

# **French open-end investment fund (SICAV)**

## **LAZARD EUROPE CONCENTRATED**

### **ANNUAL REPORT**

at June 28th, 2024

Management company: Lazard Frères Gestion SAS  
Custodian: Lazard Frères Banque  
Statutory auditor: Ernst & Young et Autres

Lazard Frères Gestion SAS - 25 rue de Courcelles - 75008 - Paris - France

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## 1. CHANGES AFFECTING THE UCI

The extraordinary shareholders' meeting of the **LAZARD ALPHA EUROPE SICAV** (ISIN code: FR0000294613) on 20/12/2023, decided to make the following changes as part of the merger-absorption of the Lazard Equity Inflation SRI mutual fund:

- Change of name: **LAZARD EUROPE CONCENTRATED**
- Creation of an "F" share to absorb the F share of the Lazard Equity Inflation SRI mutual fund
- Change to the investment policy
- Change to financial management fees
- Change to the calculation rate of the performance fee

➤ **Effective date: 21/12/2023.**

The Board of Directors of the **LAZARD EUROPE CONCENTRATED SICAV** (ISIN code: FR0000294613), on 27/02/2024, decided to withdraw the SICAV's eligibility for PEA equity savings plans.

➤ **Effective date: 02/04/2024.**

## Corporate governance (CSR) section

### I. List of offices held in public limited companies (SA) and/or open-ended investment companies (SICAV) having their registered office in France

Directors' names	Number of offices held	List of offices and functions
Thomas Brenier <i>Managing Director of Lazard Frères Gestion SAS</i>	1	<ul style="list-style-type: none"><li>Chairman and Chief Executive Officer of the Lazard Europe Concentrated SICAV</li></ul>
Axel Laroza <i>Director of Lazard Frères Gestion SAS</i>	3	<ul style="list-style-type: none"><li>Chairman of the board of directors of the Lazard Actifs Réels SICAV</li><li>CEO and board member of the SICAV Lazard Equity SRI</li><li>Deputy CEO and board member of the Lazard Europe Concentrated SICAV</li></ul>
Scander Bentchikou <i>Managing Director of Lazard Frères Gestion SAS</i>	1	<ul style="list-style-type: none"><li>Board member of the Lazard Europe Concentrated SICAV</li></ul>

### II. Agreements covered by Article L. 225-37-4 para.2 of the French Commercial Code

The SICAV was not informed of the conclusion of any agreements covered by Article L225-37-4 para.2 of the French Commercial Code during the financial year ended June 28th, 2024.

### III. Table of currently valid delegations of powers granted by the Shareholders' Meeting, as stipulated in Article L. 225-37-4 para.3 of the French Commercial Code

No delegation of authority pursuant to Article L. 225-37-4 para.3 of the French Commercial Code was granted or was ongoing during the financial year ended June 28th, 2024.

### IV. Method of operation of the general management

The Board of Directors did not decide to separate the functions of Chairman and Chief Executive Officer, and the person who performs these functions bears the title of Chairman and Chief Executive Officer.

### **DIRECTORS' FEES**

The SICAV does not pay directors any fees for attendance at board meetings.

## 2. MANAGEMENT REPORT

### PERFORMANCE

- ❖ The performance of the A shares over the period was 13,81%.
- ❖ The performance of the R shares over the period was 12,80%.
- ❖ The performance of the F shares over the period was 9,68% (the F share was created on December 21st, 2023, following the merger of the LAZARD EQUITY INFLATION SRI mutual fund into the SICAV).

*Performances vary over time and past performance is no guarantee of the UCI's future results.*

The performance of the benchmark index over the period was 13,72%.

*As part of the merger of Lazard Equity Inflation SRI into Lazard Europe Concentrated (formerly Lazard Alpha Europe) on December 21st, 2023, the investment strategy was modified, thereby reducing the number of securities.*

### ECONOMIC ENVIRONMENT

Global growth has been resilient over the past twelve months: the IMF forecasts that global GDP will grow by 3,2% in 2024, stable compared to 2023, and higher than projections a year ago. However, this masks diverging trends across economies, with solid growth in the US offsetting weaker results in Europe. In China, public stimulus policies have mitigated the persistent slowdown in the property market, enabling growth to remain strong. Inflation has fallen in most economies, but service inflation has proved stubborn, leading central banks to maintain a cautious stance. In this economic environment, equity markets continued to rise, while bond markets were more volatile, with investors switching from one scenario to another in terms of monetary policy developments.

In the United States, GDP growth was solid at +2,9% year-on-year in Q1 2024. Job creation slowed to +218 000 on average per month, the unemployment rate rose to 4,1% and hourly earnings moderated to +3,9% over the year. Consumer price inflation slowed to +3,3% year-on-year and +3,4% excluding energy and food, with less favourable momentum at the start of 2024.

The Fed raised its key rate by 25 basis points in July 2023, to 5,25-5,50%, and then kept it at that level. In December 2023, Jerome Powell announced the end of the rate hike cycle and paved the way for monetary easing.

In the Eurozone, GDP growth was weak at +0,4% year-on-year in Q1 2024. The PMI indices deteriorated sharply in the summer of 2023 before stabilising in the autumn of 2023 and improving thereafter. The unemployment rate remained at a low of 6,4%. Inflation slowed to +2,5% year-on-year, and to +2,9% excluding energy and food.

The ECB raised its key rates by 50 basis points in the second half of 2023 before cutting them by 25 basis points in June 2024, taking the deposit rate to 3,75%. In terms of unconventional measures, in December 2023 Christine Lagarde announced a reduction in the PEPP portfolio from July 2024, at an average rate of -€7,5bn per month in the second half of 2024.

Following the European elections, which saw the outgoing coalition retain its majority, President Emmanuel Macron announced a dissolution of the National Assembly on June 9th, 2024.

In China, GDP growth remained moderate at +5,3% year-on-year in Q1 2024, with public stimulus policies mitigating the persistent slowdown in the property market. The government's growth target has been set at +5% for 2024. Inflation remained close to zero, with consumer prices rising by 0,2% year-on-year in June 2024. The Chinese central bank cut its key rate by 15 basis points to 2,50%, and the reserve requirement ratio by -75 basis points to 10,00%.

### Markets

Equity markets continued to rise: the MSCI World All Country index in dollars rose by +17,5%, the Topix in

yen by +22,8%, the S&P 500 in dollars by +22,7%, the MSCI index of emerging equities in dollars by +9,8%, the Euro Stoxx in euros by +8,7% and the CAC 40 in euros by +1,1%. Markets were buoyed by expectations of a soft landing for the US economy and monetary policy easing. They also benefited from the sharp rise in tech mega-caps, linked to the artificial intelligence craze. Japanese equities were buoyed by the policies implemented to improve corporate profitability. French equities were hurt by the uncertainty surrounding the dissolution of the French National Assembly in June 2024.

Bond markets were volatile, with investors switching from one monetary policy scenario to another. In the summer of 2023, the resilience of US growth and the Fed's more restrictive message led investors to anticipate permanently higher key rates in the US, causing sovereign yields to soar. The trend reversed from November 2023 onwards, when investors interpreted central bank announcements and macroeconomic publications as signalling the end of the rate hike cycle. Interest rates started to rise again in the first half of 2024, as the improved growth outlook and upside inflation surprises led to a sharp reduction in expectations for monetary policy easing.

In this context, the US 10-year Treasury yield rose from 3,84% to 4,40%, with a low in the summer of 2023 at 3,75% and a peak in the autumn of 2023 at 4,99%. The 10-year German government yield rose to 2,50%, with a peak of 2,97% in the autumn of 2023 and a low of 1,89% in December 2023. In June 2024, rising political uncertainty in France led to turbulence in French government debt, with the OAT/Bund spread hitting its highest level since 2012 at 86 basis points, compared with 50 basis points before the dissolution.

In the credit market, spreads on European corporate issuers tightened from 148 to 113 basis points in the Investment Grade segment and from 446 to 353 basis points in the High Yield segment, according to ICE Bank of America indices.

In terms of currencies, the euro depreciated by 1,8% against the dollar and by 1,4% against the Swiss franc and sterling. It appreciated by 9,5% against the yen. Emerging currencies depreciated by 6,4% against the dollar, according to the JPMorgan index.

In commodities, the S&P GSCI commodity price index rose by 7,0%. The price of a barrel of Brent crude rose from \$76 to \$84, with a low of \$73 in December 2023 and a peak of \$96 in September 2023.

## MANAGEMENT POLICY

Over the full financial year (from June 30th, 2023 to June 28th, 2024), the Lazard Europe Concentrated SICAV (A share) recorded a performance of 13,81%, while its benchmark index, the Stoxx600 net dividends reinvested, rose by 13,72%, an outperformance of 9 basis points.

In Q3 2023, the SICAV (A share) outperformed its benchmark by 99 basis points (-1,12% vs. -2,11%).

July was marked by further rate hikes of 25bp each by the ECB and the Fed. Core inflation excluding housing is easing in the United States, however. On the other hand, it was still up 5,5% in Europe and even by 6,9% in the United Kingdom. Brent crude also rose significantly, by almost 15% over the month. But in the end, it was the scenario of a soft landing for global growth that was favoured by the markets, with the Stoxx 600 rising by 2,14%. Against this backdrop, our fund (A share) outperformed slightly by 22bp, recording an increase of 2,36%. Although our large underexposure to the utilities and consumer goods sectors and our overexposure to banks paid off, our stock picks in travel and leisure and basic resources proved costly. Imerys, which was hurt by a disappointing half-year earnings release marked by a significant fall in volumes, Sodexo, Orange, Dassault Systèmes and Spectris were the main detractors from performance. Adecco, Intesa Sanpaolo, Michelin, Saint-Gobain, which reported record results, Geberit and Kingfisher all made positive contributions. In August, starting from its 2023 high, the market began to decline, with a certain amount of thematic rotation. Technology in particular was the subject of sell-offs, notably following Adyen's disappointing results, which led to a spectacular fall in the share price on the day of publication.

The dollar, which had bottomed out against the euro in July, edged up, while US interest rates rose more than European rates, given the resilience of the US economy compared with the European economy, which is beginning to weaken. The fund (A share) cushioned the blow and fell very slightly less than the market, down 2,18% compared with -2,54% for its benchmark index. The portfolio was hurt by the decline in technology stocks and its overexposure to the automotive sector, while it benefited from a good allocation to industrial goods and consumer goods, both of which were underexposed. On an individual stock basis, the main detractors from August's performance were Infineon, BMW, Alstom and Geberit. The main positive contributors in August were Scor, Société Générale, Sodexo, Merck KGaA and Eni, as well as the absence of

ASML. In September, equity markets finally buckled under the combined effect of the ongoing rise in interest rates and increasingly cautious messages from companies, particularly in the electronics and construction sectors, partly linked to the situation in China. The firm announcements by the Fed and the ECB have pushed the US 10-year yield up from 4,1% to 4,6% and the Bund 10-year yield from 2,5% to 2,8%. The dollar continued to climb, rising from 1,08 to 1,05 against the euro. Against this backdrop, the Stoxx 600 fell by 1,66% and the fund (A share) outperformed with a fall of 1,24%. It was also hurt by negative stock picks in banks and basic resources and too low exposure to energy, as well as declines in Société Générale, Alstom, Imerys, Akzo Nobel, Carrefour and Merck. But all this was more than offset by healthcare, consumer goods and telecoms, among others, as well as by the strong outperformance of Svenska Handelsbanken, Eni, BBVA, Scor, Aperam, Weir, Orange, Sanofi, Munich Re, BNP Paribas, Deutsche Telekom and Deutsche Boerse.

In the fourth quarter of 2023, the SICAV (A share) gained 4,90% compared with 6,71% for the Stoxx 600 net dividends reinvested.

Short- and long-term interest rates continued to rise in October on both sides of the Atlantic, with the yield on the US 10-year even reaching its highest level since 2007. Combined with a lacklustre start to the earnings release season, this took its toll on the equity markets. The Stoxx 600 lost 3,62% over the month. Unfortunately, the fund (A share) underperformed significantly, largely due to the earnings release of Alstom, which plummeted by almost 40% because of concerns over cash consumption. The fund was also penalised by its stock picks in the healthcare sector, with the absence of Novo Nordisk and the fall in Sanofi and Merck. On the other hand, it benefited from good stock picks in technology, banking and telecoms stocks, with Dassault Systèmes, Orange, Intesa Sanpaolo and Sodexo all outperforming in October. In November, the faster-than-expected slowdown in US inflation led to a sharp fall in bond yields, with the 10-year T-Bond dropping by 60 basis points to 4,33% and the Bund by 36 basis points to 2,45%, and to a significant rise in equity markets around the world, with, logically in this context, another rotation to growth stocks. The dollar shed 3% and oil prices are down 7%, which is also contributing to renewed optimism on equities. Against this backdrop, the Euro Stoxx rose by 6.62% in November alone. The fund (I share) was up 7,41%, 79 basis points less than the index. It was hurt by the declines of Alstom and Sodexo as well as by the rises of Infineon and Siemens, which are absent from the portfolio. On the other hand, it benefited from the rise of Infineon and Fresenius Medical, Care. More generally, industrial goods, healthcare and telecoms made a negative contribution, while technology, construction materials, basic resources and banking benefited from a positive stock-picking effect. Specifically, Geberit, Aperam, Saint-Gobain, BBVA, Merck and Weir outperformed over the month. Reassured by the very soothing message from the US Federal Reserve, which now points to two rate cuts in 2024, the equity markets rose sharply in December to finish close to their all-time record, while bond yields fell. The Euro Stoxx ended the last month of the year with a rise of 3,24%. The fund (A share) rose by just 2,74%, but this enabled it to finish the year above its benchmark index with a relative gain of 186bp. The portfolio was negatively impacted by its stock picks in healthcare, insurance and chemicals, while automotive, retail, media and construction made a positive contribution. Scor, Merck KGaA, BBVA, Orange, Carrefour and Weir underperformed over the month, while Daimler Trucks, Svenska Handelsbanken, Geberit, Kingfisher and Saint-Gobain made positive contributions. As announced, the fund changed its name to Lazard Europe Concentrated at the end of December and is changing its strategy by reducing the number of positions in the portfolio.

In the first quarter of 2024, Lazard Europe Concentrated (A share) rose by 7,79% while its benchmark was up 7,65%.

2024 got off to a shaky start after the sharp market rise in November and December, but in the end it was the upside that prevailed, despite the slight rise in bond yields. The dollar appreciated by 2% against the euro on the assumption that the Fed would be less accommodative than had been hoped at the end of last year. But it was above all a strong sector rotation in favour of technology and growth stocks that underpinned the rise in the Stoxx 600. The index gained 1,45%.

The fund (A share) rose by 2,79%, hurt by unfavourable stock picks in construction materials, industrial goods and consumer products, while the absence of utilities and basic resources made a positive contribution. On an individual stock basis, Geberit, Smiths Group, Eni, Air Liquide and L'Oréal detracted from performance over the month, while ASML was the best performer, followed by SAP, DSM-Firmenich, Dassault Systèmes, Merck KGaA and Cap Gemini. In February, the markets continued to accelerate for the fourth consecutive month, in anticipation of real wage growth, the end of destocking and a more accommodative monetary policy. The technology sector continued to benefit from the AI theme, but the automotive sector stood out even more after the publication of persistently high margins. The Stoxx 600 rose by 1,98%, while the fund (A share) outperformed with a rise of 2,34%. It was hurt by having no direct exposure to the automotive sector but gained from the absence of utilities and basic resources. On the other hand, it benefited from a good stock-picking effect in healthcare, banks, chemicals and financial services.

It benefited in particular from the good performances of EssilorLuxottica, Air Liquide, Swedbank, KBC, Siemens and Saint-Gobain, which are held in the portfolio. In March, the market maintained its momentum and ended the month up once again (SXXR +4,04%) for the fifth consecutive month, despite high geopolitical tensions, a wait-and-see attitude on the part of central banks and manufacturing PMI indices that continued to perform poorly. The value sectors were in the limelight, led by finance, real estate, energy and basic resources. For once, technology was at the bottom of the ranking. The fund (PC share) underperformed, rising by just 2,46%. It was hurt mainly by a negative stock-picking effect in the banking and industrial goods sectors, as well as an overweighting in the technology sector. On the other hand, it benefited from a positive stock-picking effect in the health and insurance sectors. Swedbank, Kone, Deutsche Boerse, Kerry and Dassault Systèmes underperformed over the month, while Allianz, EssilorLuxottica, KBC, DSM Firmenich and AstraZeneca and the absence of Novartis contributed positively.

In the last quarter of the financial year, the portfolio (A share) outperformed the Stoxx 600 net dividends reinvested by 67 basis points (1,79% vs. 1,13%).

A combination of geopolitical risks and inflationary figures from the United States caused the first consolidation since the nadir of October 2023, despite signs of recovery in the Eurozone and a still vigorous US economy. This consolidation was accompanied by a pronounced style reversal in favour of value, while interest rates are rising. Well-performing sectors share the characteristics of being relatively inexpensive and offering high returns (basic resources, energy, banks). At the other end of the scale, there was a downturn in the technology, automotive and industrial sectors. The fund (A share) slightly underperformed, falling by 1,36%, compared with -0,97% for the Stoxx 600. It was hurt by its overweighting of technology and the rebound in basic resources. It nonetheless benefited from its underweighting of automotive and industrial goods. In terms of stocks, the fund was hurt by the trajectories of Merck KGAA, Geberit and Dassault Systems and the absence of Philips (resolution of a major dispute). Conversely, Adyen, which collapsed once again due to pricing concerns, and Stellantis, which disappointed on margins, made a positive contribution through their absence. It also benefited from the good performances of AstraZeneca, Kone and Eni. After a brief pause in April, the European market rebounded to an all-time high, buoyed by positive earnings releases and hopes of an imminent rate cut. Signs of recovery are increasing, including in Germany. The Stoxx 600 gained 3,31%, driven by financials, real estate and utilities, while industrial goods once again performed well. Only four sectors ended the month in the red, including energy (drop in oil prices). The fund (A share) underperformed, gaining just 2,45%. It was hurt by unfavourable stock-picking in industrial goods, with Edenred suffering from regulatory uncertainty in France. Schneider, which is not included in the portfolio, bounced back following the termination of discussions with Bentley Systems. Technology also made a negative contribution, with Infineon absent and investors questioning the rebound in Cap Gemini's organic growth. On the other hand, the fund benefited from positive stock-picking in the construction sector, with Geberit and Saint-Gobain, and in the healthcare sector, with Merck, Essilor-Luxottica and Sanofi. In June, the Stoxx 600 index fell by 1,16%, suffering from political risk in France and the fall in PMIs, despite the ECB's first rate cut. 10-year yields rose by 5bp, with a significant disparity between Germany (-17bp), France (+16bp) and Italy (+10bp). Brent bounced back (+6%) while the euro weakened. Defensives outperformed cyclical, reversing the trend seen in May. French equities suffered particularly badly, especially small caps. While technology stocks performed very well, most other sectors consolidated heavily, particularly construction, basic materials, real estate and banking stocks. The fund outperformed the benchmark index by 188bp. It benefited from its overexposure to technology stocks and a positive stock-picking effect in banks, telecoms, media and construction materials, particularly from the absence of Airbus (continuing disruption to its supply chain) and the good performances of Deutsche Boerse, Relx Plc and Novo Nordisk. On the other hand, it was hurt by the underperformance of Merck KGAA, Edenred and Saint-Gobain.



## Main changes in the portfolio during the year

Securities	Changes (“accounting currency”)	
	Purchases	Sales
LAZARD EURO SHORT TERM MONEY MARKET	21 799 065,42	22 323 086,51
L’OREAL	3 725 288,50	3 636 003,85
ASML HOLDING NV	3 526 025,10	2 728 003,83
ESSILORLUXOTTICA	4 382 363,94	1 507 295,05
ENI SPA	3 181 518,76	2 091 546,42
SIEMENS AG-REG	3 466 256,62	1 690 227,03
ALLIANZ SE-REG	3 962 435,04	936 699,88
BNP PARIBAS	1 725 847,40	3 157 009,64
AIR LIQUIDE SA	2 964 796,70	1 811 058,68
SAINT-GOBAIN	2 334 897,20	2 330 244,75

### 3. REGULATORY INFORMATION

#### EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES AND DERIVATIVE FINANCIAL INSTRUMENTS (ESMA) IN EUROS

##### a) Exposure through efficient portfolio management techniques and derivative financial instruments

- **Exposure through efficient management techniques: None.**
  - o Securities lending:
  - o Securities borrowing:
  - o Repurchase agreements:
  - o Reverse repurchase agreements:
- **Underlying exposure through derivative financial instruments: None.**
  - o Currency forwards:
  - o Futures:
  - o Options:
  - o Swaps:

##### b) Identity of the counterparty or counterparties for efficient portfolio management techniques and derivative financial instruments

Efficient portfolio management techniques	Derivative financial instruments (*)
None	None

(\*) Excluding listed derivatives.

c) Financial guarantees received by the UCITS to reduce counterparty risk

Instrument type	Amount in the currency of the portfolio
<b>Efficient portfolio management techniques</b> . Term deposits . Equities . Bonds . UCITS . Cash (*) <b>Total</b>	None
<b>Derivative financial instruments</b> . Term deposits . Equities . Bonds . UCITS . Cash <b>Total</b>	None

(\*) The Cash account also includes liquidity from reverse repurchase agreements.

d) Operating income and expenses related to efficient management techniques

Operating income and expenses	Amount in the currency of the portfolio
. Income (*) . Other income <b>Total income</b>	None
. Direct operating expenses . Indirect operating expenses . Other expenses <b>Total expenses</b>	None

(\*) Income on securities lending and repurchase agreements

## **TRANSPARENCY OF SECURITIES FINANCING TRANSACTIONS AND THE REUSE OF FINANCIAL INSTRUMENTS - SFTR - IN THE ACCOUNTING CURRENCY OF THE UCI (€)**

The UCI carried out no transactions during the year in the context of the SFTR.

## **PROCEDURE FOR SELECTING AND ASSESSING INTERMEDIARIES AND COUNTERPARTIES**

The brokers used by the management company are selected on the basis of various evaluation criteria, covering research, quality of order execution and processing and the range of services offered. The management company's "Broker Committee" validates any updates to the list of authorised brokers. Each investment division (fixed income and equities) reports to the Broker Committee at least twice a year on the evaluation of the services provided by the various brokers and the breakdown of the volume of transactions handled.

The information can be consulted on the management company's website: [www.lazardfreresgestion.fr](http://www.lazardfreresgestion.fr)

## **BROKERAGE FEES**

Information about brokerage fees is available on the website: [www.lazardfreresgestion.fr](http://www.lazardfreresgestion.fr).

## **EXERCISING VOTING RIGHTS**

The scope and procedures for Lazard Frères Gestion SAS' exercise of the voting rights attached to the securities held in the UCIs managed by it are set out in the guidelines it has drawn up on its voting policy. This document can be consulted on the management company's website: [www.lazardfreresgestion.fr](http://www.lazardfreresgestion.fr).

## **DISCLOSURE OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) CRITERIA**

Lazard Frères Gestion firmly believes that the integration of environmental, social and governance (ESG) criteria in the management of assets provides an additional guarantee in terms of a durable economic performance.

The long-term performance of investments is not limited solely to the consideration of the financial strategy, but must also take into account the company's interactions with its social, economic and financial environment.

The incorporation of ESG criteria therefore is a natural component of our investment process.

Our overall approach can be summarised as follows:

- ✓ Rigorous financial analysis of the company covering the quality of assets, financial soundness, projected cash flows and their reinvestment by the company, the strength of economic profits, profit durability, and quality of management.
- ✓ This durability is strengthened by incorporating non-financial criteria:
  - Social criteria: through the development of human capital.
  - Environmental criteria: through the prevention of all environmental risks.
  - Governance criteria: by respecting the balance between the managerial and shareholder structures so as to prevent potential conflicts of interest and safeguard the interests of minority shareholders.

The intensity and methods by which we incorporate ESG criteria may vary depending on the asset class and investment process involved, but the common objective is to ensure better apprehension of ESG risks that are likely to have a strong impact on the value of a company or sovereign asset.

Information on ESG criteria is available on the website: [www.lazardfreresgestion.fr](http://www.lazardfreresgestion.fr).

## **SFDR AND TAXONOMY**

### **Article 8**

Pursuant to Article 50 of the SFDR Level 2 Delegated Regulation, information on the attainment of the environmental or social characteristics promoted by the financial product forming part of this management report is available in the appendix.

## USE OF FINANCIAL INSTRUMENTS MANAGED BY THE MANAGEMENT COMPANY OR AN AFFILIATED COMPANY

The table of financial instruments managed by the management company or an affiliated company can be found in the notes to the UCI's annual financial statements.

## METHOD USED TO CALCULATE GLOBAL RISK

The Fund uses the commitment method to calculate its global risk on financial contracts.

## PROCEDURE FOR RECOVERY OF WITHHOLDING TAXES

European Union countries may apply different taxation methods for dividends paid to domestic entities and foreign entities. Foreign entities that receive dividends are frequently subject to withholding tax, causing a difference in tax treatment that is in breach of the free circulation of capital, and therefore contrary to European Union law. Since there are several decisions by the European Union Court of Justice and the Council of State in favour of foreign residents, the management company shall request reimbursement of withholding tax paid on dividends received by foreign companies for funds domiciled in France, when the prospects for repayment of the withholding tax are deemed favourable to the funds concerned. The time involved and results of claims of this nature to the tax authorities concerned are uncertain. No reimbursement was received for the financial year ended 28/06/24.

## REMUNERATION

The fixed and variable remuneration paid during the year ended December 29th, 2023 by the management company to its personnel identified as eligible for the UCITS and AIFM regulations can be obtained on request by post from the legal department of Lazard Frères Gestion and is included in the company's annual report. The total variable remuneration is set by the Lazard Group based on different criteria, including the Lazard Group's financial performance over the past year, taking into account the results of Lazard Frères Gestion. The total amount of variable compensation should not hinder the ability of the Lazard Group and Lazard Frères Gestion to strengthen their capital base as needed. The General Management decides on the total remuneration amount that will be split between the fixed and variable components, complying with the policy to maintain a complete separation between the fixed and variable components.

All financial and non-financial risks, as well as conflicts of interest, are incorporated into the calculation of the variable remuneration.

It is then individualised and determined partly based on the performance of each identified member of staff.

Each year, Lazard Frères Gestion's Remuneration Policy Compliance Monitoring Committee, which also has two members independent from the management company, is responsible for issuing an opinion on the proper application of the remuneration policy and its compliance with applicable regulations.

### Population at 31/12/2023: Fixed-term and permanent contracts at LFG, LFG Luxembourg and LFG Belgique (i.e. excluding interns and trainees and excluding LFG Courtage)

Headcount at 31/12/2023 LFG - LFG Belgique - LFG Luxembourg	Fixed annual remuneration in 2023 in €	Variable remuneration for 2023 (cash paid in 2024 and deferred compensation allocated in 2024) in €
215	22 350 834	30 080 401

### "Identified employees"

Category	Number of employees	2023 aggregate fixed and variable remuneration (annual salaries and cash and deferred bonuses)
Senior management	3	5 094 000
Other	60	29 390 304
<b>Total</b>	<b>63</b>	<b>34 484 304</b>

*Note: the amounts are stated excluding charges*

**OTHER INFORMATION**

The UCI's full prospectus and the most recent annual and interim reports will be sent out within one week of request in writing by shareholders to:

LAZARD FRERES GESTION SAS

25, Rue de Courcelles - 75008 Paris, France

[www.lazardfreresgestion.fr](http://www.lazardfreresgestion.fr)

#### 4. CERTIFICATION BY THE STATUTORY AUDITOR



## **Lazard Europe Concentrated (Formerly Lazard Alpha Europe)**

Financial year ended June 28th, 2024

### **Statutory auditor's report on the annual financial statements**

To the General Meeting of the SICAV Lazard Europe Concentrated,

#### **Opinion**

In accordance with the terms of our appointment by your board of directors, we conducted our audit of the accompanying annual financial statements of the Undertaking for Collective Investment Lazard Europe Concentrated, as a French open-end investment company (SICAV), for the financial year ended June 28th, 2024.

We certify that the annual financial statements provide a true and fair view of the results of operations for the financial year under review and of the financial position and assets and liabilities of the Fund at the end of said financial year, in accordance with the accounting rules and principles generally accepted in France.

#### **Basis of our opinion**

##### **■ Audit standards**

We conducted our audit in accordance with the professional standards applicable in France. We believe that our audit has provided us with sufficient relevant information on which to base our opinion.

Our responsibilities under these standards are set out in the section entitled "Statutory auditor's responsibilities concerning the audit of the financial statements" in this report.

##### **■ Independence**

We conducted our audit in accordance with the independence rules set out in the French Commercial Code and the code of ethics for statutory auditors, for the period from July 1st, 2023 to the date of issue of our report.





## **Lazard Europe Concentrated (Formerly Lazard Alpha Europe)**

Shareholders' meeting to approve the financial statements for the financial year ended June 28th, 2024

### **Statutory auditor's special report on regulated agreements**

To the General Meeting of the SICAV Lazard Europe Concentrated,

In our capacity as statutory auditors of your company, we hereby present to you our report on related party agreements.

We are required to report to you, based on the information we have been provided, on the characteristics, the main terms and the details of the benefits for the company, of any agreements disclosed to us or that we may have discovered during our audit, without being required to comment on their relevance or substance, or to identify any other agreements. It is your responsibility, pursuant to the terms of Article R. 225-31 of the French Commercial Code, to assess the benefits of entering into these agreements, prior to approving them.

We are also required, where applicable, to report to you as provided for in Article R. 225-31 of the French Commercial Code on the performance over the past year of any agreements already approved by the shareholders' meeting.

We have performed those checks that we considered necessary in accordance with the professional guidance issued by the national auditing body (*Compagnie nationale des commissaires aux comptes*) relating to this operation.

### **Agreements submitted for the approval of the shareholders' meeting**

We hereby inform you that we have not been advised of any agreement authorised or signed during the past financial year to be submitted for the approval of the shareholders' meeting pursuant to Article L. 225-38 of the French Commercial Code.



## Agreements already approved by the shareholders' meeting

We hereby inform you that we have not been advised of any agreement already approved by the shareholders' meeting that remained effective during the past financial year.

Paris-La Défense, September 20th, 2024

The statutory auditor  
ERNST & YOUNG et Autres

Digitally signed by Caroline JAMMES  
DN: cn=Caroline JAMMES, c=FR,  
o=EY Associates, ou=0002  
817723687,  
email=caroline.jammes@fr.ey.com  
Date: 2024.09.20 12:52:01 +02'00'

**Caroline  
JAMMES**

Caroline Jammes



## **Lazard Europe Concentrated (Formerly Lazard Alpha Europe)**

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email=caroline.jammes@fr.ey.com  
Date: 2024.09.20 12:52:01 +02'00'

Caroline  
JAMMES

Caroline Jammes

## 5. ANNUAL FINANCIAL STATEMENTS

### BALANCE SHEET AS AT 28/06/2024 in EUR

#### ASSETS

	28/06/2024	30/06/2023
<b>NET NON-CURRENT ASSETS</b>		
<b>DEPOSITS</b>		
<b>FINANCIAL INSTRUMENTS</b>	<b>61 655 462,23</b>	<b>54 674 127,65</b>
<b>Equities and similar securities</b>	<b>60 604 486,53</b>	<b>53 147 940,71</b>
Traded on a regulated or equivalent market	60 604 486,53	53 147 940,7
Not traded on a regulated or equivalent market		
<b>Bonds and similar securities</b>		
Traded on a regulated or equivalent market		
Not traded on a regulated or equivalent market		
<b>Debt securities</b>		
Traded on a regulated or equivalent market		
Negotiable debt securities		
Other debt securities		
Not traded on a regulated or equivalent market		
<b>Undertakings for collective investment</b>	<b>1 050 975,70</b>	<b>1 526 186,94</b>
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries	1 050 975,70	1 526 186,94
Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU		
General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities		
Other funds aimed at professional investors and their equivalent in other Member States of the EU and unlisted securitisation entities		
Other non-European entities		
<b>Temporary securities transactions</b>		
Receivables on securities purchased under repurchase agreements		
Receivables on loaned securities		
Borrowed securities		
Securities sold under repurchase agreements		
Other temporary transactions		
<b>Forward financial instruments</b>		
Transactions on a regulated or equivalent market		
Other transactions		
<b>Other financial instruments</b>		
<b>RECEIVABLES</b>		<b>182 159,67</b>
Currency forward exchange transactions		
Other		182 159,67
<b>FINANCIAL ACCOUNTS</b>	<b>368 561,80</b>	<b>563 194,10</b>
Cash and cash equivalents	368 561,80	563 194,10
<b>TOTAL ASSETS</b>	<b>62 024 024,03</b>	<b>55 419 481,42</b>

## LIABILITIES AND SHAREHOLDERS' EQUITY

	28/06/2024	30/06/2023
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	56 851 972,37	54 068 148,89
Undistributed net capital gains and losses recognised in previous years (a)		
Retained earnings (a)		
Net capital gains and losses for the year (a, b)	4 084 995,11	-18 238,23
Net income for the year (a, b)	988 165,08	1 302 675,53
<b>TOTAL SHAREHOLDERS' EQUITY*</b>	<b>61 925 132,56</b>	<b>55 352 586,19</b>
<i>* Sum representing the net assets</i>		
<b>FINANCIAL INSTRUMENTS</b>		
Sales of financial instruments		
Temporary securities transactions		
Liabilities on securities sold under repurchase agreements		
Liabilities on borrowed securities		
Other temporary transactions		
Forward financial instruments		
Transactions on a regulated or equivalent market		
Other transactions		
<b>LIABILITIES</b>	<b>98 891,47</b>	<b>66 895,23</b>
Currency forward exchange transactions		
Other	98 891,47	66 895,23
<b>FINANCIAL ACCOUNTS</b>		
Bank overdrafts		
Borrowings		
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>62 024 024,03</b>	<b>55 419 481,42</b>

(a) Including accrued income

(b) Less interim dividends paid for the financial year

OFF-BALANCE SHEET ITEMS AS OF 28/06/2024 in euros

	28/06/2024	30/06/2023
<b>HEDGING TRANSACTIONS</b>		
Commitments on regulated or similar markets		
Commitments on OTC markets		
Other commitments		
<b>OTHER TRANSACTIONS</b>		
Commitments on regulated or similar markets		
Commitments on OTC markets		
Other commitments		

# INCOME STATEMENT AS OF 28/06/2024 in euros

	28/06/2024	30/06/2023
<b>Income from financial transactions</b>		
Income from deposits and financial accounts		
Income from equities and similar securities	1 734 683,85	2 115 348,45
Income from bonds and similar securities		
Income from debt securities		
Income from temporary purchases and sales of securities		
Income from forward financial instruments		
Other financial income		
<b>TOTAL (1)</b>	<b>1 734 683,85</b>	<b>2 115 348,45</b>
<b>Expenses related to financial transactions</b>		
Expenses related to temporary purchases and sales of securities		
Expenses related to forward financial instruments		
Expenses related to financial liabilities		99,19
Other financial charges		
<b>TOTAL (2)</b>		<b>99,19</b>
<b>INCOME FROM FINANCIAL TRANSACTIONS (1 - 2)</b>	<b>1 734 683,85</b>	<b>2 115 249,26</b>
Other income (3)		
Management fees and depreciation and amortisation (4)	705 916,61	807 529,29
<b>NET INCOME FOR THE FINANCIAL YEAR (L. 214-17-1) (1 - 2 + 3 - 4)</b>	<b>1 028 767,24</b>	<b>1 307 719,97</b>
Income adjustment for the financial year (5)	-40 602,16	-5 044,44
Interim dividends paid on net income for the financial year (6)		
<b>Net income (1 - 2 + 3 - 4 + 5 - 6)</b>	<b>988 165,08</b>	<b>1 302 675,53</b>



## 1. ACCOUNTING RULES AND PRINCIPLES

The annual financial statements are presented in accordance with regulation 2014-01, as amended, of the French accounting standards body (Autorité des Normes Comptables - ANC).

The general accounting principles apply:

- true and fair view, comparability, business continuity,
- regularity, sincerity,
- prudence,
- consistency of accounting methods from one financial year to the next.

Income from fixed-income securities is recorded on the basis of accrued interest.

Purchases and sales of securities are recorded excluding expenses. The accounting currency of the portfolio is the euro. The financial year comprises 12 months.

### Asset valuation rules

#### 1.1. Financial instruments and securities traded on a regulated market are valued at their market price.

Valuation rules may be specific for dated UCIs. The UCI will be valued at the ask price during the subscription period and at the bid price once it is closed.

#### Marketable securities:

- **Shares and similar securities** are valued on the basis of the last known price on their main market. If applicable, prices are translated into euros using the exchange rate prevailing in Paris on the valuation day (as published by WM Closing).

- **Fixed-income securities**

Fixed-income securities are for the most part marked to market based on either Bloomberg prices (BGN)® derived from averages of contributed prices, or on those of direct contributors.

There may be a discrepancy between the carrying amounts, valued as indicated above, and the actual disposal prices that would be obtained if a portion of these portfolio assets were to be sold.

- **Bonds and similar instruments** are valued on the basis of the average of the closing prices gathered from several contributors.

Financial instruments whose prices have not been determined on the valuation day or whose prices have been adjusted are valued at their probable trading price, for which the shareholders' meeting is responsible. These estimates and their supporting documentation will be provided to the statutory auditor during audits.

However, the following instruments are valued using the following specific methods:

- **"Negotiable debt securities" type:**

Negotiable debt securities are marked to market based on either Bloomberg prices (BVAL and/or BGN)® derived from averages of contributed prices, or on those of direct contributors.

There may be a discrepancy between the carrying amounts, valued as indicated above, and the actual disposal prices that would be obtained if a portion of these portfolio assets were to be sold.

The valuation of money market instruments complies with the provisions of Regulation (EU) 2017/1131 of June 14th, 2017. Consequently, the UCI does not use the amortised cost method.

- **UCIs:**

Units or shares of UCIs are valued at the last known net asset value.

Units or shares of UCIs for which NAVs are published monthly may be valued on the basis of interim NAVs calculated from estimated prices.

- **Temporary purchases and sales of securities**

Securities purchased under repurchase agreements are valued at their contract price using an actuarial method with a benchmark rate (€STR, one- or two-week interbank rates, one- to 12-month Euribor) corresponding to the term of the contract.

Securities sold under repurchase agreements continue to be valued at their market price. Liabilities on securities sold under repurchase agreements are calculated using the same method as that used for securities purchased under repurchase agreements.

- **Futures and options**

Futures and options are valued on the basis of intraday trading prices the timing of which is based on that of the valuation of the underlying assets.

Positions taken on the futures or options markets and over the counter are valued at their market price or at the value of the equivalent underlying asset.

## **1.2. Financial instruments and securities not traded on a regulated market**

Products traded on a non-regulated market are valued on a market-to-market basis using conventional valuation models.

## **1.3. Valuation methods for off-balance sheet commitments**

Off-balance sheet transactions are valued at the commitment value.

The commitment value for futures contracts is equal to the price (in the UCI's currency) multiplied by the number of contracts multiplied by the face value.

The commitment value for options is equal to the price of the underlying security (in the UCI's currency) multiplied by the number of contracts multiplied by the delta multiplied by the face value of the underlying security.

The commitment value for swaps is equal to the face value of the contract (in the UCI's currency).

## **Management fees**

Management fees are calculated on each valuation day.

The annual management fee rate is applied to gross assets (equal to net assets before deduction of the day's management fees) using the following formula:

$$\frac{\text{Gross assets} \times \text{operating and management fees rate} \times \text{no. of days between the calculated NAV and the previous NAV}}{365 \text{ (or 366 in a leap year)}}$$

These amounts are then recorded in the UCI's income statement and paid in full to the management company.

The management company pays the UCI's operating fees including for:

- . financial management;
- . administration and accounting;
- . custody services; other operating costs;
- . statutory auditors' fees;
- . legal notices (Balo, Petites Affiches, etc.) if applicable.

These fees do not include transaction charges.

The fees break down as follows, as set out in the regulations:

<i><b>Fees charged to the UCI</b></i>	<i><b>Basis</b></i>	<i><b>Share</b></i>	<i><b>Rate (Maximum incl. taxes)</b></i>	
Financial management fees	Net assets	A	0,80%	
		R	1,60%	
		F	0,48%	
Operating and other service fees	Net assets	Applied to all shares	0,020%	
Indirect charges (management fees and expenses)	NA	Applied to all shares	None	
Turnover commission (0% to 100% received by the management company and 0% to 100% received by the custodian)	Maximum charge on each transaction	Applied to all shares	Equities, bonds, debt securities and foreign exchange	0% to 0,20%
			Futures and other transactions	From €0 to €450 per batch/contract
Performance fee	Net assets	A, R	20% of the Fund's outperformance relative to the benchmark index.	
		F	None	

The method used to calculate retrocession amounts is set out in the sales and marketing agreements.

- If the amount is significant, a provision is recognised in account 61719.
- The final amount is recognised upon settlement of invoices after reversal of any provisions.

#### Details of the calculation of the performance fee:

The performance fee corresponds to a variable charge and is contingent on the Fund outperforming its benchmark over the observation period.

If a provision is recognised at the end of the observation period, it is crystallised, i.e. it is definitively acquired and becomes payable to the Manager.

#### **Calculation method**

The calculation of the amount of the performance fee is based on a comparison between the performance of each UCI share and that of a notional UCI achieving the performance of its benchmark index and recording the same subscription and redemption pattern as the actual UCI. The outperformance generated by the UCI share on a given date is defined as the positive difference between the assets of the UCI share and the assets of the notional UCI on the same date. If this difference is negative, this amount constitutes an underperformance that will have to be made up in the following years before a new provision can be made for the performance fee.

#### **Allocation of distributable income**

##### ***Definition of distributable income:***

Distributable income consists of:

##### ***Net income:***

net income plus retained earnings, plus or minus the balance of the revenue adjustment account.

Net income for the financial year is equal to the amount of interest, arrears, dividends, bonuses and prizes, remuneration and all income generated by the securities that make up the UCI's portfolio, plus income generated by temporary cash holdings and minus management fees and borrowing costs.

##### ***Capital gains and losses:***

Realised capital gains, net of expenses, less realised capital losses, net of expenses, recognised for the financial year, plus any net capital gains of the same kind recognised over previous years that have not been distributed or accumulated, plus or minus the balance of the capital gains adjustment account.

***Allocation of distributable income:***

<b><i>Share(s)</i></b>	<b><i>Allocation of net income</i></b>	<b><i>Allocation of net realised capital gains or losses</i></b>
LAZARD EUROPE CONCENTRATED A shares	Accumulation	Accumulation
LAZARD EUROPE CONCENTRATED F shares	Accumulation and/or Distribution and/or Retention as decided by the SICAV	Accumulation and/or Distribution and/or Retention as decided by the SICAV
LAZARD EUROPE CONCENTRATED R shares	Accumulation and/or Distribution and/or Retention as decided by the SICAV	Accumulation and/or Distribution and/or Retention as decided by the SICAV

## 2. CHANGE IN NET ASSETS AT 28/06/2024 in euros

	28/06/2024	30/06/2023
<b>NET ASSETS AT START OF YEAR</b>	<b>55 352 586,19</b>	<b>58 833 365,43</b>
Subscriptions (including subscription fees retained by the Fund)	44 890 280,11	2 681 301,61
Redemptions (net of redemption fees retained by the Fund)	-45 694 603,28	-19 718 029,09
Realised capital gains on deposits and financial instruments	8 349 872,52	3 759 306,12
Realised capital losses on deposits and financial instruments	-3 214 464,75	-3 824 499,32
Realised capital gains on forward financial instruments		
Realised capital losses on forward financial instruments		
Transaction charges	-744 720,77	-356 376,26
Exchange rate differences	168 937,50	3 694,78
Changes in valuation difference of deposits and financial instruments	1 788 477,80	12 666 102,95
<i>Valuation difference for financial year N</i>	5 235 046,69	3 446 568,89
<i>Valuation difference for financial year N-1</i>	-3 446 568,89	9 219 534,06
Changes in valuation difference of forward financial instruments		
<i>Valuation difference for financial year N</i>		
<i>Valuation difference for financial year N-1</i>		
Distribution of prior year's net capital gains and losses		
Dividends paid in the previous financial year		
Net profit/loss for the financial year prior to income adjustment	1 028 767,24	1 307 719,97
Interim dividend(s) paid on net capital gains/losses during the financial year		
Interim dividend(s) paid on net income during the financial year		
Other items		
<b>NET ASSETS AT END OF YEAR</b>	<b>61 925 132,56</b>	<b>55 352 586,19</b>

### 3. ADDITIONAL INFORMATION

#### 3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC STATUS

	Amount	%
<b>ASSETS</b>		
<b>BONDS AND SIMILAR SECURITIES</b>		
TOTAL BONDS AND SIMILAR SECURITIES		
<b>DEBT SECURITIES</b>		
TOTAL DEBT SECURITIES		
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>SALES OF FINANCIAL INSTRUMENTS</b>		
TOTAL SALES OF FINANCIAL INSTRUMENTS		
<b>OFF-BALANCE SHEET</b>		
<b>HEDGING TRANSACTIONS</b>		
TOTAL HEDGING TRANSACTIONS		
<b>OTHER TRANSACTIONS</b>		
TOTAL OTHER TRANSACTIONS		

#### 3.2. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS BY INTEREST RATE TYPE

	Fixed rate	%	Variable rate	%	Revisable rate	%	Other	%
<b>ASSETS</b>								
Deposits								
Bonds and similar securities								
Debt securities								
Temporary securities transactions								
Financial accounts							368 561,80	0,60
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>								
Temporary securities transactions								
Financial accounts								
<b>OFF-BALANCE SHEET</b>								
Hedging transactions								
Other transactions								

### 3.3. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS BY RESIDUAL MATURITY(\*)

	< 3 months	%	]3 months-1 year]	%	]1 - 3 years]	%	]3 - 5 years]	%	> 5 years	%
<b>ASSETS</b>										
Deposits										
Bonds and similar securities										
Debt securities										
Temporary securities transactions										
Financial accounts	368 561,80	0,60								
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>										
Temporary securities transactions										
Financial accounts										
<b>OFF-BALANCE SHEET</b>										
Hedging transactions										
Other transactions										

(\*) Forward interest rate positions are presented according to the maturity of the underlying.

### 3.4. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS BY LISTING OR VALUATION CURRENCY (EXCLUDING EUR)

	Currency 1 CHF		Currency 2 GBP		Currency 3 JPY		Currency N OTHER	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>ASSETS</b>								
Deposits								
Equities and similar securities	5 737 117,41	9,26	5 474 276,11	8,84	3 543 727,15	5,72	2 773 232,78	4,48
Bonds and similar securities								
Debt securities								
UCI								
Temporary securities transactions								
Receivables								
Financial accounts	118 746,44	0,19						
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>								
Sales of financial instruments								
Temporary securities transactions								
Liabilities								
Financial accounts								
<b>OFF-BALANCE SHEET</b>								
Hedging transactions								
Other transactions								

### 3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Debit/credit item	28/06/2024
RECEIVABLES		
TOTAL RECEIVABLES		
LIABILITIES		
	Deferred settlement purchase	41 292,23
	Redemptions payable	6 175,26
	Fixed management fees	51 423,98
TOTAL LIABILITIES		98 891,47
TOTAL LIABILITIES AND RECEIVABLES		-98 891,47



### 3.6. SHAREHOLDERS' EQUITY

#### 3.6.1. Number of securities issued or redeemed

	In equity	In amounts
<b>LAZARD EUROPE CONCENTRATED A shares</b>		
Shares subscribed during the financial year	44 582,427	33 333 288,45
Shares redeemed during the financial year	-49 524,826	-36 909 343,81
Net balance of subscriptions/redemptions	-4 942,399	-3 576 055,36
Number of shares outstanding at the end of the financial year	50 480,810	
<b>LAZARD EUROPE CONCENTRATED F shares</b>		
Shares subscribed during the financial year	457,935	6 269 405,47
Shares redeemed during the financial year	-230,000	-3 114 032,10
Net balance of subscriptions/redemptions	227,935	3 155 373,37
Number of shares outstanding at the end of the financial year	227,935	
<b>LAZARD EUROPE CONCENTRATED R shares</b>		
Shares subscribed during the financial year	12 964,449	5 287 586,19
Shares redeemed during the financial year	-13 643,283	-5 671 227,37
Net balance of subscriptions/redemptions	-678,834	-383 641,18
Number of shares outstanding at the end of the financial year	39 410,879	

#### 3.6.2. Subscription and/or redemption fees

	In amounts
<b>LAZARD EUROPE CONCENTRATED A shares</b>	
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	
<b>LAZARD EUROPE CONCENTRATED F shares</b>	
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	
<b>LAZARD EUROPE CONCENTRATED R shares</b>	
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	

### 3.7. MANAGEMENT FEES

	28/06/2024
<b>LAZARD EUROPE CONCENTRATED A shares</b>	
Guarantee fees	
Fixed management fees	391 996,16
Percentage of fixed management fees	0,94
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
<b>LAZARD EUROPE CONCENTRATED F shares</b>	
Guarantee fees	
Fixed management fees	9 235,99
Percentage of fixed management fees	0,50
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
<b>LAZARD EUROPE CONCENTRATED R shares</b>	
Guarantee fees	
Fixed management fees	304 684,46
Percentage of fixed management fees	1,84
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	

The maximum management fee rate changed at the time of the merger on 21/12/2023, which explains why the management fee percentage for the financial year is higher than the maximum rate shown in the latest prospectus

### 3.8. COMMITMENTS RECEIVED AND GIVEN

#### 3.8.1. Guarantees received by the Fund:

None.

#### 3.8.2. Other commitments received and/or given:

None.

### 3.9. OTHER INFORMATION

#### 3.9.1. Present value of financial instruments held temporarily

	28/06/2024
Securities held under repurchase agreements	
Borrowed securities	

#### 3.9.2. Present value of financial instruments representing security deposits

	28/06/2024
Financial instruments given as security and retained under their original classification	
Financial instruments received as security and not recorded on the balance sheet	

#### 3.9.3. Financial instruments held, issued and/or managed by the Group

	ISIN code	Name	28/06/2024
Equities			
Bonds			
Negotiable debt securities			
UCI			1 050 975,70
	FR0011291657	LAZARD EURO SHORT TERM MONEY MARKET	1 050 975,70
Forward financial instruments			
<b>Total group securities</b>			<b>1 050 975,70</b>

### 3.10. APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Table of appropriation of distributable income pertaining to net income

	28/06/2024	30/06/2023
<b>Remaining amounts to be allocated</b>		
Retained earnings		
Net income	988 165,08	1 302 675,53
Interim dividends paid on net income for the financial year		
<b>Total</b>	<b>988 165,08</b>	<b>1 302 675,53</b>

	28/06/2024	30/06/2023
<b>LAZARD EUROPE CONCENTRATED A shares</b>		
<b>Appropriation</b>		
Distribution		
Balance brought forward for the financial year		
Accumulation	752 435,97	1 036 741,90
<b>Total</b>	<b>752 435,97</b>	<b>1 036 741,90</b>

	28/06/2024	30/06/2023
<b>LAZARD EUROPE CONCENTRATED F shares</b>		
<b>Appropriation</b>		
Distribution		
Balance brought forward for the financial year		
Accumulation	60 456,03	
<b>Total</b>	<b>60 456,03</b>	

	28/06/2024	30/06/2023
<b>LAZARD EUROPE CONCENTRATED R shares</b>		
<b>Appropriation</b>		
Distribution		
Balance brought forward for the financial year		
Accumulation	175 273,08	265 933,63
<b>Total</b>	<b>175 273,08</b>	<b>265 933,63</b>

**Table of appropriation of distributable amounts pertaining to net capital gains and losses**

	28/06/2024	30/06/2023
<b>Remaining amounts to be allocated</b>		
Undistributed net capital gains and losses recognised in previous years		
Net capital gains and losses for the year	4 084 995,11	-18 238,23
Interim dividends paid on net capital gains/losses for the financial year		
<b>Total</b>	<b>4 084 995,11</b>	<b>-18 238,23</b>

	28/06/2024	30/06/2023
<b>LAZARD EUROPE CONCENTRATED A shares</b>		
<b>Appropriation</b>		
Distribution		
Undistributed net capital gains and losses		
Accumulation	2 733 077,32	-11 626,81
<b>Total</b>	<b>2 733 077,32</b>	<b>-11 626,81</b>

	28/06/2024	30/06/2023
<b>LAZARD EUROPE CONCENTRATED F shares</b>		
<b>Appropriation</b>		
Distribution		
Undistributed net capital gains and losses		
Accumulation	197 164,15	
<b>Total</b>	<b>197 164,15</b>	

	28/06/2024	30/06/2023
<b>LAZARD EUROPE CONCENTRATED R shares</b>		
<b>Appropriation</b>		
Distribution		
Undistributed net capital gains and losses		
Accumulation	1 154 753,64	-6 611,42
<b>Total</b>	<b>1 154 753,64</b>	<b>-6 611,42</b>

### 3.11. TABLE OF THE ENTITY'S INCOME AND OTHER SIGNIFICANT ITEMS OVER THE PAST FIVE FINANCIAL YEARS

	30/06/2020	30/06/2021	30/06/2022	30/06/2023	28/06/2024
<b>Global net assets in euros</b>	<b>52 222 843,61</b>	<b>84 519 272,68</b>	<b>58 833 365,43</b>	<b>55 352 586,19</b>	<b>61 925 132,56</b>
<b>LAZARD EUROPE CONCENTRATED A shares in EUR</b>					
Net assets	46 391 599,00	58 040 282,70	40 174 316,64	39 719 525,97	41 173 859,82
Number of units	97 934,120	88 882,571	70 470,538	55 423,209	50 480,810
Net asset value per unit	473,70	652,99	570,08	716,65	815,63
Accumulation per unit pertaining to net capital gains/losses	-35,79	4,25	64,38	-0,20	54,14
Accumulation per unit pertaining to income	5,94	8,69	15,20	18,70	14,90
<b>LAZARD EUROPE CONCENTRATED F shares in EUR</b>					
Net assets					3 415 948,99
Number of units					227,935
Net asset value per unit					14 986,50
Accumulation per unit pertaining to net capital gains/losses					865,00
Accumulation per unit pertaining to income					265,23
<b>LAZARD EUROPE CONCENTRATED R shares in EUR</b>					
Net assets	5 831 244,61	26 478 989,98	18 659 048,79	15 633 060,22	17 335 323,75
Number of units	21 955,239	73 048,960	59 554,891	40 089,713	39 410,879
Net asset value per unit	265,59	362,48	313,30	389,95	439,86
Accumulation per unit pertaining to net capital gains/losses	-20,10	2,37	35,60	-0,16	29,30
Accumulation per unit pertaining to income	0,48	1,71	4,81	6,63	4,44

### 3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
<b>Equities and similar securities</b>				
<b>Equities and similar securities traded on a regulated or similar market</b>				
<b>GERMANY</b>				
ALLIANZ SE-REG	EUR	13 030	3 381 285,00	5,46
DEUTSCHE BOERSE AG	EUR	13 780	2 633 358,00	4,25
DEUTSCHE TELEKOM AG	EUR	126 800	2 977 264,00	4,81
MERCK KGA	EUR	11 810	1 827 597,50	2,95
SAP SE	EUR	15 210	2 882 599,20	4,65
SIEMENS AG-REG	EUR	10 900	1 893 548,00	3,06
<b>TOTAL GERMANY</b>			<b>15 595 651,70</b>	<b>25,18</b>
<b>BELGIUM</b>				
KBC GROUPE	EUR	28 500	1 878 150,00	3,03
<b>TOTAL BELGIUM</b>			<b>1 878 150,00</b>	<b>3,03</b>
<b>DENMARK</b>				
NOVO NORDISK A/S-B	DKK	26 280	3 543 727,15	5,73
<b>TOTAL DENMARK</b>			<b>3 543 727,15</b>	<b>5,73</b>
<b>FINLAND</b>				
KONE OY B NEW	EUR	47 120	2 171 760,80	3,50
<b>TOTAL FINLAND</b>			<b>2 171 760,80</b>	<b>3,50</b>
<b>FRANCE</b>				
AIR LIQUIDE SA	EUR	16 538	2 667 248,64	4,31
CAPGEMINI SE	EUR	3 300	612 810,00	0,99
DASSAULT SYST.	EUR	43 960	1 551 788,00	2,51
EDENRED	EUR	47 240	1 861 728,40	3,01
ESSILORLUXOTTICA	EUR	16 360	3 291 632,00	5,31
LVMH MOET HENNESSY LOUIS VUI	EUR	2 210	1 577 056,00	2,54
SAINT-GOBAIN	EUR	19 980	1 450 947,60	2,34
<b>TOTAL FRANCE</b>			<b>13 013 210,64</b>	<b>21,01</b>
<b>IRELAND</b>				
KERRY GROUP PLC-A	EUR	23 880	1 806 522,00	2,92
<b>TOTAL IRELAND</b>			<b>1 806 522,00</b>	<b>2,92</b>
<b>ITALY</b>				
ENI SPA	EUR	181 610	2 606 829,94	4,21
<b>TOTAL ITALY</b>			<b>2 606 829,94</b>	<b>4,21</b>
<b>NETHERLANDS</b>				
ASML HOLDING NV	EUR	3 720	3 586 824,00	5,80
<b>TOTAL NETHERLANDS</b>			<b>3 586 824,00</b>	<b>5,80</b>
<b>UNITED KINGDOM</b>				
ASTRAZENECA PLC	GBP	27 840	4 057 215,78	6,55
RELX PLC	GBP	39 140	1 679 901,63	2,72
<b>TOTAL UNITED KINGDOM</b>			<b>5 737 117,41</b>	<b>9,27</b>
<b>SWEDEN</b>				
SWEDBANK AB	SEK	144 320	2 773 232,78	4,47
<b>TOTAL SWEDEN</b>			<b>2 773 232,78</b>	<b>4,47</b>
<b>SWITZERLAND</b>				
DSM-FIRMENICH AG	EUR	22 890	2 417 184,00	3,91
GEBERIT AG-REG	CHF	4 890	2 695 199,63	4,35
NESTLE SA-REG	CHF	29 180	2 779 076,48	4,49
<b>TOTAL SWITZERLAND</b>			<b>7 891 460,11</b>	<b>12,75</b>

### 3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR (continued)

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
TOTAL Equities and similar securities traded on a regulated or similar market			60 604 486,53	97,87
TOTAL Equities and similar securities			60 604 486,53	97,87
Undertakings for collective investment				
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries				
FRANCE				
LAZARD EURO SHORT TERM MONEY MARKET	EUR	505	1 050 975,70	1,69
TOTAL FRANCE			1 050 975,70	1,69
TOTAL general UCITS and general AIFs aimed at non-professionals and their equivalent in other countries			1 050 975,70	1,69
TOTAL Undertakings for collective investment			1 050 975,70	1,69
Liabilities			-98 891,47	-0,16
Financial accounts			368 561,80	0,60
Net assets			61 925 132,56	100,00

LAZARD EUROPE CONCENTRATED F shares	EUR	227,935	14 986,50
LAZARD EUROPE CONCENTRATED R shares	EUR	39 410,879	439,86
LAZARD EUROPE CONCENTRATED A shares	EUR	50 480,810	815,63



**LAZARD EUROPE CONCENTRATED**

French open-end investment company (Société d'Investissement à Capital Variable)

Registered office: 10, avenue Percier, 75008 Paris

Paris Trade and Companies Register Paris

**RESOLUTION ON THE ALLOCATION OF DISTRIBUTABLE INCOME**

**FINANCIAL YEAR ENDED JUNE 28TH, 2024**

**Second resolution**

The Shareholders' Meeting approves the distributable income for the financial year, which amounts to:

<b>€988 165,08</b>	Distributable amount pertaining to net income.
<b>€4 084 995,11</b>	Distributable amount pertaining to net capital gains and losses.

and decides that they shall be allocated as follows:

**1) Distributable amount pertaining to net income**

<b>A shares</b>	<b>752 435,97 €</b>	To the share capital
<b>F shares</b>	<b>60 456,03 €</b>	To the share capital
<b>R shares</b>	<b>175 273,08 €</b>	To the share capital

**2) Distributable amount pertaining to net capital gains and losses**

<b>A shares</b>	<b>2 733 077,32 €</b>	Accumulation.
<b>F shares</b>	<b>197 164,15 €</b>	Accumulation.
<b>R shares</b>	<b>1 154 753,64 €</b>	Accumulation.

No dividends will therefore be paid for this financial year.

*For information:* Distributable income for the past five financial years has been accumulated.

## 6. APPENDIX(ES)

# KEY INFORMATION DOCUMENT

## Lazard Europe Concentrated



### OBJECTIVE

*This document contains key information about the investment product. It is not a sales document. This information is required by law to help you understand the nature and potential risks, costs, gains and losses of this product and to help you compare it to other products.*

### PRODUCT

<b>Product name:</b>	Lazard Europe Concentrated - A Share
<b>ISIN code:</b>	FR0000294613
<b>PRIIPS Initiator:</b>	LAZARD FRERES GESTION SAS
<b>Website:</b>	<a href="http://www.lazardfreresgestion.fr">www.lazardfreresgestion.fr</a>
<b>Contact:</b>	Call +33 (0)1 44 13 04 61 for more information
<b>Competent authority:</b>	The French Financial Markets Authority (Autorité des Marchés Financiers - AMF) is responsible for supervising LAZARD FRERES GESTION SAS with regard to this key information document.
<b>Country of authorisation and approval:</b>	LAZARD FRERES GESTION SAS is approved in France under no. GP-04000068 and regulated by the AMF.
<b>Date of production of the key information document:</b>	25/06/2024

### WHAT DOES THIS PRODUCT CONSIST OF?

**Type:** Undertaking for Collective Investment in Transferable Securities (UCITS) French open-end investment company (Société d'Investissement à Capital Variable - SICAV)

**Term:** The UCI's term is 99 years, commencing from 14/05/1990, except in the event that the Fund is dissolved before the end of the term or extended pursuant to the Articles of Association.

#### Objectives:

The Fund aims to outperform the following simple benchmark index net of charges over a recommended investment period of five years: Stoxx Europe 600. The benchmark index is expressed in EUR. Net dividends or coupons are reinvested.

The strategy implemented is based on:

- identifying companies with the best economic performance profiles;
- verifying that performance through financial analysis and examination of underlying strategies;
- selecting stocks from such companies according to the market's undervaluation of that performance at a given time;
- building a portfolio concentrated on 17-30 stocks of European companies with a market capitalisation in excess of €2 billion at the time of purchase, with no other sectoral constraints.

At least 90% of the net assets in the SICAV's portfolio are invested in equities, and the majority will be invested in European large caps, although this is an objective rather than a constraint.

To manage cash flow, the SICAV may invest a maximum of 10% of the net assets in debt securities and money market instruments.

It may also invest up to a maximum of 10% of its net assets in shares or units of French or foreign UCITS (including those managed by the management company). Investment solely in UCITS that invest less than 10% of their assets in other UCI.

These UCIs may be managed by the management company.

The SICAV may use currency swaps and currency forwards, or, up to a maximum of 30% of the net assets, equity and equity index futures or currency futures traded on regulated, organised and/or OTC markets to hedge the portfolio and/or expose (without overexposure) it to equity risk and currency risk.

The SICAV may also use currency derivatives exclusively for hedging.

The SICAV may invest a maximum of 5% of the net assets in securities with embedded derivatives. Allocation of distributable income:

- Allocation of net income: Accumulation
- Allocation of net realised capital gains: Accumulation

Right of redemption: Orders are executed in accordance with the table below

Business day	Day of establishment of the NAV (D)	The business day following the valuation day (D+1)	Two business days following the valuation day (D+2)
Daily receipt of orders and daily centralisation of subscription and redemption orders before 11:00 a.m. (Paris time)	Execution of the order at the latest on D	Publication of the net asset value (NAV)	Settlement of redemption orders

**Targeted retail investors:** This product may be suitable for retail investors with a limited level of knowledge of financial markets and products who are looking for diversified exposure and who accept the risk of losing part of the invested capital.

The UCI may not be offered or sold in the United States. For further information, please refer to the section of the prospectus entitled "11. Eligible subscribers and typical investor profile" in the prospectus.

**Recommendation:** This UCI may not be suitable for investors planning to withdraw their investment within five years.

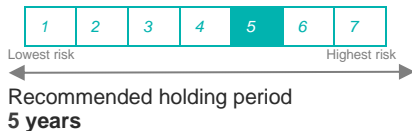
**Name of custodian:** LAZARD FRERES BANQUE

#### Where/how to obtain information on the UCI

All other practical information on this product, including the latest unit price, the prospectus, the latest annual and periodic reports, the composition of assets and the standards of LAZARD FRERES GESTION SAS with regard to the exercise of voting rights, as well as the report on the exercise of voting rights, will be sent out within eight working days upon written request to LAZARD FRERES GESTION SAS, 25, rue de Courcelles, 75008 Paris, France.

## WHAT ARE THE RISKS AND WHAT RETURN COULD I GET?

### Risk indicator:



The risk indicator assumes that you keep the product for 5 years. The actual risk may be very different if you opt to exit before the end of the recommended holding period, and you may get less in return.

Other sizeable risks not taken into account in the indicator:

- Derivatives risk

The synthetic risk indicator is used to assess the risk level of this product compared with others. It indicates the probability that this product will incur losses in the event of market movements or if we are unable to pay you. We have classified this product in risk class 5 of 7, which is a risk class between medium and high. In other words, the potential losses linked to the future results of the product are at a medium to high level and, if the situation were to deteriorate on the markets, it is possible that the ability of LAZARD FRERES GESTION SAS to pay you would be affected. As this product does not provide protection against market risks, you could lose all or part of your investment.

### Performance scenarios:

The figures shown include all costs of the product itself, but not necessarily all fees due to your advisor or distributor. These figures do not take into account your personal tax situation, which may also affect the amounts you will receive. What you will get from this product depends on future market performance. Future market developments are random and cannot be accurately predicted. The unfavourable, intermediate and favourable scenarios presented represent examples using best and worst case performance, as well as the average performance of the product and of a benchmark index over the past 10 years. Markets could evolve very differently in the future.

Recommended holding period: 5 years Investment example: €10 000			
Scenarios		If you exit after 1 year	If you exit after 5 years
Minimum	There is no guaranteed minimum return. You could lose all or part of your investment.		
Stress	What you could get after deducting costs	1 260 €	2 940 €
	Average annual return	-87,4%	-21,7%
Adverse	What you could get after deducting costs	7 340 €	6 490 €
	Average annual return	-26,6%	-8,3%
Interim	What you could get after deducting costs	10 000 €	10 840 €
	Average annual return	0,0%	1,6%
Favourable	What you could get after deducting costs	15 080 €	15 750 €
	Average annual return	50,8%	9,5%

The stress scenario shows what you could get in extreme market situations.

Adverse scenario: This type of scenario occurred for an investment between 30/12/2017 and 30/12/2018

Interim scenario: This type of scenario occurred for an investment between 30/09/2014 and 30/09/2015

Favourable scenario: This type of scenario occurred for an investment between 30/03/2020 and 30/03/2021

## WHAT HAPPENS IF LAZARD FRERES GESTION SAS IS UNABLE TO MAKE PAYMENTS?

The product is a co-ownership of financial instruments and deposits separate from the portfolio management company. In the event of default by the latter, the assets of the product held by the custodian will not be affected. In the event of default by the custodian, the risk of financial loss to the product is mitigated by the legal segregation of the assets of the custodian from those of the product.

## WHAT WILL THIS INVESTMENT COST ME?

The person who sells you this product or who gives you advice about it may ask you to pay additional costs. If so, this person will inform you about these costs and show you the impact of these costs on your investment.

### Costs over time:

The tables show the amounts deducted from your investment to cover the different types of costs. These amounts depend on the amount you invest, how long you hold the product and the performance of the product. The amounts shown here are illustrations based on an example of an investment amount and different possible investment periods.

We have assumed that: - in the first year you would get back the amount you invested (annual return of 0.0%)

- for the remaining holding periods, the product evolves as indicated in the intermediate scenario

- €10 000 is invested

	If you exit after 1 year	If you exit after 5 years
Total costs	577 €	1 439 €
Impact of annual costs	5,8%	2,7% each year

(\*) It shows how costs reduce your return annually over the holding period. For example, it shows that if you exit at the end of the recommended holding period, your average return per year is expected to be 4,3% before deduction of costs and 1,6% after deduction of costs.

**Breakdown of costs:**

One-off costs at entry or exit		If you exit after 1 year
Entry costs	4,00% of the amount invested. This is the maximum amount you could be required to pay. The person selling you the product will inform you of the actual costs.	Up to €400
Exit costs	We do not charge exit costs.	0 €
Recurring costs incurred each year		
Management fees and other administrative and operating costs	1,10% of the value of your investment per year. This estimate is based on actual costs over the past year.	106 €
Transaction costs	0,75% of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the investments underlying the product. The actual amount varies depending on how much we buy and sell.	72 €
Incidental costs incurred under specific conditions		
Performance-related fees	20% of the Fund's outperformance relative to the benchmark index. Benchmark index: Stoxx Europe 600 0,00%. The actual amount varies depending on the performance of your investment. The estimate given is based on the average deducted over the last 5 years. The performance fee is deducted even in the event of a negative performance of the UCI. For more information, see the charges and fees section in the UCI's prospectus.	0€

**HOW LONG DO I HAVE TO KEEP IT AND CAN I WITHDRAW MONEY EARLY?****Recommended holding period: 5 years**

This product does not have a minimum holding period requirement. The recommended holding period (5 years) has been calculated to be consistent with the product's investment objective.

You may withdraw your investment before the end of the recommended holding period, without any charges or penalties under the conditions set out in the "Right of redemption" section. The risk profile of the product may be very different if you opt to exit before the end of the recommended holding period.

**HOW CAN I MAKE A COMPLAINT?**

Any complaints regarding this product can be addressed to the Legal Department of LAZARD FRERES GESTION SAS:

By post: LAZARD FRERES GESTION SAS - 25, rue de Courcelles 75008 Paris France

By email: [lfg.juridique@lazard.fr](mailto:lfg.juridique@lazard.fr)

A description of the complaint handling process is available on our website at [www.lazardfreresgestion.fr](http://www.lazardfreresgestion.fr).

**OTHER RELEVANT INFORMATION**

The UCI falls under Article 8 of Regulation (EU) 2019/2088, the Sustainable Finance Disclosure Regulation (SFDR).

You can obtain more information on this product on the website of LAZARD FRERES GESTION SAS. A paper copy will be made available free of charge upon written request to LAZARD FRERES GESTION SAS - 25, rue de Courcelles 75008 Paris France. You can also find information on the product's performance over the past years and performance scenario calculations at [https://www.lazardfreresgestion.fr/FR/Fiche-fonds\\_93.html?idFond=VEA](https://www.lazardfreresgestion.fr/FR/Fiche-fonds_93.html?idFond=VEA)

Where this product is used as a unit-linked vehicle for a life insurance or capitalisation contract, additional information about this contract, such as the costs of the contract, which are not included in the costs indicated in this document, the contact in the event of a claim and what happens in the event of default of the insurance company, are presented in the key information document of this contract which must be provided by your insurer or broker or any other insurance intermediary in accordance with their legal obligation.

If you disagree with a response to a complaint, you may choose to contact the AMF Ombudsman (Autorité des Marchés Financiers - 17 place de la Bourse, 75082 Paris Cedex 02), once you have exhausted all internal appeal procedures. The form for requesting mediation from the AMF and the mediation charter are available on the website <http://www.amf-france.org>.

**In your UCI, there is a redemption cap ("Gates").** Please refer to point 15 of the prospectus.

# KEY INFORMATION DOCUMENT

## Lazard Europe Concentrated



### OBJECTIVE

*This document contains key information about the investment product. It is not a sales document. This information is required by law to help you understand the nature and potential risks, costs, gains and losses of this product and to help you compare it to other products.*

### PRODUCT

<b>Product name:</b>	Lazard Europe Concentrated - R Share
<b>ISIN code:</b>	FR0011034131
<b>PRIIPS Initiator:</b>	LAZARD FRERES GESTION SAS
<b>Website:</b>	www.lazardfreresgestion.fr
<b>Contact:</b>	Call +33 (0)1 44 13 04 61 for more information
<b>Competent authority:</b>	The French Financial Markets Authority (Autorité des Marchés Financiers - AMF) is responsible for supervising LAZARD FRERES GESTION SAS with regard to this key information document. LAZARD FRERES GESTION SAS is approved in France under no. GP-04000068 and regulated by the AMF.
<b>Country of authorisation and approval:</b>	the AMF.
<b>Date of production of the key information document:</b>	25/06/2024

### WHAT DOES THIS PRODUCT CONSIST OF?

**Type:** Undertaking for Collective Investment in Transferable Securities (UCITS) French open-end investment company (Société d'Investissement à Capital Variable - SICAV)

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#### Objectives:

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The strategy implemented is based on:

- identifying companies with the best economic performance profiles;
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- building a portfolio concentrated on 17-30 stocks of European companies with a market capitalisation in excess of €2 billion at the time of purchase, with no other sectoral constraints.

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To manage cash flow, the SICAV may invest a maximum of 10% of the net assets in debt securities and money market instruments.

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These UCIs may be managed by the management company.

The SICAV may use currency swaps and currency forwards, or, up to a maximum of 30% of the net assets, equity and equity index futures or currency futures traded on regulated, organised and/or OTC markets to hedge the portfolio and/or expose (without overexposure) it to equity risk and currency risk.

The SICAV may also use currency derivatives exclusively for hedging.

The SICAV may invest a maximum of 5% of the net assets in securities with embedded derivatives.

Allocation of distributable income:

- Allocation of net income: Accumulation and/or Distribution and/or Retention
- Allocation of net realised capital gains: Accumulation and/or Distribution and/or Retention

Right of redemption: Orders are executed in accordance with the table below

Business day	Day of establishment of the NAV (D)	The business day following the valuation day (D+1)	Two business days following the valuation day (D+2)
Daily receipt of orders and daily centralisation of subscription and redemption orders before 11:00 a.m. (Paris time)	Execution of the order at the latest on D	Publication of the net asset value (NAV)	Settlement of redemption orders

**Targeted retail investors:** This product may be suitable for retail investors with a limited level of knowledge of financial markets and products who are looking for diversified exposure and who accept the risk of losing part of the invested capital.

The UCI may not be offered or sold in the United States. For further information, please refer to the section of the prospectus entitled "11. Eligible subscribers and typical investor profile" in the prospectus.

**Recommendation:** This UCI may not be suitable for investors planning to withdraw their investment within five years.

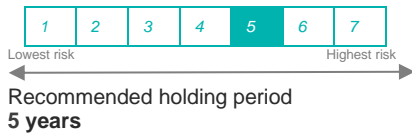
**Name of custodian:** LAZARD FRERES BANQUE

#### Where/how to obtain information on the UCI

All other practical information on this product, including the latest unit price, the prospectus, the latest annual and periodic reports, the composition of assets and the standards of LAZARD FRERES GESTION SAS with regard to the exercise of voting rights, as well as the report on the exercise of voting rights, will be sent out within eight working days upon written request to LAZARD FRERES GESTION SAS, 25, rue de Courcelles, 75008 Paris, France.

## WHAT ARE THE RISKS AND WHAT RETURN COULD I GET?

### Risk indicator:



The risk indicator assumes that you keep the product for 5 years. The actual risk may be very different if you opt to exit before the end of the recommended holding period, and you may get less in return.

Other sizeable risks not taken into account in the indicator:

- Derivatives risk

The synthetic risk indicator is used to assess the risk level of this product compared with others. It indicates the probability that this product will incur losses in the event of market movements or if we are unable to pay you. We have classified this product in risk class 5 of 7, which is a risk class between medium and high. In other words, the potential losses linked to the future results of the product are at a medium to high level and, if the situation were to deteriorate on the markets, it is possible that the ability of LAZARD FRERES GESTION SAS to pay you would be affected. As this product does not provide protection against market risks, you could lose all or part of your investment.

### Performance scenarios:

The figures shown include all costs of the product itself, but not necessarily all fees due to your advisor or distributor. These figures do not take into account your personal tax situation, which may also affect the amounts you will receive. What you will get from this product depends on future market performance. Future market developments are random and cannot be accurately predicted. The unfavourable, intermediate and favourable scenarios presented represent examples using best and worst case performance, as well as the average performance of the product and of a benchmark index over the past 10 years. Markets could evolve very differently in the future.

Recommended holding period: 5 years Investment example: €10 000			
Scenarios		If you exit after 1 year	If you exit after 5 years
Minimum	There is no guaranteed minimum return. You could lose all or part of your investment.		
Stress	What you could get after deducting costs	1 260 €	2 940 €
	Average annual return	-87,4%	-21,7%
Adverse	What you could get after deducting costs	7 270 €	6 180 €
	Average annual return	-27,3%	-9,2%
Interim	What you could get after deducting costs	9 900 €	10 310 €
	Average annual return	-1,0%	0,6%
Favourable	What you could get after deducting costs	14 930 €	14 980 €
	Average annual return	49,3%	8,4%

The stress scenario shows what you could get in extreme market situations.

Adverse scenario: This type of scenario occurred for an investment between 30/12/2017 and 30/12/2018

Interim scenario: This type of scenario occurred for an investment between 30/09/2014 and 30/09/2015

Favourable scenario: This type of scenario occurred for an investment between 30/03/2020 and 30/03/2021

## WHAT HAPPENS IF LAZARD FRERES GESTION SAS IS UNABLE TO MAKE PAYMENTS?

The product is a co-ownership of financial instruments and deposits separate from the portfolio management company. In the event of default by the latter, the assets of the product held by the custodian will not be affected. In the event of default by the custodian, the risk of financial loss to the product is mitigated by the legal segregation of the assets of the custodian from those of the product.

## WHAT WILL THIS INVESTMENT COST ME?

The person who sells you this product or who gives you advice about it may ask you to pay additional costs. If so, this person will inform you about these costs and show you the impact of these costs on your investment.

### Costs over time:

The tables show the amounts deducted from your investment to cover the different types of costs. These amounts depend on the amount you invest, how long you hold the product and the performance of the product. The amounts shown here are illustrations based on an example of an investment amount and different possible investment periods.

We have assumed that: - in the first year you would get back the amount you invested (annual return of 0.0%)

- for the remaining holding periods, the product evolves as indicated in the intermediate scenario
- €10 000 is invested

	If you exit after 1 year	If you exit after 5 years
Total costs	673 €	1 953 €
Impact of annual costs	6,8%	3,7% each year

(\*) It shows how costs reduce your return annually over the holding period. For example, it shows that if you exit at the end of the recommended holding period, your average return per year is expected to be 4,3% before deduction of costs and 0,6% after deduction of costs.



**Breakdown of costs:**

One-off costs at entry or exit		If you exit after 1 year
Entry costs	4,00% of the amount invested. This is the maximum amount you could be required to pay. The person selling you the product will inform you of the actual costs.	Up to €400
Exit costs	We do not charge exit costs.	0 €
Recurring costs incurred each year		
Management fees and other administrative and operating costs	2,10% of the value of your investment per year. This estimate is based on actual costs over the past year.	202 €
Transaction costs	0,75% of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the investments underlying the product. The actual amount varies depending on how much we buy and sell.	72 €
Incidental costs incurred under specific conditions		
Performance-related fees	20% of the Fund's outperformance relative to the benchmark index. Benchmark index: Stoxx Europe 600 0,00%. The actual amount varies depending on the performance of your investment. The estimate given is based on the average deducted over the last 5 years. The performance fee is deducted even in the event of a negative performance of the UCI. For more information, see the charges and fees section in the UCI's prospectus.	0€

**HOW LONG DO I HAVE TO KEEP IT AND CAN I WITHDRAW MONEY EARLY?****Recommended holding period: 5 years**

This product does not have a minimum holding period requirement. The recommended holding period (5 years) has been calculated to be consistent with the product's investment objective.

You may withdraw your investment before the end of the recommended holding period, without any charges or penalties under the conditions set out in the "Right of redemption" section. The risk profile of the product may be very different if you opt to exit before the end of the recommended holding period.

**HOW CAN I MAKE A COMPLAINT?**

Any complaints regarding this product can be addressed to the Legal Department of LAZARD FRERES GESTION SAS:

By post: LAZARD FRERES GESTION SAS - 25, rue de Courcelles 75008 Paris France

By email: [lfg.juridique@lazard.fr](mailto:lfg.juridique@lazard.fr)

A description of the complaint handling process is available on our website at [www.lazardfreresgestion.fr](http://www.lazardfreresgestion.fr).

**OTHER RELEVANT INFORMATION**

The UCI falls under Article 8 of Regulation (EU) 2019/2088, the Sustainable Finance Disclosure Regulation (SFDR).

You can obtain more information on this product on the website of LAZARD FRERES GESTION SAS. A paper copy will be made available free of charge upon written request to LAZARD FRERES GESTION SAS - 25, rue de Courcelles 75008 Paris France. You can also find information on the product's performance over the past years and performance scenario calculations at [https://www.lazardfreresgestion.fr/FR/Fiche-fonds\\_93.html?idFond=VER](https://www.lazardfreresgestion.fr/FR/Fiche-fonds_93.html?idFond=VER)

Where this product is used as a unit-linked vehicle for a life insurance or capitalisation contract, additional information about this contract, such as the costs of the contract, which are not included in the costs indicated in this document, the contact in the event of a claim and what happens in the event of default of the insurance company, are presented in the key information document of this contract which must be provided by your insurer or broker or any other insurance intermediary in accordance with their legal obligation.

If you disagree with a response to a complaint, you may choose to contact the AMF Ombudsman (Autorité des Marchés Financiers - 17 place de la Bourse, 75082 Paris Cedex 02), once you have exhausted all internal appeal procedures. The form for requesting mediation from the AMF and the mediation charter are available on the website <http://www.amf-france.org>.

**In your UCI, there is a redemption cap ("Gates").** Please refer to point 15 of the prospectus.



# KEY INFORMATION DOCUMENT

## Lazard Europe Concentrated



### OBJECTIVE

*This document contains key information about the investment product. It is not a sales document. This information is required by law to help you understand the nature and potential risks, costs, gains and losses of this product and to help you compare it to other products.*

### PRODUCT

<b>Product name:</b>	Lazard Europe Concentrated - F Share
<b>ISIN code:</b>	FR001400KC65
<b>PRIIPS Initiator:</b>	LAZARD FRERES GESTION SAS
<b>Website:</b>	www.lazardfreresgestion.fr
<b>Contact:</b>	Call +33 (0)1 44 13 04 61 for more information
<b>Competent authority:</b>	The French Financial Markets Authority (Autorité des Marchés Financiers - AMF) is responsible for supervising LAZARD FRERES GESTION SAS with regard to this key information document. LAZARD FRERES GESTION SAS is approved in France under no. GP-04000068 and regulated by the AMF.
<b>Country of authorisation and approval:</b>	the AMF.
<b>Date of production of the key information document:</b>	25/06/2024

### WHAT DOES THIS PRODUCT CONSIST OF?

**Type:** Undertaking for Collective Investment in Transferable Securities (UCITS) French open-end investment company (Société d'Investissement à Capital Variable - SICAV)

**Term:** The UCI's term is 99 years, commencing from 14/05/1990, except in the event that the Fund is dissolved before the end of the term or extended pursuant to the Articles of Association.

#### Objectives:

The Fund aims to outperform the following simple benchmark index net of charges over a recommended investment period of five years: Stoxx Europe 600. The benchmark index is expressed in EUR. Net dividends or coupons are reinvested.

The strategy implemented is based on:

- identifying companies with the best economic performance profiles;
- verifying that performance through financial analysis and examination of underlying strategies;
- selecting stocks from such companies according to the market's undervaluation of that performance at a given time;
- building a portfolio concentrated on 17-30 stocks of European companies with a market capitalisation in excess of €2 billion at the time of purchase, with no other sectoral constraints.

At least 90% of the net assets in the SICAV's portfolio are invested in equities, and the majority will be invested in European large caps, although this is an objective rather than a constraint.

To manage cash flow, the SICAV may invest a maximum of 10% of the net assets in debt securities and money market instruments.

It may also invest up to a maximum of 10% of its net assets in shares or units of French or foreign UCITS (including those managed by the management company). Investment solely in UCITS that invest less than 10% of their assets in other UCI.

These UCIs may be managed by the management company.

The SICAV may invest a maximum of 5% of the net assets in securities with embedded derivatives.

The subscription period for the F shares will close after cut-off on December 21st, 2023. From that date, only subscriptions preceded by a redemption received from the same investor on the same day for the same number of shares at the same NAV may be executed. The Board of Directors may decide to extend the subscription period.

Allocation of distributable income:

- Allocation of net income: Accumulation and/or Distribution and/or Retention
- Allocation of net realised capital gains: Accumulation and/or Distribution and/or Retention

Right of redemption: Orders are executed in accordance with the table below

Business day	Day of establishment of the NAV (D)	The business day following the valuation day (D+1)	Two business days following the valuation day (D+2)
Daily receipt of orders and daily centralisation of subscription and redemption orders before 11:00 a.m. (Paris time)	Execution of the order at the latest on D	Publication of the net asset value (NAV)	Settlement of redemption orders

**Targeted retail investors:** This product may be suitable for retail investors with a limited level of knowledge of financial markets and products who are looking for diversified exposure and who accept the risk of losing part of the invested capital.

The UCI may not be offered or sold in the United States. For further information, please refer to the section of the prospectus entitled "11. Eligible subscribers and typical investor profile" in the prospectus.

**Recommendation:** This UCI may not be suitable for investors planning to withdraw their investment within five years.

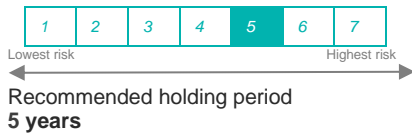
**Name of custodian:** LAZARD FRERES BANQUE

#### Where/how to obtain information on the UCI

All other practical information on this product, including the latest unit price, the prospectus, the latest annual and periodic reports, the composition of assets and the standards of LAZARD FRERES GESTION SAS with regard to the exercise of voting rights, as well as the report on the exercise of voting rights, will be sent out within eight working days upon written request to LAZARD FRERES GESTION SAS, 25, rue de Courcelles, 75008 Paris, France.

## WHAT ARE THE RISKS AND WHAT RETURN COULD I GET?

### Risk indicator:



The risk indicator assumes that you keep the product for 5 years. The actual risk may be very different if you opt to exit before the end of the recommended holding period, and you may get less in return.

Other sizeable risks not taken into account in the indicator:

- Derivatives risk

The synthetic risk indicator is used to assess the risk level of this product compared with others. It indicates the probability that this product will incur losses in the event of market movements or if we are unable to pay you. We have classified this product in risk class 5 of 7, which is a risk class between medium and high. In other words, the potential losses linked to the future results of the product are at a medium to high level and, if the situation were to deteriorate on the markets, it is possible that the ability of LAZARD FRERES GESTION SAS to pay you would be affected. As this product does not provide protection against market risks, you could lose all or part of your investment.

### Performance scenarios:

The figures shown include all costs of the product itself, but not necessarily all fees due to your advisor or distributor. These figures do not take into account your personal tax situation, which may also affect the amounts you will receive. What you will get from this product depends on future market performance. Future market developments are random and cannot be accurately predicted. The unfavourable, intermediate and favourable scenarios presented represent examples using best and worst case performance, as well as the average performance of the product and of a benchmark index over the past 10 years. Markets could evolve very differently in the future.

Recommended holding period: 5 years Investment example: €10 000			
Scenarios		If you exit after 1 year	If you exit after 5 years
Minimum	There is no guaranteed minimum return. You could lose all or part of your investment.		
Stress	What you could get after deducting costs	1 270 €	2 940 €
	Average annual return	-87,3%	-21,7%
Adverse	What you could get after deducting costs	7 380 €	6 700 €
	Average annual return	-26,2%	-7,7%
Interim	What you could get after deducting costs	9 940 €	10 580 €
	Average annual return	-0,6%	1,1%
Favourable	What you could get after deducting costs	14 590 €	14 130 €
	Average annual return	45,8%	7,2%

The stress scenario shows what you could get in extreme market situations.

Adverse scenario: This type of scenario occurred for an investment between 31/12/2017 and 31/12/2018

Interim scenario: This type of scenario occurred for an investment between 31/03/2017 and 31/03/2018

Favourable scenario: This type of scenario occurred for an investment between 31/03/2020 and 31/03/2021

## WHAT HAPPENS IF LAZARD FRERES GESTION SAS IS UNABLE TO MAKE PAYMENTS?

The product is a co-ownership of financial instruments and deposits separate from the portfolio management company. In the event of default by the latter, the assets of the product held by the custodian will not be affected. In the event of default by the custodian, the risk of financial loss to the product is mitigated by the legal segregation of the assets of the custodian from those of the product.

## WHAT WILL THIS INVESTMENT COST ME?

The person who sells you this product or who gives you advice about it may ask you to pay additional costs. If so, this person will inform you about these costs and show you the impact of these costs on your investment.

### Costs over time:

The tables show the amounts deducted from your investment to cover the different types of costs. These amounts depend on the amount you invest, how long you hold the product and the performance of the product. The amounts shown here are illustrations based on an example of an investment amount and different possible investment periods.

We have assumed that: - in the first year you would get back the amount you invested (annual return of 0.0%)

- for the remaining holding periods, the product evolves as indicated in the intermediate scenario
- €10 000 is invested

	If you exit after 1 year	If you exit after 5 years
Total costs	522 €	1 092 €
Impact of annual costs	5,3%	2,1% each year

(\*) It shows how costs reduce your return annually over the holding period. For example, it shows that if you exit at the end of the recommended holding period, your average return per year is expected to be 3,2% before deduction of costs and 1,1% after deduction of costs.

**Breakdown of costs:**

One-off costs at entry or exit		If you exit after 1 year
Entry costs	4,00% of the amount invested. This is the maximum amount you could be required to pay. The person selling you the product will inform you of the actual costs.	Up to €400
Exit costs	We do not charge exit costs.	0 €
Recurring costs incurred each year		
Management fees and other administrative and operating costs	0,50% of the value of your investment per year. This estimate is based on actual costs over the past year.	48 €
Transaction costs	0,77% of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the investments underlying the product. The actual amount varies depending on how much we buy and sell.	74 €
Incidental costs incurred under specific conditions		
Performance-related fees	There are no performance fees for this product.	0€

**HOW LONG DO I HAVE TO KEEP IT AND CAN I WITHDRAW MONEY EARLY?****Recommended holding period: 5 years**

This product does not have a minimum holding period requirement. The recommended holding period (5 years) has been calculated to be consistent with the product's investment objective.

You may withdraw your investment before the end of the recommended holding period, without any charges or penalties under the conditions set out in the "Right of redemption" section. The risk profile of the product may be very different if you opt to exit before the end of the recommended holding period.

**HOW CAN I MAKE A COMPLAINT?**

Any complaints regarding this product can be addressed to the Legal Department of LAZARD FRERES GESTION SAS:

By post: LAZARD FRERES GESTION SAS - 25, rue de Courcelles 75008 Paris France

By email: [lfj.juridique@lazard.fr](mailto:lfj.juridique@lazard.fr)

A description of the complaint handling process is available on our website at [www.lazardfreresgestion.fr](http://www.lazardfreresgestion.fr).

**OTHER RELEVANT INFORMATION**

The UCI falls under Article 8 of Regulation (EU) 2019/2088, the Sustainable Finance Disclosure Regulation (SFDR).

You can obtain more information on this product on the website of LAZARD FRERES GESTION SAS. A paper copy will be made available free of charge upon written request to LAZARD FRERES GESTION SAS - 25, rue de Courcelles 75008 Paris France. You can also find information on the product's performance over the past years and performance scenario calculations at <https://www.lazardfreresgestion.fr/fr>

Where this product is used as a unit-linked vehicle for a life insurance or capitalisation contract, additional information about this contract, such as the costs of the contract, which are not included in the costs indicated in this document, the contract in the event of a claim and what happens in the event of default of the insurance company, are presented in the key information document of this contract which must be provided by your insurer or broker or any other insurance intermediary in accordance with their legal obligation.

If you disagree with a response to a complaint, you may choose to contact the AMF Ombudsman (Autorité des Marchés Financiers - 17 place de la Bourse, 75082 Paris Cedex 02), once you have exhausted all internal appeal procedures. The form for requesting mediation from the AMF and the mediation charter are available on the website <http://www.amf-france.org>.

**In your UCI, there is a redemption cap ("Gates").** Please refer to point 15 of the prospectus.

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Lazard Europe Concentrated

Legal entity identifier: 969500KBY8RZ2F54VL21

Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☒ ☐ Yes

☐ ☒ No

☐ It made **sustainable investments with an environmental objective: %**

☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☐ It made a minimum of **sustainable investments with a social objective: %**

☒ It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 81,06% of sustainable investments

☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

☒ with a social objective

☐ It promoted E/S characteristics, but **did not make any sustainable investments**



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

## To what extent were the environmental and/or social characteristics promoted by this financial product met?

In implementing its investment strategy, security analysis, and ESG integration process described below, the portfolio promotes the following environmental characteristics:

### Environmental policy:

- Integration by companies of environmental factors appropriate to the sector, geographic location and any other relevant material factor
- Development of an environmental management strategy and system
- Development of a climate strategy

### Controlling environmental impacts:

- Limiting and adapting to global warming
- Responsible water and waste management
- Preservation of biodiversity

### Managing the environmental impact of products and services:

- Ecodesign of products and services
- Environmental innovation

as well as the following social characteristics:

### Respect for human rights:

- Prevention of situations of human rights violations
- Respect for the right to safety and security of persons
- Privacy and data protection

### Human resources management:

- Constructive social dialogue
- Training and career management conducive to human development
- Promoting diversity
- Health, safety and well-being at work

### Value chain management:

- Responsible supply chain management
- Product quality, safety and traceability

This product does not use a specific index to determine its alignment with the environmental and social characteristics it promotes.

## ● How did the sustainability indicators perform?

The achievement of the environmental and social characteristics promoted by this product is measured by sustainability indicators: These indicators are described below.

### In terms of valuation in the internal analysis model:

The ESG analysis of directly held securities is based on a proprietary model that relies on an internal ESG grid. Based on the various data provided by our ESG partners (non-financial analysis agencies, external service providers, etc.), the annual reports of the companies and direct exchanges with them, the analysts responsible for monitoring each stock draw up an internal ESG rating.

This score is based on both a quantitative (energy intensity, staff turnover rate, Board independence rate, etc.) and qualitative approach (solidity of environmental policy, employment strategy, competence of directors, etc.).

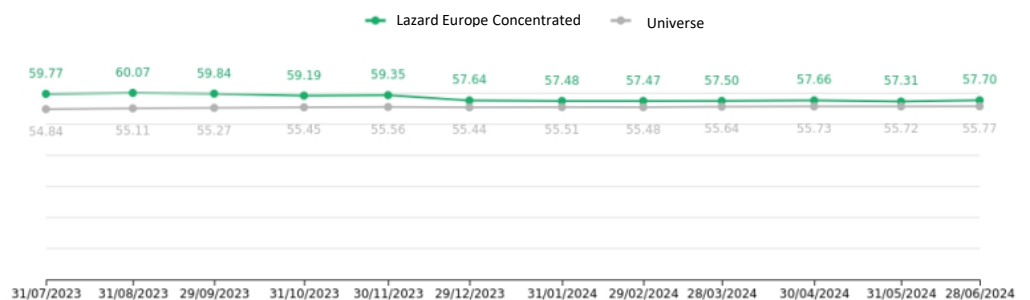
Each E, S and G pillar is rated from 1 to 5 based on a minimum of five relevant key indicators per dimension.

These internal ESG ratings are built into the valuation models through the Beta used to define the weighted average cost of capital for equity management and to the issuer selection process and the determination of issuers' weight in the portfolio for bond management.

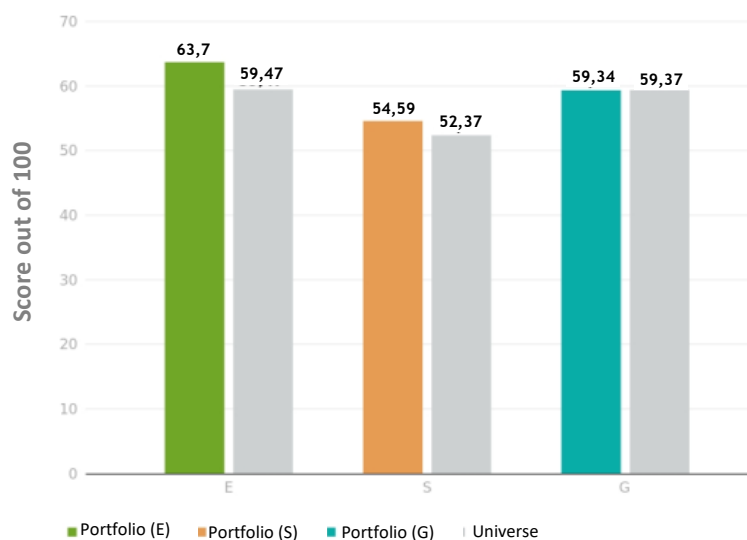
### In terms of controlling the elements of the investment strategy with an external data provider:

In addition, to confirm the robustness of the internal model, the analysts-managers in charge of management compare the portfolio's average ESG rating to that of its reference ESG universe.

### Evolution of the ESG score



The portfolio's ESG reference universe is:  
80% STOXX 600 + 20% S&P 500



...and compared to previous periods?

**What were the objectives of the sustainable investments that the financial product was designed to achieve, and how did the sustainable investments made contribute to them?**

The definition of sustainable investment within the meaning of SFDR is based on the selection of indicators that show a substantial contribution to one or more environmental or social objectives, it being understood that these investments must not cause significant harm to any of these objectives and that the companies in which the investments are made apply good governance practices.

The environmental indicators used are as follows:

- Carbon footprint (PAI 2)
- Carbon intensity (PAI 3)
- Implied temperature rise (ITR)
- Number of "low-carbon" patents held

The social indicators used are as follows:

- % of women in executive management
- Number of hours of training for employees
- Benefits coverage
- Diversity policies by management

Substantial contribution is measured by applying thresholds per indicator.

The table below presents the rules (targets) set for each indicator as well as the result obtained over the past period. The result is the average share of the portfolio invested in companies meeting these criteria, calculated on a quarterly basis. The average share is calculated according to the average positions observed over the past period, coupled with the non-financial data at the end of the period.

	Rule	Average share of the portfolio
Carbon footprint in M	Included in the lowest 20% of the sector	27,79%
GHG intensity	Included in the lowest 20% of the sector	22,39%
Implied temperature rise in 2050	≤2°C	63,09%
Number of low-carbon patents	Included in the top 20% of the universe	33,53%
% of women in executive management	Included in the top 20% of the universe	25,88%
Number of hours of training for employees	Included in the top 20% of the universe	4,04%
Benefits coverage	See sustainable investment presentation <a href="http://www.lazardfreresgestion.fr">www.lazardfreresgestion.fr</a>	15,92%
Diversity policies by management	See presentation <a href="http://www.lazardfreresgestion.fr">www.lazardfreresgestion.fr</a>	39,03%



**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

### How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The absence of significant harm is assessed on the basis of all the PAI indicators listed in Table 1 of Annex I the Regulatory Technical Standards of the SFDR Regulation. In the event of insufficient coverage of the investment universe for certain indicators, substitution criteria may exceptionally be used. Using alternative criteria is subject to the independent control of the Risks and Compliance department. Alternative indicators are also presented on the Lazard Frères Gestion website under the heading "Sustainable investment methodology": [www.lazardfreresgestion.fr/FR/ESG-ISR/Notre-approche\\_147.html#section05](http://www.lazardfreresgestion.fr/FR/ESG-ISR/Notre-approche_147.html#section05).

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

Indicators of the principal adverse sustainability impacts (PAI) are considered at two levels:

- firstly, they are integrated into the internal analysis of each security monitored, carried out by our analyst-managers in the internal ESG analysis grids.
- in addition, they are used to assess the share of sustainable investments.

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

Compliance with minimum labour and human rights safeguards (OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights) and the eight fundamental conventions of the International Labour Organization is a key indicator for verifying that companies in which investments are made apply good governance practices.

We therefore check whether the company applies a labour rights due diligence policy in accordance with the eight fundamental conventions of the International Labour Organization (PAI 10) as part of our DNSH process. We also ensure that the investments made apply good governance practices, by monitoring a governance rating from a data provider and the internal rating on the Governance pillar.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### How did this financial product consider principal adverse impacts on sustainability factors?

The proprietary model for ESG analysis of portfolio companies takes into account all indicators related to companies' principal adverse sustainability impacts (PAI).

These indicators are integrated into the internal grids used to establish a security's ESG rating, which is taken into account in the valuation models through the Beta used to define the weighted average cost of capital for equity management and in the process of selecting issuers and determining their portfolio weight for bond management.

In addition, as stated above, all of the PAI indicators listed in Table 1 of Annex I of the Regulatory Technical Standards of the SFDR are taken into account in the definition of sustainable investment.





## What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:  
01/04/2023 to  
31/03/2024

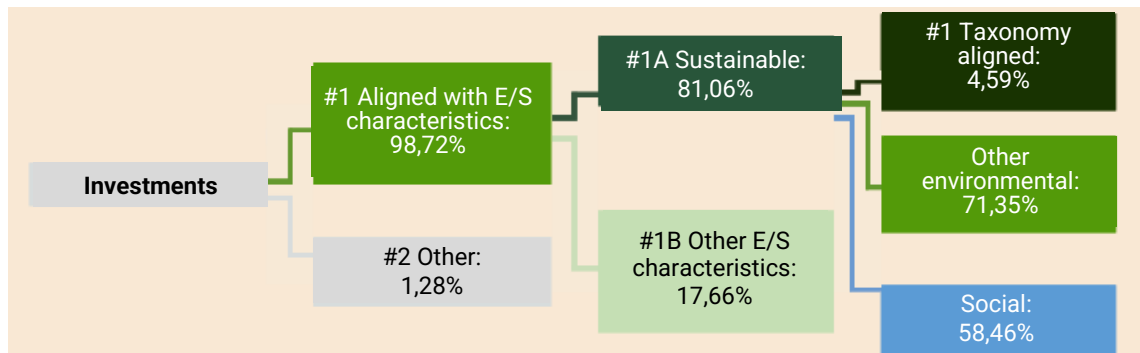
	Largest investments	Sector	Percentage of assets	Country
1	ASTRAZENECA PLC	MANUFACTURING	4,48%	UNITED KINGDOM
2	ASML HOLDING NV	MANUFACTURING	4,34%	NETHERLANDS
3	ALLIANZ SE-REG	FINANCIAL AND INSURANCE ACTIVITIES	3,98%	GERMANY
4	AIR LIQUIDE SA	MANUFACTURING	3,82%	FRANCE
5	NESTLE SA-REG	MANUFACTURING	3,59%	SWITZERLAND
6	SAP SE	INFORMATION AND COMMUNICATION	3,55%	GERMANY
7	GEBERIT AG-REG	MANUFACTURING	3,55%	SWITZERLAND
8	ESSILORLUXOTTICA	MANUFACTURING	3,48%	FRANCE
9	MERCK KGAA	MANUFACTURING	3,38%	GERMANY
10	ENI SPA	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	3,29%	ITALY
11	NOVO NORDISK A/S-B	MANUFACTURING	3,03%	DENMARK
12	DEUTSCHE TELEKOM AG-REG	INFORMATION AND COMMUNICATION	2,87%	GERMANY
13	SWEDBANK AB	FINANCIAL AND INSURANCE ACTIVITIES	2,67%	SWEDEN
14	DSM-FIRMENICH AG	MANUFACTURING	2,66%	SWITZERLAND
15	DEUTSCHE BOERSE AG	FINANCIAL AND INSURANCE ACTIVITIES	2,63%	GERMANY



## What was the proportion of sustainability-related investment?

**Asset allocation** describes the share of investments in specific assets.

### What was the asset allocation?



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

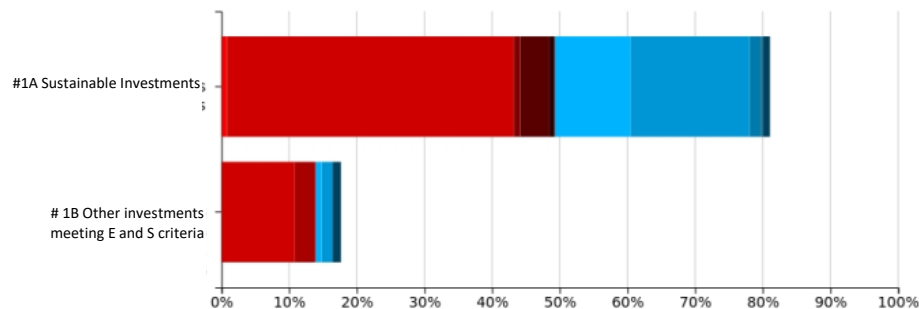
**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

An investment is considered sustainable if it complies with at least one of the rules set out above. A company can therefore be considered as environmentally and socially sustainable.

### In which economic sectors were the investments made?



	#1A Sustainable Investments	#1B Other investments meeting E and S criteria
■ MINING AND QUARRYING	0.81%	
■ MANUFACTURING	42.4%	10.85%
■ ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY		3.07%
■ CONSTRUCTION	0.96%	
■ WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	4.25%	
■ ACCOMMODATION AND FOOD SERVICE ACTIVITIES	0.87%	
■ INFORMATION AND COMMUNICATION	11.16%	0.9%
■ FINANCIAL AND INSURANCE ACTIVITIES	17.61%	1.61%
■ PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	1.64%	

■ HUMAN HEALTH AND SOCIAL ACTION	0.34%	
■ UCI	1.03%	1.23%

Exposure to the fossil fuel sector averaged 4,27% over the period.



## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

- Did the financial product invest in fossil gas and/or nuclear energy activities aligned with the EU Taxonomy?

☐ Yes:

☐ In fossil gas

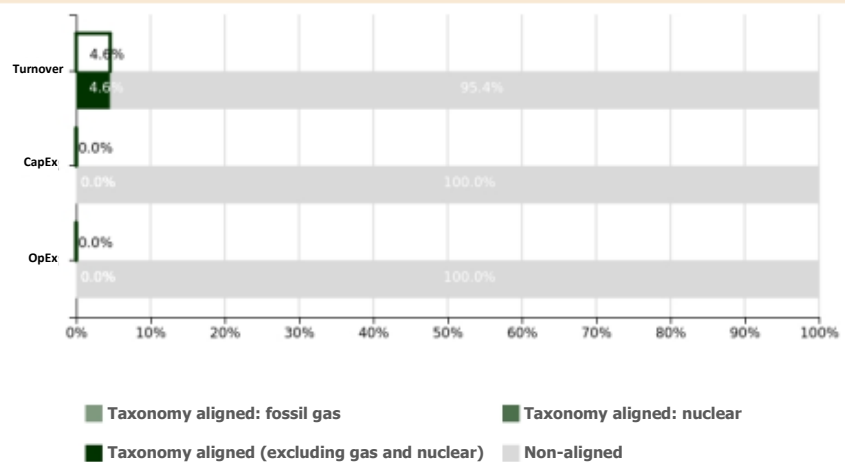
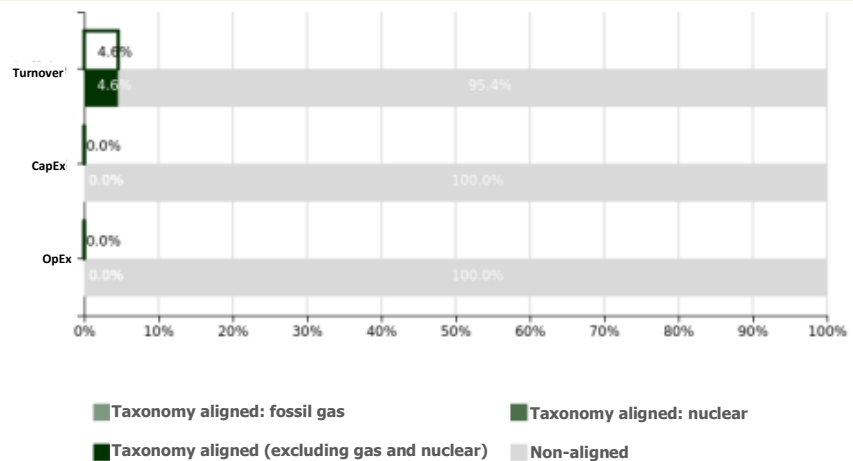
☐ In nuclear energy

☒ No

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of the companies in which the financial product invests;
- **capital expenditure** (CapEx) showing the green investments made by the companies in which the financial product invests, e.g. for a transition to a green economy;
- **operational expenditure** (OpEx) reflecting green operational activities of the companies in which the financial product invests.

The two graphs below show in green the minimum percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, ‘sovereign bonds’ consist of all sovereign exposures.

The calculation of investment percentages aligned with the EU Taxonomy is based on estimated data.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



**What was the share of investments made in transitional and enabling activities?**

At the date of production of this document, Lazard Frères Gestion does not have the data needed to identify the share of transitional or enabling activities.



**How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable.



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

The share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 71,35%.

It corresponds to all activities not aligned with the Taxonomy but respecting the environmental objectives of sustainable investment mentioned above.



**What was the share of socially sustainable investments?**

The share of socially sustainable investments is 58,46%

It corresponds to all activities that achieve one or more of the social objectives of sustainable investment mentioned above.



**What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

The "other" category consists mainly of money market UCIs and cash. Over the past period, the "other" segment represented on average 1,28%.

The symbol represents sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



## What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The binding elements used in the context of the investment strategy to attain the environmental and social objectives promoted by this product cover, for directly held securities in the portfolio:

### - The non-financial analysis rate

The rate of non-financial analysis of the product's investments in cash securities is, according to the product's investment categories, higher than:

- 90% for equities and bonds issued by large capitalisation companies with their headquarters in "developed" countries, debt securities and money market instruments with an investment grade credit rating, sovereign debt issued by developed countries;
- 75% for equities and bonds issued by large capitalisation companies with their headquarters in "emerging" countries, equities issued by small and mid caps, debt securities and money market instruments with a high yield credit rating and sovereign debt issued by "emerging" countries.

Over the past period, the non-financial analysis rate was 98,72% on average.

These rates are expressed as a percentage of total assets.

### - The portfolio's average ESG rating

The analysts-managers ensure that the portfolio's weighted average ESG rating is higher than the average of the reference universe by using Moody's ESG Solutions non-financial rating framework

The portfolio's reference ESG universe is:  
The portfolio's reference benchmark.

In addition, the management company makes exclusions prior to investments:

- Normative exclusions related to controversial weapons (cluster munitions, anti-personnel mines, biological and chemical weapons) and violations of the UN Global Compact.
- Sector exclusions (tobacco and thermal coal).
- Geographical exclusions (tax havens on the FATF list).



## How did this financial product perform compared to the reference benchmark?

Not applicable.

### ● How does the reference benchmark differ from a broad market index?

Not applicable.

### ● How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?

Not applicable.

### ● How did this financial product perform compared to the reference benchmark?

Not applicable.

### ● How did this financial product perform compared with the broad market index?

Not applicable.

**Benchmark indices** are indices used to measure whether the financial product has the environmental or social characteristics it promotes.