



Assisting Gerdau's two North American subsidiaries to achieve the world's largest sustainability certification

Case Study: Gerdau

Gerdau is a leading Brazilian steel manufacturer who defines its purpose as empowering the people who build the future. It is also the largest recycling company in Latin America – 71% of the steel it produces is made

from scrap. Gerdaу's two North American subsidiaries produce steel that is made up of more than 98% recycled content, and exclusively employ electric arc furnaces instead of more traditional, resource-intensive blast furnaces.

Using our experience helping other large companies including the Body Shop,

Junxion supported Gerdaу's two North American subsidiaries to attain B Corp Certification. Each needed to complete their own B Impact Assessment. In time the whole Gerdaу family of corporations aims to earn B Corp Certification.



GERDAU

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From the beginning, Junxion demonstrated an exceptional commitment to our team and our ambition to certify. Moreover, Junxion's team has always been ready to collaborate and adapt to our constantly evolving needs. This flexibility and willingness to find customized solutions have been essential in overcoming challenges and achieving our objectives..

PAULO BONEFF

GLOBAL LEADER FOR SOCIAL RESPONSIBILITY AND ORGANIZATION DEVELOPMENT, GERDAU

The Challenge

Gerdaud started as a family business and despite its growth (it currently has 30,000 direct and indirect employees) and being listed in São Paulo and New York, Gerdaud pays employees a living wage, and offers generous benefits. In an industry where employees face many risks due to the nature of the job, Gerdaud has established progressive policies, practices, and procedures that, year after year, result in a stellar safety track record that includes contractors, a variable not often accounted for by peers in the industry.

Gerdaud Global's leadership team wanted to be a part of a community of leaders that use their businesses to benefit their communities. They recognized the importance of capturing their good work on social and environmental topics, as well as identifying areas they could improve. Taking the B Impact Assessment (BIA) and certifying as a B Corp, the rigorous, globally-renowned sustainability certification, aligned with their commitment to socially and environmentally impactful business.

There are two pathways for large entities to certify as B Corps – the whole parent company in one go or subsidiary by subsidiary. Junxion has experience with both approaches.

How We Helped

Given our experience helping other large companies to successfully achieve certification, Junxion was engaged to assist Gerdaud's long and special steel business divisions in their journey to certification. This process kicked off with meeting employees in key divisions across the business to understand Gerdaud's current policies and practices. We then ran Gerdaud's results through the BIA to generate a baseline score.

While their initial score was impressive, Junxion, along with Gerdaud's team identified several improvements Gerdaud could make to its operational sustainability to deliver even greater impact and achieve further points. Over several months, we collaborated with the relevant teams to implement these sustainability improvements.

A key part of the assessment is the IBM (Impact Business Model) section that recognizes strategic impact; this means making a unique contribution to people and planet through one's business model. We were confident Gerdaud could secure an IBM in Resource Conservation because of its use of recycled steel.

Measuring Success

Gerdaud's long and special steel business divisions successfully certified as B Corps in 2024. This achievement builds on Gerdaud's contributions to sustainability as a major recycler of scrap metal and highlights Gerdaud's huge role in the circular economy of steel. It also represents a pivotal moment for both the steel sector and the B Corp movement. Multinationals like Gerdaud have the scale to generate significant positive social and environmental impact themselves, and their certification can help peers realise it's possible to be profitable and purpose-driven.

Gerdaud continues to work towards certifying all its subsidiaries and eventually becoming the world's largest B Corp. Part of this effort is about sharing learning and implementing improvements made in North America with other Gerdaud subsidiaries while also finding contextually relevant opportunities for improvement for the remaining subsidiaries located throughout South America.

Interested in becoming B Corp certified or using B Corp to inform your strategy?

Email hello@junxion.com to start the conversation.