 2019 levels.

In addition, the rate of recovery is now fairly consistent between the core categories, each reporting an Index that closely tracks the overall market status. While the results are overall positive, a word of caution comes from the rate of spending per passenger, which fell fairly significantly in Q1 2022, down by 7% compared to Q1 2019.

"The recovery of Travel Retail in Europe continues to be underpinned by several key dynamics, although several of these trends, including sales recovering quicker than international PAX and increased rates of spend per passenger, reversed in Q1 2022. The next edition of the ETRC Index will tell us if this is just a hiccup or confirmed trend on an otherwise remarkably fast road to recovery," commented Steve Hillam, Managing Director at Pi Insight, which helps compile the research for ETRC.

Julie Lassaigne, ETRC Secretary General, commented: "Q1 2022 saw a raft of challenges causing uncertainty for travelers in Europe, including renewed travel restrictions in response to the Omicron wave and most notably Russia's invasion of Ukraine.

"We expect though Q2 2022 to show stronger results as a result of the rebound of international travel in the region."

** The ETRC Index is an exclusive service to ETRC members. It is compiled by Pi Insight thanks to data contributed by participating Travel Retailers of ETRC and the support of ForwardKeys for passenger data.*

TRAVEL MARKETS INSIDER

IATA June passenger report *Continued from page 1.*

African airlines had a 103.6% rise in June RPKs versus a year ago. June 2022 capacity was up 61.9% and load factor climbed 15.2 percentage points to 74.2%, the lowest among regions. ***International traffic between Africa and neighboring regions is close to pre-pandemic levels.***

Domestic air traffic volumes resilient, major improvements in China

Industry-wide domestic RPKs grew by a solid 5.2% to June, showing a tentative indication of moving out of the sideways trend that has prevailed over the past 9 months or so, reports IATA.

Compared with June 2019, global RPKs are still almost 20% lower, however.

In **China**, domestic RPKs surged this month, increasing by 70.2%. After a period of strict Covid-related lockdowns, China is gradually reopening to air travel.

Compared with June 2019, traffic levels within the country are still down 51.0%, although this represents a significant improvement on the -71% level observed last month. IATA expects that China's domestic air travel demand will rebound sharply once restrictions are eased.

U.S. domestic traffic remained essentially unchanged in June compared with May, increasing by just 0.3%. Compared with the same month in 2019, traffic volumes eased a little to reach 8.2% below the June 2019 level, from a decline of around 5% in May.

In Brazil, domestic passenger volumes are up 37.6% YoY in June, and are now just 4% below the level of 2019. That said, the level of domestic RPKs has been trending broadly sideways for the past five months.

Domestic RPKs in India increased by 264.4% YoY, but a decline in the monthly result saw the comparison with the 2019 level fall to -9%.

In Japan, the domestic market recovery continued in June, with traffic volumes up 146% YoY. Domestic RPKs are 22.5% below its pre-pandemic level.

The domestic market in Australia recorded a relatively modest 5.7% MoM increase in June. However, this moves local traffic to within just 3% of its pre-pandemic level.

IATA said that it had insufficient data to report on market developments for domestic Russia.

UNWTO: International tourism grows amidst challenges in first five months of 2022

The latest UNWTO World Tourism Barometer, released on Aug. 1, reports that international tourism saw a strong rebound in the first five months of 2022, with almost 250 million international arrivals recorded.

This compares to 77 million arrivals from January to May 2021 and reflects that the sector has recovered almost half (46%) of pre-pandemic 2019 levels.

"The recovery of tourism has gathered pace in many parts of the world, weathering the challenges standing in its way," said UNWTO Secretary-General Zurab Pololikashvili. Nevertheless, the agency advises caution in view of the "economic headwinds and geopolitical challenges which could impact the sector in the remainder of 2022 and beyond."

Europe and Americas lead recovery

Europe welcomed more than four times as many international arrivals compared to the first five months of 2021 (+350%), boosted by strong intra-regional demand and the removal of all travel restrictions in a growing number of countries.

Europe saw particularly robust performance in April (+458%), reflecting a busy Easter period. In the **Americas**, arrivals more than doubled (+112%). However, the strong rebound is measured against weak results in 2021 and arrivals remain overall 36% and 40% below 2019 levels in both regions, respectively.

The same pattern is seen across other regions. The strong growth in the **Middle East** (+157%) and **Africa** (+156%) is still 54% and 50% below 2019 levels respectively.

Although **Asia and the Pacific** almost doubled arrivals (+94%), numbers remain 90% below 2019, as some borders remained closed to non-essential travel. The recent easing of restrictions were seen in improved results for April and May, however.

Some sub-regions thrive

Several sub-regions have recovered between 70% and 80% of their pre-pandemic levels, led by the **Caribbean and Central America**, followed by **Southern Mediterranean, Western and Northern Europe.** The US Virgin Islands, St. Maarten, the Republic of Moldova, Albania, Honduras and Puerto Rico surpassed 2019 levels.

Tourism spending also rising

The recovery in the major source markets is also reflected in rising **tourism spending.**

International expenditure by tourists from France, Germany, Italy and the United States is now at 70% to 85% of pre-pandemic levels, while spending from India, Saudi Arabia and Qatar has already exceeded 2019 levels.

A growing number of countries have also fully recovered their pre-pandemic levels of **international tourism receipts**, says the UNWTO report. These include the Republic of Moldova, Serbia, Seychelles, Romania, North Macedonia, Saint Lucia, Bosnia & Herzegovina, Albania, Pakistan, Sudan, Türkiye, Bangladesh, El Salvador, Mexico, Croatia and Portugal.

Defying mounting challenges

Strong demand during the Northern Hemisphere summer season is expected to consolidate the positive results, particularly as more destinations ease or lift travel restrictions. As of July 22, 62 destinations (including 39 in Europe) had no COVID-19 related restrictions in place and an increasing number of destinations in Asia have started to ease their retrictions.

According to the **International Civil Aviation Organization (ICAO),** international air capacity in 2022 will be limited to 20% to 25% fewer seats offered by airlines as compared to 2019.

Hotel occupancy rates are also showing such resilience. Data from industry benchmarking firm STR reports that global occupancy rates climbed to 66% in June 2022, from 43% in January.

More challenges threaten

Stronger than expected demand has created significant operational and workforce challenges, while the war in Ukraine, rising inflation and interest rates, as well as fears of an economic slowdown continue to pose a risk to recovery.

The International Monetary Fund points to a global economic slowdown from 6.1% in 2021 to 3.2% in 2022 and then to 2.9% in 2023.

Continued on next page.

TRAVEL MARKETS INSIDER

BY THE NUMBERS

Dufry accelerates recovery in first half of 2022

Dufry has seen gradual improvements in nearly all its operations in the first half-year 2022, in line with the easing of travel protocols, with a pick up especially since the second quarter of the year.

The Swiss multinational group increased its revenue line by 147% to CHF 2.9 billion (US$3,063.4 million), compared to the same period in 2021. The recovery had already started in the first three months of the year but further accelerated in the second quarter with the group's turnover at 75% of pre-pandemic levels, with July at 90%.

Revenue recovery is stronger than anticipated, and combined with continuous cost control supports solid HY 2022 results, says the company.

In other highlights:

Dufry reports HY 2022 Operating Profit of CHF 152.4 million

Equity Free Cash Flow of CHF 196.7 million performed above 2019 levels, partly supported by phasing including Capex, with Cash Flow before Financing improving to CHF 256.7 million

Dufry introduces IAS17 EBITDA (Core EBITDA) as a key performance metric, reaching 7.8% margin in HY 2022

The merger with Autogrill is advancing as planned.

Dufry says that the category mix mirrors the continued normalization of travel including inter-regional and international routes across all regions except for APAC. Duty free accounted for 58.3% of net sales vs 41.7% duty-paid; the airport channel contributed 91.2% of the total.

Results improved versus the previous year across all performance indicators. Gross Profit margin stood at 60.9% for half-year 2022 versus 56.1% in half-year 2021.

Recent developments

Dufry estimates July net sales performance at 90% of the 2019 level. As of the end of July more than 2,091 shops globally were open, representing above 90% of sales capacity.

Dufry sees strong demand and positive trends on all key indicators; but it says that it remains vigilant given limited visibility regarding the geo-political environment, pandemic-related developments, the economic situation and consumer sentiment going forward.

As reported in July, Dufry announced it would join forces with Autogrill. Dufry will hold an Extraordinary General Meeting on August 31, 2022, seeking approval from its shareholders for items related to the business combination. The closing of the first stage of the transaction is still expected by Q1 2023, subject to shareholder approval at the upcoming EGM.

Dufry will also hold a Capital Markets Day in London on Sept. 6, 2022 (with an optional site visit to Dufry's operations at London Heathrow on September 7, 2022) to inform about its long-term strategy.

Business development

During HY 2022, Dufry won several new concessions and extended contracts covering 49,558 sq. meters of space, which it sees as contributing to the resilience of the business. Among other developments, Dufry extended its London Heathrow concession contract until 2029. This is the largest single location fully operated by Dufry serving 80.9 million passengers (2019 level).

Dufry also secured concessions at Helsinki Airport in Finland, at Sofia International Airport in Bulgaria, at Gusti Ngurah Rai International Airport in Bali, at Felipe Ángeles International Airport in Santa Lucia, México, and at Recife International Airport in Brazil.

In addition, Dufry was awarded contract extensions at La Romana International Airport and Seaport in the Dominican Republic, at Ontario International Airport (CA, US), and at Salvador International Airport in Brazil.

Dufry also announced a partnership with Starbucks with the first stores opening later this year at LaGuardia Airport (NY, US).

In more innovations, Dufry opened new Hudson Nonstop travel convenience stores in Nashville International Airport and Dallas Fort Worth International Airport. Total gross retail space opened during HY 2022 amounted to 6,678 sq. meters, and refurbishments cover 13,300 sq. meters.

UNWTO World Tourism Barometer reports resilience, challenges

Continued from page 2

Regional Scenarios for 2022

UNWTO's forward-looking scenarios published in May 2022 point to international arrivals reaching 55% to 70% of pre-pandemic levels in 2022.

Results depend on evolving circumstances, mostly changing travel restrictions, ongoing inflation, including high energy prices, and overall economic conditions, the evolution of the war in Ukraine, as well as the health situation related to the pandemic.

More recent challenges such as staff shortages, severe airport congestion and flight delays and cancellations could also impact international tourism numbers.

By region, **Europe** and **Americas** will continue recording the best tourism results in 2022, while **Asia and the Pacific** is expected to lag behind due to more restrictive travel policies.

International tourist arrivals in **Europe** could climb to 65% or 80% of 2019 levels in 2022, depending on various conditions, while in the **Americas** they could reach 63% to 76% of 2019 levels.

In **Africa and the Middle East** arrivals could reach about 50% to 70% of pre-pandemic levels, while in **Asia and the Pacific** they would remain at 30% of 2019 levels in the best-case scenario, due to stricter policies and restrictions.

CEO comments on earnings and Autogrill

"We have seen positive momentum over the recent months, reflected in solid performance for June of 85.5% and for July of already around 90% of 2019 turnover levels in constant currency.

Regions like North America, Central America and the Caribbean, as well as some of the Southern European and Mediterranean countries perform in line or above 2019.

"We have extensively engaged with our employees and stakeholders following the announcement on Dufry joining forces with Autogrill to redefine the boundaries of the industry and to enrich the passenger journey by providing unique integrated and digitalized offerings for travelers across Travel Retail and Food & Beverage. We are more than ever excited about the opportunities ahead of us, as we are progressing with the transaction as planned. We expect to close the first stage, the transfer of Edizione's 50.3% stake in Autogrill to Dufry, by Q1 2023, subject to our shareholders' approval at the upcoming EGM." ***Xavier Rossinyol, CEO of Dufry Group***

FDFA AFHT
FRONTIER DUTY FREE ASSOCIATION
ASSOCIATION FRONTIERE HORS TAXES

TRAVEL MARKETS INSIDER

US/Canada border businesses down 45% as FDFA Economic Report shows export businesses not recovering due to barriers to border travel

The Frontier Duty Free Association (FDFA) today released an economic report showing the severe economic decline for the peak summer tourist season period, which resulted in subnormal sales for member stores across the country. The average sales decrease is around 45% lower then before the pandemic.

These export stores were shuttered for nearly two years and were down over 95% in sales during the full closure of the land border for over 18 months.

The FDFA reports that the COVID-19 pandemic and the US/Canada border closure had a devastating impact on Canada's land border duty free industry and recovery is stalled due to Canada's federal travel restrictions and the required use of the ArriveCan app.

The association stresses that its land border duty free stores are like many border community businesses and border communities as a whole that observed annual sales plummet to historically low levels that have not fully recovered even during the typically high summer season.

"When this pandemic began, our border businesses followed public health measures and federal recommendations. When COVID-19 was at its peak and border measures were effective at slowing transmission rates, we did our part to keep Canadians safe," said FDFA Executive Director, Barbara Barrett.

"Now, we have been left behind in the recovery effort as restrictions and the ArriveCan App are still barriers. And even worse, the federal government has ceased all of its supports."

Barrett points out that air travel has been allowed to resume in such high volume that Canada's air infrastructure is struggling to process the number of travelers and unvaccinated travelers are clear to travel thousands of kilometres across Canada.

Land borders, on the other hand, are regulated at the expense of communities whose entire livelihood depend on the back-and-forth crossing of the Canada/US border.

The FDFA is calling on the federal government to lift the barriers to recovery and unnecessary conditions like the ArriveCan app to cross borders. These measures are no longer meaningful or helpful and only serve to harm border communities and border community businesses, it argues, stressing that recovery depends on the Canada/US border getting back to normal.

"This is a matter of fairness," said Barrett. "As long these barriers to travel remain on our land border, we cannot recover and border businesses like ours and border communities will continue to struggle."

FDFA has presented the federal government with a suggested recovery package in light of the fact that border traffic is being restricted on an ongoing basis.

Barrett added, "Our retailers closed to protect Canadians and we deserve not to be left behind. These unnecessary border measures are killing a 40-year-old export sector and doing nothing to help keep Canadians safe."

The FDFA is the national association representing Canada's 32 land border duty free shops.

ECONOMIC REPORT

FDFA: Survey of sales losses 2019-2022 during Border Closure and Border Measures

The COVID-19 pandemic and resulting US/Canada border closure and border measures have had a devastating impact on Canada's land border duty free industry, reports the FDFA.

Canadian travel restrictions resulted in many of FDFA's members seeing sales plummet to historically low levels (90-95% down compared to pre-pandemic). Once restrictions were lifted, many barriers remained, such as vaccination requirements and ArriveCan App, which created major disincentives to travel across the border.

The consequence of that was the inability of duty free shops to capitalize on the most profitable windows of the summer season.

The FDFA surveyed it members to identify the size of the losses occurred during the summer season of 2022. As a benchmark, the survey used sales numbers from the 2019 pre-COVID summer season. Seventeen companies participated in the survey, which compared sales numbers for specific traditionally high-traffic holidays.

The survey indicates the hardship that Canada's land border duty free industry has suffered.

Every profitable flagship period of the summer turned in disappointing sales for members across the country, with ***an average sales decrease around 45%*** for the seventeen respondents.

The FDFA is calling for the government to adopt its solutions to avoid a similar situation in the summer of 2023.

Canada Day

For normally busy Canada Day, the 17 **respondents averaged a decrease in sales of 48.18%** between the Canada Day of 2019 and the same day of 2022.

July

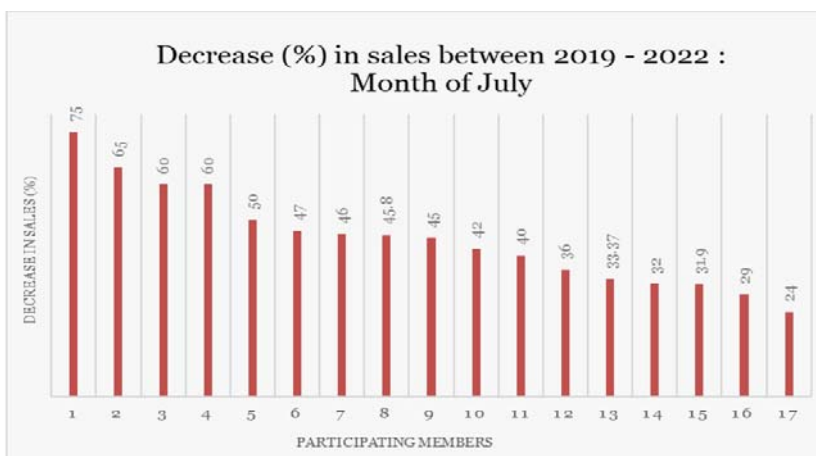
The entire prime summer travel time of July saw sales among the 17 **respondents register a decrease, on average, of 44.82%.**

July Fourth

The American holiday, normally a busy cross-border travel time, saw 2022 **sales decrease by an average of 44.5% in comparison to 2019.**

August Long Weekend

On average, members noted a decrease in sales of 46.7% for the end of July to the beginning of August.



TRAVEL MARKETS INSIDER

YVR recovery continues as airport reaches 10m passenger mark

On Aug 5, Vancouver International Airport (YVR) welcomed its 10 millionth passenger through the terminal in 2022.

As the global aviation community re-builds from the impact of the pandemic, YVR authorities expect Sunday, August 21 to be the airport's busiest day since March 2020, when over 70,130 passengers are forecast to travel through the facility.

"This is an important moment in our recovery. Our ability to welcome over 10 million passengers so far this year is due to the hard work of our staff, airlines, government, partners and the airport community at large… Their efforts have been an essential element of our recovery," said Tamara Vrooman, President & CEO, Vancouver Airport Authority.

"However, there is still considerable work to be done to ensure the stability of the overall aviation sector," she said.

"But after only seeing approximately 2 million passengers at this same point last year, it is very encouraging that we are able to continue to build back while avoiding many of the security and major operational delays impacting passengers around the world."

YVR reports that airlines have made important investments in service restoration and expansion at the airport over the past few months, including Air Canada launching Austin and announcing new service to Bangkok and Miami commencing this winter.

Key Airport Statistics

For the week of Aug 8-14, YVR expects to welcome an average of 67,000 passengers per day for a total of 473,036, connecting these travelers to 95 destinations across Canada and the world.

Within the week, Sunday, August 14 and Thursday, August 11 will be the busiest travel days with 69,273 and 68, 819 passengers expected, respectively. To put this in perspective, YVR welcomed an average of 31,538 passengers daily this time last year (2021) and 82,297 pre-pandemic (2019).

Jamaica, Dominican Republic report more recovery from COVID-19

Jamaica's tourism sector has almost fully recovered from the impact of the COVID-19 pandemic, according to Minister of Tourism Edmund Bartlett on August 5.

Bartlett said that Jamaica has now recovered 90% from the COVID-19 pandemic in the tourism sector and he expects arrivals to be well over 3 million. Tourism earnings still lag those of 2019, however. Bartlett estimates 2022 tourism earnings "will be just about $100 million, or so, below our best earnings in 2019 of $3.7 billion."

Bartlett also highlighted that Jamaica's main source markets are also rebounding strongly from the COVID-19 pandemic, although he noted that the United Kingdom (UK) is the only market where Jamaica is "pacing ahead of 2019" figures, with U.K.tourism arrivals six percent ahead of compared to pre-COVID numbers.

"The U.S. has come back very strongly, and while Canada is lagging behind a little, progress is being made," he continued.

Bartlett's comments were made during a meeting with members of a special delegation from Namibia.

Dominican Republic reports strong tourism rebound

The Dominican Republic Department of Tourism reports record arrival numbers for April, May, June and July.

Arrivals in July were 24% higher than in 2019, putting the country on course for its best year on record, (including sales taxes and income generation), according to Minister of Tourism David Collado.

This growth comes even as destinations across the Dominican Republic continue to miss tourists from Russia and Ukraine, two historically strong source markets.

In recognition of its status as a resilient destination, the Dominican Republic was the focus of the first UNWTO Investment Guidelines publication, released at the start of 2022. Developed alongside the Ministry of Tourism of the Dominican Republic and the national Export and Investment Center (PRODOMINICANA), the new guide provides key insights for investors, with the aim of boosting foreign direct investment in the Caribbean destination.

The Dominican Republic will also host the 118th session of the UNWTO Executive Council in the first quarter of 2023.

Dufry: by the regions

Dufry's turnover in Europe, Middle East and Africa was CHF 1,457.8 million HY 2022 from CHF 376.0 million one year ago. Organic growth versus 2021 was 303.4%, with turnover reaching a level of 78.1% of 2019 (in constant FX).

The Mediterranean countries performed best, including Turkey, Greece, and the Middle East.

In addition, UK, France, Spain, Eastern Europe, and Africa made significant progress, benefiting especially from growing leisure demand.

Asia-Pacific's turnover reached CHF 55.4 million in HY 2022 from CHF 52.1 million in HY 2021. Organic growth versus 2021 was 5.4%, with turnover reaching a level of 16.3% of 2019. As Australia, Bali, Cambodia have started to re-open, other governments still adhered to a zero-Covid approach or restrictive measures during the first half of the year. This specifically relates to China, also affecting overall travel in the region.

The America's turnover stood at CHF 1,304.2 million in HY 2022 versus CHF 637.9 million in HY 2021. Organic growth versus 2021 was 97.2%, with turnover reaching 81.9% of the 2019 level.

The United States is among the areas of the group to have marked the greatest growth, but positive signs also come from Central America and the Mediterranean countries. (source: Seeking Alpha)

The region has seen a rapid rebound since February. This refers especially to U.S. domestic, intra-regional and increasingly trans-atlantic travel, as well as touristic travel to Mexico and Central America, including the Caribbean Islands and the Dominican Republic.

South America also started to trend upwards, especially in Argentina, Colombia, and Ecuador, with the wider region having followed most recently.

TRAVEL MARKETS INSIDER

IN THE SPOTLIGHT

Carnival Cruise Line welcomes 3 million guests since July 2021 restart

In one of the strongest indications of post-pandemic recovery in the global cruise industry, leading Carnival Cruise Line announced that it has welcomed three million guests since the restart of guest operations in July 2021, across its fleet of 23 ships.

After recording its biggest booking week in the cruise line's 50-year history this spring, the last quarterly Carnival Corporation business update projected Carnival Cruise Line's ships to reach nearly 110% occupancy this summer.

Carnival Corp. is seeing that increase of guests across the fleet. CCL saw its total guest count hit the two million mark in May and it has now risen to three million in less than 75 days – an average of 95,000 guests per week.

Busiest homeports

Carnival's five busiest home-ports, PortMiami and Port Canaveral, Florida,Galveston, Texas, Long Beach, California., and New Orleans, La., were among the first to resume guest operations and account for 77% of all Carnival embarkations (2,324,823 guests).

Port Canaveral is also home to Carnival's new Excel-class flagship and the first ship in North America powered by liquefied natural gas (LNG) *Mardi Gras,* that has welcomed 250,000 guests on board since its inaugural sailing. By sailings, PortMiami leads the way with more than 215 voyages to date.

Homeports in Tampa, Fl., Charleston, S.C., Baltimore, Md., Mobile, Ala., Jacksonville, Fl., Norfolk, Va., Seattle, San Francisco and New York, many of which resumed operations this year, have also been key to Carnival's strategy in reaching the three million mark of total guests since restart.

"Carnival set the pace for the industry as the first major cruise line to return to full guest operations in the U.S., and we continue to lead as we now have welcomed three million guests who have enjoyed much-needed vacations," said Carnival president Christine Duffy. "The economic benefit to our homeports and destinations is also significant and we are looking forward to restarting cruise operations in Australia this October."

West Coast itineraries

In addition to sailing from all 14 of Carnival's year-round and seasonal U.S. homeports, Carnival's three-ship deployment to the Pacific Northwest is its largest Alaskan season ever, with approximately 100,000 guests expected to embark on from both Seattle and San Francisco.

The Port of San Francisco is Carnival's newest seasonal homeport, strengthening its position as the cruise line embarking more guests than any other operator from California.

Carnival Pride is spending the summer in Europe, sailing from Barcelona, Spain and Dover, England. The ship will return to Tampa in November.

Most popular ports: Mexico leads the way

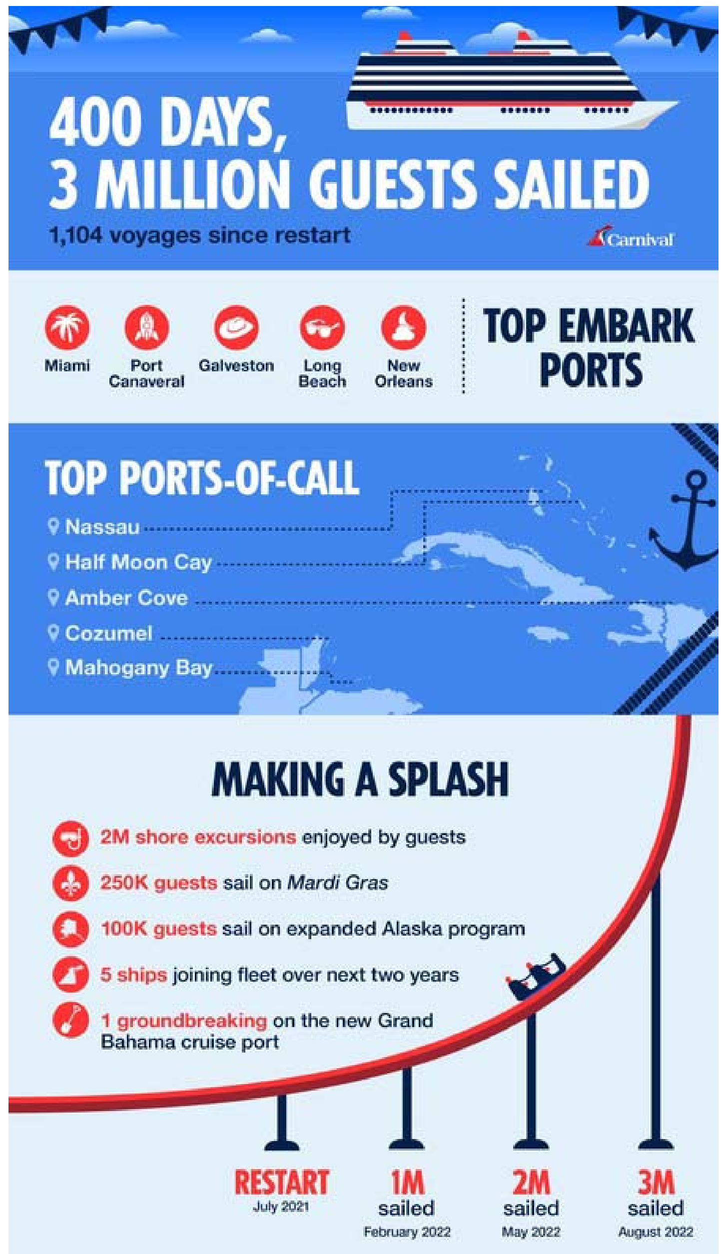
Carnival ships have made more than 3,000 port-of-call visits at 92 individual ports in 36 countries. Carnival ships have called on Mexico the most with about 800 visits – half of which have been to Cozumel, making it the cruise line's most popular port.

After Cozumel (385 calls), Nassau (320 calls) and Half Moon Cay (155 calls) in The Bahamas, Amber Cove, Dominican Republic (159 calls), and Mahogany Bay, Roatan (123 calls), are the five most popular port calls.

Several of these are destinations developed specifically for cruisers, and Carnival recently broke ground on a new $200 million cruise port in Freeport, Grand Bahama.

New CEO takes charge

In more news, Josh Weinstein became the new CEO of Carnival Corporation & plc. as of Aug. 1, taking over from Arnold Donald , who led the company to record results during his nine-year tenure. Weinstein is a 20-year veteran of Carnival Corp., most recently serving as Chief Operations Officer.



TRAVEL MARKETS INSIDER

Tito's Handmade Vodka unveils Tito's in a Can, a Limited-Edition, completely empty can

With a view to maintaining its renowned differentiation, (and maybe make a little fun of all the brand's launching RTDs and hard seltzers), Tito's Handmade Vodka has introduced its own "ground-breaking innovation" -- Tito's in a Can!

The limited-edition, 16-ounce, double-steel-walled, insulated, refillable can comes filled with nothing!

The reason, says the company, is so fans can make their canned cocktails the way they like them: with Tito's Handmade Vodka and whatever ingredients they want.

"While most alcohol companies may see ready-to-drink cocktails as a required product launch this decade, Tito's bucks the trend and remains true to its stance that they only make one product, and that's vodka-flavored vodka," says the company's official announcement.

In fact, the Tito's in a Can* blurb boasts that INGREDIENTS NOT INCLUDED.

Tito's in a Can is available while supplies last at TitosInACan.com or at the Love, Tito's retail store in Austin, Texas. The can is $20, but all proceeds go to one of Tito's partner nonprofits, which are listed on the website.

"At Tito's, we put our energy into doing one thing, and doing it really well: making a high-quality and smooth vodka at a reasonable price," said Taylor Berry, Vice President of Brand Marketing at Tito's Handmade Vodka. "We developed Tito's in a Can* so Tito's drinkers can make their own, better-quality seltzers… ones that are fresh, and are as strong or carbonated or citrusy as you want. Because we don't make seltzers, you do."

Carnival adds new brew fleetwide and at onboard breweries

Sampling some beer brewed onboard at Carnival Vista's Red Frog Pub & Brewery

Continuing to live up to its reputation as the "Fun Ships," Carnival Cruise Line is serving up a number of its own private-label beers crafted by its in-house brewery team.

Carnival was the first cruise line to can and keg its own private label beers crafted in-house in 2019, after introducing the onboard brewery concept on *Carnival Vista* in the Red Frog Pub & Brewery in 2016.

Carnival Cruise Line now features onboard breweries on three other ships in addition to *Vista, Carnival Horizon, Carnival Panorama* and the new *Carnival Mardi Gras*, reports Zachery Sulkes, Director of Beverage Operations at Carnival Cruise Line.

A fifth onboard brew pub will also be opened on the new *Carnival Celebration* launching in November.

The latest addition to the inhouse Carnival brews is ParchedPig Beach Lager, described as a refreshing, crisp and golden beer that is available fleetwide in cans in bar and dining venues as well as on tap in select locations. The new flavor debuted this past week to celebrate International Beer Day on August 5.

Carnival has partnered with Lakeland, Fla.-based Brew Hub to produce the beers.

"Beach Lager is a perfect complement to our Carnival Brews lineup. Lagers are very popular with our guests, so creating this delicious addition and bringing it fleetwide was a logical next step for us," said Edward Allen, Carnival's vice president of beverage operations. "We're pleased to build on our successful partnership with Brew Hub and proud to strengthen our industry-leading effort as the first cruise line to can and keg its own beers crafted by our in-house brewery team."

The Beach Lager joins several other Carnival Brews fan-favorites already available on the Carnival ships: ThirstyFrog Caribbean Wheat, ThirstyFrog Red, ParchedPig West Coast IPA, and ParchedPig Toasted Amber Ale. Carnival has also created the Carnival Birthday Beer – a refreshing golden ale with medium hops, specially made by the Carnival Brews Team, for its 50th Birthday celebration.

SUSTAINABILITY

ELC sets 2030 Global Electric Vehicles goal

The Estée Lauder Companies (ELC) has announced its commitment to transition 100% of its global corporate fleet of vehicles to electric by 2030.

As part of this commitment, ELC has also become the first company in prestige beauty to join the Climate Group's EV100 initiative, which brings together companies who are committed to accelerating the transition to electric vehicles (EV).

The company's global corporate fleet, which consists of owned and leased sales and executive vehicles, represents the next iteration of ELC's climate action strategy to reduce the company's direct emissions. ELC says that the transition of its corporate fleet to 100% electric will greatly contribute towards reducing the company's Scope 1 greenhouse gas (GHG) emissions, which supports progress towards its 2030 science-based target (SBT) and sends a strong market signal that there is demand for EVs from the business community.