

NB Renaissance Case Study (with BSR)

NB Renaissance used the Value Creation Tool on a recently closed deal in the **Apparel, Accessories, & Footwear** sector.

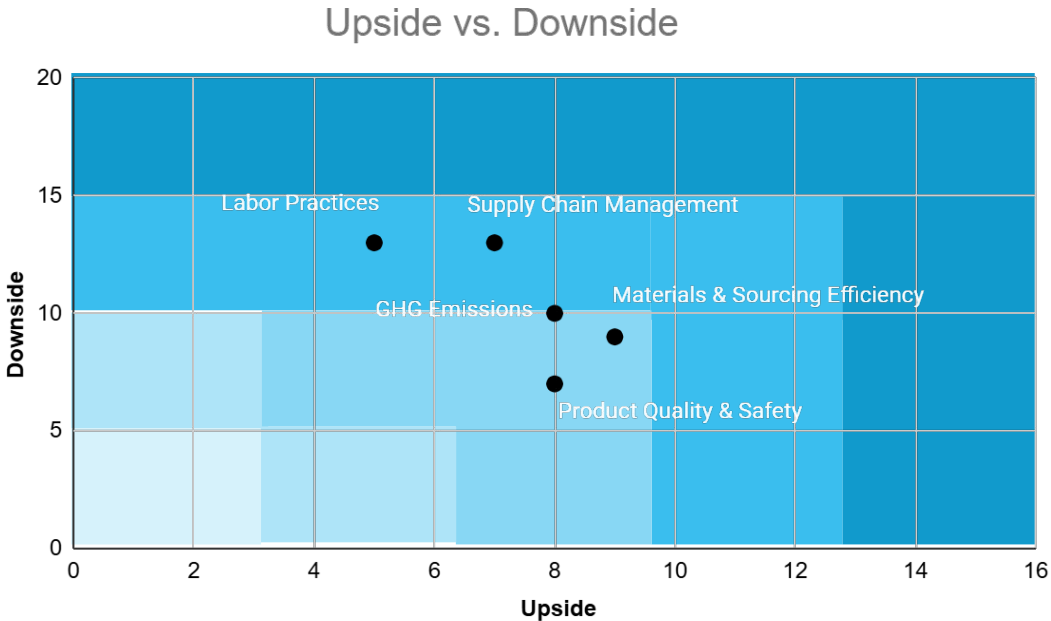
GP NB | RENAISSANCE
  **HQ: Italy**
 **€2.8 billion commitments**
 **Mid-market companies primarily headquartered in Italy/Europe**
 **33 PCs since inception**

Target **Sector:** Apparel, Accessories, & Footwear **Headquarter:** Italy **EBITDA (2020):** €79MM **# of Employees:** ~5,000

Assessment Findings

Material Topics	Current State	Estimated Downside	Estimated Upside
Labor Practices	Low	High	Low
Supply Chain Management	Low	High	Medium
Materials Sourcing & Efficiency	High	Medium	Medium
Product Quality & Safety	High	Low	Medium
GHG Emissions	Medium	High	Medium

Identified Priorities

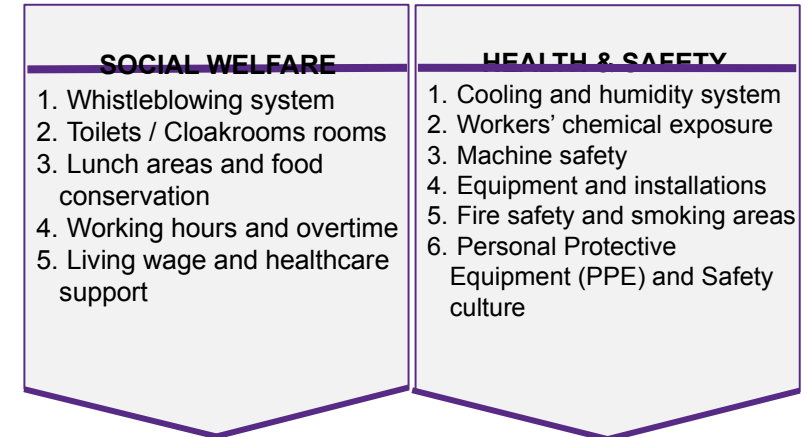


Current State: green shading indicates good performance on material topics, while red indicates poor performance
Estimated Downside: red shading indicates high risk, while green shading indicates lower risk
Estimated Upside: red shading indicates low opportunity, while green shading indicates high opportunity

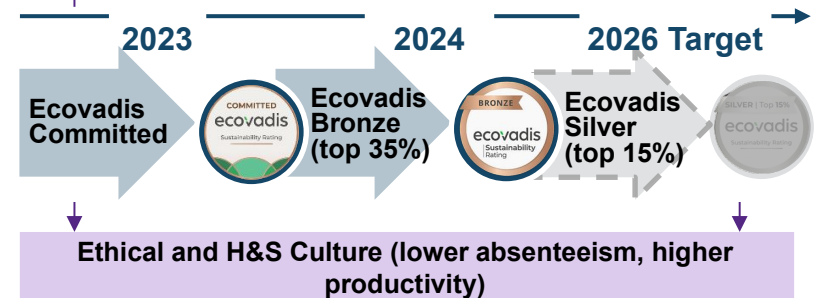
ROSI – Labor Practices: Mitigating the Estimated Downside

Proposed Practices	Implemented Practices	Direct ROSI Monetization		
		ROSI Mediating Factor	ROSI Benefit	ROSI Monetization
<ol style="list-style-type: none"> Competitive salary and benefits Engagement on sustainability Close pay equity gap Ensuring a living wage Promote workplace flexibility Create clear and equitable promotion pathways 	2024-2026 Social Welfare plan	Operational Efficiency	Improved worker satisfaction leading to improved productivity	Reducing the absenteeism rate by 15%, avoiding extraordinary hours Ensuring 100% machinery productivity (maintaining the temperature below thresholds) avoiding extraordinary hours Savings of the related additional costs: 50% avg. cost increase for extraordinary hours
		Indirect ROSI Monetization		
		Financing Accessibility	Increased access to diverse financing options and reduced interest expenses	Secured ESG-linked financing option with social compliance Saving up to €300k per year
Customer Retention	Improved customer satisfaction leading to reduced churn rate	Good performance in ESG audits and third-party ESG Rating , better securing ~€85 million of the turnover (~30% of total revenues) from ESG sensible clients Reducing exposure to clients shifts		

Implemented practices



Successful client's audit results and improvement of EcoVadis rating



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