

[Draft] Ardabelle Insights: Sustainable Value Creation

From ckennedyuomo@ardabelle.com

Dear [x],

I hope this email finds you all well and that you enjoyed the summer break.

A recent [report](#) published by Bain & Company and the PRI caught our attention as it provides further proof points for why the Ardabelle strategy can outperform. The report examines sustainability strategies and value creation in PE-backed portfolio companies, identifying supply chain resilience as a key value driver.

The findings, drawn from engagement with over 400 investors, strongly echo the Ardabelle thesis. We have highlighted some of the key takeaways alongside our own insights below:



Sustainability Value Creation Report: How this supports the Ardabelle thesis

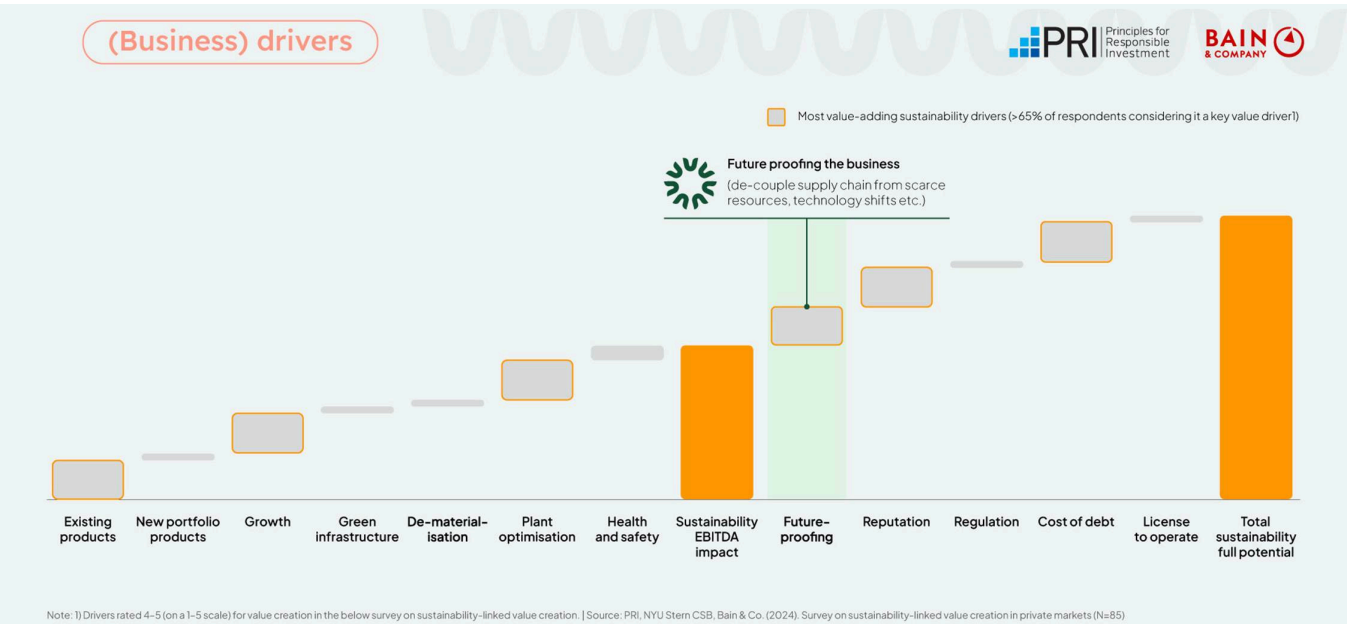
This report is the result of one of the largest projects to date on value creation through sustainability – which is a core tenet of the Ardabelle investment thesis. We are proud to be ahead of the curve in recognizing supply chain future-proofing as a critical driver of outperformance.

Supply chain resilience forms an integral tailwind to our overarching investment thesis, as we target B2B companies with mission-critical, non-commoditized products and services that provide sustainable solutions to their corporate customers. We see supply chain resilience as a valuable lever for unlocking untapped value – for example, through shifting supply bases away from products or solutions exposed to climate shocks or geopolitical risk, or by equipping portfolio companies with the right technology or services to stay ahead. These are exactly the kinds of opportunities that the Ardabelle team has been formed to address, that we are currently analyzing in our pipeline, and for which we’ve built a replicable playbook.

Key findings in the report and Ardabelle insights

01 | Future-proofing supply chains is a critical value driver

De-coupling business supply chains from scarce resources, climate shocks, and regulatory risks was identified as one of the most value-adding sustainability strategies.



Future proofing is no small feat. It demands laser focus on traceability, transparency, ethical sourcing, environmental considerations, integration of the latest technology, and diversification of the supplier mix. However, those who can nail the execution are seeing the results:



Consumer packaged goods with sustainability attributes saw ~55% higher market share growth than conventional peers



Leaders in sustainable procurement outperformed by 30–35% in EBITDA margin



At exit, sustainability-linked value creation yielded ~6% revenue growth and ~6–7% multiple uplift

Ardabelle insight: Vivianne Akriche, Head of Investments: "At Ardabelle, future proofing is not just about avoiding disruption – it is about gaining a competitive edge. We have analyzed the subsectors most in need of this transformation to uncover overlooked companies that will command premiums tomorrow. Our investment thesis captures the supply chain players with robust future proofing value proposition that stand to gain as markets increasingly recognize the value of operational resilience, robust technological capacity and data transparency, and sustainable competitive advantages."

02 | Strategy, not slogans, drives sustainable value

Embedding sustainability practices across the investment lifecycle is critical to maximizing value. Cutting-edge firms have developed differentiated approaches, using real KPIs and tracking P&L impacts.

Ardabelle insight: Noémie Flammarion, Head of Sustainability: "The report newly recognizes some of the strategies we at Ardabelle have implemented since Day One. We pride ourselves on our years of experience and unparalleled expertise to drive superior value creation." Our advantage lies in the depth of experience we have accumulated over decades of investing in, operating in, and transforming the space. This is key to our ability to execute our sustainability strategy across the entire investment lifecycle, from due diligence to value creation and through to exit strategy.

Future proofing is an extensive component of our value creation playbooks. We take a hand-in-hand approach to partnering with management teams to:



Map and address supply chain vulnerabilities due to climate risk or geopolitical shifts



Multi-source supplier mix and move away from "Just in Time" procurement to "Just in Case"



Implement responsible sourcing and supplier standards and comply with new regulation



Leverage technology for transparency, to drive efficiency, and mitigate cybersecurity risk



Position themselves as the B2B partner of choice for corporates seeking to future proof their supply chains

03 | Europe is leading in topline value creation:

The report highlights Europe as a leader in using supply chain strategy to drive revenue and not just mitigate risk. This is being driven by corporates but also supported by regulatory frameworks that create tailwinds for firms equipped to navigate them.

Ardabelle insight: This isn't coincidence: it's competitive advantage in action. While our US counterparts are still debating whether sustainability "pays," European firms are banking the returns. The regulatory environment here isn't a headwind; it's a tailwind for firms smart enough to get ahead of it.

04 | Supply chain players are winning contracts with environmental reporting:

For B2B suppliers, strong performance on environmental ("E") metrics is an increasingly decisive factor in winning contracts. This isn't just a marketing play – robust reporting is a prerequisite to work with global companies expanding their supply chain intelligence, planning, and risk management. This is further

supported by a 2024 McKinsey report; corporates are prioritizing transparency and suppliers are responding. As of 2025, 60% of corporates report having “comprehensive visibility of their tier-one suppliers”, up 50% in just two years.

Ardabelle insight: Eric Hazan, Head of Transformation: “For B2B companies, integrating environmental reporting yields immediate value for a company’s ability to expand its business – but it can also be an arduous undertaking. With decades of expertise in integrating data collection and analysis tools to optimize operations, we know that new technologies, such as IoT, GPS, and AI enable real-time tracking, predictive analytics, and inventory optimization - not only unlocking additional revenue streams, but also decreasing costs and mitigating risks for our companies.”

05 | Value creation requires leadership beyond a CSO:

High-conviction, cross-firm leadership is needed for GPs to successfully derive value from sustainable value creation strategies. Sustainability must be embedded across deal teams, operations, and management – not siloed within a single function.

Significant challenges in driving activities and demonstrating evidence

- Obtaining **high-quality sustainability data**
- Linking performance to **financial outcomes**
- Securing **leadership and deal team buy-in**

Ardabelle insight: Ardabelle’s founders are united by a shared conviction in sustainability as a value driver backed by proven leadership experience in both investing and operational transformation. The firm is purpose-built for what we call “PE 4.0,” with a deeply integrated approach that aligns every member of the team. This structure ensures coordinated action, embedding sustainability into every stage of value creation.

Get in Touch.

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