# Airbnb and Booking Holdings report strong Q1 2025 growth with ambitious net-zero carbon plans



Airbnb and Booking Holdings, two of the largest online travel companies globally, have recently reported their performance for the first quarter of 2025, revealing robust business results alongside notable efforts towards sustainability and carbon emission reduction.

In Q1 2025, Airbnb's revenue reached $2.3 billion, reflecting a 6% year-on-year growth, primarily attributed to an 8% increase in nights and experiences booked, totalling approximately 143.1 million. Despite this growth in bookings, the company encountered economic challenges that impacted its net income, which fell to $154 million compared to $264 million in Q1 2024. Adjusted earnings were reported at $417 million, representing an 18% margin. A noteworthy aspect of Airbnb’s financial health is its generation of $1.8 billion in free cash flow, maintaining a strong cash position of $11.5 billion. Additionally, Airbnb repurchased $807 million of its Class A common stock during this quarter.

Conversely, Booking Holdings reported an even stronger performance, with revenue reaching $4.8 billion, an 8% increase from the previous year. Gross bookings climbed to $46.7 billion, driven by 319 million room nights booked. The company's adjusted earnings rose by 21% to $1.1 billion, yielding a margin of 22.9%. With a free cash flow of $3.2 billion, Booking Holdings returned $2.1 billion to shareholders through dividends and share repurchases.

In examining their sustainability efforts, Airbnb and Booking Holdings have both set ambitious targets for carbon reduction in relation to their global operations. Airbnb aims to achieve net-zero greenhouse gas emissions by 2030. This commitment encompasses Scopes 1, 2, and select Scope 3 emissions, with science-based targets approved by the Science-Based Targets initiative (SBTi). The company has made substantial progress, reducing its absolute Scope 1 and 2 emissions by approximately 82% from a 2019 baseline due to efficient energy use and a commitment to renewable energy for its offices.

In contrast, Booking Holdings has set its own net-zero goal for 2040, with intermediate targets to cut absolute Scope 1 and 2 emissions by 95% and Scope 3 emissions by 50% by 2030, also validated by the SBTi. As of the end of 2024, the company had achieved an 85% reduction in these emissions, primarily through a transition to 100% renewable electricity in its offices.

Airbnb's strategy involves significant engagement with suppliers, aiming to reduce Scope 3 emissions, which account for 92% of its total emissions. The company has established a Supplier Sustainability Program that had over 80 suppliers participating by the end of 2023. Meanwhile, Booking Holdings has engaged with key vendors that represent approximately 50% of its total emissions, incentivising them to measure and reduce their greenhouse gas emissions.

Both companies are currently adopting innovative sustainability initiatives. Airbnb has invested in high-quality, nature-based carbon credits and maintained an active role in the LEAF Coalition to combat tropical deforestation. It has also introduced a climate contribution tool for guests in Germany, enabling them to support sustainability projects at the time of booking.

Booking Holdings aims for more than 50% of its bookings to be made on sustainable offerings by 2027, currently exceeding 40%. The company has made strides in promoting sustainability among accommodations, with over 1.4 million sharing their practices and more than 16,000 partners receiving third-party sustainability certifications.

In summary, while both Airbnb and Booking Holdings present strong financial performance and a commitment to reducing their carbon footprints, their strategies exhibit distinct paths. Airbnb focuses on achieving net-zero emissions by 2030 and demonstrating resilience through direct operational impacts. Conversely, Booking Holdings is targeting broader Scope 3 action and increasing its sustainable offerings, planning for a longer trajectory towards net-zero by 2040. Both companies' efforts reflect a growing recognition of corporate responsibility in addressing climate change within the travel industry.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

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3. <https://www.bookingholdings.com/press-releases/booking-holdings-releases-its-inaugural-climate-action-plan-outlining-the-companys-goal-to-achieve-near-zero-emissions-for-its-own-operations-by-2030-and-net-zero-emissions-by-2040/> - This press release announces Booking Holdings' Climate Action Plan, outlining their commitment to achieve near-zero emissions for their own operations by 2030 and net-zero emissions by 2040.
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