EMBEDDING SUSTAINABILITY INTO STRATEGY

ABOUT B2W
- Leading e-commerce in Latin America
- More than 40 categories of products and services through the internet, telesales, catalogs, TV and kiosk distribution channels.
- In 2015 B2W joined the Sustainability Index Certification (ISE) of BM&FBOVESPA - the Brazilian Stock Exchange

PROBLEM STATEMENT
"B2W prides itself on maintaining low operational costs across activity streams, but they have not yet identified how to extract the same benefit through their sustainability initiatives. It is important that B2W identify these savings in order to maintain their reputation as well as deliver on their public commitment to sustainability."

ANALYTIC APPROACH
- Research and Data Gathering
- Identify Material Issues for B2W
- Benchmarking and Interviews
- Define Key Sustainability Initiatives

MATERIALITY TOOLS
- SASB
- GRI
- Integrated Reporting

CASE STUDY: PACKAGING FOR SUSTAINABILITY

B2W CURRENT SUSTAINABILITY INITIATIVES
PACKAGING
- Cost savings by reducing the volume of the packaging and cardboard and use of water in filling packaging
- 3 Savings
- 60% of the products are re-used as filling in packaging

BEST PRACTICES IN THE INDUSTRY
WALMART
- Yearly plan to reduce packaging metric tons of CO2 saved
- 5
- 667
- 324
- 67
- 73
- 1,458k

LOW HANGING FRUITS
- Promote waste reduction initiatives into sustainable initiatives
- Align employees towards the benefits of sustainable programs to achieve FSG goals
- Reach zero waste on packaging
- Communicate the sustainable initiatives to clients to broaden their satisfaction and loyalty
- Start measuring emissions in carbon, energy and fuel
- Consider Lean Six Sigma to provide logistics certification and best practices

CONTEXTS AND CONDITIONS
1. ENGAGING EMPLOYEES
2. CLEANING MENTAL MODELS
3. USING CREATIVE TENSION AND CREATING A COMMON VISION
4. TRESPASS THE SILOS
5. EMBEDDING SUSTAINABILITY INTO STRATEGY

FINANCIAL EVALUATION
- Initiatives that will mitigate risks or boost reputation are hard to measure. Sustainability is often the day-to-day
duties of the business. Initiatives that have hard to measure impact will often be<br>initiated. Sustainability initiatives need to be evaluated on the basis of their financial impact instead of their environmental,
and social impact. Sustainability initiatives should be part of the corporate objectives and executive reviews. It is<br>essential that companies that are engaged and deliver in sustainability also outperform similar companies financially.

DISMALIGNMENT WITH CORPORATE OBJECTIVES
- No clear link to the company’s strategic goals and objectives. The business is not aligned with the sustainability
initiatives. There is a lack of alignment between the financial and sustainability objectives. This is a
problem for businesses that want to be sustainable in the long run.

INMATERIAL INITIATIVES
Materiality is an important tool to assess which sustainability initiatives matters to stakeholders. It helps to identify which
initiatives are material to the stakeholders and which are not. However, there are some limitations to materiality analysis. It
is a complex and subjective process that requires a lot of resources and expertise. It is also important to note that
sustainability initiatives should be part of the corporate objectives and executive reviews.

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