



Virgin Australia Australian Packaging Covenant Action Plan

1 July 2016 – 30 June 2021

Company Name: Virgin Australia Airlines

Company Address 1: 56 Edmonstone Road, Bowen Hills

Company Address 2: Brisbane QLD 4006

Prepared By: Jodi Litzenberger

Version and Date: Version 19 September 2016

Contents

Overview	1
Our Packaged Products	2
Action Plan	3

Overview

Virgin Australia Airlines has been a signatory to the Australian Packaging Covenant since 2011 and remains committed to incorporating responsible packaging into our procurement activities. This is consistent with our goals to reduce our environmental impacts and is outlined in our Sustainable Procurement Policy (attached).

Virgin Australia have incorporated actions we will take in support of the Covenant's goals and objectives and actions we intend to take to address our broader environmental impacts, including our ongoing focus on waste and recycling.

Company Information

Virgin Australian Airlines has been operating in the Australian aviation industry since 2000, starting as a low-cost carrier with one route. Since then, Virgin Australia has been working hard to ensure an exceptional experience both in the air and on the ground. The transition to a contemporary full service airline was officially completed during the 2015 financial year, with the rollout of complimentary food, baggage and entertainment across the mainline domestic network.

These improvements have increased the volume and diversity of products we carry, providing greater opportunities to innovate on packaging and recycling. We source not only food in-flight but also in our lounges and we purchase products for our offices, maintenance hangars, guest services areas, ground and cabin crew rooms across our network.

We operate both domestic and international services, adding further complexity to our ability to recycle efficiently and to control our waste streams, particularly in airports where we do not manage the removal of waste.

Over the last few years Virgin Australia have implemented a variety of recycling initiatives and have updated and strengthened our Sustainable Procurement Policy. Our revised policy is intended to enhance our collaboration with suppliers, enabling opportunities for innovation across the value chain as well as elevating our expectations on suppliers working with us to achieve enhanced social and environmental outcomes.

Covenant Contact Officer

Our Australian Packaging Covenant commitments are managed by individuals within Virgin Australia's sustainability and procurement teams.

For specific inquiries regarding Virgin Australia's participation as a signatory to the Australian Packaging Covenant please contact:

Jodi Litzenberger
Sustainability Advisor
Virgin Australia Airlines
Level 5, 7 Macquarie Place
Sydney NSW 2000
Email: jodi.litzenberger@virginaustralia.com

Endorsed by

John Borghetti, Chief Executive Officer

Our Packaged Products

Virgin Australia has a range of packaged products throughout our value chain. Our retail products are, however, largely limited to in-flight offerings. All passengers receive a complimentary beverage and snack/ meal on domestic flights and also have the option to purchase other items throughout their flight. Our business class passengers are offered a broad selection of food and beverage options. Due to the complex logistics of service in-flight, many of our products are required to be individually packaged.

Meals provided to guests and those made available for purchase in-flight are currently packaged in:

Recyclable glass bottles	Recyclable plastic cups	Recyclable plastic lids
Recyclable plastic bottles	Recyclable tetra packs	Recyclable aluminium cans
Paper cups for hot beverages	Plastic stir sticks & straws	Nescafe coffee pods
Plastic cutlery	Plastic gloves	Plastic zip bags
Plastic packaging for snacks	Hot chocolate sachets	Instant coffee and sugar sachets
Chip & nut containers	Wet nap packet	Condiment packets
Paper menu (food & bar) cards	Paper tray liners	Paper napkins
Paper café box	Towels	Milk cartons

Our lounges also provide products to guests that contain packaging:

Recyclable plastic bottles	Recyclable glass bottles	Paper napkins
----------------------------	--------------------------	---------------

Action Plan

Performance goals and KPIs	Actions	Responsibility	Baseline data	Targets & Milestones
1. Design - optimise packaging to achieve resource efficiency and reduce environmental impact				
KPI1 - Proportion of signatories in the supply chain implementing the SPG's for design or procurement of packaging	Conduct a review of all suppliers	Sustainability	None	100% by 2021
	Obtain signed supplier sustainability commitments from all suppliers	Procurement	None	75% by 2018 100% by 2021
Target - 70% of Covenant signatories with documented policies and procedures for evaluating and procuring packaging using the SPGs or equivalent	Provide catering contractor(s) with a copy of our APC Action Plan and undertake a review with the catering contractor to identify opportunities to minimise packaging	Catering & In-flight Services	None	100% by 2019
	Promote product innovation through the Virgin Australia Ideas Lab and hold at least one competition every year to improve packaging outcomes	Procurement/ Sustainability	None	5 ideas implemented by 2021
Target - 70% of Covenant signatories assessing 100% of new packaging and 50% of existing packaging against the guidelines (SPGs)				
2. Recycling - the efficient collection and recycling of packaging				
KPI3 - Proportion of signatories with on-site recovery systems for recycling used packaging	Implement on-board recycling across domestic fleet	Sustainability	10%	80% by 2019 100% by 2021

	Implement on-board recycling across international fleet	Sustainability	Data not collected historically	50% of planes by 2019 100% of planes by 2021
	Implement organic waste collection across key Virgin facilities	Sustainability	None	Virgin Village, Lounges and Catering Centres by 2018 All other locations by 2021
	Implement standard recycling (co-mingled) at all Virgin locations (Lounges, maintenance, pit crew, guest services, etc.)	Sustainability	50%	All locations by 2019
KPI4 - Proportion of signatories with a policy to buy products made from recycled packaging. All Covenant signatories will have a formal, documented policy of buying recycled products or materials	Ensure products (where possible) contain at least some recycled materials	Procurement	Data not collected historically	25% by 2018 50% by 2021
	Collaborate at the industry level to improve airline and airport supply chains	Sustainability/ Procurement	Data not collected historically	Ongoing improvement
3. Product Stewardship - demonstrated commitment to product stewardship				
KPI6 - Proportion (70%) of signatories that have formal processes for working with others to improve design, procurement and recycling/recovery of packaging	Engage stakeholders from other organisations within sustainability teams to build pathways to partnership across the broader business	Sustainability	Data not collected historically	Ongoing improvement

KPI7 - Proportion of signatories demonstrating other product stewardship outcomes	Continue to develop environmental partnerships, such as carbon offset projects and other relevant initiatives	Sustainability	Data not collected historically	Have at least 2 partnerships by 2018 & 5 by 2021
	Promote the benefits of reduced packaging and recycling through communication channels	Sustainability	Data not collected historically	100% by 2020
KPI8 - Reduction in the number of packaging items in litter	Update in-flight procedures and/ or communications (e.g. Voyeur) to ensure guests are aware of recycling options available after they disembark	Sustainability	Data not collected historically	100% by 2018