



# **ARVELLA ESG ENGAGEMENT MBA CHALLENGE**

**Organized jointly with the Yale Initiative on  
Sustainable Finance**

**OFFICIAL RULES**

**2023 SEASON**

## I. Teams

1. Teams must have up to five members.
2. Team members must be currently enrolled as full- or part-time MBA students. Students graduating in summer 2023 might participate.
3. Teams can consist of first and/or second year students.
4. A school may have several teams participate in the Challenge.
5. Team members may withdraw, as long as one team member is present for the finalist presentation.
6. Team members may not participate on more than one team.

## II. Timeline

1. The Arvella ESG Engagement MBA Challenge will be held in two rounds. Round 1 will consist in submitting a written research report ("case study"). On Round 2, two finalist teams will be selected to present their work to a panel of judges. The presentation will be held via videoconference (Zoom).
2. Teams must register by **16 June 2023** by sending the registration form (see Appendix B) to [mbachallenge@arvella.com](mailto:mbachallenge@arvella.com).
3. Case studies (Round 1) must be submitted by email at [mbachallenge@arvella.com](mailto:mbachallenge@arvella.com) no later than **30 June 2023 at 11:59 PM ET**.
4. Finalist teams will be announced by **7 July 2023**.
5. Finalist teams (Round 2) will present their work to the judges via videoconference on **17 July 2023**.

## III. Challenge Format and General Guidelines

1. The official language of the Challenge is English. All Challenge matters, including correspondence, project submission, oral presentation etc. must be completed in English.
2. Academic standards around plagiarism apply. That is, teams should cite all sources.

### Round 1 – Case Study:

1. Each team must prepare a written report. It should be submitted in PowerPoint and PDF formats.
2. The case study will be graded according to the criteria set forth in Appendix A, "Evaluation Form".
3. The case study must contain (but is not limited to) the following sections:
  - **Target Company and ESG Issue:** Teams will use the [Engagement Maximizer](#), to select a target company and one ESG variable featured in the tool. The Engagement Maximizer identifies which E, S or G improvement(s) could raise shareholder value most for each firm. Teams should select an ESG issue associated with a high potential increase in shareholder value. Please refer to

the section “How to Use the Engagement Maximizer” on the website. Teams should present:

- The company.
  - The selected ESG issue.
  - How lagging behind on this issue is hurting the firm’s profits.
  - **Target Company’s Peers:**
    - Use the “Best Peers” functionality<sup>1</sup> on the Engagement Maximizer’s website to identify potential best peers.
    - Use qualitative analysis to select the most relevant peers. The Maximizer’s best peers list includes companies classified in the same sector (GICS level 1) or industry (GICS level 2) and region. Not all such firms are relevant benchmarks for the selected company. Using qualitative analysis to select the two or three most relevant peers is therefore essential.
  - **Best ESG Practices:** Teams should analyze what the most advanced peers are doing to be industry leaders at this particular ESG issue. Teams should also analyze how being such a leader helps business and financial outcomes.
  - **ESG Engagement Action Plan:** Teams should come up with an action plan to convince the target company to implement best ESG practices. In practice, teams should:
    - Suggest actionable solutions to improve the selected ESG issue, learning from peers’ best practices. Teams should also explain how their solutions would boost the firm’s profits and/or equity valuation.
    - Elaborate a concrete, actionable plan to persuade the company to act. The plan should:
      - Include arguments to persuade the company’s management and shareholders to act. Making the business case for the suggested plan is essential.
      - Discuss how the team would approach the company to persuade its various stakeholders (management, board, shareholders...).
4. **Extra points** will be awarded to teams that have started engaging their target company. Actions taken and outcomes achieved (if any) should be detailed in the case study in an additional section.
5. Case studies should be submitted by email at [mbachallenge@arvella.com](mailto:mbachallenge@arvella.com) by **30 June 2023 at 11:59PM ET**.

## Round 2 – Finalist Presentation:

1. The top 2 teams (finalist teams) will make a presentation to a panel of judges.
2. A minimum of one team member should be present for the presentation.

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<sup>1</sup> The functionality “Best Peers” on the website is only available to partners. The team lead will be given access to the functionality upon registration. Teams should not only rely on the tool to identify “Best Peers”. Given the quantitative nature of the tool, we expect that some “peers” will be more relevant than others for each firm.

3. The finalist teams will be announced by **7 July 2023**. They will present their work to the judges via videoconference on **17 July 2023**.
4. Presentations should be submitted by email at [mbachallenge@arvella.com](mailto:mbachallenge@arvella.com) in PowerPoint and PDF formats **by 14 July 2023 at 11:59PM ET**. No revisions can be made to the team's electronic presentation once submitted.
5. Content presented during the finalist presentation (Round 2) should be similar (potentially, identical) to the one highlighted in the case study (Round 1). Teams that are engaging their target companies should add any new development since submitting their case study.
6. Each presentation will last 60 minutes (25 minutes presentations, 35 minutes Q&A).

#### **IV. Judges & Miscellaneous**

1. Judges will be drawn from industry experts, academics or other professionals operating in the sustainability space.
2. Judges and their biographies will be disclosed on the website page dedicated to the Challenge ([www.arvella.com/esg-engagement-mba-challenge/](http://www.arvella.com/esg-engagement-mba-challenge/)) in the coming months.
3. Students can submit questions about the Challenge via email at [mbachallenge@arvella.com](mailto:mbachallenge@arvella.com).
4. By registering for the Challenge, team members agree to take part in any publicity related to the Challenge as well as to the use of their names and photographs in such publicity.

#### **V. Disclaimer**

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## Appendix A –Study Evaluation Form

SECTION	MAXIMUM POINTS	COMMENTS
<b>Target Company and ESG issue</b> <i>Select a target company and one ESG issue whose improvement would deliver great impact and great financial returns using the <a href="#">Engagement Maximizer</a></i>	10	
<b>Target Company's Peers</b> <i>Identify the most relevant peers</i>	10	
<b>Best ESG Practices</b> <i>Identify peers' best practices for this ESG issue</i>	30	
<b>ESG Engagement Action Plan</b> <ul style="list-style-type: none"> <li>• <i>Learning from peers' best practices, suggest actionable solutions to improve the selected ESG issue</i></li> <li>• <i>Elaborate a concrete, actionable plan to persuade the company to act</i></li> </ul>	50	
<b>Extra Points (Optional)</b> <i>Actual engagement with the target company and outcome</i>	20	
<b>Total</b>	<b>120</b>	

Teams should base their recommendations on facts, statistics, and rigorous analysis. The more detailed and quantified the analysis, the better.

## Appendix B – Registration Form

**Registration Deadline is June 16, 2023 at 11:59 PM ET.**

TEAM INFORMATION	
Team Name:	
University Name:	
City / Campus:	
STUDENT #1 (Primary Point of Contact for Team)	
First Name:	
Last Name:	
Email:	
Cell:	
Anticipated Year of Graduation:	
STUDENT #2 (Optional)	
First Name:	
Last Name:	
Email:	
Cell:	
Anticipated Year of Graduation:	
STUDENT #3 (Optional)	
First Name:	
Last Name:	
Email:	
Cell:	
Anticipated Year of Graduation:	
STUDENT #4 (Optional)	
First Name:	
Last Name:	
Email:	
Cell:	
Anticipated Year of Graduation:	
STUDENT #5 (Optional)	
First Name:	
Last Name:	
Email:	
Cell:	
Anticipated Year of Graduation:	

Students can submit questions about the Challenge via email at [mbachallenge@arvella.com](mailto:mbachallenge@arvella.com).