



Green Planning

**How VPK
Group embeds
sustainability in
its supply chain
decisions**



Commitment to achieving sustainability goals means accepting **responsibility for taking action and monitoring progress**. That's how VPK Group views the need to reduce greenhouse gas emissions, arguably the biggest challenge industries face right now. VPK acts on multiple levels, not just by **investing in state-of-the-art production facilities but also by looking at suppliers** to reduce scope 3 greenhouse gas emissions. Kevin De Winter, the group's Procurement Manager, explains how smarter planning contributes to this effort: **"We're integrating sustainability KPIs into our supply chain planning decision-making process."**

Taking supply chain optimization to the next level

Based in Aalst, Belgium, VPK Group is a leading European packaging enterprise with operations spread over 70 production sites in 21 countries across Europe. The company's paper supply chain challenge involves **optimizing production, purchasing, and logistics decisions company-wide** by allocating paper demand as effectively as possible across its own paper mills and external suppliers.

The challenge gets even more complicated when taking into account issues like optimizing paper trimming and make-or-buy decisions while balancing commercial agreements with suppliers. **Sustainability criteria are an important recent addition.**



Better planning can make a big difference for scope 3 emissions

VPK is committed to **ambitious greenhouse gas emission reductions** in line with the European Green Deal. "Our plan is to cut 42% of our scope 1 and scope 2 emissions and 52% of our upstream scope 3 emissions by 2030, compared to 2020," says De Winter. "Much of the scope 1 and scope 2 emission reductions will be achieved through investment. For example, we recently rebuilt our paper mill in Alizay, France which we acquired in 2021." "It's now one of the most energy efficient mills in Europe and powered almost exclusively with non-fossil fuels. For the scope 3 emissions, on the other hand, we depend entirely on third parties, and that's where we believe **better planning can make a big difference.**"

"The Green Planning framework gives us greater visibility on our actual emission volumes"

Paper supply carbon footprint as a decision-making parameter

To achieve this, VPK called on OMP to activate its Green Planning framework within the Unison Planning™ platform. De Winter explains what this entails: **“The Green Planning framework is a way of integrating sustainability criteria into our supply chain planning decision-making process.** We can now, for instance, incorporate the carbon footprint of paper supply as an additional parameter in the process. We’ve been using Unison Planning to drive our decision-making for more than ten years to maximize quality and service levels and keep costs as low as possible. And we’re achieving great results.”

The potential of Green Planning was initially demonstrated using a trial version of the Unison Planning solution at VPK before it was put into operation and went live in November 2024.

“We’re incorporating the carbon footprint of our paper supply as an additional parameter in the decision-making process”

Reliable data is green gold

This all meant that a few nuts had to be cracked first. For Kevin De Winter, **access to reliable data is a major challenge**: "Luckily, a substantial proportion of the paper we use is from our own plants, including the revamped Alizay facility. We have reliable data there; that's our green gold: we know exactly what emission volumes originate from the different machines and the related transport operations. And we submit these data for independent audit each year."

But VPK also sources paper from third-party suppliers, ranging from global giants to small local producers. "Today the data quality differs a lot between suppliers," says De Winter. "The global giants mostly produce clear emission numbers per plant and per product, even taking into account their own scope 3 emissions. But many of the smaller operations have limited scope 1 and scope 2 data, and no scope 3 data at all. **We worked out a solution to fill in the gaps by using industry averages calculated by FEFCO**. We integrated all of the gathered data in the Unison Planning™ platform where we apply penalizing factors to the CO₂ intensity data paper supplier/paper grade."

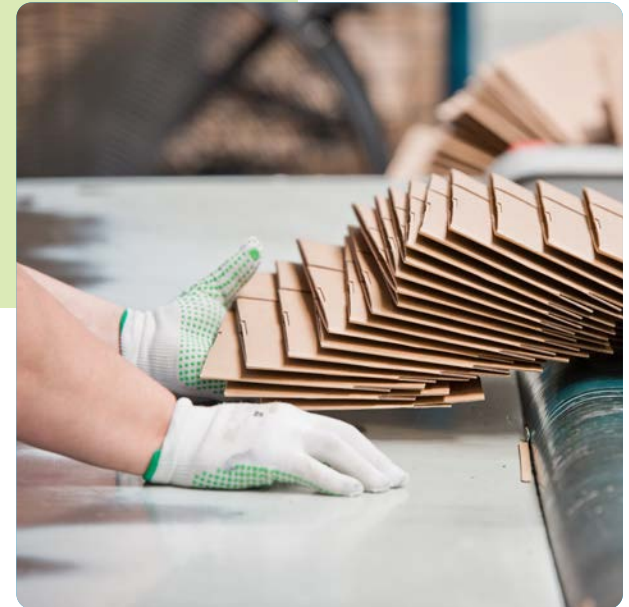


Pragmatic solutions to factor in transport emissions

Another challenge is accurately attributing emissions related to transport operations.

"That's also a difficult one," De Winter agrees. "**Transport operations from our paper mills to our customers are fully included in our digital twin.** And we also include transport from our paper suppliers to our packaging plants. But, as a rule, this information isn't available before delivery time; large paper suppliers can't always say beforehand which plant will be supplying us, because that decision is part of their own post-sales demand allocation optimization process."

"That means we can't always factor in the real emission costs in our purchase decisions. Nevertheless, we did find a pragmatic solution, which we'll be enhancing further as we gather more experience."



Promoting emission reduction among suppliers

This example illustrates how **reality-based experience is needed to get real results from Green Planning**. "I'm ready to admit that we're still learning," says De Winter. "Our first achievement was getting greater visibility on our actual footprint. But the ultimate goal is to reduce our emissions by promoting emission reductions among our suppliers. We now have a very powerful instrument to do that. For any requested paper batch, if we have multiple potential suppliers offering equal or similar quality and service levels at a comparable price, we'll always go for the one with the lowest proven emission volumes."

"In this way, **we not only reduce our own emissions but also encourage suppliers to take emission reduction seriously**. Any paper mill still running on fossil fuels will be out of the game soon, and the survivors will need to get better and better at it every year."

"We don't just reduce our own emissions, we also encourage suppliers to take emission reduction seriously"

About OMP

Hundreds of customers in **a wide range of industries** - consumer goods, life sciences, chemicals, metals, paper, plastics & packaging, tires & building products - benefit from using OMP's unique **Unison Planning™**, an open, cloud-native, and AI-driven platform that embeds our deep **industry expertise** and offers real solutions for the challenges your industry faces.

A proven platform for **all your supply chain planning needs**, from demand to supply, from the strategic to the operational levels.

A **real solution** that supports your journey toward autonomous, decision-centric planning. Built on 40 years of expertise.

Recognized by **Gartner®** for its leadership and vision, OMP helps you navigate supply chain challenges with data-driven insights, dynamic optimization, and sustainable decision-making, delivering **real business value**.

OMP.

Antwerp - Atlanta - Barcelona -
Cologne - Mumbai - Paris -
Rotterdam - São Paulo - Shanghai

info@omp.com
omp.com



About VPK Group

VPK Group is a leading paper & packaging group established in Belgium in 1935. It has since grown from a local player to an international supplier of sustainable packaging solutions, covering three product groups: corrugated board, solid board, tubes and edge protectors. To produce their products, they use recycled paper as a raw material for their 100% recyclable and biodegradable packaging solutions. They create value through the efficient use of sustainable raw materials with respect for natural resources, all within a circular business model. Today, VPK Group employs 7,000 people in 70 plants in 21 countries. Their headquarters are located in Aalst, Belgium.

OMP. | with you
all the way