

# The Students Challenge by Natixis Investment Managers International



Competition Rules

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## Article 1. Organizing Company

Natixis Investment Managers International, a public limited company with a capital of €94,127,658.48, whose registered office is located at 43 Avenue Pierre Mendès-France, 75013 Paris, and registered in the Paris Trade and Companies Register under number 329 450 738, hereinafter referred to as "the Organizing Company".

This document (hereinafter referred to as the "Competition Rules") defines the applicable rules for the competition "The Students Challenge by Natixis Investment Managers" (hereinafter referred to as "the Challenge").

The Challenge will take place from November 4, 2024, to May 22, 2025, unless modified under the conditions of the Rules.

## Article 2. Objectives

The Challenge is open to master's students (bac+4/5) in Europe and to undergraduate students globally, as well as members of investment clubs from business or engineering schools and universities.

This Challenge pits a maximum of twelve (12) teams of four (4) to six (6) members against each other, who will each manage a fictitious investment fund for twelve (12) weeks.

The teams will operate in real-life conditions: they will be managing a portfolio that incorporates diversified ESG<sup>1</sup> criteria, is flexible (equities, rates, diversification), and respects the chosen management process as well as the investment constraints described in these rules.

Each team will be coached by a mentor – an expert working for the Asset Management division of BPCE Group.

One to two interim management committees will be organized; after managing their portfolios for 3 months, the three (3) finalist teams will present their achievements to the Final jury, formed as a management committee described in these Competition rules.

The goal of the Challenge is not only to deliver the best portfolio performance but first and foremost, to build a portfolio management process, explain it, and adhere to it. Furthermore, management decisions must be exposed during the management committees.

Hence, portfolio management involves not only the selection of assets (equities and bonds) but also the allocation within eligible asset classes, including within the diversification bucket.

## Article 3. Applications

Registration is possible as a team only – teams must be constituted before the application process.

Each team consists of four (4) to six (6) members, of legal age, in a master's program (Europe) or Undergraduate program, or members of the finance/investment association or club from schools or universities.

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<sup>1</sup> Environment, Social and Governance

The candidates shall make sure that local national laws do not prohibit participation in such a competition and that their participation in the competition does not imply violating a local law.

The composition of the team should take into account the principles of diversity.

It is advisable to form teams of six (6) members, considering the time that shall be dedicated to the Challenge during the six (6) months of the program.

Teams can be composed of members from different schools/universities.

Participants with previous work experience who are resuming their studies must indicate the number of years of experience at the stage of online application.

Applications must be submitted to the organizing team (hereinafter referred to as "the Organizing Team") of the Organizing Company no later than November 26, 2024, at 11:59 PM (Paris time). After this date, no application will be considered by the Organizing Team.

Registration is free and can be completed online on the dedicated Challenge webpage.

Each participant may only participate in one edition of the Challenge. Participants may not play on behalf of other participants; each participant may only be included in one candidate and/or participating team.

Application required information includes:

- Team name
- For each team member:
  - Name, first name, phone number, school-assigned email address, and personal email address
  - Name of school/university
  - Name of master's program if relevant and/or study major and/or finance/investment association/club
  - Individual proof of enrollment in the master's program/ university/ business school
  - Specify if the participant is in a work-study program within the BPCE Group, and in which entity
  - Copy of ID
  - Biography in English
  - Participants with previous work experience who are resuming their studies must indicate the number of years and nature of experience.
- Designation of the team's main point of contact
- Team presentation written in English
- Description in English of the philosophy and portfolio management process chosen (less than 10 pages)

To select the participating teams, the Organizing Team may audition each team. Employees (excluding work-study employees) of BPCE and its subsidiaries cannot participate in the Challenge.

Acceptance of applications, as well as the list of participating teams, will be communicated by email in mid-December 2024.

Members of the 12 selected teams must then send the following documents to fully validate their participation:

- Signed consent forms related to image reproduction rights and to the protection of personal data.
- Certificate of adherence to the Company's Digital and Technological Resource Charter regarding the proper use of the IT resources made available to the participant.

## Article 4. Duration of the Challenge

The schedule is as follows:

• Application deadline:	November 26, 2024
• Communication of the list of selected teams:	December 9, 2024
• Challenge launch online session:	January 7, 2025
• Submission of the first allocation for testing:	January 24, 2025
• Start of portfolio management:	February 3, 2025
• Interim management committees:	March 18-20 and April 22-24, 2025
• End of the competition:	April 30, 2025
• Final:	May 22, 2025

## Article 5. Managing the portfolio

The portfolio is diversified, flexible and incorporates ESG criteria; it is valued in USD.

Each team will create an initial portfolio, based on the constraints and framework described below, with a value of USD 100 million (100,000,000) as of January 31, 2025.

The organization may decide to provide the teams with subscriptions/redemptions during the management period.

The performance objective of the diversified portfolio is the SOFR Index<sup>2</sup> + 4% on an annual basis, but each team can determine a different strategic benchmark.

### 5.1 Investment Universe

The investment universe is composed of:

- Equities from developed countries (excluding emerging markets, see MSCI World), in individual securities ("line by line")
- Sovereign bonds from the Eurozone and US, in individual securities ("line by line"), country/supranational issuers
- Diversifications carried out using ETFs<sup>3</sup> & ETCs

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<sup>2</sup> SOFR : Secured Overnight Financing Rate (SOFRINDEX Index)

<sup>3</sup> Exchange Traded Funds

ESG criteria, to be defined by each team, must be considered in the management process and the construction of the portfolio.

The weights of the three (3) segments of the portfolio can vary and will represent, in proportion of portfolio:

- Equities from 20% to 80%
- Bonds from 20% to 80%
- Diversification from 0% to 30%

## 5.2 Investment Constraints

The portfolio is valued in USD. Execution, valuation, and management fees are not considered.

The portfolio investments must adhere to the following constraints:

- Instruments traded on regulated markets,
- Authorized liquid instruments: stocks, bonds, trackers with a daily published price,
- Any other type of instrument (unlisted, mutual funds, derivatives, CDS, OTC, temporary transfers, etc.) is not authorized.
- Spot currency transactions only conducted against USD,
- Maximum number of portfolio lines: 100,
- Maximum weight of each position, excluding cash: 5% (on the day of order receipt),
- Maximum volatility: 10%,
- Any overdraft or leverage is prohibited,
- Short positions: prohibited,
- Liquidity: 30% of the portfolio must be sellable within 5 days.

## 5.3 Tools & Data

Tools and data will be made available to participants:

- Portfolio management tools from our partner Factset ([www.factset.com](http://www.factset.com)), which allow for modification, simulation, and analysis of the team's portfolio allocations, and provide access to research and performance analyses.
- ESG data from our partner Morningstar | Sustainalytics ([www.sustainalytics.com](http://www.sustainalytics.com)), which will be made available through the Factset platform.

The practicalities for accessing these tools and data will be communicated in January 2025.

All teams will thus have an identical, fair foundation to manage their team's portfolio.

The use of these resources is governed by the acceptance and prior signing of the Charter of Digital and Technological Resources by each participant.

## 5.4 Potential additional topics

The interim management committee, as described in the Competition rules, reserves the right to question any or all teams on specific points regarding asset classes, instruments invested by the team, or an investment theme. This could include, for example:

- Explanation of the criteria for choosing an asset,
- Correlation analysis,
- Addition of asset classes (commodities, unlisted assets such as infrastructure, private equity, etc.).

The responses provided by each team could result in "bonus points" in the final score.

## Article 6. Stages of the Challenge

### 6.1 During the Challenge

At least one presentation of the Challenge will be organized before starting the portfolio management phase. The presentation will include:

- A detailed presentation of the Challenge, either in-person in Paris or via videoconference to answer participants' questions;
- A reminder of the Challenge rules;
- An explanation, if necessary, on the use of the tools provided.

The mentor is an experienced manager and an employee of the BPCE Group's asset management division. Each team can interact with their mentor throughout the Challenge in either French or English.

The materials for the management committees, the final committee, and the documents produced by each team must be provided exclusively in English.

One to two intermediate management committees will be organized so that each team can present their process, management decisions, macro environment, performance, and portfolio indicators.

These interim management committees will conduct assessment and contribute to the scoring and ranking of teams; as a result, 3 teams will be selected to take part in the final.

Each management committee, conducted in English, will be held in two parts: 15 minutes of presentation and 5 minutes of questions per team.

### 6.2 Ranking

To closely mimic the real management of an equity portfolio, the ranking of the teams will not be based solely on the (relative) performance of the portfolio. The scoring will take into account:

- The presentation, the proper understanding and adherence to constraints, the process chosen by the team,
- The performance of each team's portfolio,
- The quality of the reporting and of the presentation during the intermediate management committees.

Non-compliance with the rules is not eliminatory but will impact the scoring.

Examples of penalty reasons (non-exhaustive list):

- Number of portfolio lines not conforming to the Competition rules.
- Use of prohibited instrument.
- Non-compliance with the maximum 30% diversification limit.
- Non-compliance with the maximum percentage of a single line.

Other discretionary elements may be considered in the scoring of each team - "the score." Only the indicators, performances, and ratios calculated by Natixis Investment Managers and its partners will be considered.

Scoring	Weight	Explanation
<b>Team</b>	<b>9%</b>	<b>Diversity/Parity/ Individual Skills/Roles in the team/Team Spirit</b>
<b>Philosophy, Process</b>	<b>18%</b>	<b>Clarity and viability of the investment principles and strategy, Alpha Sources / sound understanding of risks / Alpha sources identification</b>
<b>ESG integration &amp; Rationale</b>	<b>14%</b>	<b>ESG (originality, conviction, data)</b>
<b>Performance &amp; Risk assessment and management</b>	<b>14%</b>	<b>Respect of the guidelines, volatility, liquidity &amp; compliance</b>
<b>Presentation &amp; Materials</b>	<b>27%</b>	<b>Quality of the presentation - brief market overview, dynamic allocation over 3 months, alpha contribution, stock example</b>
<b>Differentiation and Creativity</b>	<b>18%</b>	<b>Uniqueness of the approach and quality of the presentation, fluidity, smoothness, collective approach / In English</b>

Only the top three (3) teams in the ranking, having achieved the highest scores at the end of the interim management committees, will reach the final.

## Article 7. The Participants

### 7.1 The Juries of the Interim Management Committees

They will be responsible for arbitrating the Challenge and assessing the teams during the interim management committee(s).

The jury members will be asset management professionals, employees of Natixis Investment Managers or its affiliates.

For any questions, teams can contact the following address: [thestudentschallenge@natixis.com](mailto:thestudentschallenge@natixis.com)

### 7.2 The Mentors

Each team will have a designated primary contact during the Challenge, referred to hereafter as the "Mentor."



As an experienced asset management expert and employee of the asset management division of Groupe BPCE, the "Mentor" will support, advise the team, and ensure compliance with the Rules.

The "Mentor" does not make portfolio management decisions and cannot be a member of the interim committees' juries or the final jury.

### 7.3 The Final Jury

This jury will be composed of employees from the asset management division of Groupe BPCE.

Executives from the partners involved in the Challenge may be invited to join the final jury.

The role of the jury will be to determine the final ranking among the three (3) finalist teams at the conclusion of the final.

### 7.4 The Challenge Days

This event will consist of three parts:

- The final, which will determine the winning team:

The three (3) teams with the highest scores from the interim management committees will compete in the final.

Thus, the final presentation will be organized as a management committee that will determine the ranking amongst the three (3) finalists.

Each presentation cannot exceed fifteen (15) minutes and will be followed by five (5) minutes of questions and answers with the committee.

Therefore, the winning team will be determined at the end of this final during this event.

The organization will notify the winning team.

- Workshops and "networking" sessions between participants and asset management experts;
- Each team will then have the opportunity to participate in a roundtable with asset management professionals from Natixis Investment Managers or HR team members from Natixis.
- A cocktail.

All teams participating in the Challenge are invited to this event.

This event will be held both in person and virtually on May 22, 2025, in Paris, Immeuble "Austerlitz" - 59 Avenue Pierre Mendès France, 75013 Paris.

The finalist teams are invited to attend in person to present their "defense" before the special final jury.

Transport and accommodation costs will be covered, within the following limits, only for members of the 3 finalist teams:

- For participants of the 3 finalist teams studying outside the Île-de-France region:

- Train ticket up to EUR 250 round trip, or the equivalent in foreign currency at the exchange rate on the date of the submission of these rules.
- Plane ticket up to EUR 800 round trip, or the equivalent in foreign currency at the exchange rate on the date of the submission of these rules.

Only train tickets will be eligible for reimbursement for journeys under 4h30.

Plane tickets should be for non-stop flights and from airlines implementing genuine action plans to limit their environmental impact.

Travel dates are chosen by the participants – the departure date can be before May 22, 2025, and the return date after May 23, 2025; however, travel dates must allow the participant to attend the entirety of the Challenge Days in person.

- For all participants of the 3 finalist teams:
  - One night in a single hotel room up to EUR 250 excluding breakfast – Airbnb-type rentals are excluded.
- Other expenses (booking fees, insurance, meals, taxis, etc.) will not be covered.
- Expenses will only be covered upon presentation of original receipts, excluding any other costs and subject to actual participation in the final and all workshops and activities organized during the Challenge Days; they will be reimbursed by bank transfer under the same conditions as those provided in Article 8.

The cocktail concluding the first day of the Challenge Days will be offered to all participants, whether they are part of the finalist teams or not.

## Article 8. Awards

Each member of the winning team (one team) will receive an award of EUR 1,000, or the equivalent in foreign currency based on the exchange rate in effect on the date the Competition Rules are deposited.

The withdrawal of one or more team members before or during the final does not result in the redistribution of their prize to the remaining members of the winning team.

The payment of each prize will be made by national or international bank transfer to the bank account details provided by each member of the winning team.

In this regard, each member of the winning team will send their bank account details within three (3) months from the day the prize is awarded to the following address: [thestudentschallenge@natixis.com](mailto:thestudentschallenge@natixis.com)

The prize will be paid by the Organizing Company within ninety (90) days from the date of receipt of the bank account details provided by each winner.

The prize will not be awarded if the winning team does not accept the prize, or if all members do not send their bank account details within the specified period.

This prize can be entirely or partially donated to non-profit organizations supported by Groupe BPCE, according to the wishes of each member. The list of charities sponsored by Natixis Investment Managers and by its affiliates will be provided to the winning team at the end of the final; for France, these will be non-profit organizations recognized as being of public interest.

For example:

- La Croix-Rouge française (French Red Cross)
- Action Contre la Faim (Action Against Hunger)
- Providence Row (charity number 1140192)
- Inspire (charity number 1111037)
- The Home for Little Wanderers

It is specified that the Organizing Company cannot be held responsible for any events beyond its control, including any potential delay in the delivery of the prize.

Each winner agrees to accept the prize without the possibility of exchange (particularly against any other goods or services of any kind), nor transfer for the benefit of third parties. This prize cannot be subject to requests for compensation nor give any right or advantage other than that related to the awarding of the prize.

If a member of the winning team wishes all or part of the prize he or she has won to be paid to a charity, Natixis Investment Managers or one of its affiliates will pay an identical amount, in addition, to the chosen association. Proof of the payment made to the association by the member of the winning team must be sent to the organizing team.

The winners of the Challenge authorize the Organizing Company to use their name, first name, and photo, for a period of one (1) year from the date of their victory, as part of internal communication operations related to the Challenge, without any consideration other than the awarding of the prize.

The winners agree to release the Organizing Company, its partners, and their employees or representatives from any liability for any damage they may suffer in connection with the acceptance of the prize won. The winning team cannot claim to receive more than one prize in the context of this Challenge.

The Organizing Company declines all responsibility for any incident or its consequences that may occur during the Challenge and its aftermath.

## Article 9. Arbitration Committee

Should the need arise, particularly with regard to the interpretation of these Rules, a committee will be set up to arbitrate the case or situation.

It will include the Organising Team and the Head of Compliance and Internal Control of the Organizing Company.

## Article 10. Responsibility of the Organizing Company

The responsibility of the Organizing Company cannot be engaged if, due to force majeure, circumstances beyond its control, or any other circumstances that require it, the Challenge has to be modified, suspended, shortened, or canceled. The Organizing Company also reserves the right to extend the participation period in the Challenge and to postpone any announced dates. Consequently, no compensation can be requested due to modifications or cancellations.

The Organizing Company may cancel all or part of the Challenge if it appears that fraud or any use of deceptive means (and/or attempts thereof) has occurred in any form during participation in the Challenge. In this case, it reserves the right not to award prizes to fraudsters (and those who attempted fraud) as well as to individuals who used deceptive means (and those who attempted to use such means).

The responsibility of the Organizing Company cannot be engaged if, as a result of fraud (and/or attempts thereof), the use of deceptive means (and/or attempts thereof), the conduct of the Contest or the designation of winners must be canceled, postponed, or modified. The Organizing Company disclaims all responsibility in the event of an incident resulting from the methods of participation in the Challenge.

## Article 11. Personal Data

As part of participation in the Challenge, the Organizing Company collects personal data ("Personal Data") concerning the participants. Without this data, participants' entries cannot be considered. The Organizing Company implements appropriate technical and organizational measures to ensure that the processing of Personal Data is carried out in accordance with applicable legislation.

The nature of the Personal Data includes name, first name, email address, postal address, student card, and bank account details for the allocation of the prize to the winning team.

The purposes of processing Personal Data are managing participation in the Contest "The Student Challenge" [2025], awarding prizes, compiling participation statistics, and sending the prize.

The recipients of the Personal Data, responsible for processing, are: The Organizing Company.

Retention period: The retention period for participants' personal data is 12 months after the Challenge.

Participants have the right to access their Personal Data. Under the conditions provided by law, participants may also request a limitation of processing, rectification or deletion of their Personal Data, withdraw their consent to the processing of their Personal Data, request their portability, or provide directives regarding their data in the event of death.

Participants also have the right to object to the processing of their data for commercial prospecting purposes.

These rights may be exercised at any time, subject to proof of identity by providing a copy of an identity document, at the following addresses:

- By postal mail: Natixis Investment Managers International, 43 avenue Pierre Mendes-France, 75013 Paris.
- By email: dpo-natixisimi@natixis.com

Concerned participants have the right to lodge a complaint with a supervisory authority responsible for the protection of individuals with regard to the processing of personal data.

In France, the supervisory authority is:

Commission Nationale de l'Informatique et des Libertés (CNIL)  
3 place de Fontenoy  
TSA 80715  
75334 PARIS Cedex 07

## Article 12. Acceptance of the Rules - Legal Deposit – Modifications

Participation in this operation implies the unconditional acceptance of the complete Rules by the participants in the Challenge.

The complete Rules of the contest are deposited with SELARL THOMAZON AUDRANT BICHE ET ASSOCIES, Associate Judicial Officers, 156 rue Montmartre, 75002 Paris.

The Organizing Company reserves the right at any time to interrupt, cancel, defer, or postpone the Challenge and/or modify its terms and prizes, after duly informing by any appropriate means the involved parties, in case of force majeure or if circumstances beyond its control require it, without its responsibility being engaged as a result.

The Rules would then be updated and revised as necessary, and the latest version will be posted online as soon as possible.

Failure by a participant to comply with the conditions of the Rules, as well as any conditions set by the Organizing Company to ensure the proper conduct of the contest, will result in their immediate disqualification, with the Organizing Company ruling sovereignly in such cases.

## Article 13. Applicable Law – Jurisdiction

This competition is governed by French law.

Any disputed interpretation of these Rules, as well as any cases not provided for, will be decided by the Organizing Company. Any request concerning the interpretation of these Rules must be made in writing. No request concerning the interpretation of these Rules that reaches the Organizing Company more than thirty (30) days after the end of the competition will be answered.

Any dispute that cannot be settled amicably will be submitted to the competent courts.