

French open-end investment fund (FCP)

LAZARD CAPITAL FI SRI

ANNUAL REPORT

as of December 31st, 2024

Management company: Lazard Frères Gestion SAS
Custodian: CACEIS Bank
Statutory auditor: Forvis Mazars

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1. CHARACTERISTICS OF THE UCI

LEGAL FORM

French open-end investment fund (Fonds Commun de Placement – FCP).

Fund of funds

None.

CLASSIFICATION

International bonds and other debt securities.

APPROPRIATION OF DISTRIBUTABLE INCOME

Distributable income consists of:

1) 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.

2) realised capital gains, net of expenses, minus 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.

The amounts referred to in 1) and 2) may be accumulated and/or distributed and/or retained independently of each other, in whole or in part.

RVC EUR units: Net income is fully accumulated, with the exception of those amounts subject to compulsory distribution by law, and the allocation of net realised capital gains is decided each year by the management company. It may pay interim dividends.

RVD EUR, TVD EUR, SD EUR, PD H-USD, RD H-USD units: Net income is distributed in full and the allocation of net realised capital gains is decided each year by the management company. It may pay interim dividends.

PVC EUR, PC H-USD, PVC H-USD, PVC H-CHF, SC EUR, PVC F EUR, PC EUR, RC H-CHF units: Distributable income shall be fully accumulated, with the exception of those amounts subject to compulsory distribution by law.

PVD EUR units: Net income is fully distributed and net realised capital gains are fully accumulated, with the exception of those amounts subject to compulsory distribution by law. Interim distributions may be made by the management company.

PVD F EUR units: Distributable amounts are fully distributed. Interim distributions may be made by the management company.

INVESTMENT OBJECTIVE

RVC EUR, RVD EUR, PVC EUR, PVD EUR, TVD EUR, SC EUR, SD EUR, PVD F EUR, PVC F EUR, PC EUR units

The investment objective is to achieve, through Socially Responsible Investment (SRI) management, a performance net of management fees that exceeds that of the following benchmark over the recommended investment period of 5 years: Barclays Global Contingent Capital Hedged EUR. The benchmark index is expressed in EUR. The benchmark is hedged against currency risk with the reference currency being the EUR. Net dividends or coupons are reinvested.

PC H-USD, PVC H-USD, PD H-USD, RD H-USD units

The investment objective is to achieve, through Socially Responsible Investment (SRI) management, a performance net of management fees that exceeds that of the following benchmark over the recommended investment period of 5 years: Barclays Global Contingent Capital Hedged USD The benchmark index is expressed in USD. The benchmark is hedged against currency risk with the reference currency being the USD. Net dividends or coupons are reinvested.

PVC H-CHF, RC H-CHF units

The investment objective is to achieve, through Socially Responsible Investment (SRI) management, a performance net of management fees that exceeds that of the following benchmark over the recommended investment period of 5 years: Barclays Global Contingent Capital Hedged CHF The benchmark index is expressed in CHF. The benchmark is hedged against currency risk with the reference currency being the CHF. Net dividends or coupons are reinvested.

BENCHMARK INDEX

RVC EUR, RVD EUR, PVC EUR, PVD EUR, TVD EUR, SC EUR, SD EUR, PVD F EUR, PVC F EUR, PC EUR units

Barclays Global Contingent Capital Hedged EUR

The Barclays Global Contingent Capital Hedged EUR index is weighted according to the market value of the securities that comprise it, with a concentration on liquid issues. It comprises issues by banks, financial institutions or insurers above €300m, £200m and \$300m, denominated in various currencies. It is rebalanced on a monthly basis with elimination of issues with a maturity of less than one year.

Data are available at:

<https://www.bloomberg.com/markets/rates-bonds/bloomberg-barclaysindices>

Bloomberg code: BCCGTREH Index

PVC H-CHF, RC H-CHF units

Barclays Global Contingent Capital Hedged CHF

The Barclays Global Contingent Capital Hedged CHF index is weighted according to the market value of the securities that comprise it, with a concentration on liquid issues. It comprises issues by banks, financial institutions or insurers above €300m, £200m and \$300m, denominated in various currencies. It is rebalanced on a monthly basis with elimination of issues with a maturity of less than one year.

Data are available at:

<https://www.bloomberg.com/markets/rates-bonds/bloomberg-barclaysindices>

Bloomberg code: BCCGSICH Index

PC H-USD, PVC H-USD, PD H-USD, RD H-USD units

Barclays Global Contingent Capital Hedged USD

The Barclays Global Contingent Capital Hedged USD index is weighted according to the market value of the securities that comprise it, with a concentration on liquid issues. It comprises issues by banks, financial institutions or insurers above €300m, £200m and \$300m, denominated in various currencies. It is rebalanced on a monthly basis with elimination of issues with a maturity of less than one year.

Data are available at:

<https://www.bloomberg.com/markets/rates-bonds/bloomberg-barclaysindices>

Bloomberg code: BCCGTRUH Index

As at the date of this prospectus, the administrator of the following benchmark index: [Bloomberg Barclays] is registered on the register of administrators and benchmark indices maintained by the ESMA.

Additional information on the benchmark index can be found on the administrator's website at the following link:

[\[https://www.bloomberg.com/markets/rates-bonds/bloomberg-barclaysindices\]](https://www.bloomberg.com/markets/rates-bonds/bloomberg-barclaysindices).

The management company will ensure that this link is still valid in future updates of the UCI's prospectus.

INVESTMENT STRATEGY

1. Strategies used

The Fund aims to outperform the Barclays Global Contingent Capital Hedged EUR index, net of expenses, for the PVC EUR, PVD EUR, RVD EUR, TVD EUR, SC EUR, SD EUR, PVC F EUR, PVD F EUR, PC P EUR and RVC EUR units, the Barclays Global Contingent Capital Hedged USD index for the PC H-USD, PD H-USD, RD H-USD and PVC H-USD units, and the Bloomberg Barclays Global Contingent Capital Total Return Index Hedged CHF index for the PVC H-CHF units through active management of interest rate, credit and exchange rate risk.

To achieve this investment objective, the portfolio will be actively managed, invested mainly in subordinated debt (which is riskier than senior or secured debt) or any securities not deemed to be ordinary shares and issued by financial institutions, including contingent convertible bonds. The Fund is managed by combining a top-down approach (which first looks at general economic and market trends before deciding in which geographical areas and securities to invest) and a bottom-up approach (which first looks at issuers' creditworthiness and the quality of individual securities), thus incorporating the regulatory conditions applying to this asset class.

The modified duration is between 0 and 8.

The Fund is invested only in bonds or securities of issuers the registered offices of which are established in OECD-member countries and/or in securities listed on a financial market of one of these countries. The Fund only invests in bonds traded in euros, US dollars, pounds sterling, or in any OECD currency.

To build its portfolio, the management team conducts its own assessment of bonds or securities not deemed to be ordinary shares. It also refers to agency ratings but does not rely on them solely and mechanically.

As an exception to the 5%-10%-40% ratios, the management team may invest up to 100% of the UCI's net assets in securities guaranteed by a Member State of the EEA or the United States, provided that these securities belong to at least six different issues and that any single issue does not exceed 30% of the total amount of the UCI's assets.

The Fund will be able to invest in the bonds and securities of any issuer the registered office of which is established in an OECD-member country and/or in securities listed on a financial market of one of these countries.

Information on the Fund's modified duration range is shown in the table below:

Modified duration range within which the Fund is managed	Geographic zones of issuers of securities or underlying securities of securitisation products	Range of exposure to this zone
0 - 8	OECD zone	100%

Lastly, the Fund may invest only in bonds that are traded in euros, US dollars, pounds sterling or any OECD currency.

2. Assets excluding derivatives

Equities:

Ordinary shares (maximum 10% of net assets) arising either from the conversion of debt or an offer by the issuer to exchange debt for shares, or from hedges through derivative instruments. The Fund will not actively invest in equities but may hold them to enable the manager to sell the equities received in the best market conditions and to maximise the exit price for unitholders.

Debt securities and money-market instruments:

Up to 100% of the net assets in bonds or securities not considered ordinary shares, traded in euros, US dollar, pound sterling, or any OECD currency, including contingent convertible bonds ("CoCos"). The Fund may invest up to 100% of the net assets in CoCo bonds. A contingent convertible bond is a subordinated debt security that is convertible into equities of the issuing company if a pre-specified trigger event occurs, e.g. if the issuer's capital ratio falls below a certain threshold, and for which the nominal value may decrease in part or be wiped out.

Exchange rate risk will be hedged so that exposure thereto shall not exceed 10% of the assets.

The bonds or securities may be rated Investment Grade by the rating agencies or an equivalent rating based on the management company's analysis, or speculative/High Yield by the rating agencies or an equivalent rating based on the management company's analysis, or they may not be rated by a rating agency, they may be traded in euros, US dollars, pounds sterling or any OECD currency and issued by governments, companies or financial institutions.

UCIs:

Up to 10% of the net assets in money market UCITS, short-term money market funds or French or European bond funds provided that less than 10% of these funds' assets are invested in other UCIs.

These UCIs may be managed by the management company.

3. Derivatives

■ Types of markets:

- regulated
- organised
- OTC

■ The manager wishes to seek exposure to the following risks:

- equities
- interest rates
- foreign exchange
- credit
- other risks

■ Types of transactions - all transactions must be limited to achieving the investment objective:

- hedging
- exposure
- arbitrage
- other

■ Types of instruments used:

- futures:
 - equity and equity indices limited to 10% maximum
 - interest rate
 - currency: interest rate risk
 - other
- options:
 - equity and equity indices limited to 10% maximum
 - interest rate
 - currency: only on organised markets
 - other
- swaps:
 - equity swaps
 - interest rate swaps: transformation of fixed-rate income to variable-rate income and vice versa
 - currency swaps
 - performance swaps
- currency forwards
- up to 40% of net assets in credit derivatives
- other

- Derivatives strategies to achieve the investment objective:
 - partial or general hedging of the portfolio, some risks and securities
 - creating synthetic exposure to assets and risks
 - increasing exposure to the market without leverage
 - maximum permitted and sought
 - other strategy

4. Securities with embedded derivatives

The manager may invest in any securities with embedded derivatives permitted under the management company's business plan, notably convertible bonds, callable and puttable bonds and contingent convertible bonds.

Investment in securities with embedded derivatives is allowed within the limit of 100% of the net assets.

5. Deposits

Up to 10% of the UCI's assets may be held in deposits.

6. Cash borrowings

The UCI may borrow cash within a limit of 10% of its assets to meet specific cash requirements related to its operating needs.

7. Temporary purchases and sales of securities

None.

8. Information on financial guarantees:

In connection with over-the-counter derivative transactions, and in accordance with Position paper 2013-06 issued by the French financial markets regulator (Autorité des Marchés Financiers - AMF), the UCI may receive collateral in the form of securities (such as bonds or other securities issued or guaranteed by a State or issued by international financing agencies and bonds or securities issued by high quality corporate issuers), or cash. Any cash collateral received is reinvested in accordance with the applicable rules. All such assets must be from high-quality issuers that are not an entity of the counterparty or its group, and must be liquid and diversified with low volatility. Discounts may be applied to the collateral received; they take into account the quality of credit and the price volatility of the securities.

RISK PROFILE

Notice

Your money will be mainly invested in financial instruments selected by the management company. These instruments will be exposed to market trends and fluctuations.

■ Risk of capital loss

The UCI provides no guarantee or protection. As such, the investor may not get back the full amount of the initial investment during redemption.

■ Risk associated with discretionary management

Discretionary management is based on anticipation of market trends. The UCI's performance depends on both the securities and UCIs that the portfolio manager chooses and on the portfolio manager's allocation of assets. There is therefore a risk that the manager may not select the best-performing securities or choose the optimal asset allocation.

■ Interest rate risk

The risk of a decline in debt instruments as a result of changes in interest rates. This risk is measured by the level of sensitivity, such as the tendency for bond prices to move in the opposite direction to interest rates. The net asset value may decline during periods when there is an increase (positive sensitivity) or decrease (negative sensitivity) in interest rates.

■ **Credit risk**

The risk of a deterioration in the credit quality of or default by a public or private issuer. The UCI's exposure to issuers either through direct investment or via other UCI may give rise to a decline in the net asset value. If the UCI is exposed to unrated or "speculative/high yield" debt, the credit risk is high and may lead to a decline in the UCI's net asset value.

■ **Risk related to the holding of contingent convertible bonds (CoCos)**

Subordinated debt and contingent convertible bonds are subject to specific risks of non-payment of coupons and capital loss in certain circumstances. At a certain solvency threshold, referred to as the "trigger" threshold, the issuer may or must suspend the payment of coupons and/or reduce the nominal value of the security or convert such bonds into shares. Notwithstanding the thresholds defined in the issue prospectus, the supervisory authorities have the possibility of applying in a preventive manner these rules if the circumstances require based on an objective threshold, the point of non-viability. These securities expose holders to either a total or partial loss of their investment following their conversion into shares at a predetermined price or because of the application of a discount provided for contractually in the issuing prospectus or applied arbitrarily by a supervisory authority. Holders of these securities are also exposed to potentially large price fluctuations in the event that the issuer has insufficient equity or experiences difficulties.

■ **Foreign exchange risk**

The UCI may invest in securities and other UCI that in turn are authorised to acquire instruments denominated in currencies other than the fund's base currency. The value of these instruments may fall if the exchange rates vary, which may lead to a decrease in the UCI's net asset value. Where units (or shares) denominated in a currency other than the fund's base currency have been hedged, the foreign exchange risk is residual as a result of systematic hedging, potentially leading to a performance gap between the different units (or shares).

■ **Liquidity risk**

The risk that a financial market cannot absorb transaction volumes due to trading volumes being too low or pressure on the markets. Such a situation may impact the pricing or timing when the UCI liquidates, initiates or modifies positions and thus cause a decline in the UCI's net asset value.

■ **Equity risk**

Share price fluctuations may have a negative impact on the UCI's net asset value. The UCI's net asset value may decrease during periods in which the equity markets are falling.

■ **Counterparty risk:**

This is a risk linked to the use of forward financial instruments traded over the counter. A transaction of this type with one or more counterparties potentially exposes the UCI to a risk of insolvency of one or more of these counterparties, which could lead to default on payment and cause a decrease in the UCI's net asset value.

■ **Derivative financial instrument risk**

The risk arising from the UCI's use of forward financial instruments (derivatives), which may lead to a bigger decrease in the net asset value than on the markets or in the underlying assets in which the UCI has invested.

■ **Sustainability risk**

Any environmental, social or governance event or situation that, if it occurs, could have an actual or potential negative impact on the value of the investment. Specifically, the negative effects of sustainability risks can affect issuers via a range of mechanisms, including: 1) lower revenues; 2) higher costs; 3) damage or impairment of asset value; 4) higher cost of capital; and 5) fines or regulatory risks. Due to the nature of sustainability risks and specific issues such as climate change, the likelihood of sustainability risks impacting returns on financial products is likely to increase in the longer term.

■ ESG investment risk and methodological limitations

Non-financial criteria can be integrated into the investment process using data provided by external providers or directly reported by our analysts, notably in our proprietary ESG analysis grid. Data may be incomplete or inaccurate due to the lack of international standards or systematic verification by external third parties. It can be difficult to compare data because issuers do not necessarily publish the same indicators. The unavailability of data may also force management not to include an issuer in the portfolio. The management company may therefore exclude securities of certain issuers for non-financial reasons, regardless of market opportunities.

GUARANTEE OR PROTECTION

None.

ELIGIBLE SUBSCRIBERS AND TYPICAL INVESTOR PROFILE

All subscribers seeking to optimise their investments in fixed-income instruments.

Subscribers are strongly advised to diversify their investments sufficiently to avoid exposure solely to the risks of this UCI.

Information on Russian and Belarusian investors

In accordance with the provisions of EU Regulation No. 833/2014 as amended by EU Regulation No. 2022/328 and EC Regulation No. 765/2006 as amended by Regulation (EU) No. 2022/398, the subscription of units or shares in this UCI is prohibited to any Russian or Belarusian national, any natural person residing in Russia or Belarus or any legal person, entity or body established in Russia or Belarus. This prohibition does not apply to nationals of a Member State and to natural persons holding a temporary or permanent residence permit in a Member State of the European Union. This prohibition shall remain in effect for as long as the Regulations are in force.

Information on US investors:

The UCI is not registered as an investment vehicle in the United States and its units are not and will not be registered under the Securities Act of 1933 and, therefore, they may not be offered or sold in the United States to Restricted Persons, as defined hereafter.

A Restricted Person is (i) any person or entity located in the United States (including US residents), (ii) any corporation or any other entity subject to the laws of the United States or any state thereof, (iii) any US military personnel or any employee of a US government department or agency located outside the United States, or (iv) any other person that would be considered a US Person under Regulation S of the Securities Act of 1933, as amended.

FATCA

Pursuant to the provisions of the Foreign Account Tax Compliance Act ("FATCA") applicable as of July 1st, 2014, if the UCI invests directly or indirectly in US assets, the capital and income arising from such investments may be subject to withholding tax of 30%.

To avoid paying the 30% withholding tax, France and the United States have entered into an intergovernmental agreement under which non-US financial institutions ("foreign financial institutions") agree to institute procedures for identifying direct or indirect investors who qualify as US taxpayers and to provide certain information about these investors to the French tax authorities, which will disclose said information to the US tax authority, the Internal Revenue Service.

As a foreign financial institution, the UCI undertakes to comply with the FATCA and to take all appropriate measures pursuant to the aforementioned intergovernmental agreement.

The amount that it is reasonable to invest in this UCI depends on each investor's personal circumstances. To determine this, investors should take account of their personal financial situation, current needs and the recommended investment period, and should also consider their ability to assume risk or whether they prefer instead to opt for a more cautious investment.

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

2. CHANGES AFFECTING THE UCI

The Chairman of the management company Lazard Frères Gestion SAS made the following decision in relation to the FCP **LAZARD CAPITAL FI SRI** (ISIN code: FR0013043841): to add the risk associated with 144A securities to the investment strategy.

➤ **Effective date: 02/07/2024.**

The Chairman of the management company Lazard Frères Gestion SAS made the following decision in relation to the FCP **LAZARD CAPITAL FI SRI** (ISIN code: FR0013043841): marketing in Portugal.

➤ **Effective date: 24/09/2024.**

3. MANAGEMENT REPORT

PERFORMANCE

The UCI's performance over the period was:

ISIN	Name	Unit perf
FR0010952788	Lazard capital fi SRI_PVC	14,00%
FR0010952796	Lazard capital fi SRI_RVD	13,27%
FR0013072733	Lazard capital fi SRI_PVCH-USD	15,67%
FR0013043841	Lazard capital fi SRI_PVD	13,99%
FR0013236783	Lazard Capital fi SRI_PVCH-CHF	11,04%
FR0013305968	Lazard capital fi SRI_TVD	14,00%
FR0013306727	Lazard capital fi SRI_RVC	13,27%
FR0013311446	Lazard capital fi SRI_SC	14,87%
FR0013476058	Lazard capital fi SRI_SD	14,87%
FR0013476041	Lazard capital fi SRI_PCH-USD	15,88%
FR0014005313	Lazard capital fi SRI_PVD F EUR	14,25%
FR00140053H5	Lazard capital fi SRI_PVC F EUR	14,25%
FR0014008DD5	Lazard capital fi SRI_PC EUR	14,29%
FR0014008FI9	Lazard capital fi SRI_PD H-USD	16,35%
FR0014008FK5	Lazard capital fi SRI_RD H-USD	15,58%
FR001400FC96	Lazard capital fi SRI_RCH-CHF	10,45%

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

The benchmark's performance over the period was:

ISIN	Name	Bench perf
FR0010952788	Lazard capital fi SRI_PVC	10,92%
FR0010952796	Lazard capital fi SRI_RVD	10,92%
FR0013072733	Lazard capital fi SRI_PVCH-USD	12,74%
FR0013043841	Lazard capital fi SRI_PVD	10,92%
FR0013236783	Lazard Capital fi SRI_PVCH-CHF	8,09%
FR0013305968	Lazard capital fi SRI_TVD	10,92%
FR0013306727	Lazard capital fi SRI_RVC	10,92%
FR0013311446	Lazard capital fi SRI_SC	10,92%
FR0013476058	Lazard capital fi SRI_SD	10,92%
FR0013476041	Lazard capital fi SRI_PCH-USD	12,74%
FR0014005313	Lazard capital fi SRI_PVD F EUR	10,92%
FR00140053H5	Lazard capital fi SRI_PVCF EUR	10,92%
FR0014008DD5	Lazard capital fi SRI_PC EUR	10,92%
FR0014008FI9	Lazard capital fi SRI_PD H-USD	12,74%
FR0014008FK5	Lazard capital fi SRI_RD H-USD	12,74%
FR001400FC96	Lazard capital fi SRI_RCH-CHF	8,09%

ECONOMIC ENVIRONMENT

In the United States, disinflation and the slowdown in the labour market prompted the central bank to cut interest rates. The US economy is at a crossroads:

If the unemployment rate stabilises in the coming months, this will mean that the Federal Reserve has succeeded in implementing a soft landing.

If the unemployment rate continues to rise, it will mean that the US economy is slowing sharply, with the risk of a recession.

History suggests that the unemployment rate will continue to rise, but the post-COVID economy could continue to surprise with its resilience. The data over the next few months will be crucial.

In the short term, the arrival of Donald Trump could help business confidence, but the economic consequences of his measures are not necessarily positive.

The Eurozone is still growing at a moderate pace, but the upturn in consumer confidence could lead to an improvement. The manufacturing sector is still going through a difficult period. On the other hand, inflation remains a concern for the ECB.

In Japan, the emergence from deflation is confirmed by the trend in wages and corporate profits.

China's economy picked up slightly towards the end of the year, but the outlook remains weighed down by the property slowdown and deflationary pressures. Developments in US trade policy are a source of uncertainty.

The Chinese central bank cut its key rate by 25 basis points in 2023, to 2,50%, and the reserve requirement ratio by 50 basis points to 10,50%. Xi Jinping was formally re-elected President of the Republic during the annual session of the National People's Congress in March 2023.

MANAGEMENT POLICY

January was a positive month for AT1s, which outperformed the rest of the capital structure with a performance of +1,0% to +1,6%, while senior debt ended the month stable and IG Tier 2 banks posted a performance of +0,2%. Subordinated insurance debt also outperformed at +0,6%.

This positive performance was due solely to carry and a fall in spreads, with AT1s tightening from -22bp to -45bp, senior debt and Tier 2 IG banks ending stable and subordinated insurance debt tightening by -9bp. Euro and sterling interest rates rose slightly, while dollar rates were broadly stable.

The primary market was very active as always in January, with around €75 billion issued this month, although this was much less than the €101 billion issued in January 2023. Banks were very active in Tier 2 with more than €13 billion equivalent issued this month. Many mid-sized issuers have bought back older callable bonds this year and issued a new bond at the same time. By doing so, issuers can encourage investors to simply renew their exposure to their names and can also save on interest charges by avoiding keeping two bond issues outstanding at the same time.

We saw a number of AT1s with Crédit Agricole, Caixabank, BCP and Van Lanschot, all for reasons of refinancing other callable bonds at a later date. We also saw an inaugural RT1 from AXA which received a lot of interest from investors.

Generally speaking, investor demand in the primary market was high, regardless of the type of security or the level of subordination.

The few FY23 results so far have been good, with Bankinter producing its best ever net profit at €845 million (+51% YoY) and anticipating a higher level in 2024. The same goes for BBVA and Santander, both forecasting higher profits in 2024 after record absolute profits in 2023 of €8 billion (+26% YoY) and €11 billion (+15% YoY) respectively. Nordic banks also posted record profits (+60% for Swedbank, +42% for SEB).

Dutch insurer NN Group has reached an agreement to resolve legal issues relating to past sales of unit-linked products to certain customers to the tune of €300 million.

The UK FCA is examining practices relating to car finance commissions paid by banks to car finance brokers. Lloyds, Close Brothers, Barclays and Santander UK may have to reimburse some of the excessive interest charged to customers, for a still very preliminary cost estimate ranging from £4 billion to £40 billion. This cost is expected to be spread over several years.

Fitch upgraded the rating of Italian bank Iccrea to BBB- from BB+ with a stable outlook.

Julius Baer is expected to increase provisions against its Signa exposures at an estimated cost of CHF 400 million.

In February, performance was neutral or even slightly negative for the asset class, due solely to higher interest rates, which rose by between +13 and +48 basis points depending on the currency and the point on the yield curve.

Better macroeconomic data and some slight negative surprises on inflation explain this movement, with fewer rate cuts now expected on the markets. Spreads tightened by -11bp for senior debt, -16bp for Tier 2 IG and between -18bp and -25bp for AT1s, which outperformed the rest of the capital structure with a performance of -0,1% to +0,2%, while senior debt posted -0,6% and Tier 2 IG banks ended the month at -0,2%. Subordinated insurance debt also outperformed at -0,2%.

The primary market was active in February, with around €41bn issued this month (in line with 2023). There were eleven bond issues last month for €9.3 billion, with seven AT1s (\$ ING 8%, \$ UBS 7.75%, \$ Swedbank 7.75%, \$ BNP 8%, € ABN Amro 6.875%, £ Investec 10.5%, \$ Standard Chartered 7.875%) and four callable Tier 2s (Danske Bank, BPCE, SEB, Natwest).

Calls and refinancing are well ahead of schedule for the 2024 vintage, with around 62% of Tier 2s and AT1s callable in 2024 already called or refinanced, with no non-calls to date.

The earnings release season for banks is well under way, and most are reporting record profits for 2023 thanks to a sharp rise in revenues, particularly net interest income. Insurers published good results, but not as stellar as those of banks.

We saw some volatility at the start of the month due to concerns about exposure to commercial real estate (CRE). It started with a US bank, NYCB, which came under pressure because of its high exposure to rental housing, and then with a Japanese bank, Aozora Bank, which took significant provisions to cover its US CRE portfolio. Both entities have low capital ratios and the additional provisions were absolutely necessary, even though their situations are very specific. We then had a contagion to a German bank, Deutsche Pfandbriefbank (PBB), which is under pressure because it specialises in CRE. The market reaction was exaggerated by the small size of the bank and the lack of liquidity of its bonds. Additional provisions will be required, but its capital ratios are twice as high as those of NYCB or Aozora Bank.

We continue to see rating upgrades, with Sabadell upgraded by S&P to BBB+ from BBB and Permanent TSB upgraded by Fitch from BB+ to BBB-. Unipol was placed on credit watch with Moody's after announcing the merger of its Holdco and Opco entities.

March was a solid month for subordinated financial debt, with spreads tightening from -12bp (IG Tier 2 banks) to -70bp (AT1 in euros) and rates falling slightly (from 0 to -19bp, depending on the currency and point on the yield curve). Central bank meetings and macroeconomic figures also reassured the market about future rate movements: the Fed, the ECB and the BoE all talked about an easing cycle that could begin in June, and the Swiss National Bank even cut its key rate by -0,25%. Initial concerns about German banks' exposure to commercial real estate quickly dissipated after the publication of their results.

March was a busy month in the primary market for financials, with €41.7 billion issued by European banks, the bulk of which was obviously senior debt (78% of the total amount issued). In terms of subordinated bond issuance, we saw a large number of refinancing deals, with issuers buying back existing bonds at the same time to facilitate the reinvestment process. This supply on the primary market was well absorbed by the market, despite premiums on new issues close to zero (or negative in some cases), supported by continued inflows into credit funds. There was a more active market in Restricted Tier 1 (AT1s for insurers), with ASR and NN refinancing grandfathered bonds. For banks, Raiffeisen had to postpone its AT1 issue because of potential problems with the Strabag agreement, which is likely to reduce the sensitivity of its capital to a hasty departure from Russia. The bank promised to provide information on this subject at its AGM in early April.

The earnings season ended with reports mainly from insurers and small banks, including German banks, with LBBW and Helaba announcing the best results in their history, allaying fears about the German CRE, and Deutsche Pfandbriefbank also reporting results that were well received by the market. The results were less 'historic' for insurers, but nonetheless solid and consistent, with the weaker underwriting results of some P&C companies offset by strong investment returns, and solvency remaining well above management targets and often above 200%.

The ECB announced that minimum reserve requirements (MRR) will remain at 1%, which is good news for banks' net interest income, as the interest paid on MRR is 0%, and not the deposit facility rate (currently 4%). There were several rating upgrades in March, with Moody's upgrading the ratings of several German Landesbanks, Novo Banco's long-term deposit rating to Baa1 from Baa2 (but only affirming the other ratings), and Co-Op Bank's rating down one notch, with the Baseline Credit Assessment (BCA) now at ba1 with a positive outlook. In Italy, S&P gave BPER Banca a long-term credit rating of BBB- with a positive outlook, Fitch raised Banco BPM's senior debt ratings by one notch (Senior Preferred to BBB) and Moody's raised Credem's long-term deposit ratings to Baa1 from Baa2. In Spain, following the positive outlook on the sovereign rating, Moody's also upgraded the ratings of several Spanish banks: Sabadell, Caixabank, Bankinter, Unicaja and Ibercaja all had their ratings upgraded by one notch. S&P upgraded Portugal's rating from BBB+ to A- and maintained a positive outlook, and therefore also revised BCP's outlook from stable to positive. However, Moody's downgraded Aareal Bank's long-term rating and senior debt rating to Baa1 from A3, with the outlook remaining negative.

M&As seem to be higher on the agenda for European financial issuers, with Nationwide announcing a £3 billion bid for Virgin Money, which was confirmed by their boards and is expected to be effective in the fourth quarter of this year. Belgian insurer Ageas made two bids for UK motor insurer Direct Line, but both were rejected by Direct Line's board of directors, and Ageas will not make a third bid.

In April, volatility increased due to the geopolitical situation in the Middle East, but also with a new repricing on rates, with only one cut now expected by the market for the Fed in 2024. Performances were slightly negative over the month (T2 -0,1%, €AT1 -0,7%, Senior insurance -0,6% and Subordinated insurance -0,9%), mainly due to the effect of the rise in yields (from +18bp for the 2-year Bund to +50bp for the US 5-year) and generally stable spreads (variation over the month between +2bp and -7bp).

The publication of EBA's risk scoreboard for the fourth quarter of 2023 illustrates the current solidity of banks: Average CET1 of 15,9%, profitability at its highest level in 2023, very slight increase in bad debts over the quarter (from 1,8% to 1,9%) but this increase is linked to a fall in the total volume of loans (due to tighter credit conditions in 2023 and weaker demand with higher rates) and not to an increase in the volume of these loans. Liquidity also improved, with the liquidity coverage ratio (LCR) rising after several quarters of decline. This last point shows that the imminent end of the TLTRO has been absorbed without difficulty by issuers, with peak financing of €2 200 billion reached in mid-2021 compared with just €150 billion now.

The Swiss government has published proposals to amend the 'Too Big To Fail' regulations, which could lead to higher levels of Pillar 2 capital, based on stress tests, while also tightening regulatory requirements for certain balance sheet items, including holdings in foreign entities. The Swiss National Bank has increased the minimum reserve ratio (MRR) from 2,5% to 4% from 1 July 2024, which will result in a reduction in the return on these deposits, and therefore in interest income, for the banks concerned.

S&P upgraded the ratings of Icelandic banks Landsbankinn, Islandsbanki and Arion from BBB to BBB+ with a stable outlook. It justified this action by pointing to the country's economic improvement and the reduction in the economic risks facing banks. Moody's upgraded Volksbank Wien's senior unsecured debt rating to A2 from A3 with a stable outlook. The agency has also improved the outlook on Swedbank's long-term deposit and senior debt ratings to positive (from stable) and on Commerzbank's rating to positive (from stable). Finally, Fitch upgraded the rating of Banca Popolare di Sondrio from BB+ to BBB-.

The earnings releases for the first quarter have not yet revealed any major surprises, with interest income remaining buoyant, particularly for issuers in the Eurozone, with banks once again reporting their best-ever quarter (Kutxabank and Deutsche Bank with its best quarter for 11 years). Results improved significantly for insurers, with sharp increases in YoY net income (Mapfre +70%, Talanx +35%, Storebrand +30%).

Raiffeisen held its AGM last week, with the CEO stating that he still believed the Strabag deal was possible, and that the sale of the Russian subsidiary still depended on approval from the local authorities.

There were several transactions on banks' balance sheets during the month, with HSBC agreeing to sell its Argentine operations to Grupo Financiero Galicia, which will have a negative impact of \$1 billion in Q1. The bank also confirmed that it has completed the sale of its Canadian subsidiary to RBC, and will record a gain of \$4,9 billion again in Q1.

SocGen announced the signature of an agreement with BPCE for the sale of its equipment finance business, with a positive impact on its CET1 of +25bp. SocGen will also sell most of its Moroccan activities to the Saham group for €745 million, with an estimated impact of +15bp on its CET1.

BNP announced that it has signed an agreement to acquire Fosun's approximately 9% stake in Belgian insurance company Ageas through its insurance subsidiary BNP Paribas Cardif. BNP expects the transaction, worth around €730 million, to have virtually no impact on its CET1 ratio.

In the primary market, subordinated debt transactions mainly involved refinancing, with the perfect series of AT1 calls since the start of the year continuing in April (with the exception of two CHF 100 million retail bonds issued by two Swiss cantonal banks).

Yields continued to rise in May, with an average of +10bp across the dollar curve, and a steepening of the euro and sterling curve, from +8bp to +18bp depending on the point on the curve. However, spreads tightened significantly with a tightening in the capital structure (Senior -7bp, Tier 2 -16bp, AT1 -29bp and €AT1 -45bp). Performance was positive over the month (Senior +0,4%, Tier 2 +0,9%, AT1 +1,7% and €AT1 +1,9%).

Banks continued to report their first quarter earnings, with sharp increases in net income across all geographical regions: UniCredit reported its best quarter ever and Commerzbank the best quarter in a decade. Among insurers, premium volumes were also up, particularly in life insurance.

The primary market was active, mainly refinancing transactions, with, for example, AT1s from Natwest, Barclays, Santander and Erste Bank, the first two launching buyback offers for existing AT1s with a first call date of 10 or 17 months. Insurer Fidelidade issued an inaugural Restricted Tier 1, and the RT1 market should remain active in 2024 with the end of the grandfathering period (January 2026) for insurers. In the first five months of 2024, European banks issued more than €220 billion of senior and subordinated securities in various currencies, representing 55% of the gross volumes forecast for 2024.

It was a busy month for mergers and acquisitions, with BBVA launching a second attempt to take control of Sabadell after a failed bid at the end of 2020. The new group would have a balance sheet of €1,000 billion, a market capitalisation of around €70 billion and a market share of between 20% and 25% in Spain. Sabadell's Board of Directors rejected BBVA's merger offer, despite a 30% premium over the closing price before the announcement. Following this rejection, BBVA launched a hostile takeover bid, i.e. submitting the offer directly to shareholders. ABN AMRO announces that it has reached an agreement with Fosun International to acquire Hauck Aufhauser Lampe, a German private bank. The transaction will strengthen ABN's leading position in the German wealth management industry, with assets under management of approximately €70 billion, including €26 billion from this acquisition, and an estimated impact of -45bp on ABN's CET1, with closing expected in the first quarter of 2025.

Coventry Building Society confirmed the acquisition of Cooperative Bank for £780 million in cash. We also had market rumours that Julius Baer was considering a potential acquisition of EFG International in Switzerland, which would have created a wealth manager with over CHF 500 billion in assets under management, but these discussions appear to have stalled. On the insurance side, BNP Paribas will take over the life insurance business of Neufelize (Neufelize Vie), currently held by Axa (40%) and ABN Amro (60%), through Cardif, its insurance subsidiary. According to the Italian press, UniCredit is looking to strengthen the group's insurance business by buying the stake in its insurance joint venture with CNP and Allianz, with the aim of integrating a large part of the business. According to the Dutch press, Achmea refused a total takeover of its life and pensions portfolios by NN and ASR. The article mentioned that the creation of a joint venture with Athora and Lifetri would be the preferred option at present, with Achmea retaining 50% co-ownership and seeking to achieve better investment results and reduce costs.

There was a lot of positive action on ratings in May.

Moody's raised its rating on Danske Bank from A3 to A1 (stable outlook), upgraded Monte de Paschi's rating (stable outlook) with senior debt and T2 ratings each raised one notch to Ba2 and Ba3 respectively, and also upgraded the issuer rating on BPER Banca from Ba1 to Baa3, with the issuer's senior debt now rated IG by the three main rating agencies. Fitch improved the outlook for several Spanish banks, with Abanca and Unicaja moving from stable to positive, upgraded Ibercaja's rating to BBB (from BBB-) and Banco de Sabadell's by one notch, with preferred senior debt reaching a BBB+ rating (from BBB) and Tier 2 now one notch from IG at BB+.

S&P changed its outlook for Abanca, Ibercaja and Cajamar from stable to positive and confirmed Raiffeisan Bank International at A- (but the outlook remains negative despite the agency's statement that RBI "reported solid financial results in 2023 and the first quarter of 2024, despite economic pressures in its core markets and the significant risk with its Russian subsidiary").

Pressure from the European and US authorities seems to be accelerating on banks regarding their exposure to Russia, with the ECB sending a letter to all banks under its supervision asking them to speed up the reduction of their activities in Russia. At national level, the Italian and Hungarian central banks also stressed the need to leave Russia or reduce their activities. Raiffeisen abandoned the Strabag deal following recent exchanges with the relevant authorities (which means that €4,7 billion in capital is still blocked in Russia) and announced that its Russian subsidiary will stop making payments in dollars. According to local German press, Commerzbank and Deutsche Bank are considering the possibility of filing for bankruptcy for their Russian subsidiaries, among other exit scenarios. The Russian authorities recently seized assets from both banks and there is a potential for more seizures that would cause the banks to run out of capital, according to the report. It is certainly complicated but not impossible to sell a Russian bank to a Western bank, as HSBC managed to sell its local subsidiary to Expobank, a Russian entity under US sanctions, but with a special dispensation authorising certain liquidation activities involving Expobank and for a limited period.

June was a volatile month for bonds, with credit spreads widening across the capital structure of financial debt due to the announcement of early elections in France and uncertainty over the outcome. We also saw the first cut in ECB rates (-25 basis points) since the start of the upward cycle in July 2022, after a nine-month pause (the last hike took place in September 2023). In addition, the Fed maintained the status quo as expected. Against this backdrop, yields fluctuated considerably, with German yields generally lower or stable, while spreads against other European countries widened, particularly for France and Italy, under the influence of French political uncertainty. Overall, performance remained positive for the month, with the effect of falling yields more than offsetting the widening of premiums, with the exception of €AT1, which was slightly negative. However, the results of the first round of the French elections were welcomed by the market.

Primary market activity was mainly due to refinancing, particularly in AT1s with Deutsche Bank, Commerzbank, Coventry Building Society, and BBVA, as well as smaller issuers such as NIBC and CCF Holding. Most of these issues were combined with buyback offers for existing bonds.

It was another month of rating upgrades for financial issuers. Fitch upgraded Cyprus from BBB to BBB+ with a positive outlook, NIBC Bank from BBB to BBB+, and revised Ethias' outlook from stable to positive. Fitch also confirmed Coventry Building Society's A- rating, removing it from negative watch but maintaining a negative outlook.

Moody's confirmed Svenska Handelsbanken's senior and issuer ratings at Aa2 and upgraded the outlook from negative to stable. The rating agency also raised the outlook for German commercial property lender Aareal Bank from negative to stable. Greek banks have finally obtained their first senior IG rating, with Moody's upgrading Eurobank's Basic Credit Assessment (BCA) from ba2 to ba1 and its senior debt from Ba1 to Baa2, and also upgrading Alpha Bank's senior rating from Ba2 to Baa3.

S&P upgraded Bank of Cyprus's rating to BB+ at bank level and BB- at holding level, maintaining a positive outlook. In addition, S&P confirmed Iccrea Banca's BBB- rating and changed its outlook to positive. On the insurance front, the agency also revised Lancashire's outlook from stable to positive.

On the other hand, S&P downgraded La Banque Postale and CNP Assurances from A+ to A following the downgrading of France.

On the M&A front, we had several announcements of portfolio transfers. NatWest announced that it will acquire a significant proportion of Sainsbury Bank's loans (totalling £2,5 billion), with the transaction expected to close in the first half of 2025, which will have a -20 basis point impact on CET1.

Norddeutsche Landesbank sold a large part of its aircraft financing portfolio (around €1,67 billion) to Deutsche Bank for an undisclosed price. If approved by the antitrust authorities, the sale should be completed in the second half of 2024.

Nibcap announced that it had agreed to sell a €992 million portfolio of shipping loans to Hamburg Commercial Bank, which will have a positive impact on its CET1.

Two Bank of Cyprus shareholders, with a combined stake of 15%, are considering a sale that could be valued at £230 million.

In the insurance sector, HSBC is reportedly looking to sell its life insurance business in France, assessing the interest of potential buyers for a deal that could value the unit at more than €500 million.

Phoenix announced that it is considering selling SunLife (acquired for £248 million in 2022), as it is no longer central to its strategy.

Zurich Insurance announced the acquisition of AIG's global travel insurance and assistance business for \$600 million, which will enable it to expand its presence in the United States.

Nordic insurer Sampo is to make a takeover bid to the shareholders of Topdanmark, in which it currently holds around 49,5% of the outstanding shares. Topdanmark's Board of Directors believes that the offer is attractive, and completion of the exchange offer is subject to discussion by Sampo shareholders at an extraordinary general meeting to be held on July 9th, 2024. Topdanmark would be integrated into the Sampo subsidiary (If) to strengthen the group's position on the Danish non-life insurance market, with a combined market share of 21%. Aegon unveiled a new strategic plan to accelerate the transformation of its UK business. has also published its strategic plan for 2024-2026, with objectives in line with the market consensus.

In line with historical data, July was a very good month for bonds, with financial bonds benefiting from the double positive effect of lower rates and tighter spreads. This trend is still due to important technical factors: solid demand and a limited primary market, even though some issuers have returned after the forced pause in June, when macroeconomic data were more balanced and the ECB meeting was a non-event.

We received the first results for the second quarter and, despite already high levels of comparison and expectations, we once again seen saw excellent earnings. For Nordic banks, we saw ROEs above 15% for most of them, with asset quality remaining stable despite local banks' significant exposure to commercial real estate, while early releases from southern European banks showed the best earnings ever. In the UK, profits were lower than last year, but net interest income should recover thanks to interest rate hedging and the cost of risk, which remains very low. Overall, these good results can be attributed to strong net interest income, very high fee income and a persistently low cost of risk. The exception so far is Scor, which reported a net loss, as expected and announced in advance, mainly due to the review of its life and health business.

The credit ratings of Greece and Cyprus were upgraded by S&P (by one notch with a positive outlook) and Moody's (by one to two notches): National Bank of Greece to BB+/Baa2, Piraeus Bank to BB/Baa3, Alpha Bank to BB/Baa3, Eurobank to BB+/Baa2. Fitch upgraded the ratings of BayernLB, LBBW and Norddeutsche Landesbank following the recent reform of the institutional protection system for German Landesbanks. In France, S&P revised CCF's outlook from negative to stable following the integration of HSBC's retail activities in France. Moody's raised KBC's rating by one notch to A1 and S&P raised Munich Re's rating by one notch to AA.

On the M&A front, BBVA shareholders approved a capital increase to finance the hostile takeover bid for Banco Sabadell, despite government opposition and a failed attempt rejected by Sabadell in 2020. BAWAG Group announced the acquisition of Barclays Consumer Bank Europe, an entity with a balance sheet of €4,7 billion, which is expected to contribute more than €100 million to pre-tax profits by 2027. According to the Italian Finance Minister, Italy is looking for an "industrial deal" that would enable it to sell its stake in lender Banca Monte dei Paschi di Siena, given that the government still owns 27% of the bank.

In the primary market, French insurers were active with two RT1s (La Mondiale and Groupama) and one Tier 2 (CNP), while in the AT1 market we had Banco BPM (€) and Santander (\$).

The markets quickly recovered from the volatility of late July/early August, helped by better macroeconomic figures, particularly in the United States. TRRs were positive across all segments of the capital structure, with AT1s outperforming with a monthly TRR of between +1,2% and +1,5%, followed by Tier 2 IG with +0,5%. Senior banking and subordinate insurance bonds ended the month up 0,4%.

In terms of spreads, the picture was more mixed with AT1 spreads down from -9 to -11bp while all the other segments were slightly wider, between +5 and +9bp.

Yields remained more or less stable in Europe, with the exception of short-term interest rates, which fell by 14bp. US yields fell from -34bp for short rates to -13bp for the 10-year bucket. Mr Powell confirmed that monetary policy will focus more on employment and less on inflation in the future, which means that a Fed Rate cut in September should be assured.

The primary market was very weak in August, partly because of the volatility at the beginning of the month and the limited financing needs of financial issuers. Only €30 billion of issues, including €5.3 billion of subordinated bonds in six tranches: ING, BNP, BBVA, Mandatum, Allianz and Volksbank Wien. Among the rating agencies, Moody's upgraded Novo Banco's senior rating by one notch from Ba1 to Baa3, again with a positive outlook. The agency also raised Ireland's outlook to positive.

As for banks, results were excellent, with several of them reporting their best quarter or half-year ever. Results were particularly positive for peripheral banks, with double-digit ROTEs (24% for Bank of Cyprus, 20% for BBVA, 19% for Caixa Geral de Depositos with a CET1 of 21%, 17% for Caixabank, 17% for National Bank of Greece, 16% for BCP), as they continue to benefit from the high interest rate environment (Unicredit reported its best ever result while improving its revenue outlook for the year).

In the Core countries, despite lower profitability, results remained solid (16% RoE for Crédit Agricole, 11% for ABN Amro, 7.4% for Société Générale in 2Q24), as banks released generic provisions due to their improved outlook and the absence of any significant deterioration in asset quality. Even among banks exposed to commercial property, the deterioration occurred mainly in the US office portfolio, while the European portfolio remained stable (for Deutsche Pfandbriefbank, for example, the NPL rate was 3.5% on the total portfolio and 18% on the US commercial property portfolio).

Most insurers published their H1 2024 results. Overall, results were good, with an improvement in the bottom line: Munich Re €3.8 billion (+55% Y/Y), Allianz €5 billion (+8% Y/Y), Zurich Insurance €3 billion (+21% Y/Y), Beazley €571 million (+130% Y/Y). Insurers benefited from the high interest rate environment on their investment portfolios and positive life insurance inflows.

In property and casualty insurance and reinsurance, climate-related claims appear to have been lower than in the first half of 2023, while combined ratios remain high in some countries, such as Italy for motor, even though the trend is towards improvement in the UK.

In the banking sector, performance in September 2024 was positive across the entire capital structure, with very consistent performances across the board: Senior and Tier +1,2% and AT1 between +1% and +1,4%. In the insurance sector, the trend was the same with +1,2% for senior and +1,5% for subordinated debt.

Most of the performance came from interest-rate movements, with the Bobl down 24bp and the US 5-year down 14bp.

In terms of spreads, euro-denominated AT1 spreads widened by 13bp, partly due to strong activity on the primary market, while bank Tier 2 spreads widened slightly by 1bp and Senior spreads tightened by 2bp. In the insurance sector, senior bonds ended the month at -4bp compared with -3bp for subordinated.

September 2024 was a very active month on the financial primary market, concentrated mainly on the first two weeks (historically the busiest of the year for financials), with 16 AT1 issues for almost €14 billion, a new all-time record.

However, this primary issue was absorbed without too much difficulty, the market being supported by central bank rate cuts, with credit inflows still substantial, but also by the fact that issuers are increasingly opting to offer to buy back the securities to be refinanced by the new issue (Raiffeisen Bank International, Bank of Ireland, Piraeus, Arion, etc.).

In terms of results, we had the latest earnings releases from insurers, with results that were less impressive than those of the banks, but with some rather positive signs in terms of life insurance inflows and non-life profitability. The momentum was positive in terms of operating income for the consolidators (Rothesay, Phoenix, Athora), although net income is more difficult to compare under IFRS.

On the ratings front, Fitch upgraded the senior ratings of all Greek banks by one notch for the second time in 2024 (with the outlook remaining positive on all of them): National Bank of Greece to BB+ (from BB), Eurobank to BB+ (from BB), Alpha Bank to BB (from BB-) and Piraeus Bank to BB (from BB-). Moody's revised the outlook for the Greek banks National Bank of Greece and Eurobank to positive. Moody's has upgraded the rating of Permanent TSB (Opco) from A2 to A1 with a stable outlook (senior holdco upgraded from Baa1 to Baa2, Tier 2 from Ba1 to Baa3 and AT1 from Ba3 to Ba2) as well as that of Virgin Money due to its acquisition by Nationwide Building Society (AT1 from Ba1 to Baa3, Tier 2 from Baa2 to Baa1, Senior Holdco from Baa1 to A3). The agency also applied a positive outlook to Slovenian bank Nova Ljubljanska and upgraded Iceland's rating from A2 to A1 with a stable outlook. S&P raised Danske Bank's credit profile by one notch from A to A- (NPS from BBB+ to A-, Tier 2 from BBB & BBB+ to BBB, AT1 from BB+ to BBB-). On the insurance side, ASR Nederland and AXA received a positive outlook from S&P. Moody's upgraded Zurich Insurance Group's rating to Aa2 (Tier 2 now A1).

Fitch upgraded Portuguese insurer Fidelidade from A- to A with a stable outlook, and also gave a positive outlook to UnipolSai and Unipol Gruppo.

Deutsche Bank reached an agreement with Effecten-Spiegel AG, a long-standing plaintiff in the Postbank takeover dispute. The deal comes after a precedent last month, with plaintiffs representing almost 60% of total claims, and should enable Deutsche Bank to release at least €430 million in the third quarter from the €1.3 billion in reserves it had set aside for Postbank-related legal risks in the second quarter. Raiffeisen Bank International finalised the sale agreement for its Belarus subsidiary, which will have a negative impact of €800m on the income statement and a negative impact of -5bp on CET1.

On the consolidation front, apart from the Dutch government's sale of a 9% stake in ABN Amro (still a 40,5% shareholder) and the Greek government's plan to reduce its stake in National Bank of Greece by 10% (from 18%), the main news came from Italy. Unicredit announced that it held 9% of Commerzbank, with the possibility of raising this to 22% via derivatives, pending final authorisation from the ECB. According to Unicredit's management, all options remain open at this stage: a minority but active stake, a takeover (mandatory launch of a takeover bid for more than 30%), or the sale of the stake. The German government has been rather reluctant to support a merger in the press, while acknowledging that it has no power to prevent it. What's more, Commerzbank's current CFO will replace the current CEO, so her first job will be to defend the bank against Unicredit.

On another subject, Unicredit has announced the complete internalisation of its insurance activities by buying out the stakes in its JVs with CNP and Allianz. The Chairman of Unipol expressed an interest in acquiring a small stake in Monte dei Paschi to facilitate a possible future joint venture in the insurance business.

On the regulatory front, the Australian regulator (APRA) proposed removing AT1s from the capital structure of Australian banks and replacing them with a mix of Tier 2 and CET1. This is because APRA considers that AT1s do not fulfil their function of stabilising a bank in times of crisis due to the complexity of the securities. The transition would begin in 2027 and end in 2032. The size of the Australian AT1 market is A\$43 billion (€24 billion) and will have to be replaced by the issue of around \$35 billion of Tier 2s. A similar movement on the European regulatory side seems extremely unlikely in the short term.

Another rare event on Legacy bonds, with HSBC finally announcing the redemption before the first call date of its Legacy Tier 1 in June 2030 and paying a \$ coupon of 10.176%. This bond was completely disqualified from HSBC's capital structure at the end of 2021, but HSBC has retained it until now. Using a "make whole" clause, this bond will be redeemed on 31 October at T+50 bp, using the yield curve on that date, at a price of 130% (+5pp compared with the market price).

In October, spreads tightened over the month, with Seniors tightening by -8bp, T2s by -14bp, AT1s by -32bp and €AT1s by -36bp. In the insurance sector, the picture was similar, with a tightening of -9bp for senior and -20bp for subordinated. Most asset classes posted slightly negative returns over the month: -0,4% for bank senior, stable T2, -0,2% for AT1, -0,3% for insurance senior. However, €AT1s put in a positive performance of +0,9% and insurance subordinated posted +0,1%. The spread tightening was countered by a significant rise in interest rates.

October saw yields rise, particularly in £ and \$, despite the ECB cutting its key rates by 25bp. As far as the ECB is concerned, there is a good chance that easing will continue in December, the question being more how much than whether it will take place at all. In the Eurozone, the spread between swap rates and German sovereign bond yields tightened considerably, indicating that the lack of available collateral induced by previous quantitative easing (QE) is diminishing.

Banks began reporting third-quarter earnings, marking another record quarter in terms of profitability. Most of the RoE was above 15%, net interest income held up well overall, commission income rose and corporate and investment banking remained solid. The cost of risk remains very moderate, with only slight increases in some jurisdictions. The increase in non-performing loans was limited to a few business sectors, mainly related to real estate. The outlook was confirmed or improved, and volumes appeared to be increasing, as confirmed by the ECB's lending survey for the third quarter, which showed a marked increase in demand for loans in the corporate and household sectors, particularly for mortgages.

On the ratings front, S&P upgraded Banco BPM from BBB- to BBB (stable outlook), Virgin Money from A- to A (Opco) and from BBB- to BBB (Holdco) following its acquisition by Nationwide, and BCP from BBB- to BBB with a stable outlook.

Moody's upgraded Crelan's issuer rating by one notch to A2 with a stable outlook following the completion of the merger with the former AXA Bank Belgium, and upgraded Luminor's long-term senior unsecured rating from A3 to A2 with a stable outlook following the issue of a Tier 2.

Finally, Fitch upgraded Monte dei Paschi's rating from BB to BB+ with a positive outlook.

On the contrary, following the downgrading of France's sovereign outlook to negative by Fitch and Moody's, some French issuers (CNP/La Banque Postale, etc.) also had their outlook lowered. Moody's also lowered the outlook for the British bank OSB and S&P for Deutsche Pfandbriefbank, due to concerns over its new business plan.

In terms of mergers and acquisitions, HSBC is reportedly looking to sell its French insurance arm, while Allianz is considering strategic options for its subsidiary Allianz Global Investors, including a merger or partial sale which could include a loss of control. We had no news on the Sabadell/BBVA and Unicredit/Commerzbank deals.

Turning the page once and for all on the bailout of banks during the financial crisis, many governments are looking to sell their stakes under the current favourable conditions. For example, the Dutch government is considering reducing its stake in ABN Amro from 40,5% to 30%, the Greek government has finalised the sale of a 10% stake in National Bank of Greece, and Italy may look to sell more Monte Paschi shares after the third quarter results.

UK banks came under pressure following a recent Court of Appeal ruling against Close Brothers and another smaller lender in three car finance cases. The most exposed issuers are Lloyds and Close Brothers.

It was a very active month on the primary market, with 99% of AT1 bonds with a 2024 redemption date redeemed or refinanced. Issuers are even already pre-financing the 2025 calls, with some of them, such as Belfius, refinancing at spreads significantly higher than the refinanced bonds. The only issuer for which the market is not yet fully convinced of the call exercise next year is Deutsche Bank, as the issuer is still vague about its intentions.

November, one of the most eagerly awaited months of 2024 for the financial markets, with the US election and the Fed meeting, ended on a mixed note overall. The trend in yields was a little erratic, with no very clear direction depending on the currency and the tenor, but also the benchmark, with some pressure on the OAT-Bund spread due to political uncertainty. However, yields were down overall in euros over the month, and stable or up slightly in USD. On the financial side, spreads widened as the capital structure tightened, resulting in slightly positive or stable total returns.

Spreads widened across the entire capital structure, with senior +7bp, T2 +4bp, AT1 +15bp and €AT1 +24bp. In insurance, senior bonds remained stable over the month, while subordinated bonds widened by +10bp. However, total return was positive thanks to the fall in interest rates: Senior +1,2%, T2 +1,3% and AT1 +0,4% (€AT1 +0,8%). The situation was similar in the insurance sector, with +1,4% for senior and +1,6% for subordinated.

In terms of primary issues, November was less active than historical averages, with €34,7bn issued (versus €39,5bn last year). On AT1s, Natwest (\$750 million at 7.3%) and Société Générale (\$1 billion at 8.125%) issued in dollars, while BPER (€500 million at 6.5%), Raiffeisen Bank (€650 million at 7.375%) and Deutsche Bank (€1.5 billion at 7.375%) issued in euros. Transactions appeared to be below their fair value in dollars.

Banks continued to report solid earnings for the third quarter, with many profitability ratios above the 15% level in Greece, Italy and Central and Eastern European countries. Some of the smaller issuers published their best results: Sondrio and Fineco in Italy, Montepio in Portugal, for example. On the insurance side, volumes were up in both the life and non-life sectors, with the impact of natural disasters more limited than feared, and the delayed impact of inflation on the motor sector in some countries.

On the ratings front, we saw a lot of positive action in November. Moody's upgraded the ratings of several Portuguese banks following the improvement in the sovereign's macroeconomic profile. Caixa Geral de Depositos to A3 (from Baa1), BCP to Baa3 (from Ba1), Novo Banco to Baa3 (from Ba1), and Montepio to Ba1 (from Ba2). Fitch upgraded Metro Bank Holding to B+ (from B), Swiss Re to A+ (from A), Nykredit to A+ (from A), and Lloyds Banking Group to A+ (from A). Cajamar was upgraded by S&P to BBB- (from BB+), thus joining the IG universe. The agency also upgraded Caixabank's rating to A (from A-) and raised the outlook for Íslandsbanki and Landsbankinn. Close Brothers was also placed on negative watch by Moody's and Fitch due to potentially high compensation costs associated with its car financing business, following an unexpectedly unfavourable ruling.

It was another busy month for M&As for financial companies, particularly banks, insurers and asset managers. In Italy, Banco BPM launched a takeover bid for asset manager Anima and also bought a 5% stake in Monte Paschi. Shortly afterwards, Unicredit launched a takeover bid for Banco BPM at a very low premium. In the UK, Aviva offered to acquire Direct Line at a premium of 56%, an offer that was quickly rejected by the target's board of directors. In asset management, Natixis IM and Generali are said to be in talks about a potential merger, but nothing official at this stage. Lastly, Uniqa sold its stakes in the Balkans and Achmea announced the creation of a joint venture with Lifetri, thus ending the review of its options for its life business.

We ended 2024 with an overall good TRR in December despite higher yields.

In December, yields rose by between +9 and +42bp depending on the benchmark and the point on the curve, with dollar yields rising more.

Spreads tightened, by -5bp for Tier 2 IG bonds issued by banks, by -2/-6bp for senior bonds issued by banks or insurers, by -5bp for Tier 2 bonds issued by banks and by -18bp for subordinated debt issued by insurers and by -23bp to -45bp for AT1s, with an outperformance of euro-denominated AT1s.

In terms of TRR, the segments most exposed to interest rates underperformed, such as bank and insurer senior debt with -0,4% and -0,2% respectively, and bank Tier 2 IG with -0,1%, while insurer subordinated debt had a TRR of +0,3% and AT1s rose from +0,7% to +1,5%, the latter for euro-denominated AT1s.

From the start of the year, there was a clear tightening of spreads in the capital structure, with senior bank spreads down by -33bp, Tier 2 IG down by -61bp and AT1 down from -164bp to -229bp (AT1 in euros). For insurers, senior debt tightened by -38bp and subordinated debt by -67bp. TRRs show the same hierarchy, with the senior debt of banks and insurers ending the 2024 financial year with a TRR of +4,7%, while Tier 2 IG reached +7,3% and the subordinated debt of insurers +8,8%. AT1s were the best performers of the year, with between +10,9% and +14,2% (AT1 in euros).

Groupama Lazard Dettes Fi was able to outperform its benchmark in 2024 by +419bp for the IC share class, with a cumulative TRR of +11.7%.

The ECB and the Fed both cut rates by 25bp in December, while the BoE remained stable. The ECB and the Fed cut their rates by 100bp in 2024 and the BoE only by 50bp.

On the primary market, SCOR successfully issued its RT1 PerpNC10 for €500 million (6% coupon, 388bp reset) with an order book of €2,2 billion, despite the time of year and the downgrading of France by Moody's. BFCM also announced the call of three Legacy Tier 1 instruments at par, despite having claimed the contrary for years. On the Tier 2 side, Abanca issued a 12NC7 for €500 million (coupon of 4,625%, reset of 245 basis points), in parallel with an offer to buy back its existing Tier 2s. NIBC Bank issued a T2 of €200 million at 4,5% with an order book of €1,75 billion, Eurobank issued a PS of €600 million at 3,25% with an order book of €3,4 billion, Commerzbank issued a PS of €500 million at 2,625% with an order book of €3,8 billion and Newcastle Building Society issued an AT1 Perp NC5,5 of £40 million at 14%.

According to UBS, 2025 will be the busiest year in terms of calls for the AT1 market, with around €40 billion maturing/callable, or almost 20% of the AT1 market. With 63% of these AT1s already refinanced, around €15,2 billion would remain to be refinanced. For the first time in four years, the net supply of European financial issuers in 2025 will be much lower for all instruments. After the repayment of the ECB's TLTROs (€2,200 billion) and the issue of their MREL requirements, financing needs are much lower.

In addition, the Australian regulator has confirmed that it will phase out the use of AT1s: large internationally active banks will be able to replace 1,5% of AT1s with 1,25% Tier 2 and 0,25% CET1 capital, while smaller banks will be able to replace AT1s entirely with Tier 2, with a reduction in Tier 1 capital requirements. Finally, in the UK, the Supreme Court granted Close Brothers leave to appeal in the "Hopcraft" (car finance) case.

In terms of mergers and acquisitions, Unicredit increased its stake in Commerzbank to 28% (9,5% in direct shares and around 18,5% via derivatives). Unlike Italy, the German government does not have the power to block the transaction. Crédit Agricole said it had bought derivatives that could increase its stake in Banco BPM to 15,1% (from 9,9% currently), a move to counter UniCredit's takeover bid. The French bank is seeking authorisation to increase its stake in BPM above 10% to 19,9%, but has ruled out a takeover bid for the Italian bank's shares.

Nykredit announced a public offer for Spar Nord Bank at DKK 210 per share (valuing it at DKK 24,7 billion), with the acquisition expected to be completed in the first half of 2025 (subject to regulatory approvals). In Asia, Nippon Life plans to acquire Resolution Life (a Bermuda-based insurer) for approximately \$8,2 billion, a transaction expected to close in the second half of 2025.

The CEOs of Deutsche Bank and CaixaBank made some interesting comments, saying that mergers and acquisitions are/will be the order of the day and that the distribution to shareholders (compared with forecasts) should be seen in the context of opportunities for loan growth.

In the insurance sector, Matmut and HSBC signed a memorandum of understanding to acquire 100% of HSBC's French life insurance business for €925 million, representing around €20 billion in assets under management. Matmut recently obtained its first credit rating from Moody's at A2. The insurer is likely to issue subordinated debt to finance this acquisition in the near future.

Aviva and Direct Line reached an agreement. Aviva will launch a takeover bid for Direct Line at 275 pence per share, representing a premium of +73% to the share price on 27 November.

Zurich Insurance announced the acquisition of AIG's global personal travel business, Travel Guard, for \$600 million.

Amundi is interested in acquiring control of Allianz Global Investors, but Allianz has said it has suspended discussions.

Generali aims to finalise a preliminary agreement with Natixis potentially before Generali's investor day on 30 January.

In the insurance sector, a number of players presented their strategic plans. To mention only RoE targets: Allianz is targeting 17% (2024-2027), Talanx, Uniqa and Scor are targeting RoE > 12% (for 2025-2027, 2025-2028 and 2025-2026 respectively), Helvetia is targeting RoE between 13 and 16% (2025-2027), and Swiss Re is targeting RoE > 14% (2025). Lastly, Munich Re has not published an RoE target, but has set a net profit target for 2025 of €6 billion. Tryg announced new targets for 2025-2027 at its capital markets day, aiming for a COR of around 81% and an RoE of 35-40%. In addition, the insurer will launch a share buyback programme of DKK 2 billion, to be completed by 30 June 2025 at the latest. Swiss Life also announced a new 3-year plan, with the following targets: income net of expenses (FY27) - >CHF 1 billion, RoE (2025-27) - 17-19% (against a target of 10-12% for 2024), cumulative cash at the holding company of CHF 3,6-3,8 billion and a share buyback of CHF 750 million.

As far as ratings are concerned, the positive trend in ratings (or outlooks) continues to be good for European FIGs: Fitch upgraded CaixaBank's ratings by one notch to A- with a revised outlook to stable, Fitch placed Banco BPM on positive watch and gave UniCredit a positive outlook, and S&P gave KBC and Erste Bank a positive outlook. KBC is currently rated A- at the holding company level while Erste Bank is rated A+. On the other hand, Moody's placed a negative outlook on the Baa3 rating of the Hungarian bank OTP, not because of the bank's solidity, but because of the negative outlook on the sovereign.

S&P raised Slovenia's outlook to positive (from stable) while confirming its AA- rating, and the agency upgraded Cyprus's rating from BBB+ to A- (stable). Moody's assigned CCF (formerly HSBC France) an initial issuer rating of Baa2 with a stable outlook. In addition, the agency downgraded France's rating from Aa2 to Aa3 (stable), due to political fragmentation. Fitch upgraded the ratings of all Portuguese banks by one notch (Caixa Geral de Depositos BBB+ (stable), BCP BBB (positive), Novo Banco BBB (stable) and Montepio BB+ (stable)).

Following the sovereign downgrade, Moody's downgraded the senior preferred debt ratings (but not the NPS, Tier 2 and AT1 ratings) of BNPP, Crédit Agricole and Arkea from AA3 to A1. Fitch upgraded Cyprus's rating to A- (from BBB+) with a stable outlook, due to the sharp fall in the country's debt, and improved Hungary's outlook to stable (from negative) and confirmed the rating at BBB. S&P raised the outlook for Crelan, SEB, AIB and Bank of Ireland from stable to positive. It also upgraded Grupo Cooperativo Cajamar's ratings to BBB- (from BB+). Finally, Moody's upgraded Cyprus's rating to A3 (from Baa2). S&P confirmed France's rating at AA- with a stable outlook. This is a positive result, as most would not have seen a negative outlook as a surprise.

Main changes in the portfolio during the year

Securities	Changes ("accounting currency")	
	Purchases	Sales
LAZARD EU SHRT TRM MONEY M-C	396 410 845,59	399 445 437,93
LAZARD EURO MONEY MARKET-B	191 879 000,01	178 766 746,76
BARCLAYS 5,875% PERP	-	40 285 046,49
DEUTSCHE BK PARIS BRANCH 10.0% PERP	17 396 129,78	16 399 462,33
BANCO DE CREDITO SOCIAL 5.25% 27-11-31	-	33 043 979,51
ERSTE GR BK 7.0% PERP	31 276 435,14	-
DEUT BK 7.125 PERP	-	29 731 157,34
NN GROUP NV 6,375% PERP	12 992 200,00	13 286 331,68
UNICREDIT 6.5% PERP EMTN	26 073 681,69	-
ALPHA SERVICES AND 7.5% PERP	26 032 714,37	-

4. REGULATORY INFORMATION

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

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

• **Exposure through efficient management techniques:** -

- o Securities lending: -
- o Securities borrowing: -
- o Repurchase agreements: -
- o Reverse repurchase agreements: -

• **Underlying exposure through derivative financial instruments: 626 347 503,36**

- o Currency forwards: 626 347 503,36
- o Futures: -
- o Options: -
- o Swap: -

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

Efficient portfolio management techniques	Derivative financial instruments (*)
	BARCLAYS BANK IRELAND PLC BNP PARIBAS France BNP PARIBAS LONDON CITIGROUP GLOBAL MARKETS EUROPE AG GOLDMAN SACHS INTL LTD J.P.MORGAN AG FRANKFURT

(*) Excluding listed derivatives.

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

Instrument types	Amount in the currency of the portfolio
Efficient portfolio management techniques	
. Term deposits	-
. Equities	-
. Bonds	-
. UCITS	-
. Cash (*)	-
Total	-
Derivative financial instruments	
. Term deposits	-
. Equities	-
. Bonds	-
. UCITS	-
. Cash	720 000,00
Total	720 000,00

(*) 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	-
Total income	-
. Direct operating expenses	-
. Indirect operating expenses	-
. Other expenses	-
Total expenses	-

(*) 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

BROKERAGE FEES

Information about brokerage fees is available on the website: 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.

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 sustainable economic performance.

The long-term performance of investments is not limited to the sole consideration of 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.

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.

SWING PRICING

In order to protect the UCI's long-term unitholders, a swing factor will be applied to subscriptions and redemptions that have a significant impact on the UCI's outstandings, which may generate costs for unitholders entering and leaving the UCI that would otherwise have been allocated across all unitholders in the UCI.

Therefore, if, on a particular NAV calculation date, the total net subscription/redemption orders of investors across all categories of UCI units or shares exceeds a threshold predetermined by the management company on the basis of objective criteria and expressed as a percentage of the net assets in the UCI, the NAV may be adjusted upwards or downwards to take account of the readjustment costs attributable to the net subscription/redemption orders. The NAV of each unit or share class shall be calculated separately, but any adjustment shall have an identical impact, expressed as a percentage, on all of the NAV calculations of each unit or share category in the UCI.

The cost parameters and trigger level shall be determined by the management company and shall be reviewed periodically, and at least every six months. These costs shall be estimated by the management company based on transaction fees, bid/offer spreads and tax charges applicable to the UCI.

Insofar as this adjustment mechanism is linked to the net balance of subscriptions/redemptions within the UCI, it is not possible to accurately predict a given time in the future at which swing pricing will be applied. Consequently, neither is it possible to predict the precise frequency at which the management company will have to make such adjustments, which shall not exceed 1% of the NAV (see prospectus). Investors should be aware that the volatility of the UCI's NAV may not reflect solely that of the securities in the portfolio arising from the application of swing pricing.

REMUNERATION

The fixed and variable remuneration paid during the year ended December 31st, 2024 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 31/12/2024: Fixed-term and permanent contracts of LFG, LFG Luxembourg and LFG Belgique
(therefore excluding interns and apprentices and excluding LFG Courtage)**

Headcount at 31/12/2024 LFG - LFG Belgique - LFG Luxembourg	Fixed annual remuneration 2024 in €	Variable remuneration for 2024 (cash paid in 2025 and deferred compensation allocated in 2025) in €
229	24 007 768	28 926 961

“Identified employees”

Category	Number of employees	2024 aggregate fixed and variable remuneration (annual salaries and cash and deferred bonuses)
Senior management	3	5 639 385
Other	63	28 022 847
Total	66	33 662 232

Note: the amounts are stated excluding charges

OTHER INFORMATION

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

LAZARD FRERES GESTION SAS
25, Rue de Courcelles – 75008 Paris, France

www.lazardfreresgestion.fr

5. CERTIFICATION BY THE STATUTORY AUDITOR



Tour Exaltis
61, rue Henri Régault
92075 Paris La Défense, Cedex, France

LAZARD CAPITAL FI SRI open-end investment fund

Statutory auditor's report on the annual financial statements

Financial year ended December 31st, 2024

LAZARD CAPITAL FI SRI open-end investment fund

25 rue de Courcelles
75008 Paris, France

Statutory auditor's report on the annual financial statements

Financial year ended December 31st, 2024

To the unitholders of the LAZARD CAPITAL FI SRI open-end investment fund.

Opinion

In accordance with the terms of our appointment by the management company, we conducted our audit of the accompanying annual financial statements of the Undertaking for Collective Investment LAZARD CAPITAL FI SRI, as a French open-end investment fund (*fonds commun de placement - FCP*), for the financial year ended December 31st, 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 rules of independence set out in the French Commercial Code and the code of ethics for statutory auditors, for the period from December 31st, 2023 to the date of issue of our report.

Findings

Without qualifying our opinion, we draw your attention to the consequences of the change in accounting method described in the notes to the financial statements.

Basis of our opinions

In accordance with the provisions of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you that the most important assessments we carried out, in our professional judgement, focused on the appropriateness of the accounting principles applied, notably with regard to the financial instruments in the portfolio, and the overall presentation of the financial statements in accordance with the chart of accounts for open-end collective investment undertakings.

The assessments we have made are part of our audit of the annual financial statements as a whole and the opinion expressed above. We therefore express no opinion on the elements of the annual financial statements taken in isolation.

Specific verifications

We have also performed, in accordance with applicable professional standards in France, the specific verifications required by the laws and regulations.

We have no matters to report regarding the true and fair presentation of the information provided in the management report prepared by the management company, or its consistency with the annual financial statements.

Responsibilities of the management and persons charged with governance of the annual financial statements

It is the management company's role to draw up annual financial statements that give a fair and true picture in accordance with French accounting rules and principles and to implement the necessary internal control to be able to provide reasonable assurance that they are free from material misstatement, whether due to fraud or error.

As part of the preparation of the annual financial statements, the management company is responsible for assessing the Fund's capacity to continue operating as a going concern, to present in its financial statements, where necessary, information concerning business continuity, and to apply the accounting conventions of a going concern, unless it is planned to liquidate the Fund or terminate its activity.

The management company has prepared the annual financial statements.

Statutory auditor's responsibilities concerning the audit of the annual financial statements

Our role is to prepare a report on the annual financial statements and to obtain reasonable assurance that the annual financial statements as a whole are free of material misstatements. Reasonable assurance means a high but not absolute level of assurance that an audit performed in accordance with professional standards is free of material misstatement. Anomalies may stem from fraud or errors and are considered material when it can reasonably be expected that, taken individually or together, they could influence the economic decisions of users of the financial statements.

As stipulated in Article L.821-55 of the French Commercial Code (Code de commerce), our audit assignment does not consist in guaranteeing the viability or quality of the management of the FCP.

In the context of an audit performed in accordance with professional standards applicable in France, the statutory auditor must exercise its judgement throughout the course of the audit.

Moreover:

- it identifies and assess the risks that the annual financial statements may contain material misstatements, whether from fraud or error, defines and implements audit procedures to resolve these risks, and collects all elements deemed necessary and appropriate in order to give its opinion. The risk of failure to detect a material misstatement resulting from fraud is higher than that resulting from an error because fraud may involve collusion, falsification, deliberate omissions, false statements or by-passing of internal controls;
- it takes due note of the internal control relevant to the audit in order to define audit procedures that are appropriate to the circumstances, and not with a view to expressing an opinion on the efficiency of the internal control;
- it assesses the appropriateness of the accounting methods used and the reasonable nature of the accounting estimates made by the management, and the related information provided in the annual financial statements;
- it assesses the appropriateness of the management company's application of the accounting policy for a going concern and, based on the information collected, whether there is a significant uncertainty linked to events or circumstances that is likely to call into question the Fund's capacity to continue operating as a going concern. This assessment is based on the information collected up to the date of the report, bearing in mind nevertheless that subsequent circumstances or events could jeopardise the continuity of operation. If the statutory auditor observes the existence of a material uncertainty, it shall draw the attention of the readers of its report to the information provided in the annual financial statements on the subject of this uncertainty, or if this information has not been provided or is not relevant, it shall attach reservations to its certification or shall refuse to certify the accounts;

- it assesses the overall presentation of the annual financial statements and whether they provide a true picture of the underlying operations and events.

The statutory auditor

Forvis Mazars SA

Paris La Défense, date of electronic signature

Document authenticated and dated by electronic signature

11/04/2025

DocuSigned by:
Gilles Dunand-Roux
F03E23C213CF452...

Gilles Dunand-Roux

Partner

6. ANNUAL FINANCIAL STATEMENTS

Balance sheet assets as at 31/12/2024 in EUR	31/12/2024
Net tangible fixed assets	-
Financial securities	
Equities and similar securities (A)	-
Traded on a regulated or equivalent market	-
Not traded on a regulated or equivalent market	-
Bonds convertible into shares (B)	20 054 963,07
Traded on a regulated or equivalent market	20 054 963,07
Not traded on a regulated or equivalent market	-
Bonds and similar securities (C)	1 433 588 438,19
Traded on a regulated or equivalent market	1 433 588 438,19
Not traded on a regulated or equivalent market	-
Debt securities (D)	-
Traded on a regulated or equivalent market	-
Not traded on a regulated or equivalent market	-
UCI and investment fund units (E)	65 227 452,02
UCITS	65 227 452,02
AIFs and equivalents from other European Union Member States	
Other UCIs and investment funds	
Deposits (F)	
Forward financial instruments (G)	5 452 989,20
Temporary securities transactions (H)	
Receivables on securities purchased under repurchase agreements	
Receivables on securities pledged as collateral	
Receivables on loaned securities	
Borrowed securities	
Securities sold under repurchase agreements	
Other temporary transactions	
Loans (I) (*)	
Other eligible assets (J)	
Sub-total eligible assets I = (A+B+C+D+E+F+G+H+I+J)	1 524 323 842,48
Receivables and prepayments and accrued income	11 895 575,44
Financial accounts	8 933 127,27
Sub-total assets other than eligible assets II	20 828 702,71
Total assets I+II	1 545 152 545,19

(*) This section does not apply to the UCI under review.

Balance sheet liabilities as at 31/12/2024 in EUR	31/12/2024
Shareholders' equity:	
Share capital	1 327 867 451,60
Net income carried forward	693,57
Net realised gains and losses carried forward	-
Net income for the year	195 585 502,47
Shareholders' equity I	1 523 453 647,64
Financing liabilities II (*)	-
Equity and financing liabilities (I+II)	1 523 453 647,64
Eligible liabilities:	
Financial instruments (A)	-
Sales of financial instruments	-
Temporary financial securities transactions	-
Forward financial instruments (B)	13 196 661,22
Borrowings (C) (*)	-
Other eligible liabilities (D)	-
Sub-total eligible liabilities III = (A+B+C+D)	13 196 661,22
Other liabilities:	
Liabilities and accrued charges and deferred income	8 502 236,33
Bank overdrafts	-
Sub-total other liabilities IV	8 502 236,33
Total liabilities: I+II+III+IV	1 545 152 545,19

(*) This section does not apply to the UCI under review.

Income statement as at 31/12/2024 in EUR	31/12/2024
Net financial income	
Income from financial transactions:	
Income from equities	-
Income from bonds	79 240 864,33
Income from debt securities	
Income from UCI units	
Income from forward financial instruments	
Income from temporary securities transactions	
Income from loans and receivables	
Income from other eligible assets and liabilities	
Other financial income	416 535,47
Sub-total income from financial transactions	79 657 399,80
Expenses on financial transactions	
Expenses on financial transactions	
Expenses on forward financial instruments	
Expenses on temporary securities transactions	
Expenses on loans	
Expenses on other eligible assets and liabilities	
Expenses on financing liabilities	
Other financial expenses	-50 763,12
Sub-total expenses on financial transactions	-50 763,12
Total net financial income (A)	79 606 636,68
Other income:	
Distribution of management fees to the UCI	-
Capital or performance guarantee payments	-
Other income	-
Other expenses:	
Management company fees	-12 494 552,82
Audit and research fees for private equity funds	-
Taxes and duties	-
Other expenses	-
Sub-total other income and other expenses (B)	-12 494 552,82
Sub-total net income before accruals (C = A-B)	67 112 083,86
Adjustment of net income for the year (D)	7 515 216,33
Sub-total net income I = (C+D)	74 627 300,19
Net realised gains/losses before accruals:	
Realised capital gains/losses	-8 614 037,74
External transaction and disposal costs	-244 525,97
Research fees	-
Share of realised capital gains returned to insurers	-
Insurance compensation received	-
Capital or performance guarantee payments received	-
Sub-total net realised capital gains/losses before accruals (E)	-8 858 563,71
Adjustment of net realised capital gains/losses (F)	-2 209 440,98
Net realised gains/losses II = (E+F)	-11 068 004,69

Income statement as at 31/12/2024 in EUR	31/12/2024
Net unrealised gains/losses before accruals:	
Change in unrealised capital gains/losses including exchange differences on eligible assets	116 410 488,38
Exchange differences on foreign currency accounts	6 299,01
Capital or performance guarantee payments receivable	-
Share of unrealised capital gains to be returned to insurers	-
Sub-total of net unrealised gains/losses before accruals (G)	116 416 787,39
Adjustment of net unrealised capital gains/losses (H)	15 609 419,58
Net unrealised gains/losses III = (G+H)	132 026 206,97
Interim dividends:	
Interim dividends paid on net income for the financial year (J)	-
Interim dividends paid on net realised capital gains/losses for the financial year (K)	-
Total interim dividends paid in respect of the financial year IV = (J+K)	-
Corporate income tax V (*)	-
Net income I + II + III + IV + V	195 585 502,47

(*) This section does not apply to the UCI under review.

NOTES TO THE FINANCIAL STATEMENTS

A. General information

A1. Characteristics and activity of the open-ended UCI

A1a. Investment strategy and profile

RVC EUR, RVD EUR, PVC EUR, PVD EUR, TVD EUR, SC EUR, SD EUR, PVD F EUR, PVC F EUR, PC EUR units:

The investment objective is to achieve, through Socially Responsible Investment (SRI) management, a performance net of management fees that exceeds that of the following benchmark over the recommended investment period of 5 years: Barclays Global Contingent Capital Hedged EUR The benchmark index is expressed in EUR. The benchmark is hedged against currency risk with the reference currency being the EUR. Net dividends or coupons are reinvested.

PC H-USD, PVC H-USD, PD H-USD, RD H-USD units

The investment objective is to achieve, through Socially Responsible Investment (SRI) management, a performance net of management fees that exceeds that of the following benchmark over the recommended investment period of 5 years: Barclays Global Contingent Capital Hedged USD The benchmark index is expressed in USD. The benchmark is hedged against currency risk with the reference currency being the USD. Net dividends or coupons are reinvested.

PVC H-CHF, RC H-CHF units

The investment objective is to achieve, through Socially Responsible Investment (SRI) management, a performance net of management fees that exceeds that of the following benchmark over the recommended investment period of 5 years: Barclays Global Contingent Capital Hedged CHF The benchmark index is expressed in CHF. The benchmark is hedged against currency risk with the reference currency being the CHF. Net dividends or coupons are reinvested.

These characteristics are fully and accurately described in the prospectus/regulations of the UCI.

A1b. Characteristics of the UCI over the last 5 financial years

	31/12/2020	31/12/2021	30/12/2022	29/12/2023	31/12/2024
Global net assets in EUR	661 655 048,96	1 277 029 273,79	1 198 000 608,72	1 127 734 959,34	1 523 453 647,64
LAZARD CAPITAL FI SRI FI PVC H-CHF units in CHF					
Net assets in CHF	377 911,10	277 916,88	215 001,49	145 320,60	251 297,11
Number of units	350,000	242,500	210,544	137,282	213,794
Net asset value per unit in CHF	1 079,74	1 146,04	1 021,17	1 058,55	1 175,41
Accumulation per unit pertaining to income in euros	6,52	46,65	54,76	-124,60	-26,87
Accumulation per unit pertaining to income in euros	3,26	37,34	44,89	55,34	55,02
LAZARD CAPITAL FI SRI PC EUR units in EUR					
Net assets	-	-	8 668 546,82	59 142,26	10 889 103,10
Number of units	-	-	9 171,000	59,000	9 504,398
Net asset value per unit	-	-	945,21	1 002,41	1 145,69
Accumulation per unit pertaining to net capital gains and losses	-	-	-1,79	-118,48	-8,51
Accumulation per unit pertaining to income	-	-	39,66	49,98	53,04
LAZARD CAPITAL FI SRI PC H USD units in USD					
Net assets in USD	745 044,27	201 227,09	468 961,05	450 339,75	591 003,09
Number of units	701,000	176,421	450,000	400,000	453,000
Net asset value per unit in USD	1 062,83	1 140,60	1 042,13	1 125,84	1 304,64
Accumulation per unit pertaining to income in euros	-19,20	81,04	79,48	-109,22	38,44
Accumulation per unit pertaining to income in euros	36,99	35,06	44,89	50,97	55,14

	31/12/2020	31/12/2021	30/12/2022	29/12/2023	31/12/2024
LAZARD CAPITAL FI SRI PD-H-USD units in USD					
Net assets in USD	-	-	962,94	990,83	1 100,82
Number of units	-	-	1,000	1,000	1,000
Net asset value per unit in USD	-	-	962,94	990,83	1 100,82
Undistributed net capital gains and losses per unit in euros	-	-	-	-	32,33
Accumulation per unit pertaining to income in euros	-	-	82,32	-100,36	-
Distribution per unit pertaining to income in euros	-	-	38,03	11,34	47,10
Tax credit per unit in euros	-	-	-	-	-
Retained earnings per unit pertaining to net income in euros	-	-	-	34,02	39,21
LAZARD CAPITAL FI SRI PVC EUR units in EUR					
Net assets	304 292 033,78	339 803 996,24	273 444 299,39	210 555 363,12	232 902 545,94
Number of units	147 123,302	154 385,863	139 031,486	100 885,502	97 891,998
Net asset value per unit	2 068,27	2 201,00	1 966,77	2 087,07	2 379,17
Accumulation per unit pertaining to net capital gains and losses	106,19	15,89	-3,86	-246,64	-17,72
Accumulation per unit pertaining to income	60,06	77,20	86,63	104,70	104,37
LAZARD CAPITAL FI SRI PVC F EUR units in EUR					
Net assets	-	-	16 582 365,48	61 002 736,41	71 005 134,24
Number of units	-	-	17 256,240	59 660,223	60 779,914
Net asset value per unit	-	-	960,94	1 022,50	1 168,23
Accumulation per unit pertaining to net capital gains and losses	-	-	-1,13	-120,62	-8,67
Accumulation per unit pertaining to income	-	-	37,25	54,08	53,65
LAZARD CAPITAL FI SRI PVC H-USD units in USD					
Net assets in USD	4 488 743,86	16 504 699,48	15 707 781,56	8 594 919,55	11 183 801,84
Number of units	2 914,871	9 998,750	10 419,934	5 270,255	5 928,719
Net asset value per unit in USD	1 539,94	1 650,67	1 507,47	1 630,83	1 886,37
Accumulation per unit pertaining to income in euros	-22,12	117,30	114,52	-158,12	55,59
Accumulation per unit pertaining to income in euros	39,83	51,63	63,95	74,50	76,67

	31/12/2020	31/12/2021	30/12/2022	29/12/2023	31/12/2024
LAZARD CAPITAL FI SRI PVD EUR units in EUR					
Net assets	55 061 743,67	69 573 714,58	63 575 736,93	53 883 780,21	48 568 802,50
Number of units	477,883	585,326	621,603	522,103	434,148
Net asset value per unit	115 220,13	118 863,18	102 277,07	103 205,26	111 871,53
Accumulation per unit pertaining to net capital gains and losses	6 018,63	871,85	-214,86	-12 688,22	-929,66
Distribution per unit pertaining to income	3 598,16	4 178,82	4 522,45	5 268,00	4 947,44
Tax credit per unit	-	-	-	-	-
LAZARD CAPITAL FI SRI PVD F EUR units in EUR					
Net assets	-	-	244 998,09	3 235 546,51	2 719 581,50
Number of units	-	-	254,720	3 305,728	2 565,085
Net asset value per unit	-	-	961,83	978,76	1 060,23
Accumulation per unit pertaining to net capital gains and losses	-	-	-1,15	-119,56	-8,83
Distribution per unit pertaining to income	-	-	38,11	52,85	49,15
Tax credit per unit	-	-	-	-	-
LAZARD CAPITAL FI SRI RC H-CHF units in CHF					
Net assets in CHF	-	-	-	1 011,50	29 715,99
Number of units	-	-	-	1,000	26,598
Net asset value per unit in CHF	-	-	-	1 011,50	1 117,22
Accumulation per unit pertaining to income in euros	-	-	-	-119,02	-25,75
Accumulation per unit pertaining to income in euros	-	-	-	57,05	46,20

	31/12/2020	31/12/2021	30/12/2022	29/12/2023	31/12/2024
LAZARD CAPITAL FI SRI RD H-USD units in USD					
Net assets in USD	-	-	956,49	983,34	1 091,91
Number of units	-	-	1,000	1,000	1,000
Net asset value per unit in USD	-	-	956,49	983,34	1 091,91
Undistributed net capital gains and losses per unit in euros	-	-	-	-	32,00
Accumulation per unit pertaining to income in euros	-	-	82,45	-99,52	-
Distribution per unit pertaining to income in euros	-	-	31,95	9,74	40,83
Tax credit per unit in euros	-	-	-	-	-
Retained earnings per unit pertaining to net income in euros	-	-	-	29,19	34,95
LAZARD CAPITAL FI SRI RVC EUR units in EUR					
Net assets	4 869 404,11	9 345 610,20	24 018 322,90	21 911 422,57	30 764 227,42
Number of units	41 912,543	76 073,806	220 258,988	190 565,484	236 207,435
Net asset value per unit	116,18	122,84	109,04	114,98	130,24
Accumulation per unit pertaining to net capital gains and losses	5,98	0,88	-0,21	-13,64	-0,97
Accumulation per unit pertaining to income	2,50	3,55	4,07	5,12	4,95
LAZARD CAPITAL FI SRI RVD EUR units in EUR					
Net assets	7 190 084,43	14 788 513,15	9 897 892,44	5 958 708,43	7 165 209,26
Number of units	51 578,988	102 893,736	80 017,942	47 691,966	52 922,423
Net asset value per unit	139,39	143,72	123,69	124,94	135,39
Undistributed net capital gains and losses per unit	-	1,05	-	-	-
Accumulation per unit pertaining to net capital gains and losses	7,28	-	-0,25	-15,33	-1,11
Distribution per unit pertaining to income	3,54	4,16	4,65	5,62	5,19
Tax credit per unit	-	-	-	-	-

	31/12/2020	31/12/2021	30/12/2022	29/12/2023	31/12/2024
LAZARD CAPITAL FI SRI SC EUR units in EUR					
Net assets	246 040 055,35	712 445 872,50	670 084 841,42	651 340 199,92	925 504 239,56
Number of units	20 040,184	54 158,049	56 617,126	51 634,050	63 870,690
Net asset value per unit	12 277,33	13 154,93	11 835,37	12 614,54	14 490,28
Accumulation per unit pertaining to net capital gains and losses	626,58	94,77	-22,80	-1 485,78	-107,00
Accumulation per unit pertaining to income	464,48	547,98	607,04	685,59	737,38
LAZARD CAPITAL FI SRI SD EUR units in CHF					
Net assets	26 812 205,21	102 635 152,73	108 107 477,16	107 994 543,03	177 862 312,73
Number of units	2 523,383	9 328,926	11 424,926	11 365,912	17 202,129
Net asset value per unit	10 625,49	11 001,81	9 462,42	9 501,61	10 339,55
Undistributed net capital gains and losses per unit	-	80,61	-	-	-
Accumulation per unit pertaining to net capital gains and losses	539,86	-	-19,77	-1 172,84	-85,85
Distribution per unit pertaining to income	366,75	460,90	488,71	521,51	531,39
Tax credit per unit	-	-	-	-	-
LAZARD CAPITAL FI SRI TVD EUR units in EUR					
Net assets	12 762 562,88	13 477 790,45	7 999 188,57	3 445 984,02	4 399 800,14
Number of units	120 811,027	123 652,236	85 294,627	36 413,330	42 898,367
Net asset value per unit	105,64	108,99	93,78	94,63	102,56
Undistributed net capital gains and losses per unit	-	0,79	-	-	-
Accumulation per unit pertaining to net capital gains and losses	5,52	-	-0,19	-11,63	-0,85
Distribution per unit pertaining to income	3,29	3,84	4,15	4,85	4,54
Tax credit per unit	-	-	-	-	-

A2. Accounting rules and principles

The annual financial statements are for the first time presented in accordance with regulation 2020-07 of the French accounting standards body (Autorité des Normes Comptables - ANC) amended by ANC regulation 2022-03.

1 Changes in accounting methods, including presentation, in connection with the application of the new accounting regulations relating to the annual financial statements of open-ended undertakings for collective investment (amended ANC regulation 2020-07)

This new regulation requires changes in accounting methods, including changes in the presentation of the annual financial statements. Comparability with the previous year's financial statements is therefore not possible.

Note: the statements concerned are (in addition to the balance sheet and income statement): B1. Changes in shareholders' equity and financing liabilities; D5a. Appropriation of distributable income pertaining to net income and D5b. Appropriation of distributable income pertaining to net realised capital gains and losses. Therefore, in accordance with the 2nd paragraph of Article 3 of ANC Regulation 2020-07, the financial statements do not present data for the previous financial year; the N-1 financial statements are included in the notes to the financial statements.

These changes mainly concern:

- the balance sheet structure, which is now presented by type of eligible asset and liability, including loans and borrowings;
- the structure of the income statement, which has been radically changed; the income statement includes in particular: exchange differences on financial accounts, unrealised capital gains and losses, realised capital gains and losses and transaction costs;
- the elimination of the off-balance sheet table (some of the information on the items in this table is now included in the notes to the financial statements);
- the abolition of the option to account for expenses included in the cost price (without retroactive effect for funds previously applying the inclusive expenses method);
- the distinction between convertible bonds and other bonds, and their respective accounting records;
- a new classification of target funds held in the portfolio according to the model: UCITS / AIFs / Other;
- the recognition of forward foreign exchange commitments, which is no longer done at balance sheet level but at off-balance sheet level, with information on forward foreign exchange covering a specific portion;
- the addition of information on direct and indirect exposure to different markets;
- the presentation of the inventory, which now distinguishes between eligible assets and liabilities and forward financial instruments.
- the adoption of a single presentation model for all types of UCIs;
- the elimination of the aggregation of accounts for umbrella funds.

2 Accounting rules and methods applied during the year

General accounting principles apply (subject to the changes described above):

- true and fair view, comparability, business continuity,
- regularity, truthfulness,
- prudence,
- permanence of the accounting methods used each year.

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

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 value for which the management company is responsible. These valuations and the related 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:**

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 net asset values are published monthly may be valued on the basis of interim net asset values 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.

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.

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).

Method related to swing pricing adjustments to net asset value (NAV) with a trigger level: In order to protect the Fund's long-term unitholders, a swing factor will be applied to subscriptions and redemptions that have a significant impact on the Fund's outstandings, which may generate costs for unitholders entering and leaving the Fund that would otherwise have been allocated across all unitholders in the Fund. Therefore, if, on a particular NAV calculation date, the total net subscription/redemption orders of investors across all categories of Fund units exceeds a threshold predetermined by the management company on the basis of objective criteria and expressed as a percentage of the net assets in the Fund, the NAV must be adjusted upwards or downwards to take account of the readjustment costs attributable to the net subscription/redemption orders. The NAV of each unit category shall be calculated separately, but any adjustment shall have an identical impact, expressed as a percentage, on all of the NAV calculations of each unit category in the Fund.

The cost parameters and trigger level shall be determined by the management company and shall be reviewed periodically, and at least every six months. These costs shall be estimated by the management company based on transaction fees, bid/offer spreads and tax charges applicable to the Fund. Insofar as this adjustment mechanism is linked to the net balance of subscriptions/redemptions within the Fund, it is not possible to accurately predict a given time in the future at which it will be applied. Consequently, neither is it possible to predict the precise frequency at which the manager company will have to make such adjustments, which shall not exceed 2.5% of the NAV. Investors should be aware that the volatility of the Fund's NAV may not reflect solely that of the securities in the portfolio arising from the application of swing pricing.

Direct exposure to credit markets: principles and rules used to break down the components of the UCI's portfolio (table C1f.):

All components of the UCI's portfolio with direct exposure to credit markets are included in this table.

For each item, the various ratings are retrieved: issue and/or issuer rating, long-term and/or short-term rating. These ratings are obtained from three rating agencies

The rules for determining the rating used are then:

First level: if there is a rating for the issue, this is retained at the expense of the issuer's rating

Second level: the lowest long-term rating is retained from among those available from the three rating agencies. If there is no long-term rating, the lowest short-term rating is retained from among those available from the three rating agencies

If no rating is available, the item will be considered as "Unrated"

Lastly, according to the rating selected, the item is categorised according to market standards defining the concepts of "Investment Grade" and "Non-Investment Grade".

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:

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

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.

<i>Fees charged to the UCI</i>	<i>Basis</i>	<i>Units</i>	<i>Maximum rate (incl. taxes)</i>
Financial management fees	Net assets	RVC EUR	1,715%
		RVD EUR	1,715%
		PVC EUR	0,965%
		PVD EUR	0,965%
		PC H-USD	1,250%
		PVC H-USD	0,965%
		PVC H-CHF	0,965%
		TVD EUR	0,965%
		SC EUR	0,700%
		SD EUR	0,700%
		PVD F EUR	0,70%
		PVC F EUR	0,70%
		PC EUR	1,20%
		PD H-USD	1,25%
		RD H-USD	2,00%
RC H-CHF	2,00%		
Operating and other service fees	Net assets	Applied to all units	0,035%
Indirect charges (management fees and expenses)	NA	Applied to all units	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 units	None
Performance fee	Net assets	RVC EUR, RVD EUR, PVC EUR, PVD EUR, PVC H-USD, PVC HCHF, TVD EUR, PVD F EUR, PVC F EUR, RVC EUR, RVD EUR, PVC EUR, PVD EUR, PVC H-USD, PVC H-CHF, TVD EUR, PVD F EUR, PVC F EUR	15% of the Fund's outperformance relative to the benchmark index
		PC H-USD, SC EUR, SD EUR, PC EUR, PD H-USD, RD H-USD, RC H-CHF	None

Retrocessions received on management fees or entry charges

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 UCI 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 unit 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 unit on a given date is defined as the positive difference between the assets of the UCI unit 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.

Negative performance recovery and reference period

As stated in the ESMA guidelines on performance fees, the reference period is “the time horizon over which the performance is measured and compared with that of the benchmark, at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset. This period is set at 5 years. This means that after 5 consecutive years without crystallisation, uncompensated underperformances prior to five years will no longer be taken into account in the calculation of the performance fee.

Observation period

The first observation period will start with a period of twelve months starting on 01/01/2022. At the end of each financial year, one of the following two cases may occur:

- The UCI unit underperformed over the observation period. In this case, no fee is charged and the observation period is extended by one year, up to a maximum of 5 years (reference period).
- The UCI unit outperformed over the observation period. In this case, the management company receives the provisioned fees (crystallisation), the calculation is reset, and a new twelve-month observation period begins.

Provisioning

Each time the net asset value (NAV) is established, the performance fee is subject to a provision (of 15% of the outperformance) when the performance of the UCI unit is higher than that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance. In case of redemptions during the period, the proportion of the provision corresponding to the number of units redeemed is definitively acquired and charged by the management company.

Crystallisation

The crystallisation period, i.e. the frequency at which the provisioned performance fee, if any, must be paid to the management company, is twelve months.

The first crystallisation period will end on the last day of the financial year ending on 30/12/2022.

Appropriation of distributable income

Definition of distributable income:

Distributable income consists of:

Income:

Net income plus retained earnings and plus or minus the balance of the income adjustment account.

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.

The amounts referred to as "income" and "capital gains and losses" may be distributed independently of each other, in whole or in part.

Distributable income is paid out no later than five months after the end of the financial year.

Where the UCI is authorised under Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, by way of derogation from the provisions of I, distributable income may also include unrealised capital gains.

Unit(s)	Appropriation of net income	Appropriation of net realised capital gains or losses
LAZARD CAPITAL FI SRI PVD F EUR units	Distribution	Distribution
LAZARD CAPITAL FI SRI PC H USD units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI SC EUR units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI FI PVC H-CHF units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI PVC F EUR units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI SD EUR units	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company
LAZARD CAPITAL FI SRI PVD EUR units	Distribution	Accumulation
LAZARD CAPITAL FI SRI RVD EUR units	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company
LAZARD CAPITAL FI SRI RC H-CHF units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI PVC EUR units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI PVC H- USD units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI RD H- USD units	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company
LAZARD CAPITAL FI SRI PC EUR units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI TVD EUR units	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company
LAZARD CAPITAL FI SRI RVC EUR units	Accumulation	Accumulation and/or Distribution and/or Retention as decided by the management company
LAZARD CAPITAL FI SRI PD-H- USD units	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company

B. Changes in shareholders' equity and financing liabilities

B1. Changes in shareholders' equity and financing liabilities

Changes in shareholders' equity during the year in EUR	31/12/2024
Shareholders' equity at beginning of year	1 127 734 959,34
Cash flow for the year:	
Subscriptions called (including subscription fee retained by the UCI)	725 741 108,77
Redemptions (net of redemption fee retained by the UCI)	-495 410 346,25
Net income for the year before accruals	67 112 083,86
Net realised capital gains/losses before accruals	-8 858 563,71
Change in unrealised gains/losses before accruals	116 416 787,39
Distribution of prior year's net income	-9 282 318,55
Distribution of prior year's net realised capital gains and losses	-
Distribution of prior year's unrealised capital gains	-
Interim dividends paid on net income during the year	-63,21
Interim dividends paid on net realised capital gains or losses during the year	-
Interim dividends paid on unrealised capital gains during the year	-
Other items	-
Shareholders' equity at year-end (= Net assets)	1 523 453 647,64

B2. Reconstitution of the "equity" line of private equity funds and other vehicles

For the UCI under review, the presentation of this item is not required by accounting regulations.

B3. Change in the number of units during the year

B3a. Number of units subscribed and redeemed during the year

	In units	In amounts
LAZARD CAPITAL FI SRI FI PVC H-CHF units		
Units subscribed during the financial year	98,673	114 102,31
Units redeemed during the financial year	-22,161	-27 146,42
Net balance of subscriptions/redemptions	76,512	86 955,89
Number of outstanding units at end of financial year	213,794	
LAZARD CAPITAL FI SRI PC EUR units		
Units subscribed during the financial year	9 612,383	10 141 426,48
Units redeemed during the financial year	-166,985	-181 263,46
Net balance of subscriptions/redemptions	9 445,398	9 960 163,02
Number of outstanding units at end of financial year	9 504,398	
LAZARD CAPITAL FI SRI PC H USD units		
Units subscribed during the financial year	278,000	297 824,29
Units redeemed during the financial year	-225,000	-249 850,25
Net balance of subscriptions/redemptions	53,000	47 974,04
Number of outstanding units at end of financial year	453,000	
LAZARD CAPITAL FI SRI PD-H-USD units		
Units subscribed during the financial year	-	-
Units redeemed during the financial year	-	-
Net balance of subscriptions/redemptions	-	-
Number of outstanding units at end of financial year	1,000	
LAZARD CAPITAL FI SRI PVC EUR units		
Units subscribed during the financial year	72 785,495	159 913 517,41
Units redeemed during the financial year	-75 778,999	-166 736 734,25
Net balance of subscriptions/redemptions	-2 993,504	-6 823 216,84
Number of outstanding units at end of financial year	97 891,998	
LAZARD CAPITAL FI SRI PVC F EUR units		
Units subscribed during the financial year	37 292,676	40 675 830,45
Units redeemed during the financial year	-36 172,985	-40 483 182,97
Net balance of subscriptions/redemptions	1 119,691	192 647,48
Number of outstanding units at end of financial year	60 779,914	
LAZARD CAPITAL FI SRI PVC H-USD units		
Units subscribed during the financial year	8 196,464	13 284 868,58
Units redeemed during the financial year	-7 538,000	-12 154 831,65
Net balance of subscriptions/redemptions	658,464	1 130 036,93
Number of outstanding units at end of financial year	5 928,719	
LAZARD CAPITAL FI SRI PVD EUR units		
Units subscribed during the financial year	34,157	3 720 798,49
Units redeemed during the financial year	-122,112	-13 157 324,19
Net balance of subscriptions/redemptions	-87,955	-9 436 525,70
Number of outstanding units at end of financial year	434,148	

B3a. Number of units subscribed and redeemed during the year

	In units	In amounts
LAZARD CAPITAL FI SRI PVD F EUR units		
Units subscribed during the financial year	1 970,874	2 010 719,97
Units redeemed during the financial year	-2 711,517	-2 802 483,53
Net balance of subscriptions/redemptions	-740,643	-791 763,56
Number of outstanding units at end of financial year	2 565,085	
LAZARD CAPITAL FI SRI RC H-CHF units		
Units subscribed during the financial year	25,598	27 715,98
Units redeemed during the financial year	-	-
Net balance of subscriptions/redemptions	25,598	27 715,98
Number of outstanding units at end of financial year	26,598	
LAZARD CAPITAL FI SRI RD H-USD units		
Units subscribed during the financial year	-	-
Units redeemed during the financial year	-	-
Net balance of subscriptions/redemptions	-	-
Number of outstanding units at end of financial year	1,000	
LAZARD CAPITAL FI SRI RVC EUR units		
Units subscribed during the financial year	201 268,682	24 558 810,32
Units redeemed during the financial year	-155 626,731	-18 409 374,31
Net balance of subscriptions/redemptions	45 641,951	6 149 436,01
Number of outstanding units at end of financial year	236 207,435	
LAZARD CAPITAL FI SRI RVD EUR units		
Units subscribed during the financial year	17 142,950	2 234 948,51
Units redeemed during the financial year	-11 912,493	-1 544 370,32
Net balance of subscriptions/redemptions	5 230,457	690 578,19
Number of outstanding units at end of financial year	52 922,423	
LAZARD CAPITAL FI SRI SC EUR units		
Units subscribed during the financial year	29 696,362	406 884 456,90
Units redeemed during the financial year	-17 459,722	-238 365 120,55
Net balance of subscriptions/redemptions	12 236,640	168 519 336,35
Number of outstanding units at end of financial year	63 870,690	
LAZARD CAPITAL FI SRI SD EUR units		
Units subscribed during the financial year	5 836,217	59 999 994,71
Units redeemed during the financial year	-	-
Net balance of subscriptions/redemptions	5 836,217	59 999 994,71
Number of outstanding units at end of financial year	17 202,129	
LAZARD CAPITAL FI SRI TVD EUR units		
Units subscribed during the financial year	19 468,319	1 876 094,37
Units redeemed during the financial year	-12 983,282	-1 298 664,35
Net balance of subscriptions/redemptions	6 485,037	577 430,02
Number of outstanding units at end of financial year	42 898,367	

B3b. Subscription and/or redemption fees retained

	In amounts
LAZARD CAPITAL FI SRI FI PVC H-CHF units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI PC EUR units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI PC H USD units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI PD-H-USD units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI PVC EUR units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI PVC F EUR units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI PVC H-USD units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI PVD EUR units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI PVD F EUR units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI RC H-CHF units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-

B3b. Subscription and/or redemption fees retained

	In amounts
LAZARD CAPITAL FI SRI RD H-USD units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI RVC EUR units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI RVD EUR units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI SC EUR units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI SD EUR units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-
LAZARD CAPITAL FI SRI TVD EUR units	
Total subscription and/or redemption fees earned	-
Subscription fees acquired	-
Redemption fees acquired	-

B4. Flows concerning the nominal amount called and redeemed during the year

For the UCI under review, the presentation of this item is not required by accounting regulations.

B5. Flows on financing liabilities

For the UCI under review, the presentation of this item is not required by accounting regulations.

B6. Breakdown of net assets by type of unit

Unit name ISIN code	Appropriation of net income	Appropriation of net realised capital gains or losses	Unit currency	Net assets per unit	Number of units	NAV
LAZARD CAPITAL FI SRI FI PVC H-CHF FR0013236783	Accumulation	Accumulation	CHF	251 297,11	213,794	1 175,41
LAZARD CAPITAL FI SRI PC EUR FR0014008DD5	Accumulation	Accumulation	EUR	10 889 103,10	9 504,398	1 145,69
LAZARD CAPITAL FI SRI PC H-USD FR0013476041	Accumulation	Accumulation	USD	591 003,09	453,000	1 304,64
LAZARD CAPITAL FI SRI PD-H-USD FR0014008F19	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company	USD	1 100,82	1,000	1 100,82
LAZARD CAPITAL FI SRI PVC EUR FR0010952788	Accumulation	Accumulation	EUR	232 902 545,94	97 891,998	2 379,17
LAZARD CAPITAL FI SRI PVC F EUR FR00140053H5	Accumulation	Accumulation	EUR	71 005 134,24	60 779,914	1 168,23
LAZARD CAPITAL FI SRI PVC H-USD FR0013072733	Accumulation	Accumulation	USD	11 183 801,84	5 928,719	1 886,37
LAZARD CAPITAL FI SRI PVD EUR FR0013043841	Distribution	Accumulation	EUR	48 568 802,50	434,148	111 871,53
LAZARD CAPITAL FI SRI PVD F EUR FR00140053I3	Distribution	Distribution	EUR	2 719 581,50	2 565,085	1 060,23
LAZARD CAPITAL FI SRI RC H-CHF FR001400FC96	Accumulation	Accumulation	CHF	29 715,99	26,598	1 117,22
LAZARD CAPITAL FI SRI RD H-USD FR0014008FK5	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company	USD	1 091,91	1,000	1 091,91
LAZARD CAPITAL FI SRI RVC EUR FR0013306727	Accumulation	Accumulation and/or Distribution and/or Retention as decided by the management company	EUR	30 764 227,42	236 207,435	130,24
LAZARD CAPITAL FI SRI RVD EUR FR0010952796	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company	EUR	7 165 209,26	52 922,423	135,39
LAZARD CAPITAL FI SRI SC EUR FR0013311446	Accumulation	Accumulation	EUR	925 504 239,56	63 870,690	14 490,28
LAZARD CAPITAL FI SRI SD EUR FR0013476058	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company	EUR	177 862 312,73	17 202,129	10 339,55
LAZARD CAPITAL FI SRI TVD EUR FR0013305968	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company	EUR	4 399 800,14	42 898,367	102,56

C. Information on direct and indirect exposures to different markets

C1. Presentation of direct exposures by type of market and exposure

C1a. Direct exposure to the equity market (excluding convertible bonds)

Amounts in thousands of EUR	Exposure +/-	Breakdown of significant exposures by country				
		Country 1 +/-	Country 2 +/-	Country 3 +/-	Country 4 +/-	Country 5 +/-
Assets						
Equities and similar securities	-	-	-	-	-	-
Temporary securities transactions	-	-	-	-	-	-
Liabilities						
Sales of financial instruments	-	-	-	-	-	-
Temporary securities transactions	-	-	-	-	-	-
Off-balance sheet items						
Futures	-	N/A	N/A	N/A	N/A	N/A
Options	-	N/A	N/A	N/A	N/A	N/A
Swaps	-	N/A	N/A	N/A	N/A	N/A
Other financial instruments	-	N/A	N/A	N/A	N/A	N/A
Total	-					

C1b. Exposure to the convertible bond market - Breakdown by country and maturity of exposure

Amounts in thousands of EUR	Exposure +/-	Breakdown of exposure by maturity			Breakdown by delta level	
		<= 1 year	1<X<=5 years	> 5 years	<= 0,6	0,6<X<=1
ITALY	10 699,86	-	-	10 699,86	10 699,86	-
BELGIUM	9 355,10	-	-	9 355,10	9 355,10	-
Total	20 054,96	-	-	20 054,96	20 054,96	-

C1c. Direct exposure to the fixed income market (excluding convertible bonds) - Breakdown by type of interest rate

Amounts in thousands of EUR	Exposure +/-	Breakdown of exposures by type of interest rate			
		Fixed rate +/-	Variable or adjustable rate +/-	Indexed rate +/-	Other or without interest rate counterparty +/-
Assets					
Deposits	-	-	-	-	-
Bonds	1 433 588,44	1 430 348,56	3 239,88	-	-
Debt securities	-	-	-	-	-
Temporary securities transactions	-	-	-	-	-
Financial accounts	8 933,13	-	-	-	8 933,13
Liabilities					
Sales of financial instruments					
Temporary securities transactions	-	-	-	-	-
Borrowings	-	-	-	-	-
Financial accounts	-	-	-	-	-
Off-balance sheet items					
Futures	N/A	-	-	-	-
Options	N/A	-	-	-	-
Swaps	N/A	-	-	-	-
Other financial instruments	N/A	-	-	-	-
Total		1 430 348,56	3 239,88	-	8 933,13

C1d. Direct exposure to the fixed income market (excluding convertible bonds) - Breakdown by residual maturity

Amounts in thousands of EUR	[0 - 3 months] (*)]3 - 6 months] (*)]6 - 12 months] (*)]1 - 3 years] (*)]3 - 5 years] (*)]5 - 10 years] (*)	>10 years (*)
	+/-	+/-	+/-	+/-	+/-	+/-	+/-
Assets							
Deposits	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	11 018,57	1 422 569,87
Debt securities	-	-	-	-	-	-	-
Temporary securities transactions	-	-	-	-	-	-	-
Financial accounts	8 933,13	-	-	-	-	-	-
Liabilities							
Sales of financial instruments	-	-	-	-	-	-	-
Temporary securities transactions	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-
Financial accounts	-	-	-	-	-	-	-
Off-balance sheet items							
Futures	-	-	-	-	-	-	-
Options	-	-	-	-	-	-	-
Swaps	-	-	-	-	-	-	-
Other instruments	-	-	-	-	-	-	-
Total	8 933,13	-	-	-	-	11 018,57	1 422 569,87

(*) The UCI may group or complete the residual maturity intervals depending on the relevance of the investment and borrowing strategies.

C1e. Direct exposure to the currency market

Amounts in thousands of EUR	Currency 1	Currency 2	Currency 3	Currency 4	Currency N
	USD	GBP	PLN	CHF	
	+/-	+/-	+/-	+/-	+/-
Assets					
Deposits	-	-	-	-	-
Equities and similar securities	-	-	-	-	-
Bonds and similar securities	210 324,28	184 041,95	18 796,92	-	-
Debt securities	-	-	-	-	-
Temporary securities transactions	-	-	-	-	-
Receivables	-	-	-	-	-
Financial accounts	753,25	5,36	0,12	10,38	-
Liabilities					
Sales of financial instruments	-	-	-	-	-
Temporary securities transactions	-	-	-	-	-
Borrowings	-	-	-	-	-
Liabilities	-896,98	-	-	-1,16	-
Financial accounts	-	-	-	-	-
Off-balance sheet items					
Foreign currencies receivable	93 643,39	12 747,94	-	-	-
Foreign currencies to be delivered	-305 285,38	-196 747,70	-18 703,61	-	-
Futures options swaps	-	-	-	-	-
Other transactions	-	-	-	-	-
Total	-1 427,94	47,55	93,43	9,22	-

C1f. Direct exposure to credit markets(*)

Amounts in thousands of EUR	Invest. Grade	Non Invest. Grade	Unrated
	+/-	+/-	+/-
Assets			
Bonds convertible into shares	-	20 054,96	-
Bonds and similar securities	214 558,49	1 196 955,06	22 074,89
Debt securities	-	-	-
Temporary securities transactions	-	-	-
Liabilities			
Sales of financial instruments	-	-	-
Temporary securities transactions	-	-	-
Off-balance sheet items			
Credit derivatives	-	-	-
Net balance	214 558,49	1 217 010,02	22 074,89

(*) The principles and rules used to break down the UCI 's portfolio by credit market exposure category are described in chapter A2. Accounting rules and principles

C1g. Exposure of transactions involving a counterparty

Counterparties (amounts in thousands of EUR)	Current value of a receivable	Current value of a liability
Transactions on the asset side of the balance sheet		
Deposits		
Non-cleared forward financial instruments		
BARCLAYS BANK IRELAND PLC	392,79	-
BNP PARIBAS FRANCE	4 587,29	-
CITIGROUP GLOBAL MARKETS EUROPE AG	336,76	-
Receivables on securities purchased under repurchase agreements		
Receivables on securities pledged as collateral		
Receivables on loaned securities		
Borrowed securities		
Securities received as collateral		
Securities sold under repurchase agreements		
Receivables		
Cash collateral		
CITIGROUP GLOBAL MARKETS EUROPE AG	3 430,00	-
GOLDMAN SACHS INTL LTD	2 800,00	-
J.P.MORGAN AG FRANKFURT	740,00	-
Cash security deposit paid		
Transactions on the liabilities side of the balance sheet		
Liabilities on securities sold under repurchase agreements		
Non-cleared forward financial instruments		
J.P.MORGAN AG FRANKFURT	-	1 280,96
GOLDMAN SACHS INTL LTD	-	2,82
CITIGROUP GLOBAL MARKETS EUROPE AG	-	4 827,17
BARCLAYS BANK IRELAND PLC	-	3 281,60
BNP PARIBAS FRANCE	-	3 801,30
Liabilities		
Cash collateral		
BNP PARIBAS LONDON	-	720,00

C2. Indirect exposures for multi-management UCIs

This section does not apply to the UCI under review.

C3. Exposure to private equity portfolios

For the UCI under review, the presentation of this item is not required by accounting regulations.

C4. Loan exposure for OFS

For the UCI under review, the presentation of this item is not required by accounting regulations.

D. Other balance sheet and income statement information

D1. Breakdown of receivables and liabilities by type

	Debit/credit item	31/12/2024
Receivables		
	Deferred settlement sale	853 134,74
	Subscription receivables	3 372 440,70
	Collateral	6 970 000,00
Total receivables		11 195 575,44
Liabilities		
	Deferred settlement purchase	853 217,03
	Redemptions payable	3 112 818,00
	Fixed management fees	1 130 497,60
	Variable management fees	1 985 703,70
	Collateral	720 000,00
Total liabilities		7 802 236,33
Total receivables and liabilities		3 393 339,11

D2. Management fees, other costs and expenses

	31/12/2024
LAZARD CAPITAL FI SRI FI PVC H-CHF units	
Guarantee fees	-
Fixed management fees	2 336,10
Percentage of fixed management fees	1,00
Provisioned variable management fees	1 086,53
Percentage of variable management fees provisioned	0,47
Variable management fees earned	45,93
Percentage of variable management fees earned	0,02
Retrocessions of management fees	-
LAZARD CAPITAL FI SRI PC EUR units	
Guarantee fees	-
Fixed management fees	82 752,41
Percentage of fixed management fees	1,23
Provisioned variable management fees	-
Percentage of variable management fees provisioned	0,00
Variable management fees earned	-
Percentage of variable management fees earned	0,00
Retrocessions of management fees	-
LAZARD CAPITAL FI SRI PC H USD units	
Guarantee fees	-
Fixed management fees	7 213,03
Percentage of fixed management fees	1,27
Provisioned variable management fees	-
Percentage of variable management fees provisioned	0,00
Variable management fees earned	-
Percentage of variable management fees earned	0,00
Retrocessions of management fees	-
LAZARD CAPITAL FI SRI PD-H-USD units	
Guarantee fees	-
Fixed management fees (*)	7,92
Percentage of fixed management fees	0,81
Provisioned variable management fees	-
Percentage of variable management fees provisioned	0,00
Variable management fees earned	-
Percentage of variable management fees earned	0,00
Retrocessions of management fees	-

"The amount of variable management fees shown above corresponds to the sum of the provisions and reversals of provisions that impacted the net assets during the period under review."

(*) The LAZARD CAPITAL FI SRI PD-H-USD unit should not have an FDG; this is an accounting error that will be corrected in the next financial year.

	31/12/2024
LAZARD CAPITAL FI SRI PVC EUR units	
Guarantee fees	-
Fixed management fees	2 248 445,41
Percentage of fixed management fees	0,99
Provisioned variable management fees	866 110,51
Percentage of variable management fees provisioned	0,38
Variable management fees earned	270 186,40
Percentage of variable management fees earned	0,12
Retrocessions of management fees	-
LAZARD CAPITAL FI SRI PVC F EUR units	
Guarantee fees	-
Fixed management fees	539 747,86
Percentage of fixed management fees	0,73
Provisioned variable management fees	297 577,75
Percentage of variable management fees provisioned	0,40
Variable management fees earned	95 760,17
Percentage of variable management fees earned	0,13
Retrocessions of management fees	-
LAZARD CAPITAL FI SRI PVC H-USD units	
Guarantee fees	-
Fixed management fees	89 657,95
Percentage of fixed management fees	1,00
Provisioned variable management fees	34 210,32
Percentage of variable management fees provisioned	0,38
Variable management fees earned	8 273,61
Percentage of variable management fees earned	0,09
Retrocessions of management fees	-
LAZARD CAPITAL FI SRI PVD EUR units	
Guarantee fees	-
Fixed management fees	498 906,94
Percentage of fixed management fees	1,00
Provisioned variable management fees	222 183,75
Percentage of variable management fees provisioned	0,45
Variable management fees earned	31 040,44
Percentage of variable management fees earned	0,06
Retrocessions of management fees	-

"The amount of variable management fees shown above corresponds to the sum of the provisions and reversals of provisions that impacted the net assets during the period under review."

	31/12/2024
LAZARD CAPITAL FI SRI PVD F EUR units	
Guarantee fees	-
Fixed management fees	24 971,58
Percentage of fixed management fees	0,73
Provisioned variable management fees	10 120,21
Percentage of variable management fees provisioned	0,30
Variable management fees earned	8 215,73
Percentage of variable management fees earned	0,24
Retrocessions of management fees	-
LAZARD CAPITAL FI SRI RC H-CHF units	
Guarantee fees	-
Fixed management fees	619,98
Percentage of fixed management fees	3,03
Provisioned variable management fees	-
Percentage of variable management fees provisioned	0,00
Variable management fees earned	-
Percentage of variable management fees earned	0,00
Retrocessions of management fees	-
LAZARD CAPITAL FI SRI RD H-USD units	
Guarantee fees	-
Fixed management fees (*)	12,93
Percentage of fixed management fees	1,34
Provisioned variable management fees	-
Percentage of variable management fees provisioned	0,00
Variable management fees earned	-
Percentage of variable management fees earned	0,00
Retrocessions of management fees	-
LAZARD CAPITAL FI SRI RVC EUR units	
Guarantee fees	-
Fixed management fees	398 559,05
Percentage of fixed management fees	1,75
Provisioned variable management fees	78 446,58
Percentage of variable management fees provisioned	0,35
Variable management fees earned	14 980,01
Percentage of variable management fees earned	0,07
Retrocessions of management fees	-

“The amount of variable management fees shown above corresponds to the sum of the provisions and reversals of provisions that impacted the net assets during the period under review.”

(*) The LAZARD CAPITAL FI SRI RD H-USD unit should not have an FDG; this is an accounting error that will be corrected in the next financial year.

	31/12/2024
LAZARD CAPITAL FI SRI RVD EUR units	
Guarantee fees	-
Fixed management fees	110 400,65
Percentage of fixed management fees	1,75
Provisioned variable management fees	22 385,59
Percentage of variable management fees provisioned	0,36
Variable management fees earned	2 919,43
Percentage of variable management fees earned	0,05
Retrocessions of management fees	-
LAZARD CAPITAL FI SRI SC EUR units	
Guarantee fees	-
Fixed management fees	5 598 045,80
Percentage of fixed management fees	0,73
Provisioned variable management fees	-
Percentage of variable management fees provisioned	0,00
Variable management fees earned	-
Percentage of variable management fees earned	0,00
Retrocessions of management fees	-
LAZARD CAPITAL FI SRI SD EUR units	
Guarantee fees	-
Fixed management fees	867 298,06
Percentage of fixed management fees	0,73
Provisioned variable management fees	-
Percentage of variable management fees provisioned	0,00
Variable management fees earned	-
Percentage of variable management fees earned	0,00
Retrocessions of management fees	-
LAZARD CAPITAL FI SRI TVD EUR units	
Guarantee fees	-
Fixed management fees	41 178,56
Percentage of fixed management fees	1,00
Provisioned variable management fees	17 354,55
Percentage of variable management fees provisioned	0,42
Variable management fees earned	3 501,08
Percentage of variable management fees earned	0,09
Retrocessions of management fees	-

"The amount of variable management fees shown above corresponds to the sum of the provisions and reversals of provisions that impacted the net assets during the period under review."

D3. Commitments received and given

Other commitments (by type of product)	31/12/2024
Guarantees received	-
- of which financial instruments received as collateral and not recorded on the balance sheet	-
Guarantees given	-
- of which financial instruments given as collateral and retained under their original classification	-
Financing commitments received but not yet drawn down	-
Financing commitments given but not yet drawn down	-
Other off-balance sheet commitments	-
Total	-

D4. Other information

D4a. Current value of financial instruments held temporarily

	31/12/2024
Securities held under repurchase agreements	-
Borrowed securities	-

D4b. Financial instruments held, issued and/or managed by the Group

	ISIN code	Name	31/12/2024
Equities			-
Bonds			-
Negotiable debt securities			-
UCI			65 227 452,02
	FR0010941815	LAZARD EURO MONEY MARKET-B	33 821 684,48
	FR0011291657	LAZARD EU SHRT TRM MONEY M-C	31 405 767,54
Forward financial instruments			-
Total group securities			65 227 452,02

D5. Determination and breakdown of distributable income

D5a. Appropriation of distributable income pertaining to net income

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	74 627 300,19
Interim dividends paid on net income for the year	-
Income for the year available for appropriation	74 627 300,19
Retained earnings	693,57
Distributable income pertaining to net income	74 627 993,76

LAZARD CAPITAL FI SRI FI PVC H-CHF units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	11 764,32
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	11 764,32
Retained earnings	-
Distributable income pertaining to net income	11 764,32
Appropriation:	
Distribution	-
Income for the year carried forward	-
Accumulation	11 764,32
Total	11 764,32
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on shares with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI PC EUR units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	504 207,82
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	504 207,82
Retained earnings	-
Distributable income pertaining to net income	504 207,82
Appropriation:	
Distribution	-
Income for the year carried forward	-
Accumulation	504 207,82
Total	504 207,82
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI PC H USD units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	24 981,10
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	24 981,10
Retained earnings	-
Distributable income pertaining to net income	24 981,10
Appropriation:	
Distribution	-
Income for the year carried forward	-
Accumulation	24 981,10
Total	24 981,10
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI PD-H-USD units (*)**

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	52,29
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	52,29
Retained earnings	-
Distributable income pertaining to net income	52,29
Appropriation:	
Distribution	13,08
Income for the year carried forward	39,21
Accumulation	-
Total	52,29
* Information on interim dividends paid	
Amount per unit	34,02
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	1,000
Distribution per unit remaining to be paid after payment of interim dividends	13,08
Tax credits attached to the distribution of income	-

(***) The net income for year N will be paid in part (i) as an annual distribution within 5 months of year N+1 and (ii) as a quarterly distribution during year N+1 for the part of the net income for year N allocated to retained earnings."

LAZARD CAPITAL FI SRI PVC EUR units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	10 217 953,11
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	10 217 953,11
Retained earnings	-
Distributable income pertaining to net income	10 217 953,11
Appropriation:	
Distribution	-
Income for the year carried forward	-
Accumulation	10 217 953,11
Total	10 217 953,11
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI PVC F EUR units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	3 261 216,78
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	3 261 216,78
Retained earnings	-
Distributable income pertaining to net income	3 261 216,78
Appropriation:	
Distribution	-
Income for the year carried forward	-
Accumulation	3 261 216,78
Total	3 261 216,78
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI PVC H-USD units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	454 560,85
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	454 560,85
Retained earnings	-
Distributable income pertaining to net income	454 560,85
Appropriation:	
Distribution	-
Income for the year carried forward	-
Accumulation	454 560,85
Total	454 560,85
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI PVD EUR units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	2 147 923,02
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	2 147 923,02
Retained earnings	0,14
Distributable income pertaining to net income	2 147 923,16
Appropriation:	
Distribution	2 147 921,18
Income for the year carried forward	1,98
Accumulation	-
Total	2 147 923,16
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	434,148
Distribution per unit remaining to be paid after payment of interim dividends	4 947,44
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI PVD F EUR units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	126 067,89
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	126 067,89
Retained earnings	16,46
Distributable income pertaining to net income	126 084,35
Appropriation:	
Distribution	126 073,93
Income for the year carried forward	10,42
Accumulation	-
Total	126 084,35
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	2 565,085
Distribution per unit remaining to be paid after payment of interim dividends	49,15
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI RC H-CHF units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	1 228,91
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	1 228,91
Retained earnings	-
Distributable income pertaining to net income	1 228,91
Appropriation:	
Distribution	-
Income for the year carried forward	-
Accumulation	1 228,91
Total	1 228,91
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI RD H-USD units (***)

Appropriation of distributable income pertaining to net income	31/12/2024
Net income (*)	46,59
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	46,59
Retained earnings	-
Distributable income pertaining to net income	46,59
Appropriation:	
Distribution	11,64
Income for the year carried forward	34,95
Accumulation	-
Total	46,59
* Information on interim dividends paid	
Amount per unit	29,19
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	1,000
Distribution per unit remaining to be paid after payment of interim dividends	11,64
Tax credits attached to the distribution of income	-

(***) The net income for year N will be paid in part (i) as an annual distribution within 5 months of year N+1 and (ii) as a quarterly distribution during year N+1 for the part of the net income for year N allocated to retained earnings."

LAZARD CAPITAL FI SRI RVC EUR units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	1 169 735,08
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	1 169 735,08
Retained earnings	-
Distributable income pertaining to net income	1 169 735,08
Appropriation:	
Distribution	-
Income for the year carried forward	-
Accumulation	1 169 735,08
Total	1 169 735,08
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI RVD EUR units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	274 242,08
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	274 242,08
Retained earnings	525,64
Distributable income pertaining to net income	274 767,72
Appropriation:	
Distribution	274 667,38
Income for the year carried forward	100,34
Accumulation	-
Total	274 767,72
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	52 922,423
Distribution per unit remaining to be paid after payment of interim dividends	5,19
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI SC EUR units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	47 097 542,52
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	47 097 542,52
Retained earnings	-
Distributable income pertaining to net income	47 097 542,52
Appropriation:	
Distribution	-
Income for the year carried forward	-
Accumulation	47 097 542,52
Total	47 097 542,52
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI SD EUR units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	9 141 081,01
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	9 141 081,01
Retained earnings	82,57
Distributable income pertaining to net income	9 141 163,58
Appropriation:	
Distribution	9 141 039,33
Income for the year carried forward	124,25
Accumulation	-
Total	9 141 163,58
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	17 202,129
Distribution per unit remaining to be paid after payment of interim dividends	531,39
Tax credits attached to the distribution of income	-

LAZARD CAPITAL FI SRI TVD EUR units

Appropriation of distributable income pertaining to net income	31/12/2024
Net income	194 696,82
Interim dividends paid on net income for the year (*)	-
Income for the year available for appropriation (**)	194 696,82
Retained earnings	68,76
Distributable income pertaining to net income	194 765,58
Appropriation:	
Distribution	194 758,59
Income for the year carried forward	6,99
Accumulation	-
Total	194 765,58
* Information on interim dividends paid	
Amount per unit	-
Total tax credits	-
Tax credit per unit	-
** Information on units with dividend rights	
Number of units	42 898,367
Distribution per unit remaining to be paid after payment of interim dividends	4,54
Tax credits attached to the distribution of income	-

(*) The net income for year N will be paid in part (i) as an annual distribution within 5 months of year N+1 and (ii) as a quarterly distribution during year N+1 for the part of the net income for year N allocated to retained earnings.”

D5b. Appropriation of distributable income pertaining to net realised capital gains and losses

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-11 068 004,69
Interim dividends paid on net realised capital gains/losses for the year	-
Net realised capital gains/losses available for appropriation	-11 068 004,69
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-11 068 004,69

LAZARD CAPITAL FI SRI FI PVC H-CHF units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-5 744,83
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	-5 744,83
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-5 744,83
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	-5 744,83
Total	-5 744,83
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI PC EUR units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-80 950,78
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	-80 950,78
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-80 950,78
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	-80 950,78
Total	-80 950,78
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI PC H USD units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	17 415,39
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	17 415,39
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	17 415,39
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	17 415,39
Total	17 415,39
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI PD-H-USD units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	32,33
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	32,33
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	32,33
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	32,33
Accumulation	-
Total	32,33
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI PVC EUR units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-1 735 481,02
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	-1 735 481,02
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-1 735 481,02
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	-1 735 481,02
Total	-1 735 481,02
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI PVC F EUR units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-527 527,00
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	-527 527,00
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-527 527,00
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	-527 527,00
Total	-527 527,00
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI PVC H-USD units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	329 603,24
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	329 603,24
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	329 603,24
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	329 603,24
Total	329 603,24
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI PVD EUR units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-403 613,84
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	-403 613,84
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-403 613,84
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	-403 613,84
Total	-403 613,84
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI PVD F EUR units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-22 675,04
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	-22 675,04
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-22 675,04
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	-22 675,04
Total	-22 675,04
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI RC H-CHF units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-684,99
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	-684,99
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-684,99
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	-684,99
Total	-684,99
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI RD H-USD units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	32,00
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	32,00
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	32,00
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	32,00
Accumulation	-
Total	32,00
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI RVC EUR units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-231 178,08
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	-231 178,08
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-231 178,08
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	-231 178,08
Total	-231 178,08
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI RVD EUR units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-59 272,34
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	-59 272,34
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-59 272,34
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	-59 272,34
Total	-59 272,34
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI SC EUR units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-6 834 557,27
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	-6 834 557,27
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-6 834 557,27
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	-6 834 557,27
Total	-6 834 557,27
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI SD EUR units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-1 476 824,30
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	-1 476 824,30
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-1 476 824,30
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	-1 476 824,30
Total	-1 476 824,30
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

LAZARD CAPITAL FI SRI TVD EUR units

Appropriation of distributable income pertaining to net realised capital gains and losses	31/12/2024
Net capital gains/losses for the year	-36 578,16
Interim dividends paid on net realised capital gains/losses for the year (*)	-
Net realised capital gains/losses available for appropriation (**)	-36 578,16
Undistributed net realised capital gains and losses from previous years	-
Distributable income pertaining to realised capital gains/losses	-36 578,16
Appropriation:	
Distribution	-
Net realised capital gains/losses carried forward	-
Accumulation	-36 578,16
Total	-36 578,16
* Information on interim dividends paid	
Interim dividends paid per share	-
** Information on units with dividend rights	
Number of units	-
Distribution per unit remaining to be paid after payment of interim dividends	-

E. Inventory of assets and liabilities in EUR

E1. Inventory of balance sheet items

Description of securities by business sector (*)	Currency	Quantity or Nominal	Current value;	% Net assets
BONDS CONVERTIBLE INTO SHARES			20 054 963,07	1,32
Convertible bonds traded on a regulated or equivalent market			20 054 963,07	1,32
Commercial banks			10 699 866,51	0,71
UNICREDIT 3.875% PERP EMTN	EUR	11 000 000	10 699 866,51	0,71
Capital markets			9 355 096,56	0,61
BNP PAR FORTIS E3R+2.0% PERP	EUR	9 750 000	9 355 096,56	0,61
BONDS AND SIMILAR SECURITIES			1 433 588 438,19	94,10
Bonds and similar securities traded on a regulated or similar market			1 433 588 438,19	94,10
Insurance			156 506 553,02	10,27
ABRDN 5.25% PERP	GBP	23 103 000	25 865 100,74	1,70
AGEAS NV EX FORTIS 3.875% PERP	EUR	9 000 000	8 620 704,25	0,57
ASR NEDERLAND NV 6.625% PERP	EUR	10 800 000	11 357 161,62	0,75
ATHORA NETHERLANDS NV 6.75% PERP	EUR	4 800 000	4 940 699,27	0,32
DIRECT LINE INSURANCE PLC 4.75% PERP	GBP	16 600 000	18 792 118,58	1,23
ESURE GROUP 6.0% PERP	GBP	5 000 000	5 634 018,87	0,37
FIDELIDADE COMPANHIA DE SEGUROS 7.75% PERP	EUR	25 000 000	26 876 827,35	1,75
GROUPAMA ASSURANCES MUTUELLES 6.5% PERP	EUR	10 700 000	11 284 207,21	0,74
PERMANENT TSB GROUP 13.25% PERP	EUR	12 000 000	14 565 021,10	0,96
PERMANENT TSB GROUP 7.875% PERP	EUR	2 000 000	2 058 738,23	0,14
RL FINANCE BONDS NO 6 10.125% PERP	GBP	14 984 000	20 712 247,45	1,36
SCOR 6.0% PERP	EUR	5 700 000	5 799 708,35	0,38
Commercial banks			939 189 351,14	61,65
ABANCA CORPORACION BANCARIA 6.0% PERP	EUR	19 200 000	19 615 358,61	1,29
ALPHA SERVICES AND 11.875% PERP	EUR	29 000 000	35 121 121,41	2,31
ALPHA SERVICES AND 7.5% PERP	EUR	26 000 000	28 004 885,14	1,84
BANCO BILBAO VIZCAYA ARGENTARIA SA 6.125% PERP	USD	10 000 000	9 374 373,63	0,62
BANCO BPM 9.5% PERP	EUR	7 300 000	8 420 785,33	0,55
BANCO DE BADELL 5.0% PERP	EUR	26 000 000	25 738 807,39	1,69
BANCO DE BADELL 9.375% PERP	EUR	22 000 000	24 993 345,71	1,64
BANKINTER 7.375% 31-12-99	EUR	10 000 000	10 712 799,73	0,70
BARCLAYS 4.375% PERP	USD	26 000 000	22 675 263,43	1,49
BARCLAYS 9.25% PERP	GBP	16 100 000	20 764 033,39	1,36
BBVA 6.875% PERP	EUR	9 000 000	9 478 488,75	0,62
BBVA 8.375% PERP	EUR	8 000 000	8 835 994,44	0,58
BCP 8.125% PERP	EUR	22 000 000	24 226 524,95	1,59
BELFIUS SANV 6.125% PERP	EUR	13 600 000	13 788 204,09	0,91
BFF BANK 5.875% PERP	EUR	3 500 000	3 346 649,78	0,22
BK IRELAND GROUP 6.375% PERP	EUR	18 800 000	19 689 815,59	1,29
BNP PAR 4.5% PERP	USD	16 000 000	13 330 603,57	0,88
BNP PAR 4.625% PERP	USD	11 000 000	10 173 276,74	0,67
BPER BANCA 8.375% PERP	EUR	7 200 000	8 163 262,37	0,54
BQ POSTALE 3.0% PERP	EUR	16 600 000	14 023 786,39	0,92

E1. Inventory of balance sheet items

Description of securities by business sector (*)	Currency	Quantity or Nominal	Current value;	% Net assets
BQ POSTALE 3.875% PERP	EUR	10 000 000	9 712 449,45	0,64
CAIXABANK 3.625% PERP	EUR	12 000 000	11 115 886,67	0,73
CAIXABANK 5.25% PERP	EUR	20 000 000	20 144 583,33	1,32
CAIXABANK 7.5% PERP	EUR	13 000 000	14 478 627,07	0,95
CAIXABANK 8.25% PERP	EUR	20 000 000	22 234 950,00	1,46
CMZB FRANCFORT 6.125% PERP	EUR	20 000 000	21 119 508,22	1,39
COMMERZBANK AKTIENGESELLSCHAFT 4.25% PERP	EUR	16 600 000	16 228 606,84	1,07
DEUTSCHE BK 4.5% PERP	EUR	20 000 000	19 648 206,85	1,29
DEUTSCHE BK 4.625% PERP	EUR	12 000 000	11 551 375,89	0,76
DEUTSCHE BK 4.789% PERP	USD	18 000 000	17 626 857,81	1,16
DEUTSCHE BK 7.375% PERP	EUR	5 200 000	5 356 407,45	0,35
DEUTSCHE BK FRANKFURT BRANCH 8.125% PERP	EUR	20 000 000	21 929 275,34	1,44
ERSTE GR BK 7.0% PERP	EUR	31 000 000	33 452 708,08	2,20
ERSTE GR BK 8.5% PERP	EUR	14 000 000	15 829 608,46	1,04
Hellenic Bank Public Company 10.25% 14-06-33	EUR	6 000 000	7 497 821,10	0,49
IBERCAJA 9.125% PERP	EUR	27 600 000	30 492 682,50	2,00
ING GROEP NV 3.875% PERP	USD	10 000 000	8 816 575,46	0,58
INTE 5.5% PERP EMTN	EUR	27 000 000	27 803 244,03	1,83
INTE 5,875% PERP EMTN	EUR	20 000 000	20 853 486,19	1,37
INTE 9,125% PERP	EUR	15 000 000	17 790 592,13	1,17
JYSKE BANK DNK 7.0% PERP	EUR	13 000 000	14 060 424,13	0,92
LANDESBANK LAND BADEN WUERT 6.75% PERP	EUR	9 000 000	8 954 649,86	0,59
MBANK SPOLKA AKCYJNA 10.63% PERP	PLN	80 000 000	18 796 914,65	1,23
NCG BAN 10.625% PERP	EUR	14 000 000	16 461 711,68	1,08
NIBC BANK NV 8.25% PERP	EUR	20 000 000	22 057 816,30	1,45
Nova Ljubljanska banka dd 10.75% 28-11-32	EUR	3 000 000	3 520 748,22	0,23
OLDENBURGISCHE LANDESBANK AG 6.0% PERP	EUR	7 000 000	6 895 828,01	0,45
SG 4.75% PERP	USD	31 000 000	28 540 956,06	1,87
SG 6.75% PERP	USD	30 275 000	28 043 041,04	1,84
SG 7.875% PERP EMTN	EUR	15 000 000	16 392 076,22	1,08
SG 8.125% PERP	USD	7 000 000	6 684 262,97	0,44
UBS GROUP AG 3.875% PERP	USD	5 600 000	5 201 073,23	0,34
UBS GROUP AG 6.85% PERP	USD	5 000 000	4 895 321,64	0,32
UBS GROUP AG 9.25% PERP	USD	6 900 000	7 300 941,50	0,48
UNICAJA BANCO SA E 4.875% PERP	EUR	41 000 000	40 003 853,75	2,59
UNICREDIT 6.5% PERP EMTN	EUR	26 000 000	27 218 898,57	1,79
Distribution of food products and staples			3 045 578,91	0,20
JUST RETIREMENT 5.0% PERP	GBP	3 000 000	3 045 578,91	0,20
Real estate			21 820 476,44	1,43
COVENTRY BLDG 8.75% PERP	GBP	17 400 000	21 820 476,44	1,43
Capital markets			153 927 743,17	10,10
AIB GROUP 7.125% PERP	EUR	22 000 000	23 627 630,71	1,54
BANCO NTANDER 4.75% PERP	USD	10 000 000	9 255 405,33	0,61
BANCO SANTANDER ALL SPAIN BRANCH 7.0% PERP	EUR	17 800 000	19 011 282,26	1,25
EFG FINANCIAL INTERNANTIONAL 5.5% PERP	USD	2 115 000	2 038 141,04	0,13
FINEBANK BANCA FINE 7.5% PERP	EUR	11 400 000	12 464 233,14	0,82

E1. Inventory of balance sheet items

Description of securities by business sector (*)	Currency	Quantity or Nominal	Current value;	% Net assets
JULIUS BAER GRUPPE AG 6.875% PERP	USD	900 000	867 166,59	0,06
RAIFFEISEN BANK INTL AG 4.5% PERP	EUR	7 000 000	6 631 582,31	0,44
RAIFFEISEN BANK INTL AG 6.0% PERP	EUR	23 200 000	23 130 907,34	1,52
RAIFFEISEN BANK INTL AG 7,375% PERP	EUR	20 600 000	20 932 785,64	1,37
VAN LANSCHOT KEMPEN NV 8.875% PERP	EUR	12 500 000	13 932 694,44	0,91
VONTOBEL HOLDINGS AG ZURICH 9.48% PERP	USD	20 800 000	22 035 914,37	1,45
Business services			40 755 699,78	2,68
VIRGIN MONEY UK 11.0% 31-12-99	GBP	11 300 000	15 667 459,41	1,03
VIRGIN MONEY UK 8.25% PERP	GBP	20 000 000	25 088 240,37	1,65
Diversified financial services			118 343 035,73	7,77
AAREAL BK AUTRE R+7.18% PERP	EUR	3 000 000	3 239 879,67	0,21
ARION BANK 8.125% PERP EMTN	USD	13 500 000	13 465 109,25	0,88
BANK OF CYPRUS 11.875% PERP	EUR	23 495 000	28 195 669,82	1,85
CCF 9.25% PERP	EUR	15 800 000	16 874 489,42	1,11
OAKNORTH BANK PL 10.0% 09-01-35	GBP	13 000 000	16 440 873,67	1,08
PHOENIX GROUP 5.75% PERP	GBP	8 900 000	10 211 799,77	0,67
Piraeus Financial Holdings Societe Anony 8.75% PERP	EUR	28 489 000	29 915 214,13	1,97
UCI SECURITIES			65 227 452,02	4,28
UCITS			65 227 452,02	4,28
Collective management			65 227 452,02	4,28
LAZARD EURO MONEY MARKET-B	EUR	31	33 821 684,48	2,22
LAZARD EU SHRT TRM MONEY M-C	EUR	14 826	31 405 767,54	2,06
Total			1 518 870 853,28	99,70

(*) The business sector represents the main activity of the issuer of the financial instrument; it is derived from reliable sources recognised at international level (mainly GICS and NACE).

E2. Inventory of forward exchange transactions

Transaction type	Current value presented in the balance sheet		Amount of exposure (*)			
	Assets	Liabilities	Foreign currencies to be received (+)		Foreign currencies to be delivered (-)	
			Currency	Amount (*)	Currency	Amount (*)
A/EUR/GBP/20250115	-	-20 564,47	EUR	1 525 153,96	GBP	-1 545 718,43
A/EUR/GBP/20250115	-	-558 799,79	EUR	22 054 891,55	GBP	-22 613 691,34
A/EUR/GBP/20250115	-	-318 334,46	EUR	15 978 230,61	GBP	-16 296 565,07
A/EUR/GBP/20250214	-	-860 260,52	EUR	155 431 466,62	GBP	-156 291 727,14
A/EUR/PLN/20250214	-	-264 825,49	EUR	18 438 780,80	PLN	-18 703 606,29
A/EUR/USD/20250115	-	-420 698,11	EUR	5 389 055,63	USD	-5 809 753,74
A/EUR/USD/20250115	-	-2 714 491,25	EUR	56 509 072,25	USD	-59 223 563,50
A/EUR/USD/20250115	-	-317 512,69	EUR	4 025 316,86	USD	-4 342 829,55
A/EUR/USD/20250115	-	-2 343 527,28	EUR	57 028 756,64	USD	-59 372 283,92
A/EUR/USD/20250115	-	-577 277,34	EUR	9 334 842,41	USD	-9 912 119,75
A/EUR/USD/20250115	-	-509 530,46	EUR	7 566 761,19	USD	-8 076 291,65
A/EUR/USD/20250213	-	-7 701,15	EUR	453 911,60	USD	-461 612,75
A/EUR/USD/20250213	-	-2 345,10	EUR	93 260,89	USD	-95 605,99
A/EUR/USD/20250213	-	-4 247 806,07	EUR	152 304 584,08	USD	-156 552 390,15
A/EUR/USD/20250213	-	-29 699,41	EUR	1 409 218,99	USD	-1 438 918,40
V/EUR/GBP/20250115	175 258,99	-	GBP	11 883 164,01	EUR	-11 707 905,02
V/EUR/GBP/20250214	1 932,56	-	GBP	426 947,27	EUR	-425 014,71
V/EUR/GBP/20250214	-	-472,64	GBP	437 832,61	EUR	-438 305,25
V/EUR/USD/20250115	32 712,61	-	USD	631 578,95	EUR	-598 866,34
V/EUR/USD/20250115	159 565,01	-	USD	2 414 292,61	EUR	-2 254 727,60
V/EUR/USD/20250115	1 072 999,10	-	USD	13 807 822,31	EUR	-12 734 823,21
V/EUR/USD/20250115	360 078,30	-	USD	10 266 272,83	EUR	-9 906 194,53
V/EUR/USD/20250115	3 514 292,77	-	USD	66 523 418,64	EUR	-63 009 125,87
Total	5 316 839,34	-13 193 846,23		613 934 633,31		-621 811 640,20

(*) Amount determined in accordance with the provisions of the regulation on the presentation of exposures expressed in the accounting currency.

E3. Inventory of forward financial instruments

E3a. Inventory of forward financial instruments - equities

Nature of commitments	Quantity Nominal	Current value presented in the balance sheet		Amount of exposure (*)
		Assets	Liabilities	+/-
1. Futures				
Subtotal 1.		-	-	-
2. Options				
Subtotal 2.		-	-	-
3. Swaps				
Subtotal 3.		-	-	-
4. Other instruments				
Subtotal 4.		-	-	-
Total		-	-	-

(*) Amount determined in accordance with the provisions of the regulation on the presentation of exposures.

E3b. Inventory of forward financial instruments - interest rates

Nature of commitments	Quantity or Nominal	Current value presented in the balance sheet		Amount of exposure (*)
		Assets	Liabilities	+/-
1. Futures				
Subtotal 1.		-	-	-
2. Options				
Subtotal 2.		-	-	-
3. Swaps				
Subtotal 3.		-	-	-
4. Other instruments				
Subtotal 4.		-	-	-
Total		-	-	-

(*) Amount determined in accordance with the provisions of the regulation on the presentation of exposures.

E3c. Inventory of forward financial instruments - foreign currency

Nature of commitments	Quantity or Nominal	Current value presented in the balance sheet		Amount of exposure (*)
		Assets	Liabilities	+/-
1. Futures				
Subtotal 1.		-	-	-
2. Options				
Subtotal 2.		-	-	-
3. Swaps				
Subtotal 3.		-	-	-
4. Other instruments				
Subtotal 4.		-	-	-
Total		-	-	-

(*) Amount determined in accordance with the provisions of the regulation on the presentation of exposures.

E3d. Inventory of forward financial instruments - on credit risk

Nature of commitments	Quantity or Nominal	Current value presented in the balance sheet		Amount of exposure (*)
		Assets	Liabilities	+/-
1. Futures				
Subtotal 1.		-	-	-
2. Options				
Subtotal 2.		-	-	-
3. Swaps				
Subtotal 3.		-	-	-
4. Other instruments				
Subtotal 4.		-	-	-
Total		-	-	-

(*) Amount determined in accordance with the provisions of the regulation on the presentation of exposures.

E3e. Inventory of forward financial instruments - other exposures

Nature of commitments	Quantity or Nominal	Current value presented in the balance sheet		Amount of exposure (*)
		Assets	Liabilities	+/-
1. Futures				
Subtotal 1.		-	-	-
2. Options				
Subtotal 2.		-	-	-
3. Swaps				
Subtotal 3.		-	-	-
4. Other instruments				
Subtotal 4.		-	-	-
Total		-	-	-

(*) Amount determined in accordance with the provisions of the regulation on the presentation of exposures.

E4. Inventory of forward financial instruments or forward currency transactions used to hedge a share class

Transaction type	Current value presented in the balance sheet		Amount of exposure (*)				Hedged share class
	Assets	Liabilities	Foreign currencies to be received (+)		Foreign currencies to be delivered (-)		
			Currency	Amount (*)	Currency	Amount (*)	
G2/A/USD/EUR/250115	-	-	USD	819 325,77	EUR	-819 325,77	FR0013072733 FR0013476041 FR0014008FI9 FR0014008FK5
G2/A/USD/EUR/250115	83,33	-	USD	33 479,36	EUR	-33 396,03	FR0013072733 FR0013476041 FR0014008FI9 FR0014008FK5
G2/A/USD/EUR/250115	6 715,42	-	USD	555 963,51	EUR	-549 248,09	FR0013072733 FR0013476041 FR0014008FI9 FR0014008FK5
G2/A/USD/EUR/250115	129 351,11	-	USD	10 708 858,78	EUR	-10 579 507,67	FR0013072733 FR0013476041 FR0014008FI9 FR0014008FK5
G5/A/CHF/EUR/250115	-	-294,25	CHF	30 861,41	EUR	-31 155,66	FR0013236783 FR001400FC96
G5/A/CHF/EUR/250115	-	-2 520,74	CHF	264 381,22	EUR	-266 901,96	FR0013236783 FR001400FC96
Total	136 149,86	-2 814,99		12 412 870,05		-12 279 535,18	

(*) Amount determined in accordance with the provisions of the regulation on the presentation of exposures expressed in the accounting currency.

E5. Inventory summary

	Current value presented in the balance sheet
Total inventory of eligible assets and liabilities (excluding forward financial instruments)	1 518 870 853,28
Inventory of forward financial instruments (excluding forward financial instruments used to hedge shares issued):	
Total forward currency transactions	-7 877 006,89
Total forward financial instruments - equities	-
Total forward financial instruments - interest rates	-
Total forward financial instruments - foreign currency	-
Total forward financial instruments - credit	-
Total forward financial instruments - other exposures	-
Inventory of forward financial instruments used to hedge shares issued	133 334,87
Other assets (+)	20 828 702,71
Other liabilities (-)	-8 502 236,33
Financing liabilities (-)	-
Total = net assets	1 523 453 647,64

Name of share	Share currency	Number of units	NAV
LAZARD CAPITAL FI SRI FI PVC H-CHF units	CHF	213,794	1 175,41
LAZARD CAPITAL FI SRI PC EUR units	EUR	9 504,398	1 145,69
LAZARD CAPITAL FI SRI PC H USD units	USD	453,000	1 304,64
LAZARD CAPITAL FI SRI PD-H-USD units	USD	1,000	1 100,82
LAZARD CAPITAL FI SRI PVC EUR units	EUR	97 891,998	2 379,17
LAZARD CAPITAL FI SRI PVC F EUR units	EUR	60 779,914	1 168,23
LAZARD CAPITAL FI SRI PVC H-USD units	USD	5 928,719	1 886,37
LAZARD CAPITAL FI SRI PVD EUR units	EUR	434,148	111 871,53
LAZARD CAPITAL FI SRI PVD F EUR units	EUR	2 565,085	1 060,23
LAZARD CAPITAL FI SRI RC H-CHF units	CHF	26,598	1 117,22
LAZARD CAPITAL FI SRI RD H-USD units	USD	1,000	1 091,91
LAZARD CAPITAL FI SRI RVC EUR units	EUR	236 207,435	130,24
LAZARD CAPITAL FI SRI RVD EUR units	EUR	52 922,423	135,39
LAZARD CAPITAL FI SRI SC EUR units	EUR	63 870,690	14 490,28
LAZARD CAPITAL FI SRI SD EUR units	EUR	17 202,129	10 339,55
LAZARD CAPITAL FI SRI TVD EUR units	EUR	42 898,367	102,56

LAZARD CAPITAL FI SRI

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29/12/2023

BALANCE SHEET ASSETS AT 29/12/2023 IN EUR

	29/12/2023	30/12/2022
NET NON-CURRENT ASSETS	0,00	0,00
DEPOSITS	0,00	0,00
FINANCIAL INSTRUMENTS	1 124 780 456,45	1 178 719 419,26
Equities and similar securities	0,00	0,00
Traded on a regulated or equivalent market	0,00	0,00
Not traded on a regulated or equivalent market	0,00	0,00
Bonds and similar securities	1 071 332 351,12	1 073 537 881,63
Traded on a regulated or equivalent market	1 071 332 351,12	1 073 537 881,63
Not traded on a regulated or equivalent market	0,00	0,00
Debt securities	0,00	0,00
Traded on a regulated or equivalent market	0,00	0,00
Negotiable debt securities	0,00	0,00
Other debt securities	0,00	0,00
Not traded on a regulated or equivalent market	0,00	0,00
Undertakings for collective investment	53 448 105,33	104 415 511,22
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries	53 448 105,33	104 415 511,22
Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU	0,00	0,00
General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities	0,00	0,00
Other funds aimed at professional investors and their equivalent in other Member States of the EU and unlisted securitisation entities	0,00	0,00
Other non-European entities	0,00	0,00
Temporary securities transactions	0,00	0,00
Receivables on securities purchased under repurchase agreements	0,00	0,00
Receivables on loaned securities	0,00	0,00
Borrowed securities	0,00	0,00
Securities sold under repurchase agreements	0,00	0,00
Other temporary transactions	0,00	0,00
Forward financial instruments	0,00	766 026,41
Transactions on a regulated or equivalent market	0,00	766 026,41
Other transactions	0,00	0,00
Other financial instruments	0,00	0,00
RECEIVABLES	409 904 364,79	303 014 176,02
Currency forward exchange transactions	407 263 642,02	293 110 889,09
Other	2 640 722,77	9 903 286,93
FINANCIAL ACCOUNTS	6 249 065,59	13 012 892,14
Cash and cash equivalents	6 249 065,59	13 012 892,14
TOTAL ASSETS	1 540 933 886,83	1 494 746 487,42

BALANCE SHEET LIABILITIES AT 29/12/2023 IN EUR

	29/12/2023	30/12/2022
SHAREHOLDERS' EQUITY		
Share capital	1 201 650 758,58	1 140 922 506,74
Undistributed net capital gains and losses recognised in previous years (a)	0,00	0,00
Retained earnings (a)	397,31	667,16
Net capital gains and losses for the year (a, b)	-133 803 199,37	-1 067 166,72
Net income for the year (a,b)	59 887 002,82	58 144 601,54
TOTAL SHAREHOLDERS' EQUITY*	1 127 734 959,34	1 198 000 608,72
<i>* Sum representing the net assets</i>		
FINANCIAL INSTRUMENTS	0,00	766 026,24
Sales of financial instruments	0,00	0,00
Temporary securities transactions	0,00	0,00
Liabilities on securities sold under repurchase agreements	0,00	0,00
Liabilities on borrowed securities	0,00	0,00
Other temporary transactions	0,00	0,00
Forward financial instruments	0,00	766 026,24
Transactions on a regulated or equivalent market	0,00	766 026,24
Other transactions	0,00	0,00
LIABILITIES	413 198 927,49	295 979 852,46
Currency forward exchange transactions	408 723 535,22	287 795 916,94
Other	4 475 392,27	8 183 935,52
FINANCIAL ACCOUNTS	0,00	0,00
Bank overdrafts	0,00	0,00
Borrowings	0,00	0,00
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1 540 933 886,83	1 494 746 487,42

(a) Including accrued income

(b) Less interim dividends paid for the financial year

OFF-BALANCE SHEET ITEMS AT 29/12/2023 IN EUR

	29/12/2023	30/12/2022
HEDGING TRANSACTIONS		
Commitments on regulated or similar markets		
Futures contracts		
FV CBOT UST 5 0323	0,00	14 258 245,13
LIFFE LG GILT 0323	0,00	16 889 264,58
EURO BOBL 0323	0,00	263 215 500,00
Commitments on OTC markets		
Other commitments		
OTHER TRANSACTIONS		
Commitments on regulated or similar markets		
Commitments on OTC markets		
Other commitments		

INCOME STATEMENT AT 29/12/2023 IN EUR

	29/12/2023	30/12/2022
Income from financial transactions		
Income from deposits and financial accounts	528 791,26	78 662,56
Income from equities and similar securities	0,00	0,00
Income from bonds and similar securities	77 703 425,98	69 462 467,47
Income from debt securities	0,00	0,00
Income from temporary purchases and sales of securities	115 013,29	4 125,32
Income from forward financial instruments	0,00	0,00
Other financial income	0,00	0,00
TOTAL (1)	78 347 230,53	69 545 255,35
Expenses on financial transactions		
Expenses related to temporary purchases and sales of securities	16 648,86	19 007,15
Expenses on forward financial instruments	0,00	0,00
Expenses related to financial liabilities	19 061,09	22 808,56
Other financial expenses	0,00	0,00
TOTAL (2)	35 709,95	41 815,71
INCOME FROM FINANCIAL TRANSACTIONS (1 - 2)	78 311 520,58	69 503 439,64
Other income (3)	0,00	0,00
Management fees and depreciation and amortisation (4)	10 526 421,67	11 960 932,99
NET INCOME FOR THE FINANCIAL YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	67 785 098,91	57 542 506,65
Income adjustment for the financial year (5)	-7 898 096,09	602 094,89
Interim dividends paid on net income for the financial year (6)	0,00	0,00
Net income (1 - 2 + 3 - 4 + 5 - 6)	59 887 002,82	58 144 601,54

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

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, truthfulness,
- prudence,
- permanence of the accounting methods used each year.

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

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.

o **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 value for which the management company is responsible. These valuations and the related supporting documentation will be provided to the statutory auditor during audits.

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

o Negotiable debt securities:

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 net asset values are published monthly may be valued on the basis of interim net asset values 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.

Financial instruments and securities not traded on a regulated market

All of the UCI's financial instruments are traded on regulated markets.

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).

Method related to swing pricing adjustments to net asset value (NAV) with a trigger level:

In order to protect the Fund's long-term shareholders, a swing factor will be applied to subscriptions and redemptions that have a significant impact on the Fund's outstandings, which may generate costs for shareholders entering and leaving the Fund that would otherwise have been allocated across all shareholders in the Fund. Therefore, if, on a particular NAV calculation date, the total net subscription/redemption orders of investors across all categories of Fund shares exceeds a threshold predetermined by the management company on the basis of objective criteria and expressed as a percentage of the net assets in the Fund, the NAV must be adjusted upwards or downwards to take account of the readjustment costs attributable to the net subscription/redemption orders. The NAV of each unit category shall be calculated separately, but any adjustment shall have an identical impact, expressed as a percentage, on all of the NAV calculations of each unit category in the Fund.

The cost parameters and trigger level shall be determined by the management company and shall be reviewed periodically, and at least every six months. These costs shall be estimated by the management company based on transaction fees, bid/offer spreads and tax charges applicable to the Fund. Insofar as this adjustment mechanism is linked to the net balance of subscriptions/redemptions within the Fund, it is not possible to accurately predict a given time in the future at which it will be applied. Consequently, neither is it possible to predict the precise frequency at which the manager company will have to make such adjustments, which shall not exceed 2.5% of the NAV. Investors should be aware that the volatility of the Fund's NAV may not reflect solely that of the securities in the portfolio arising from the application of swing pricing.

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:

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

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 fees:
- . statutory auditors' fees;
- . legal notices (Balo, Petites Affiches, etc.) if applicable.

These fees do not include transaction charges.

Fees charged to the UCI	Basis	Units	Rate (Maximum incl. taxes)
		RVC EUR	1,715%
		RVD EUR	1,715%
		PVC EUR	0,965%
		PVD EUR	0,965%
		PC H-USD	1,250%
		PVC H-USD	0,965%
		PVC H-CHF	0,965%
		TVD EUR	0,965%
		SC EUR	0,700%

		SD EUR	0,700%
		PVD F EUR	0,70%
		PVC F EUR	0,70%
		PC EUR	1,20%
		PD H-USD	1,25%
		RD H-USD	2,00%
		RC H-CHF	2,00%
Operating and other service fees	Net assets	Applied to all units	0,035%
Indirect charges (management fees and expenses)	NA	Applied to all units	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 units	None
Performance fees	Net assets	RVC EUR, RVD EUR, PVC EUR, PVD EUR, PVC H-USD, PVC H-CHF, TVD EUR, PVD F EUR, PVC F EUR	15% of the Fund's outperformance relative to the benchmark index
		PC H-USD, SC EUR, SD EUR, PC EUR, PD H-USD, RD H USD, RC H-CHF	None

Retrocessions received on management fees or entry charges

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 UCI 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 share of the UCI 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.

Negative performance recovery and reference period

As stated in the ESMA guidelines on performance fees, the reference period is “the time horizon over which the performance is measured and compared with that of the benchmark, at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset. This period is set at 5 years. This means that after 5 consecutive years without crystallisation, uncompensated underperformances prior to five years will no longer be taken into account in the calculation of the performance fee.

Observation period

The first observation period will start with a period of twelve months starting on 01/01/2022. At the end of each financial year, one of the following two cases may occur:

- The UCI unit underperformed over the observation period. In this case, no fee is charged and the observation period is extended by one year, up to a maximum of 5 years (reference period).
- The UCI unit outperformed over the observation period. In this case, the management company receives the provisioned fees (crystallisation), the calculation is reset, and a new twelve-month observation period begins.

Provisioning

Each time the net asset value (NAV) is established, the performance fee is subject to a provision (of 15% of the outperformance) when the performance of the UCI unit is higher than that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance. In case of redemptions during the period, the proportion of the provision corresponding to the number of units redeemed is definitively acquired and charged by the management company.

Crystallisation

The crystallisation period, i.e. the frequency at which the provisioned performance fee, if any, must be paid to the management company, is twelve months.

The first crystallisation period will end on the last day of the financial year ending on 30/12/2022.

Appropriation 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.

Appropriation of distributable income:

Unit(s)	Appropriation of net income	Appropriation of net realised capital gains or losses
LAZARD CAPITAL FI SRI FI PVC H-CHF units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI PC EUR units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI PC H USD units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI PD-H-USD units	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company
LAZARD CAPITAL FI SRI PVC EUR units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI PVC F EUR units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI PVC H-USD units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI PVD EUR units	Distribution	Accumulation
LAZARD CAPITAL FI SRI PVD F EUR units	Distribution	Distribution
LAZARD CAPITAL FI SRI RC H-CHF units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI RD H-USD units	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company
LAZARD CAPITAL FI SRI RVC EUR units	Accumulation	Accumulation and/or Distribution and/or Retention as decided by the management company
LAZARD CAPITAL FI SRI RVD EUR units	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company
LAZARD CAPITAL FI SRI SC EUR units	Accumulation	Accumulation
LAZARD CAPITAL FI SRI SD EUR units	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company
LAZARD CAPITAL FI SRI TVD EUR units	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company

2. CHANGE IN NET ASSETS AT 29/12/2023 IN EUR

	29/12/2023	30/12/2022
NET ASSETS AT START OF YEAR	1 198 000 608,72	1 277 029 273,79
Subscriptions (including subscription fees retained by the Fund)	541 150 893,12	699 502 242,88
Redemptions (net of redemption fees retained by the Fund)	-639 937 450,41	-633 804 153,64
Realised capital gains on deposits and financial instruments	8 206 274,44	8 861 768,00
Realised capital losses on deposits and financial instruments	-165 599 778,57	-17 699 507,40
Realised capital gains on forward financial instruments	29 422 229,21	50 648 545,93
Realised capital losses on forward financial instruments	-45 266 413,34	-46 254 131,84
Transaction charges	-243 220,74	-213 435,15
Exchange rate differences	-4 034 299,55	10 585 292,37
Changes in valuation difference of deposits and financial instruments	147 993 070,92	-201 828 835,20
<i>Valuation difference for financial year N</i>	-3 873 516,27	-151 866 587,19
<i>Valuation difference for financial year N-1</i>	151 866 587,19	-49 962 248,01
Changes in valuation difference of forward financial instruments	-693 848,84	1 277 411,99
<i>Valuation difference for financial year N</i>	0,00	693 848,84
<i>Valuation difference for financial year N-1</i>	-693 848,84	583 563,15
Distribution of prior year's net capital gains and losses	0,00	0,00
Dividends paid in the previous financial year	-9 048 204,53	-7 646 369,66
Net profit/loss for the financial year prior to income adjustment	67 785 098,91	57 542 506,65
Interim dividend(s) paid on net capital gains/losses during the financial year	0,00	0,00
Interim dividend(s) paid on net income during the financial year	0,00	0,00
Other items	0,00	0,00
NET ASSETS AT END OF YEAR	1 127 734 959,34	1 198 000 608,72

3. ADDITIONAL INFORMATION

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC STATUS

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
Convertible bonds traded on a regulated or equivalent market	27 351 691,65	2,43
Fixed-rate bonds traded on a regulated or similar market	44 446 006,10	3,94
Fixed-rate bonds traded on a regulated or similar market	999 534 653,37	88,63
TOTAL BONDS AND SIMILAR SECURITIES	1 071 332 351,12	95,00
DEBT SECURITIES		
TOTAL DEBT SECURITIES	0,00	0,00
LIABILITIES AND SHAREHOLDERS' EQUITY		
SALES OF FINANCIAL INSTRUMENTS		
TOTAL SALES OF FINANCIAL INSTRUMENTS	0,00	0,00
OFF-BALANCE SHEET		
HEDGING TRANSACTIONS		
TOTAL HEDGING TRANSACTIONS	0,00	0,00
OTHER TRANSACTIONS		
TOTAL OTHER TRANSACTIONS	0,00	0,00

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

	Fixed rate	%	Variable rate	%	Revisable rate	%	Other	%
ASSETS								
Deposits	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Bonds and similar securities	1 011 578 042,82	89,70	0,00	0,00	59 754 308,30	5,30	0,00	0,00
Debt securities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Temporary securities transactions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Financial accounts	0,00	0,00	0,00	0,00	0,00	0,00	6 249 065,59	0,55
LIABILITIES AND SHAREHOLDERS' EQUITY								
Temporary securities transactions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Financial accounts	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
OFF-BALANCE SHEET								
Hedging transactions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other transactions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

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	%
ASSETS										
Deposits	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Bonds and similar securities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1 071 332 351,12	95,00
Debt securities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Temporary securities transactions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Financial accounts	6 249 065,59	0,55	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
LIABILITIES AND SHAREHOLDERS' EQUITY										
Temporary securities transactions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Financial accounts	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
OFF-BALANCE SHEET										
Hedging transactions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other transactions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

(*) 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 USD		Currency 2 GBP		Currency 3 CHF		Currency N Other(S)	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Equities and similar securities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Bonds and similar securities	82 144 174,51	7,28	192 558 534,49	17,07	0,00	0,00	0,00	0,00
Debt securities	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
UCIs	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Temporary securities transactions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Receivables	91 774 586,95	8,14	20 458 138,60	1,81	157 474,79	0,01	0,00	0,00
Financial accounts	151 728,76	0,01	8 371,95	0,00	11 180,04	0,00	0,00	0,00
LIABILITIES AND SHAREHOLDERS' EQUITY								
Sales of financial instruments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Temporary securities transactions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Liabilities	81 608 658,39	7,24	211 531 936,99	18,76	743,33	0,00	0,00	0,00
Financial accounts	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
OFF-BALANCE SHEET								
Hedging transactions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other transactions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Debit/credit item	29/12/2023
RECEIVABLES		
	Forward currency purchases	112 390 200,34
	Receivables on forward currency sales	294 873 441,68
	Subscription receivables	90 722,77
	Collateral	2 550 000,00
TOTAL RECEIVABLES		409 904 364,79
LIABILITIES		
	Forward currency sales	293 122 414,57
	Payables on forward currency purchases	115 601 120,65
	Redemptions payable	987 729,81
	Fixed management fees	849 976,19
	Variable management fees	707 686,27
	Collateral	1 930 000,00
TOTAL LIABILITIES		413 198 927,49
TOTAL LIABILITIES AND RECEIVABLES		-3 294 562,70

3.6. SHAREHOLDERS' EQUITY

3.6.1. Number of securities issued or redeemed

	In units	In amounts
LAZARD CAPITAL FI SRI FI PVC H-CHF units		
Units subscribed during the financial year	445,916	461 608,77
Units redeemed during the financial year	-519,178	-542 610,03
Net balance of subscriptions/redemptions	-73,262	-81 001,26
Number of outstanding units at end of financial year	137,282	
LAZARD CAPITAL FI SRI PC EUR units		
Units subscribed during the financial year	2 919,000	2 795 537,43
Units redeemed during the financial year	-12 031,000	-11 156 276,55
Net balance of subscriptions/redemptions	-9 112,000	-8 360 739,12
Number of outstanding units at end of financial year	59,000	
LAZARD CAPITAL FI SRI PC H USD units		
Units subscribed during the financial year	10,000	10 225,63
Units redeemed during the financial year	-60,000	-50 419,10
Net balance of subscriptions/redemptions	-50,000	-40 193,47
Number of outstanding units at end of financial year	400,000	
LAZARD CAPITAL FI SRI PD-H-USD units		
Units subscribed during the financial year	0,00	0,00
Units redeemed during the financial year	0,00	0,00
Net balance of subscriptions/redemptions	0,00	0,00
Number of outstanding units at end of financial year	1,000	
LAZARD CAPITAL FI SRI PVC EUR units		
Units subscribed during the financial year	85 652,578	167 236 412,34
Units redeemed during the financial year	-123 798,562	-231 555 810,06
Net balance of subscriptions/redemptions	-38 145,984	-64 319 397,72
Number of outstanding units at end of financial year	100 885,502	
LAZARD CAPITAL FI SRI PVC F EUR units		
Units subscribed during the financial year	57 972,325	56 032 195,57
Units redeemed during the financial year	-15 568,342	-14 624 822,60
Net balance of subscriptions/redemptions	42 403,983	41 407 372,97
Number of outstanding units at end of financial year	59 660,223	
LAZARD CAPITAL FI SRI PVC H-USD units		
Units subscribed during the financial year	774,972	995 547,25
Units redeemed during the financial year	-5 924,651	-8 005 970,47
Net balance of subscriptions/redemptions	-5 149,679	-7 010 423,22
Number of outstanding units at end of financial year	5 270,255	
LAZARD CAPITAL FI SRI PVD EUR units		
Units subscribed during the financial year	34,764	3 152 463,78
Units redeemed during the financial year	-134,264	-12 734 566,68
Net balance of subscriptions/redemptions	-99,500	-9 582 102,90
Number of outstanding units at end of financial year	522,103	

3.6.1. Number of securities issued or redeemed

	In units	In amounts
LAZARD CAPITAL FI SRI PVD F EUR units		
Units subscribed during the financial year	3 867,986	3 688 331,95
Units redeemed during the financial year	-816,978	-727 221,69
Net balance of subscriptions/redemptions	3 051,008	2 961 110,26
Number of outstanding units at end of financial year	3 305,728	
LAZARD CAPITAL FI SRI RC H-CHF units		
Units subscribed during the financial year	1,000	1 004,52
Units redeemed during the financial year	0,00	0,00
Net balance of subscriptions/redemptions	1,000	1 004,52
Number of outstanding units at end of financial year	1,000	
LAZARD CAPITAL FI SRI RD H-USD units		
Units subscribed during the financial year	0,00	0,00
Units redeemed during the financial year	0,00	0,00
Net balance of subscriptions/redemptions	0,00	0,00
Number of outstanding units at end of financial year	1,000	
LAZARD CAPITAL FI SRI RVC EUR units		
Units subscribed during the financial year	120 778,884	13 067 334,98
Units redeemed during the financial year	-150 472,388	-16 314 594,78
Net balance of subscriptions/redemptions	-29 693,504	-3 247 259,80
Number of outstanding units at end of financial year	190 565,484	
LAZARD CAPITAL FI SRI RVD EUR units		
Units subscribed during the financial year	23 487,387	2 820 737,73
Units redeemed during the financial year	-55 813,363	-6 353 987,15
Net balance of subscriptions/redemptions	-32 325,976	-3 533 249,42
Number of outstanding units at end of financial year	47 691,966	
LAZARD CAPITAL FI SRI SC EUR units		
Units subscribed during the financial year	24 065,110	285 618 236,29
Units redeemed during the financial year	-29 048,186	-328 319 119,57
Net balance of subscriptions/redemptions	-4 983,076	-42 700 883,28
Number of outstanding units at end of financial year	51 634,050	
LAZARD CAPITAL FI SRI SD EUR units		
Units subscribed during the financial year	540,986	4 999 999,98
Units redeemed during the financial year	-600,000	-5 142 888,00
Net balance of subscriptions/redemptions	-59,014	-142 888,02
Number of outstanding units at end of financial year	11 365,912	
LAZARD CAPITAL FI SRI TVD EUR units		
Units subscribed during the financial year	2 950,000	271 256,90
Units redeemed during the financial year	-51 831,297	-4 409 163,73
Net balance of subscriptions/redemptions	-48 881,297	-4 137 906,83
Number of outstanding units at end of financial year	36 413,330	

3.6.2. Subscription and/or redemption fees

	In amounts
LAZARD CAPITAL FI SRI FI PVC H-CHF units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI PC EUR units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI PC H USD units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI PD-H-USD units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI PVC EUR units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI PVC F EUR units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI PVC H-USD units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI PVD EUR units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI PVD F EUR units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI RC H-CHF units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00

3.6.2. Subscription and/or redemption fees

	In amounts
LAZARD CAPITAL FI SRI RD H-USD units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI RVC EUR units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI RVD EUR units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI SC EUR units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI SD EUR units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00
LAZARD CAPITAL FI SRI TVD EUR units	
Total subscription and/or redemption fees acquired	0,00
Subscription fees acquired	0,00
Redemption fees acquired	0,00

3.6.2. Subscription and/or redemption fees

	29/12/2023
LAZARD CAPITAL FI SRI FI PVC H-CHF units	
Guarantee fees	0,00
Fixed management fees	3 285,19
Percentage of fixed management fees	1,00
Provisioned variable management fees	154,78
Percentage of variable management fees provisioned	0,05
Variable management fees earned	561,38
Percentage of variable management fees earned	0,17
Retrocessions of management fees	0,00
LAZARD CAPITAL FI SRI PC EUR units	
Guarantee fees	0,00
Fixed management fees	36 593,74
Percentage of fixed management fees	1,24
Provisioned variable management fees	0,00
Percentage of variable management fees provisioned	0,00
Variable management fees earned	0,00
Percentage of variable management fees earned	0,00
Retrocessions of management fees	0,00
LAZARD CAPITAL FI SRI PC H USD units	
Guarantee fees	0,00
Fixed management fees	5 056,01
Percentage of fixed management fees	1,29
Provisioned variable management fees	0,00
Percentage of variable management fees provisioned	0,00
Variable management fees earned	0,00
Percentage of variable management fees earned	0,00
Retrocessions of management fees	0,00
LAZARD CAPITAL FI SRI PD-H-USD units	
Guarantee fees	0,00
Fixed management fees	10,76
Percentage of fixed management fees	1,27
Provisioned variable management fees	0,00
Percentage of variable management fees provisioned	0,00
Variable management fees earned	0,00
Percentage of variable management fees earned	0,00
Retrocessions of management fees	0,00

3.7. MANAGEMENT FEES

	29/12/2023
LAZARD CAPITAL FI SRI PVC EUR units	
Guarantee fees	0,00
Fixed management fees	2 252 963,23
Percentage of fixed management fees	1,00
Provisioned variable management fees	297 985,29
Percentage of variable management fees provisioned	0,13
Variable management fees earned	205 591,70
Percentage of variable management fees earned	0,09
Retrocessions of management fees	0,00
LAZARD CAPITAL FI SRI PVC F EUR units	
Guarantee fees	0,00
Fixed management fees	336 103,98
Percentage of fixed management fees	0,74
Provisioned variable management fees	71 134,42
Percentage of variable management fees provisioned	0,16
Variable management fees earned	9 527,41
Percentage of variable management fees earned	0,02
Retrocessions of management fees	0,00
LAZARD CAPITAL FI SRI PVC H-USD units	
Guarantee fees	0,00
Fixed management fees	96 135,51
Percentage of fixed management fees	1,00
Provisioned variable management fees	12 278,20
Percentage of variable management fees provisioned	0,13
Variable management fees earned	6 167,09
Percentage of variable management fees earned	0,06
Retrocessions of management fees	0,00
LAZARD CAPITAL FI SRI PVD EUR units	
Guarantee fees	0,00
Fixed management fees	557 436,05
Percentage of fixed management fees	1,00
Provisioned variable management fees	74 721,57
Percentage of variable management fees provisioned	0,13
Variable management fees earned	3 326,55
Percentage of variable management fees earned	0,01
Retrocessions of management fees	0,00

"The amount of variable management fees shown above corresponds to the sum of the provisions and reversals of provisions that impacted the net assets during the period under review."

3.7. MANAGEMENT FEES

	29/12/2023
LAZARD CAPITAL FI SRI PVD F EUR units	
Guarantee fees	0,00
Fixed management fees	16 132,13
Percentage of fixed management fees	0,74
Provisioned variable management fees	1 387,35
Percentage of variable management fees provisioned	0,06
Variable management fees earned	255,95
Percentage of variable management fees earned	0,01
Retrocessions of management fees	0,00
LAZARD CAPITAL FI SRI RC H-CHF units	
Guarantee fees	0,00
Fixed management fees	0,02
Percentage of fixed management fees	0,00
Provisioned variable management fees	0,00
Percentage of variable management fees provisioned	0,00
Variable management fees earned	0,00
Percentage of variable management fees earned	0,00
Retrocessions of management fees	0,00
LAZARD CAPITAL FI SRI RD H-USD units	
Guarantee fees	0,00
Fixed management fees	16,90
Percentage of fixed management fees	2,00
Provisioned variable management fees	0,00
Percentage of variable management fees provisioned	0,00
Variable management fees earned	0,00
Percentage of variable management fees earned	0,00
Retrocessions of management fees	0,00
LAZARD CAPITAL FI SRI RVC EUR units	
Guarantee fees	0,00
Fixed management fees	402 736,84
Percentage of fixed management fees	1,75
Provisioned variable management fees	9 495,00
Percentage of variable management fees provisioned	0,04
Variable management fees earned	5 260,88
Percentage of variable management fees earned	0,02
Retrocessions of management fees	0,00

"The amount of variable management fees shown above corresponds to the sum of the provisions and reversals of provisions that impacted the net assets during the period under review."

3.7. MANAGEMENT FEES

	29/12/2023
LAZARD CAPITAL FI SRI RVD EUR units	
Guarantee fees	0,00
Fixed management fees	145 143,56
Percentage of fixed management fees	1,75
Provisioned variable management fees	1 381,91
Percentage of variable management fees provisioned	0,02
Variable management fees earned	1 579,76
Percentage of variable management fees earned	0,02
Retrocessions of management fees	0,00
LAZARD CAPITAL FI SRI SC EUR units	
Guarantee fees	0,00
Fixed management fees	5 189 245,21
Percentage of fixed management fees	0,74
Provisioned variable management fees	0,00
Percentage of variable management fees provisioned	0,00
Variable management fees earned	0,00
Percentage of variable management fees earned	0,00
Retrocessions of management fees	0,00
LAZARD CAPITAL FI SRI SD EUR units	
Guarantee fees	0,00
Fixed management fees	729 600,19
Percentage of fixed management fees	0,74
Provisioned variable management fees	0,00
Percentage of variable management fees provisioned	0,00
Variable management fees earned	0,00
Percentage of variable management fees earned	0,00
Retrocessions of management fees	0,00
LAZARD CAPITAL FI SRI TVD EUR units	
Guarantee fees	0,00
Fixed management fees	47 989,37
Percentage of fixed management fees	1,00
Provisioned variable management fees	4 142,57
Percentage of variable management fees provisioned	0,09
Variable management fees earned	3 021,17
Percentage of variable management fees earned	0,06
Retrocessions of management fees	0,00

"The amount of variable management fees shown above corresponds to the sum of the provisions and reversals of provisions that impacted the net assets during the period under review."

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. Current value of financial instruments held temporarily

	29/12/2023
Securities held under repurchase agreements	0,00
Borrowed securities	0,00

3.9.2. Current value; of financial instruments representing security deposits

	29/12/2023
Financial instruments given as security and retained under their original classification	0,00
Financial instruments received as security and not recorded on the balance sheet	0,00

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

	ISIN code	Name	29/12/2023
Equities			0,00
Bonds			0,00
Negotiable debt securities			0,00
UCI			53 448 105,33
	FR0010941815	LAZARD EURO MONEY MARKET "B	20 129 108,04
	FR0011291657	LAZARD EURO SHORT TERM MONEY MARKET "C	33 318 997,29
Forward financial instruments			0,00
Total group securities			53 448 105,33

3.10. TABLE OF APPROPRIATION OF DISTRIBUTABLE INCOME

Table of appropriation of distributable income pertaining to net income

	29/12/2023	30/12/2022
Remaining amounts to be appropriated		
Retained earnings	397,31	667,16
Net income	59 887 002,82	58 144 601,54
Interim dividends paid on net income for the financial year	0,00	0,00
Total	59 887 400,13	58 145 268,70

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI FI PVC H-CHF units		
Appropriation		
Distribution	0,00	0,00
Balance brought forward for the financial year	0,00	0,00
Accumulation	7 597,23	9 451,89
Total	7 597,23	9 451,89

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PC EUR units		
Appropriation		
Distribution	0,00	0,00
Balance brought forward for the financial year	0,00	0,00
Accumulation	2 949,36	363 766,52
Total	2 949,36	363 766,52

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PC H USD units		
Appropriation		
Distribution	0,00	0,00
Balance brought forward for the financial year	0,00	0,00
Accumulation	20 391,55	20 202,47
Total	20 391,55	20 202,47

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PD-H-USD units (*)		
Appropriation		
Distribution	11,34	38,03
Balance brought forward for the financial year	34,02	0,00
Accumulation	0,00	0,00
Total	45,36	38,03
Information on units with dividend rights		
Number of units	1,000	1,000
Dividend per unit	11,34	38,03
Tax credit		
Tax credit attached to the distribution of net income	0,00	0,00

(*) The net income for year N will be paid in part (i) as an annual distribution within 5 months of year N+1 and (ii) as a quarterly distribution during year N+1 for the part of the net income for year N allocated to retained earnings."

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PVC EUR units		
Appropriation		
Distribution	0,00	0,00
Balance brought forward for the financial year	0,00	0,00
Accumulation	10 562 714,96	12 044 772,32
Total	10 562 714,96	12 044 772,32

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PVC F EUR units		
Appropriation		
Distribution	0,00	0,00
Balance brought forward for the financial year	0,00	0,00
Accumulation	3 226 618,18	642 808,76
Total	3 226 618,18	642 808,76

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PVC H-USD units		
Appropriation		
Distribution	0,00	0,00
Balance brought forward for the financial year	0,00	0,00
Accumulation	392 636,79	666 380,57
Total	392 636,79	666 380,57

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PVD EUR units		
Appropriation		
Distribution	2 750 438,60	2 811 168,49
Balance brought forward for the financial year	0,15	0,26
Accumulation	0,00	0,00
Total	2 750 438,75	2 811 168,75
Information on units with dividend rights		
Number of units	522,103	621,603
Dividend per unit	5 268,00	4 522,45
Tax credit		
Tax credit attached to the distribution of net income	0,00	8,76

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PVD F EUR units		
Appropriation		
Distribution	174 707,72	9 707,38
Balance brought forward for the financial year	21,21	0,79
Accumulation	0,00	0,00
Total	174 728,93	9 708,17
Information on units with dividend rights		
Number of units	3 305,728	254,720
Dividend per unit	52,85	38,11
Tax credit		
Tax credit attached to the distribution of net income	0,00	0,00

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI RC H-CHF units		
Appropriation		
Distribution	0,00	0,00
Balance brought forward for the financial year	0,00	0,00
Accumulation	57,05	0,00
Total	57,05	0,00

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI RD H-USD units (*)		
Appropriation		
Distribution	9,74	31,95
Balance brought forward for the financial year	29,19	0,00
Accumulation	0,00	0,00
Total	38,93	31,95
Information on units with dividend rights		
Number of units	1,000	1,000
Dividend per unit	9,74	31,95
Tax credit		
Tax credit attached to the distribution of net income	0,00	0,00

(*) The net income for year N will be paid in part (i) as an annual distribution within 5 months of year N+1 and (ii) as a quarterly distribution during year N+1 for the part of the net income for year N allocated to retained earnings."

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI RVC EUR units		
Appropriation		
Distribution	0,00	0,00
Balance brought forward for the financial year	0,00	0,00
Accumulation	976 317,98	897 567,20
Total	976 317,98	897 567,20

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI RVD EUR units		
Appropriation		
Distribution	268 028,85	372 083,43
Balance brought forward for the financial year	473,90	164,68
Accumulation	0,00	0,00
Total	268 502,75	372 248,11
Information on units with dividend rights		
Number of units	47 691,966	80 017,942
Dividend per unit	5,62	4,65
Tax credit		
Tax credit attached to the distribution of net income	0,00	1,36

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI SC EUR units		
Appropriation		
Distribution	0,00	0,00
Balance brought forward for the financial year	0,00	0,00
Accumulation	35 400 207,85	34 369 093,19
Total	35 400 207,85	34 369 093,19

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI SD EUR units		
Appropriation		
Distribution	5 927 436,77	5 583 475,59
Balance brought forward for the financial year	54,59	70,03
Accumulation	0,00	0,00
Total	5 927 491,36	5 583 545,62
Information on units with dividend rights		
Number of units	11 365,912	11 424,926
Dividend per unit	521,51	488,71
Tax credit		
Tax credit attached to the distribution of net income	0,00	14,89

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI TVD EUR units		
Appropriation		
Distribution	176 604,65	353 972,70
Balance brought forward for the financial year	58,45	512,45
Accumulation	0,00	0,00
Total	176 663,10	354 485,15
Information on units with dividend rights		
Number of units	36 413,330	85 294,627
Dividend per unit	4,85	4,15
Tax credit		
Tax credit attached to the distribution of net income	0,00	1,10

Table of appropriation of distributable income pertaining to net capital gains and losses

	29/12/2023	30/12/2022
Remaining amounts to be appropriated		
Undistributed net capital gains and losses recognised in previous years	0,00	0,00
Net capital gains and losses for the year	-133 803 199,37	-1 067 166,72
Interim dividends paid on net capital gains/losses for the financial year	0,00	0,00
Total	-133 803 199,37	-1 067 166,72

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI FI PVC H-CHF units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-17 106,69	11 530,48
Total	-17 106,69	11 530,48

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PC EUR units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-6 990,33	-16 480,06
Total	-6 990,33	-16 480,06

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PC H USD units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-43 691,34	35 769,71
Total	-43 691,34	35 769,71

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PD-H-USD units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-100,36	82,32
Total	-100,36	82,32

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PVC EUR units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-24 882 560,07	-536 776,71
Total	-24 882 560,07	-536 776,71

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PVC F EUR units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-7 196 254,51	-19 532,31
Total	-7 196 254,51	-19 532,31

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PVC H-USD units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-833 371,53	1 193 380,91
Total	-833 371,53	1 193 380,91

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PVD EUR units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-6 624 562,80	-133 559,49
Total	-6 624 562,80	-133 559,49

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI PVD F EUR units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-395 254,02	-293,50
Total	-395 254,02	-293,50

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI RC H-CHF units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-119,02	0,00
Total	-119,02	0,00

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI RD H-USD units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-99,52	82,45
Total	-99,52	82,45

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI RVC EUR units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-2 600 559,72	-47 017,08
Total	-2 600 559,72	-47 017,08

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI RVD EUR units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-731 426,75	-20 460,87
Total	-731 426,75	-20 460,87

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI SC EUR units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-76 717 010,00	-1 291 127,34
Total	-76 717 010,00	-1 291 127,34

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI SD EUR units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-13 330 474,24	-225 958,59
Total	-13 330 474,24	-225 958,59

	29/12/2023	30/12/2022
LAZARD CAPITAL FI SRI TVD EUR units		
Appropriation		
Distribution	0,00	0,00
Undistributed net capital gains and losses	0,00	0,00
Accumulation	-423 618,47	-16 806,64
Total	-423 618,47	-16 806,64

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

	31/12/2019	31/12/2020	31/12/2021	30/12/2022	29/12/2023
Global net assets in EUR	382 340 536,61	661 655 048,96	1 277 029 273,79	1 198 000 608,72	1 127 734 959,34
LAZARD CAPITAL FI SRI FI PVC H-CHF units in CHF					
Net assets in CHF	192 386,27	377 911,10	277 916,88	215 001,49	145 320,60
Number of units	165,000	350,000	242,500	210,544	137,282
Net asset value per unit in CHF	1 165,97	1 079,74	1 146,04	1 021,17	1 058,55
Accumulation per unit pertaining to net capital gains/losses in euros	15,03	6,52	46,65	54,76	-124,60
Accumulation per unit pertaining to income in euros	39,61	3,26	37,34	44,89	55,34
LAZARD CAPITAL FI SRI PC EUR units in EUR					
Net assets	0,00	0,00	0,00	8 668 546,82	59 142,26
Number of units	0,00	0,00	0,00	9 171,000	59,000
Net asset value per unit	0,00	0,00	0,00	945,21	1 002,41
Accumulation per unit pertaining to net capital gains/losses	0,00	0,00	0,00	-1,79	-118,48
Accumulation per unit pertaining to income	0,00	0,00	0,00	39,66	49,98
LAZARD CAPITAL FI SRI PC H USD units in USD					
Net assets in USD	0,00	745 044,27	201 227,09	468 961,05	450 339,75
Number of units	0,00	701,000	176,421	450,000	400,000
Net asset value per unit in USD	0,00	1 062,83	1 140,60	1 042,13	1 125,84
Accumulation per unit pertaining to net capital gains/losses in euros	0,00	-19,20	81,04	79,48	-109,22
Accumulation per unit pertaining to income in euros	0,00	36,99	35,06	44,89	50,97

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

	31/12/2019	31/12/2020	31/12/2021	30/12/2022	29/12/2023
LAZARD CAPITAL FI SRI PD-H-USD units in USD					
Net assets in USD	0,00	0,00	0,00	962,94	990,83
Number of units	0,00	0,00	0,00	1,000	1,000
Net asset value per unit in USD	0,00	0,00	0,00	962,94	990,83
Accumulation per unit pertaining to net capital gains/losses in euros	0,00	0,00	0,00	82,32	-100,36
Distribution of income per unit in euros	0,00	0,00	0,00	38,03	11,34
Tax credit per unit in euros	0,00	0,00	0,00	0,00	0,00
Retained earnings per unit pertaining to net income in euros	0,00	0,00	0,00	0,00	34,02
LAZARD CAPITAL FI SRI PVC EUR units in EUR					
Net assets	254 732 613,09	304 292 033,78	339 803 996,24	273 444 299,39	210 555 363,12
Number of units	133 816,985	147 123,302	154 385,863	139 031,486	100 885,502
Net asset value per unit	1 903,58	2 068,27	2 201,00	1 966,77	2 087,07
Accumulation per unit pertaining to net capital gains/losses	-13,72	106,19	15,89	-3,86	-246,64
Accumulation per unit pertaining to income	69,64	60,06	77,20	86,63	104,70
LAZARD CAPITAL FI SRI PVC F EUR units in EUR					
Net assets	0,00	0,00	0,00	16 582 365,48	61 002 736,41
Number of units	0,00	0,00	0,00	17 256,240	59 660,223
Net asset value per unit	0,00	0,00	0,00	960,94	1 022,50
Accumulation per unit pertaining to net capital gains/losses	0,00	0,00	0,00	-1,13	-120,62
Accumulation per unit pertaining to income	0,00	0,00	0,00	37,25	54,08

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

	31/12/2019	31/12/2020	31/12/2021	30/12/2022	29/12/2023
LAZARD CAPITAL FI SRI PVC H-USD units in USD					
Net assets in USD	3 460 435,25	4 488 743,86	16 504 699,48	15 707 781,56	8 594 919,55
Number of units	2 493,363	2 914,871	9 998,750	10 419,934	5 270,255
Net asset value per unit in USD	1 387,85	1 539,94	1 650,67	1 507,47	1 630,83
Accumulation per unit pertaining to net capital gains/losses in euros	33,17	-22,12	117,30	114,52	-158,12
Accumulation per unit pertaining to income in euros	43,56	39,83	51,63	63,95	74,50
LAZARD CAPITAL FI SRI PVD EUR units in EUR					
Net assets	49 894 427,41	55 061 743,67	69 573 714,58	63 575 736,93	53 883 780,21
Number of units	449,495	477,883	585,326	621,603	522,103
Net asset value per unit	111 001,07	115 220,13	118 863,18	102 277,07	103 205,26
Accumulation per unit pertaining to net capital gains/losses	-895,89	6 018,63	871,85	-214,86	-12 688,22
Distribution of income per unit:	4 107,58	3 598,16	4 178,82	4 522,45	5 268,00
Tax credit per unit	0,00	0,00	0,00	0,00	0,00
LAZARD CAPITAL FI SRI PVD F EUR units in EUR					
Net assets	0,00	0,00	0,00	244 998,09	3 235 546,51
Number of units	0,00	0,00	0,00	254,720	3 305,728
Net asset value per unit	0,00	0,00	0,00	961,83	978,76
Accumulation per unit pertaining to net capital gains/losses	0,00	0,00	0,00	-1,15	-119,56
Distribution of income per unit:	0,00	0,00	0,00	38,11	52,85
Tax credit per unit	0,00	0,00	0,00	0,00	0,00
LAZARD CAPITAL FI SRI RC H-CHF units in CHF					
Net assets in CHF	0,00	0,00	0,00	0,00	1 011,50
Number of units	0,00	0,00	0,00	0,00	1,000
Net asset value per unit in CHF	0,00	0,00	0,00	0,00	1 011,50
Accumulation per unit pertaining to net capital gains/losses in euros	0,00	0,00	0,00	0,00	-119,02
Accumulation per unit pertaining to income in euros	0,00	0,00	0,00	0,00	57,05

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

	31/12/2019	31/12/2020	31/12/2021	30/12/2022	29/12/2023
LAZARD CAPITAL FI SRI RD H-USD units in USD					
Net assets in USD	0,00	0,00	0,00	956,49	983,34
Number of units	0,00	0,00	0,00	1,000	1,000
Net asset value per unit in USD	0,00	0,00	0,00	956,49	983,34
Accumulation per unit pertaining to net capital gains/losses in euros	0,00	0,00	0,00	82,45	-99,52
Distribution of income per unit in euros	0,00	0,00	0,00	31,95	9,74
Tax credit per unit in euros	0,00	0,00	0,00	0,00	0,00
Retained earnings per unit pertaining to net income in euros	0,00	0,00	0,00	0,00	29,19
LAZARD CAPITAL FI SRI RVC EUR units in EUR					
Net assets	6 459 680,20	4 869 404,11	9 345 610,20	24 018 322,90	21 911 422,57
Number of units	59 869,759	41 912,543	76 073,806	220 258,988	190 565,484
Net asset value per unit	107,89	116,18	122,84	109,04	114,98
Accumulation per unit pertaining to net capital gains/losses	-0,81	5,98	0,88	-0,21	-13,64
Accumulation per unit pertaining to income	3,38	2,50	3,55	4,07	5,12
LAZARD CAPITAL FI SRI RVD EUR units in EUR					
Net assets	14 756 848,35	7 190 084,43	14 788 513,15	9 897 892,44	5 958 708,43
Number of units	109 955,974	51 578,988	102 893,736	80 017,942	47 691,966
Net asset value per unit	134,20	139,39	143,72	123,69	124,94
Net capital gains/losses per unit not distributed	0,00	0,00	1,05	0,00	0,00
Accumulation per unit pertaining to net capital gains/losses	-1,07	7,28	0,00	-0,25	-15,33
Distribution of income per unit:	4,17	3,54	4,16	4,65	5,62
Tax credit per unit	0,00	0,00	0,00	0,00	0,00

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

	31/12/2019	31/12/2020	31/12/2021	30/12/2022	29/12/2023
LAZARD CAPITAL FI SRI SC EUR units in EUR					
Net assets	40 603 297,31	246 040 055,35	712 445 872,50	670 084 841,42	651 340 199,92
Number of units	3 627,530	20 040,184	54 158,049	56 617,126	51 634,050
Net asset value per unit	11 193,09	12 277,33	13 154,93	11 835,37	12 614,54
Accumulation per unit pertaining to net capital gains/losses	-80,25	626,58	94,77	-22,80	-1 485,78
Accumulation per unit pertaining to income	449,69	464,48	547,98	607,04	685,59
LAZARD CAPITAL FI SRI SD EUR units in EUR					
Net assets	0,00	26 812 205,21	102 635 152,73	108 107 477,16	107 994 543,03
Number of units	0,00	2 523,383	9 328,926	11 424,926	11 365,912
Net asset value per unit	0,00	10 625,49	11 001,81	9 462,42	9 501,61
Net capital gains/losses per unit not distributed	0,00	0,00	80,61	0,00	0,00
Accumulation per unit pertaining to net capital gains/losses	0,00	539,86	0,00	-19,77	-1 172,84
Accumulation per unit pertaining to income	0,00	366,75	460,90	488,71	521,51
Tax credit per unit	0,00	0,00	0,00	0,00	0,00
LAZARD CAPITAL FI SRI TVD EUR units in EUR					
Net assets	12 633 888,86	12 762 562,88	13 477 790,45	7 999 188,57	3 445 984,02
Number of units	123 894,896	120 811,027	123 652,236	85 294,627	36 413,330
Net asset value per unit	101,97	105,64	108,99	93,78	94,63
Net capital gains/losses per unit not distributed	0,00	0,00	0,79	0,00	0,00
Accumulation per unit pertaining to net capital gains/losses	-0,82	5,52	0,00	-0,19	-11,63
Distribution of income per unit:	3,87	3,29	3,84	4,15	4,85
Tax credit per unit	0,00	0,00	0,00	0,00	0,00

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS IN EUR

Description of security	Currency	Quantity No. or nominal	Current value	% Net assets
Bonds and similar securities				
Bonds and similar securities traded on a regulated or similar market				
GERMANY				
CMZB FRANCFORT 4.25% PERP	EUR	15 000 000	12 731 120,08	1,13
CMZB FRANCFORT 6,125% PERP	EUR	35 800 000	36 293 577,34	3,21
DEUT BANK AG 7.125% 31-12-99	GBP	25 100 000	29 047 806,34	2,58
DEUTSCHE BK 4.5% PERP	EUR	29 200 000	25 227 830,66	2,24
DEUTSCHE BK 4,625% PERP	EUR	12 000 000	10 242 045,57	0,91
DEUTSCHE BK USSW5+4.358% PERP	USD	16 600 000	13 750 959,05	1,22
DEUTSCHE PFANDBRIEFBANK AG 5.75% PERP	EUR	21 000 000	13 478 135,08	1,19
OLDENBURGISCHE LANDESBANK AG 6.0% PERP	EUR	7 000 000	5 860 451,55	0,52
TOTAL GERMANY			146 631 925,67	13,00
AUSTRIA				
ERSTE GR BK 5.125% PERP EMTN	EUR	9 000 000	8 642 764,67	0,77
ERSTE GR BK 8.5% PERP	EUR	14 400 000	15 607 773,64	1,38
RAIFFEISEN BANK INTL AG 4.5% PERP	EUR	5 000 000	3 736 605,33	0,33
RAIFFEISEN BANK INTL AG 6.0% PERP	EUR	22 600 000	20 724 194,44	1,84
RAIFFEISEN BANK INTL AG EUSA5+5.954% PERP	EUR	18 000 000	17 216 911,97	1,52
VILKSBANK WIEN AG 7.75% PERP	EUR	17 000 000	16 947 221,50	1,51
TOTAL AUSTRIA			82 875 471,55	7,35
BELGIUM				
BELFIUS BANK 3.625% PERP	EUR	19 000 000	16 510 039,62	1,46
BNP PAR FORTIS E3R+2.0% PERP	EUR	17 750 000	15 308 302,20	1,36
TOTAL BELGIUM			31 818 341,82	2,82
CYPRUS				
Hellenic Bank Public Company 10.25% 14-06-33	EUR	11 000 000	12 724 482,02	1,13
TOTAL CYPRUS			12 724 482,02	1,13
SPAIN				
ABANCA CORPORACION BANCARIA 6.0% PERP	EUR	19 200 000	18 484 190,61	1,64
BANCO DE BADELL 5.0% PERP	EUR	28 000 000	24 347 935,65	2,16
BANCO DE BADELL 9.375% PERP	EUR	26 000 000	28 356 670,38	2,51
BANCO DE CREDITO SOCIAL 5.25% 27-11-31	EUR	32 300 000	30 142 436,78	2,67
BANCO NTANDER 3.625% PERP	EUR	5 000 000	3 752 523,21	0,33
BANCO NTANDER 4.75% PERP	EUR	12 000 000	11 158 589,01	0,99
BANKINTER 7.375% 31-12-99	EUR	12 600 000	12 929 908,25	1,15
BBVA 8.375% PERP	EUR	8 000 000	8 708 448,57	0,77
CAIXABANK 3.625% PERP	EUR	14 400 000	11 187 745,32	0,99
CAIXABANK 5.25% PERP	EUR	25 000 000	23 332 788,46	2,07
CAIXABANK 8.25% PERP	EUR	20 000 000	21 307 192,31	1,89
IBERCAJA 9.125% PERP	EUR	17 400 000	18 426 988,66	1,64
NCG BAN 10.625% PERP	EUR	14 000 000	15 738 331,68	1,39
UNICAJA BAN 4.875% PERP	EUR	41 000 000	33 304 248,75	2,96
TOTAL SPAIN			261 177 997,64	23,16
FRANCE				
BQ POSTALE 3.0% PERP	EUR	12 400 000	9 176 575,03	0,81
SG 4.75% PERP	USD	33 200 000	26 641 056,04	2,37
SG 5,375% PERP	USD	7 600 000	5 660 517,36	0,50

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS IN EUR

Description of security	Currency	Quantity No. or nominal	Current value;	% Net assets
SG 6.75% PERP	USD	12 600 000	10 348 134,25	0,92
SG 7.875% PERP EMTN	EUR	15 000 000	16 039 876,22	1,42
TOTAL FRANCE			67 866 158,90	6,02
GREECE				
ALPHA SERVICES AND 11.875% PERP	EUR	29 000 000	32 798 511,41	2,91
PIRAEUS FINANCIAL 5.5% 19-02-30	EUR	14 463 000	14 903 945,17	1,32
PIRAEUS FINANCIAL 8.75% PERP	EUR	17 199 000	16 956 550,49	1,50
TOTAL GREECE			64 659 007,07	5,73
CAYMAN ISLANDS				
PHOENIX GROUP 5.75% PERP	GBP	8 900 000	8 866 108,66	0,79
TOTAL CAYMAN ISLANDS			8 866 108,66	0,79
IRELAND				
BANK OF CYPRUS 11.875% PERP	EUR	10 000 000	10 772 728,96	0,95
BANK OF CYPRUS 6.625% 23-10-31	EUR	12 600 000	12 538 169,11	1,11
PERMANENT TSB GROUP 13.25% PERP	EUR	12 000 000	14 140 914,10	1,26
PERMANENT TSB GROUP 7.875% PERP	EUR	2 000 000	1 991 825,00	0,18
TOTAL IRELAND			39 443 637,17	3,50
ICELAND				
ARION BANK 6.25% PERP	USD	9 350 000	8 249 937,60	0,73
TOTAL ICELAND			8 249 937,60	0,73
ITALY				
BANCO BPM 6.125% PERP	EUR	14 500 000	14 807 821,60	1,31
BANCO BPM 9.5% PERP	EUR	7 300 000	7 999 738,29	0,71
BFF BANK 5.875% PERP	EUR	9 200 000	8 382 816,00	0,75
INTE 5.5% PERP EMTN	EUR	27 000 000	25 604 134,12	2,27
INTE 5,875% PERP	EUR	22 000 000	20 346 122,20	1,81
INTE 9,125% PERP	EUR	15 000 000	16 982 415,66	1,50
MONTE PASCHI 8.0% 22-01-30	EUR	20 049 000	21 683 306,59	1,92
MONTE PASCHI 8.5% 10-09-30	EUR	12 150 000	12 548 855,95	1,11
UNICREDIT 3.875% PERP CV EMTN	EUR	14 000 000	12 043 389,45	1,07
TOTAL ITALY			140 398 599,86	12,45
PORTUGAL				
BCP 9.25% PERP	EUR	25 200 000	25 695 103,30	2,28
TOTAL PORTUGAL			25 695 103,30	2,28
UNITED KINGDOM				
BARCLAYS 4.375% PERP	USD	15 000 000	10 676 288,87	0,94
BARCLAYS 9.25% PERP	GBP	14 000 000	16 222 798,63	1,44
BARCLAYS PLC 5.875% PERP	GBP	34 200 000	38 297 709,80	3,40
DIRECT LINE INSURANCE PLC 4.75% PERP	GBP	21 600 000	19 614 711,81	1,74
ESURE GROUP 6.0% PERP	GBP	5 000 000	4 184 449,55	0,37
RL FINANCE BONDS NO 6 10.125% PERP	GBP	14 984 000	18 627 300,49	1,65
STANDARD LIFE 5.25% PERP	GBP	23 103 000	22 740 472,99	2,02
VIRGIN MONEY UK 11.0% 31-12-99	GBP	11 300 000	13 440 341,52	1,19
VIRGIN MONEY UK 8.25% PERP	GBP	20 000 000	21 516 834,70	1,91
TOTAL UNITED KINGDOM			165 320 908,36	14,66
SLOVENIA				
NOVA LJUBLJANSKA BANKA DD 10.75% 28-11-32	EUR	8 000 000	8 787 390,16	0,78
TOTAL SLOVENIA			8 787 390,16	0,78

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS IN EUR

Description of security	Currency	Quantity No. or nominal	Current value;	% Net assets
SWITZERLAND				
UBS GROUP AG 9.25% PERP	USD	6 900 000	6 817 281,34	0,60
TOTAL SWITZERLAND			6 817 281,34	0,60
TOTAL Bonds and similar securities traded on a regulated or similar market			1 071 332 351,12	95,00
TOTAL Bonds and similar securities			1 071 332 351,12	95,00
Undertakings for collective investment				
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries				
FRANCE				
LAZARD EURO MONEY MARKET "B	EUR	19,146	20 129 108,04	1,79
LAZARD EURO SHORT TERM MONEY MARKET "C	EUR	16 323	33 318 997,29	2,95
TOTAL FRANCE			53 448 105,33	4,74
TOTAL general UCITS and general AIFs aimed at non-professionals and their equivalent in other countries			53 448 105,33	4,74
TOTAL Undertakings for collective investment			53 448 105,33	4,74
Receivables			409 904 364,79	36,35
Liabilities			-413 198 927,49	-36,64
Financial accounts			6 249 065,59	0,55
Net assets			1 127 734 959,34	100,00

LAZARD CAPITAL FI SRI PVD F EUR units	EUR	3 305,728	978,76
LAZARD CAPITAL FI SRI PVD EUR units	EUR	522,103	103 205,26
LAZARD CAPITAL FI SRI TVD EUR units	EUR	36 413,330	94,63
LAZARD CAPITAL FI SRI SD EUR units	EUR	11 365,912	9 501,61
LAZARD CAPITAL FI SRI RVD EUR units	EUR	47 691,966	124,94
LAZARD CAPITAL FI SRI PVC F EUR units	EUR	59 660,223	1 022,50
LAZARD CAPITAL FI SRI PC EUR units	EUR	59,000	1 002,41
LAZARD CAPITAL FI SRI PVC EUR units	EUR	100 885,502	2 087,07
LAZARD CAPITAL FI SRI SC EUR units	EUR	51 634,050	12 614,54
LAZARD CAPITAL FI SRI RVC EUR units	EUR	190 565,484	114,98
LAZARD CAPITAL FI SRI RD H-USD units	USD	1,000	983,34
LAZARD CAPITAL FI SRI PD-H-USD units	USD	1,000	990,83
LAZARD CAPITAL FI SRI PVC H-USD units	USD	5 270,255	1 630,83
LAZARD CAPITAL FI SRI PC H USD units	USD	400,000	1 125,84
LAZARD CAPITAL FI SRI RC H-CHF units	CHF	1,000	1 011,50
LAZARD CAPITAL FI SRI FI PVC H-CHF units	CHF	137,282	1 058,55

Additional information on the tax regime applicable to interest payments

Breakdown of interest: LAZARD CAPITAL FI SRI PD-H-USD units

	NET OVERALL	CURRENCY	NET PER UNIT	CURRENCY
Revenue subject to non-definitive withholding tax	11,34	EUR	11,34	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax	0,00		0,00	
Other income not eligible for a tax allowance and subject to non-definitive withholding tax	0,00		0,00	
Non-declarable and non-taxable income	0,00		0,00	
Amounts paid out in relation to capital gains and losses	0,00		0,00	
TOTAL	11,34	EUR	11,34	EUR

Breakdown of interest: LAZARD CAPITAL FI SRI PVD EUR units

	NET OVERALL	CURRENCY	NET PER UNIT	CURRENCY
Revenue subject to non-definitive withholding tax	2 724 683,26	EUR	5 218,67	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax	0,00		0,00	
Other income not eligible for a tax allowance and subject to non-definitive withholding tax	25 755,34	EUR	49,33	EUR
Non-declarable and non-taxable income	0,00		0,00	
Amounts paid out in relation to capital gains and losses	0,00		0,00	
TOTAL	2 750 438,60	EUR	5 268,00	EUR

Breakdown of interest: LAZARD CAPITAL FI SRI PVD F EUR units

	NET OVERALL	CURRENCY	NET PER UNIT	CURRENCY
Revenue subject to non-definitive withholding tax	163 203,79	EUR	49,37	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax	0,00		0,00	
Other income not eligible for a tax allowance and subject to non-definitive withholding tax	11 503,93	EUR	3,48	EUR
Non-declarable and non-taxable income	0,00		0,00	
Amounts paid out in relation to capital gains and losses	0,00		0,00	
TOTAL	174 707,72	EUR	52,85	EUR

Additional information on the tax regime applicable to interest payments

Breakdown of interest: LAZARD CAPITAL FI SRI RD H-USD units

	NET OVERALL	CURRENCY	NET PER UNIT	CURRENCY
Revenue subject to non-definitive withholding tax	9,74	EUR	9,74	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax	0,00		0,00	
Other income not eligible for a tax allowance and subject to non-definitive withholding tax	0,00		0,00	
Non-declarable and non-taxable income	0,00		0,00	
Amounts paid out in relation to capital gains and losses	0,00		0,00	
TOTAL	9,74	EUR	9,74	EUR

Breakdown of interest: LAZARD CAPITAL FI SRI RVD EUR units

	NET OVERALL	CURRENCY	NET PER UNIT	CURRENCY
Revenue subject to non-definitive withholding tax	268 028,85	EUR	5,62	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax	0,00		0,00	
Other income not eligible for a tax allowance and subject to non-definitive withholding tax	0,00		0,00	
Non-declarable and non-taxable income	0,00		0,00	
Amounts paid out in relation to capital gains and losses	0,00		0,00	
TOTAL	268 028,85	EUR	5,62	EUR

Breakdown of interest: LAZARD CAPITAL FI SRI SD EUR units

	NET OVERALL	CURRENCY	NET PER UNIT	CURRENCY
Revenue subject to non-definitive withholding tax	5 456 319,72	EUR	480,06	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax	0,00		0,00	
Other income not eligible for a tax allowance and subject to non-definitive withholding tax	471 117,05	EUR	41,45	EUR
Non-declarable and non-taxable income	0,00		0,00	
Amounts paid out in relation to capital gains and losses	0,00		0,00	
TOTAL	5 927 436,77	EUR	521,51	EUR

Additional information on the tax regime applicable to interest payments

Breakdown of interest: LAZARD CAPITAL FI SRI TVD EUR units

	NET OVERALL	CURRENCY	NET PER UNIT	CURRENCY
Revenue subject to non-definitive withholding tax	174 419,85	EUR	4,79	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax	0,00		0,00	
Other income not eligible for a tax allowance and subject to non-definitive withholding tax	2 184,80	EUR	0,06	EUR
Non-declarable and non-taxable income	0,00		0,00	
Amounts paid out in relation to capital gains and losses	0,00		0,00	
TOTAL	176 604,65	EUR	4,85	EUR

7. APPENDIX(ES)

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 Capital Fi SRI

Legal entity identifier: 96950017UNE2JVZKYN74

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 companies in which the financial product invests 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 include 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**: %

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 70,44% of sustainable investments

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

with an environmental objective and carried out 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

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

with a social objective

It made **sustainable investments 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
- Promotion of diversity
- Health, safety and well-being at work

Value chain management:

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

In managing this portfolio, particular attention is paid to the following criteria:

	BANKS	INSURANCE
ENVIRONMENT		
Supply of raw materials (palm oil, cocoa, etc.)	●	
Green products and SRI	●	●
Climate change	●	●
HUMAN RESOURCES		
Diversity and inclusion	●	●
HUMAN RIGHTS		
Non-discrimination	●	●
SOCIAL COMMITMENT		
Tax transparency	●	●
Financial inclusion	●	●
BUSINESS PRACTICES		
Data privacy and security	●	●
Information to customers	●	●
Responsible customers relations	●	●
Corruption and money laundering	●	●
Responsible lobbying	●	●
CORPORATE GOVERNANCE		
Boards of Directors	●	●
Internal controls and risk management	●	●
Audit independence	●	●
Executive compensation	●	●
Shareholders' rights	●	●

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 score.

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:

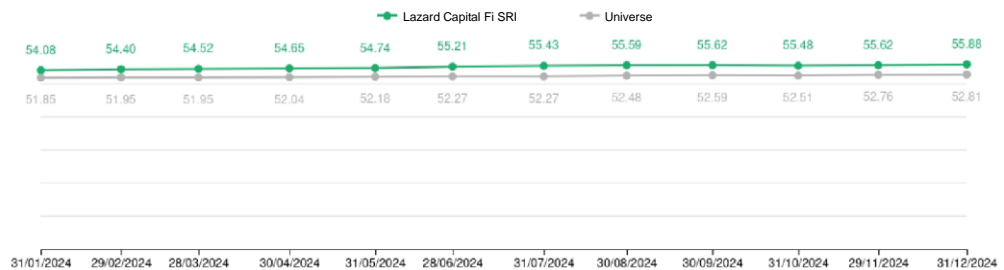
In addition, to confirm the robustness of the internal model, the analysts-managers in charge of management compare the portfolio's average ESG rating to that of its reference ESG universe.

The analyst-managers also monitor four main indicators for the financial sector using Moody's ESG Solutions ratings on the following criteria:

- Development of sustainable products and services
- Responsible customer relations
- Preventing discrimination and promoting diversity
- Audit and internal controls

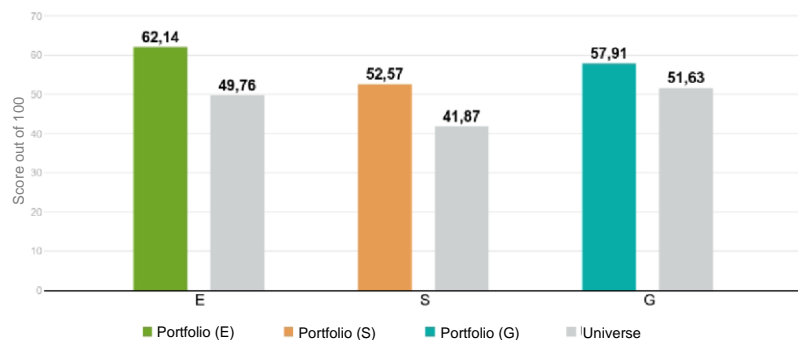
These indicators are the subject of a quarterly SRI report available at: https://www.lazardfreresgestion.fr/FR/Fonds_71.html.

Evolution of the ESG score

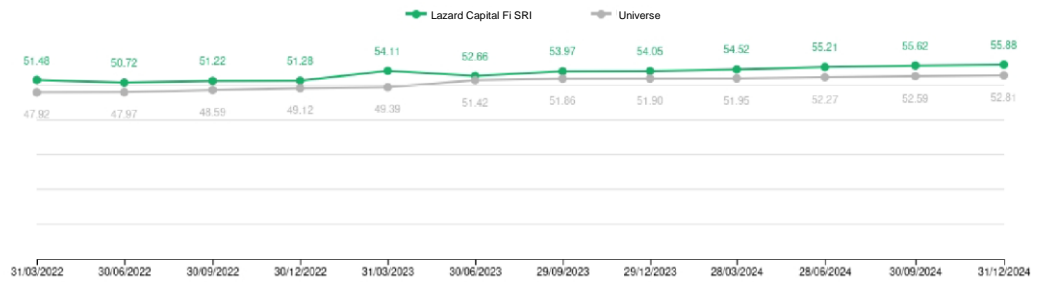


The portfolio's ESG reference universe is:

The Eurozone universe provided by our ESG partners, equi-weighted, restricted to the following sectors: Diversified Banks, Insurance, Financial Services General, Retail and Specialized Banks, Asset Management & Custody Banks, Banks, Consumer Finance, Diversified Financials, Investment Banking & Brokerage, Life & Health Insurance, Multi-line Insurance & Brokerage, Property & Casualty Insurance



● ...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:

- % 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	5,54%
GHG intensity	Included in the lowest 20% of the sector	6,36%
Implied temperature rise in 2050	≤2°C	32,39%
Number of low-carbon patents	Included in the top 20% of the universe	0,14%
% of women in executive management	Included in the top 20% of the universe	10,45%
Number of hours of training for employees	Included in the top 20% of the universe	7,30%
Benefits coverage	See sustainable investment presentation www.lazardfreresgestion.fr	12,72%
Diversity policies by management	See presentation www.lazardfreresgestion.fr	42,62%

● **How did the sustainable investments that the financial product made in particular not cause significant harm to any environmental or social sustainable investment objective?**

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.

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 Union 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 impacts (PAI) in terms of sustainability.

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: From 01/01/2024 to 31/12/2024

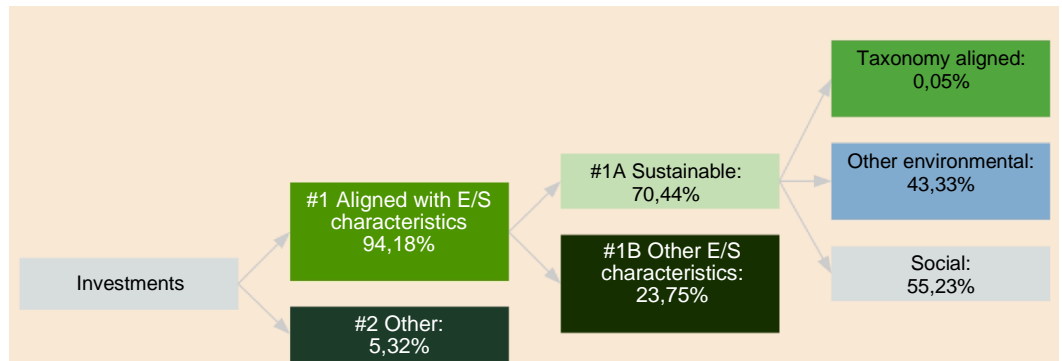
	Largest investments	Sector	Percentage of assets	Country
1	UNICAJA BANCO SA E 4.875% PERP	FINANCIAL AND INSURANCE ACTIVITIES	2,90%	SPAIN
2	ALPHA SERVICES AND 11.875% PERP	FINANCIAL AND INSURANCE ACTIVITIES	2,58%	GREECE
3	CMZB FRANCFORT 6,125% PERP	FINANCIAL AND INSURANCE ACTIVITIES	2,52%	UNITED STATES
4	LAZARD EU SHRT TRM MONEY M-C	UCI	2,37%	FRANCE
5	SG 4.75% PERP	FINANCIAL AND INSURANCE ACTIVITIES	2,06%	FRANCE
6	BANCO DE BADELL 9.375% PERP	FINANCIAL AND INSURANCE ACTIVITIES	2,05%	SPAIN
7	INTE 5.5% PERP EMTN	FINANCIAL AND INSURANCE ACTIVITIES	2,04%	ITALY
8	BANCO DE BADELL 5.0% PERP	FINANCIAL AND INSURANCE ACTIVITIES	1,90%	SPAIN
9	VIRGIN MONEY UK 8.25% PERP	FINANCIAL AND INSURANCE ACTIVITIES	1,87%	UNITED KINGDOM
10	ABRDN 5.25% PERP	FINANCIAL AND INSURANCE ACTIVITIES	1,85%	UNITED KINGDOM
11	CAIXABANK 5.25% PERP	FINANCIAL AND INSURANCE ACTIVITIES	1,82%	SPAIN
12	BANCO COM PORTUG 24-18/04/2172 FRN	FINANCIAL AND INSURANCE ACTIVITIES	1,78%	PORTUGAL
13	RAIFFEISEN BANK INTL AG 6.0% PERP	FINANCIAL AND INSURANCE ACTIVITIES	1,78%	AUSTRIA
14	CAIXABANK 8.25% PERP	FINANCIAL AND INSURANCE ACTIVITIES	1,67%	SPAIN
15	PIRAEUS FINANCIAL HOLDINGS SOCIETE ANONY 8.75% PERP	FINANCIAL AND INSURANCE ACTIVITIES	1,60%	GREECE



What was the proportion of sustainability-related investment?

- What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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.

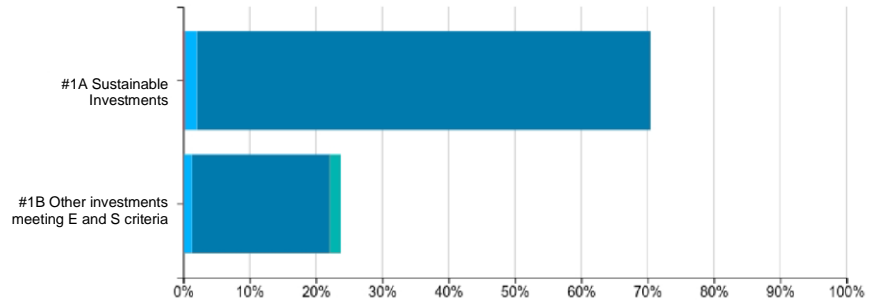
#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

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
■ Manufacturing	0.12%	0.04%
■ Electricity, gas, steam and air conditioning supply	0.06%	0.04%
■ Water supply; sewerage, waste management and remediation activities	0.02%	
■ Construction	0.03%	
■ Wholesale and retail trade; repair of motor vehicles and motorcycles		
■ Transportation and storage		0.02%
■ Unknown sector	1.83%	1.18%
■ Information and communication	0.01%	
■ Financial and insurance activities	68.36%	20.78%
■ Real estate activities		
■ Administrative and support services activities		
■ Public administration		0.07%
■ UCI		1.62%

Exposure to the fossil fuel sector averaged 1,42% 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

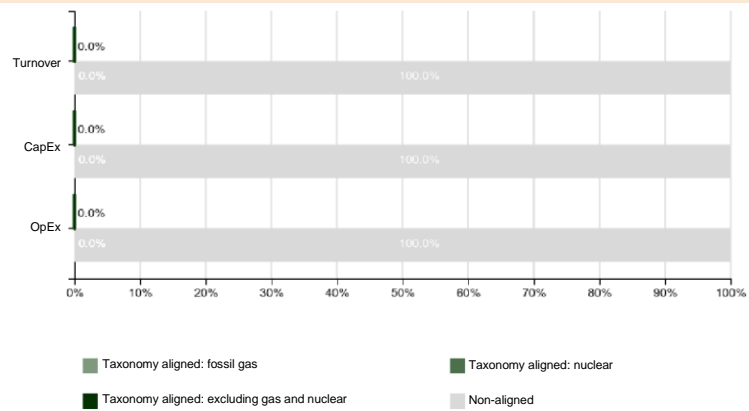
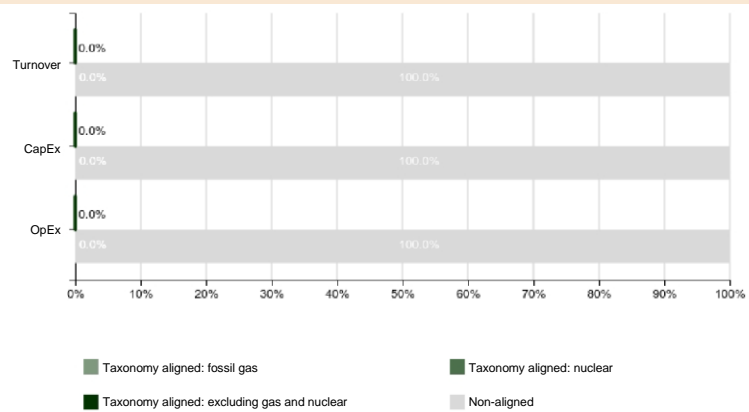
Taxonomy-aligned activities are expressed as a share of:

- **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 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.

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

- **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 not aligned with the EU Taxonomy is 43,33%.

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 55,23%.

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



- **What investments were included under "other", and were they subject to 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 5,82%.



What actions have been taken to achieve 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 extra-financial analysis rate of the product's investments in cash securities is over 90%. This rate is expressed as a percentage of total assets.

Over the past period, the non-financial analysis rate was 94,18% on average.

- 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, after eliminating the 20% of the lowest rated securities.

The portfolio's ESG reference universe is:

The Eurozone universe provided by our ESG partners, equi-weighted, restricted to the following sectors: Diversified Banks, Insurance, Financial Services General, Retail and Specialized Banks, Asset Management & Custody Banks, Banks, Consumer Finance, Diversified Financials, Investment Banking & Brokerage, Life & Health Insurance, Multi-line Insurance & Brokerage, Property & Casualty Insurance.

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).

For more information, please consult the "transparency code":

www.lazardfreresgestion.fr/FR/ESG-ISR/Notre-approche_147.html#section05.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

How did this financial product perform compared with 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 with the reference benchmark?**

Not applicable

- **How did this financial product perform compared with the broad market index?**

Not applicable

Energy and Climate Law (LEC)

Information concerning Article 29 LEC will be available on the Lazard Frères Gestion website, https://www.lazardfreresgestion.fr/FR/Fonds_71.html