

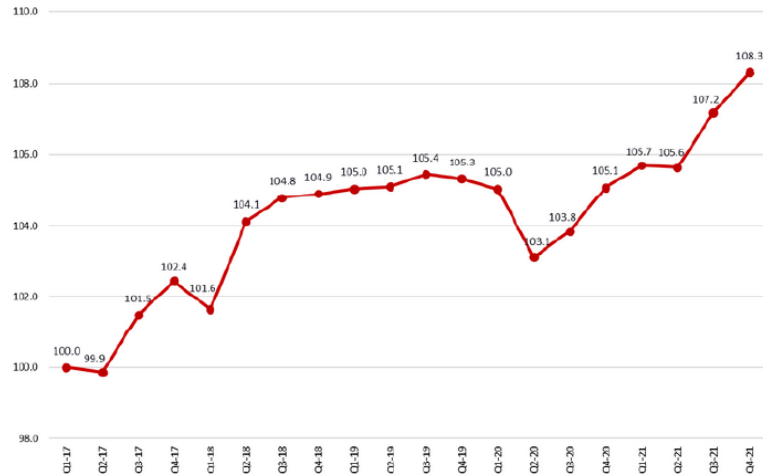
Overview of the Global Logistics Industry

Antonis Koukouritakis
GSK Consumer Healthcare
EMEA Logistics Director
March 2022

Road Freight Industry – 2021 Summary



Ti & Uppl European Road Freight Benchmark -
European Road Freight Rates Index, Q4-2021



Truck driver shortage 2021 (thousands of drivers missing)



Source: IRU road freight transport associations, IRU analysis

Road Freight Industry – What to Expect in 2022



Mobility Package (stage 3)

- Wage match (*If the market wages in the destination country are higher than those in the driver's home country, the driver's wages must be adjusted accordingly*)
- Maximum three cabotage deliveries for foreign companies (max 7 days)
- Vehicle return to home country every eight weeks

Polish Order - What's changing?

- Increasing income tax
- Increased Social Security contributions
- Overall impact on Net Income

Increasing Inflation

- Increasing cost of living leading to higher wages and reduced profits for businesses
- Potentially lower growth and less stability

Sources: [Polish Order – changes to PIT from 1 January 2022 | Crowe Poland](#)
[New updates to EU Mobility Package - Logistics Business® Magazine](#)

Air Freight Industry – 2021 Summary



+15pp

Global air cargo
load factor



All-time
high:

25M

Tonnes air
trade



+240k

Tonnes from
China to US
vs 2019



International air
cargo capacity

-9%

vs 2019



1450

Widebody
passenger
aircraft parked



+200%

Air cargo yields

Asia Pacific
export growth
YTD

+1.1M

tonnes



Automotive
rebounds;

+23% vs. 2019

70 / 30

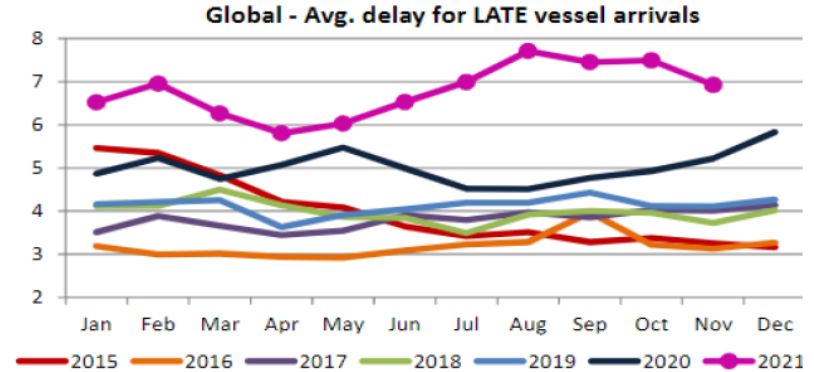
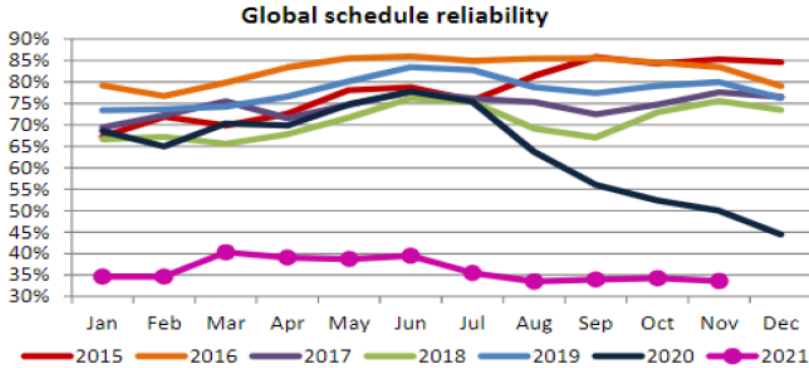
Freighter vs. belly
share



-26%

Record change
in inventories-
to-sales ratio

Ocean Freight Industry – 2021 Summary



12.4% of the global vessel capacity effectively removed, congestion moving to US East Coast. A realistic time frame for reversal to full normality stretches at least to the end of 2022.



Source: Marine Traffic February 11th 2022

Recommendations for Shippers



- Accurate forecast is key
- Adjust lead times and review demonstrated lead times regularly
- Enter legally binding long term agreements in order to secure capacity
- Budget should allow for a certain capacity to be shipped spot
- Reduce booking cancellations & adjustments
- Budget for air freight costs to accommodate ocean to air conversions
- Build agility in your network and revisit your contingency plans
- Enhance the company's continuous improvement programs to mitigate the cost increases

Capacity wins over price!



THANK YOU!
