

French open-end investment fund (SICAV)

LAZARD FUNDS

SICAV with 5 sub-funds

ANNUAL REPORT

as at 29 September 2023

Management company: Lazard Frères Gestion SAS
Custodian: Caceis Bank
Statutory auditor: Deloitte & Associés

CONTENTS

1. Certification by the Statutory Auditor	5
2. Consolidated financial statements of LAZARD FUNDS	11
Sub-fund: LAZARD EURO CREDIT SRI	22
3. Characteristics of the UCI	23
4. Changes affecting the UCI	30
5. Management report	31
6. Regulatory information	36
7. Annual financial statements	41
8. Appendix(es)	65
SFDR information	66
Sub-fund: LAZARD CREDIT OPPORTUNITIES	79
9. Characteristics of the UCI	80
10. Changes affecting the UCI	90
11. Management report	92

12. Regulatory information	97
13. Annual financial statements	102
14. Appendix(es)	146
SFDR information	147
Sub-fund: LAZARD EURO SHORT DURATION HIGH YIELD SRI	160
15. Characteristics of the UCI	161
16. Changes affecting the UCI	170
17. Management report	171
18. Regulatory information	175
19. Annual financial statements	180
20. Appendix(es)	210
SFDR information	211
Sub-fund: LAZARD GLOBAL GREEN BOND OPPORTUNITIES	224
21. Characteristics of the UCI	225
22. Changes affecting the UCI	235
23. Management report	236
24. Regulatory information	241

25. Annual financial statements	246
26. Appendix(es)	269
SFDR information	270
Sub-fund: LAZARD HUMAN CAPITAL	282
27. Characteristics of the UCI	283
28. Changes affecting the UCI	292
29. Management report	293
30. Regulatory information	299
31. Annual financial statements	304
32. Appendix(es)	325
SFDR information	326

LAZARD FUNDS

French open-end investment company with sub-funds (Société d'Investissement à Capital Variable à Compartiments)

10 avenue Percier
75008 Paris, France

Statutory auditor's report on the annual financial statements

Financial year ended September 29th, 2023

To the Shareholders' Meeting,

Opinion

In accordance with the terms of our appointment by your board of directors, we conducted our audit of the accompanying annual financial statements of the Undertaking for Collective Investment LAZARD FUNDS, incorporated as a French open-end investment company (SICAV), for the financial year ended September 29th, 2023.

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.

Opinion on the annual financial statements

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 October 1st, 2022 to the date of issue of our report.

Basis of our opinions

Pursuant to the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we draw your attention to the fact that the assessments that, in our professional judgement, were the most significant for the audit of the annual financial statements for the year concerned the appropriateness of the accounting principles applied, the reasonableness of the significant estimates used and the overall presentation of the financial statements.

The assessments we have made are part of our audit of the annual financial statements as a whole and the opinion expressed above. We 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.

Information provided in the management report, other financial reports and the annual financial statements addressed to the shareholders

We have no matters to report regarding the true and fair presentation of the information provided in the Board of Directors' management report and in the documents sent to shareholders on the company's financial position and the annual financial statements, or its consistency with the annual financial statements.

Information on corporate governance

We certify that the information required under Article L. 225-37-4 of the French Commercial Code is provided in the section of the board of directors' management report on corporate governance.

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

It is the management'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 is responsible for assessing the SICAV'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 SICAV or terminate its activity.

The Board of Directors is responsible for the preparation of 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. 823-10-1 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 SICAV.

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.

Paris La Défense, December 1st, 2023

The statutory auditor
Deloitte & Associés



[Illegible Signature]

Olivier GALIENNE

LAZARD FUNDS

French open-end investment company with sub-funds (Société d'Investissement à Capital Variable à Compartiments)

10, avenue Percier
75008 Paris, France

Statutory Auditor's special report on regulated agreements

Shareholders' meeting to approve the financial statements for the financial year ended September 29th, 2023

To the Shareholders' Meeting,

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

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

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

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

AGREEMENTS SUBMITTED FOR THE APPROVAL OF THE SHAREHOLDERS' MEETING

Agreements entered into during the past financial year

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

AGREEMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

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

Paris La Défense, December 1st, 2023

The statutory auditor

Deloitte & Associés



[Illegible Signature]

Olivier GALIENNE

2. CONSOLIDATED FINANCIAL STATEMENTS OF LAZARD FUNDS

BALANCE SHEET AS Of 29/09/2023 in euros

ASSETS

	29/09/2023	30/09/2022
NET NON-CURRENT ASSETS		
DEPOSITS		
FINANCIAL INSTRUMENTS	1 491 138 306,89	717 440 451,12
MASTER FUND		
Equities and similar securities	33 802 605,58	
Traded on a regulated or equivalent market	33 802 605,58	
Not traded on a regulated or equivalent market		
Bonds and similar securities	1 353 265 387,27	661 640 776,74
Traded on a regulated or equivalent market	1 353 265 387,27	661 640 776,74
Not traded on a regulated or equivalent market		
Debt securities	9 822 465,48	
Traded on a regulated or equivalent market	9 822 465,48	
Negotiable debt securities	9 822 465,48	
Other debt securities		
Not traded on a regulated or equivalent market		
Undertakings for collective investment	79 410 771,22	31 213 695,16
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries	79 410 771,22	31 213 695,16
Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU		
General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities		
Other funds aimed at professional investors and their equivalent in other Member States of the EU and unlisted securitisation entities		
Other non-European entities		
Temporary securities transactions		
Receivables on securities purchased under repurchase agreements		
Receivables on loaned securities		
Borrowed securities		
Securities sold under repurchase agreements		
Other temporary transactions		
Forward financial instruments	14 837 077,34	24 585 979,22
Transactions on a regulated or equivalent market	14 837 077,34	8 712 733,80
Other transactions		15 873 245,42
Other financial instruments		
RECEIVABLES	120 247 863,09	42 529 909,49
Currency forward exchange transactions	48 483 227,78	239 241,95
Other	71 764 635,31	42 290 667,54
FINANCIAL ACCOUNTS	27 961 564,56	33 995 290,55
Cash and cash equivalents	27 961 564,56	33 995 290,55
TOTAL ASSETS	1 639 347 734,54	793 965 651,16

LIABILITIES AND SHAREHOLDERS' EQUITY

	29/09/2023	30/09/2022
SHAREHOLDERS' EQUITY		
Share capital	1 598 066 836,95	649 526 277,11
Undistributed net capital gains and losses recognised in previous years (a)	4 682 835,35	
Retained earnings (a)	179,54	198,05
Net capital gains and losses for the year (a, b)	-118 656 131,48	84 674 639,19
Net income for the year (a,b)	35 198 870,16	17 938 550,17
TOTAL SHAREHOLDERS' EQUITY*	1 519 292 590,52	752 139 664,52
<i>* Sum representing the net assets</i>		
FINANCIAL INSTRUMENTS	31 226 173,84	8 740 034,83
Sales of financial instruments		
Temporary securities transactions		
Liabilities on securities sold under repurchase agreements		
Liabilities on borrowed securities		
Other temporary transactions		
Forward financial instruments	31 226 173,84	8 740 034,83
Transactions on a regulated or equivalent market	14 836 933,84	8 740 034,83
Other transactions	16 389 240,00	
LIABILITIES	71 432 983,03	24 486 221,55
Currency forward exchange transactions	48 165 733,46	238 969,36
Other	23 267 249,57	24 247 252,19
FINANCIAL ACCOUNTS	17 395 987,15	8 599 730,26
Bank overdrafts	17 395 987,15	8 599 730,26
Borrowings		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1 639 347 734,54	793 965 651,16

(a) Including accrued income

(b) Less interim dividends paid for the financial year

OFF-BALANCE SHEET ITEMS AS AT 29/09/2023 in euros

	29/09/2023	30/09/2022
HEDGING TRANSACTIONS		
Commitments on regulated or similar markets		
Futures contracts		
EURO SCHATZ 1222		1 750 004 450,00
EURO BOBL 1222		119 750 000,00
EURO BUND 1223	60 203 520,00	
EURO BOBL 1223	12 732 500,00	
TU CBOT UST 2 1223	2 378 921 751,73	
JAP GOVT 10 1223	64 226 057,08	
FV CBOT UST 5 1223	547 321 428,56	
EURO SCHATZ 1223	15 748 500,00	
EC EURUSD 1223	16 664 256,20	
RP EURGBP 1223	2 505 043,81	
EC EURUSD 1222		18 849 525,34
RP EURGBP 1222		2 510 112,81
Commitments on OTC markets		
Credit Default Swaps		
ITRAXX EUR XOVER S38		195 000 000,00
ITRAXX EUR XOVER S38		9 000 000,00
ITRAXX EUR XOVER S38		100 000 000,00
ITRAXX EUR XOVER S38		4 000 000,00
ITRAXX EUR XOVER S40	12 000 000,00	
ITRAXX EUR XOVER S40	4 000 000,00	
ITRAXX EUR XOVER S40	500 000 000,00	
ITRAXX EUR XOVER S40	9 000 000,00	
Other commitments		
OTHER TRANSACTIONS		
Commitments on regulated or similar markets		
Futures contracts		
EURO BOBL 1223	63 662 500,00	
Commitments on OTC markets		
Other commitments		

INCOME STATEMENT AT 29/09/2023 in euros

	29/09/2023	30/09/2022
Income from financial transactions		
Income from deposits and financial accounts	1 235 189,82	28 500,59
Income from equities and similar securities	521 981,77	1 880,00
Income from bonds and similar securities	41 019 905,00	18 090 313,98
Income from debt securities	1 225 911,79	6 375,00
Income from temporary purchases and sales of securities	398 617,15	2 977,31
Income from forward financial instruments		
Other financial income		
TOTAL (1)	44 401 605,53	18 130 046,88
Expenses related to financial transactions		
Expenses related to temporary purchases and sales of securities	284,19	17 538,51
Expenses related to forward financial instruments		
Expenses related to financial liabilities	489 618,71	79 012,96
Other financial charges		
TOTAL (2)	489 902,90	96 551,47
INCOME FROM FINANCIAL TRANSACTIONS (1 - 2)	43 911 702,63	18 033 495,41
Other income (3)		
Management fees and depreciation and amortisation (4)	11 948 386,32	5 665 357,73
NET INCOME FOR THE FINANCIAL YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	31 963 316,31	12 368 137,68
Income adjustment for the financial year (5)	3 235 553,85	5 570 412,49
Interim dividends paid on net income for the financial year (6)		
Net income (1 - 2 + 3 - 4 + 5 - 6)	35 198 870,16	17 938 550,17

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,
- consistency of accounting methods from one financial year to the next.

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

Purchases and sales of securities are recorded excluding expenses.

The accounting currency of the portfolio is the euro.

The LAZARD FUNDS SICAV is made up of five sub-funds:

- LAZARD EURO CREDIT SRI: creation of this sub-fund within the LAZARD FUNDS SICAV, by merger with the pre-existing Lazard Euro Crédit SRI fund. Merger on 05/09/2023, using the net asset values as of 04/09/2023 calculated on 05/09/2023.
- LAZARD CREDIT OPPORTUNITIES,
- LAZARD EURO SHORT DURATION HIGH YIELD SRI,
- LAZARD GLOBAL GREEN BOND OPPORTUNITIES, creation of this sub-fund in the LAZARD FUNDS SICAV on 30/09/2022,
- LAZARD HUMAN CAPITAL: creation of this sub-fund in the LAZARD FUNDS SICAV on 31/08/2022.

The aggregation of the annual financial statements is presented in euros.

In the absence of inter-sub-fund holdings, no restatement has been made for assets and liabilities.

- Accounting rules and principles (*)
- Additional information (*)

(*) Please refer to the information on each sub-fund.

TEXT OF RESOLUTIONS

LAZARD FUNDS

French open-end investment company (*société d'investissement à capital variable*)
(SICAV with sub-funds)

Registered office: 10, avenue Percier - 75008 Paris
Paris Trade and Companies Register no. 484 947 627

ORDINARY SHAREHOLDERS' MEETING OF DECEMBER 18TH, 2023

ALLOCATION OF NET INCOME

Second resolution

The Shareholders' Meeting approves the distributable income for the financial year for the **Lazard Credit Opportunities** sub-fund which amounts to:

€30 743 622,99 distributable amount pertaining to net income,
-€108 763 607,84 distributable amount pertaining to net capital gains and losses

and decides that they shall be allocated as follows:

1) Distributable amount pertaining to net income

- FC EUR shares:	Accumulation	590 050,05 €
- PC EUR shares:	Accumulation	15 226 669,75 €
- PC H-CHF shares	Accumulation	55 256,49 €
- PC H-USD shares	Accumulation	837 071,75 €
- PC USD shares:	Accumulation	60 929,51 €
- PD EUR shares:	Distribution	961 154,34 €
	Retained	16,54 €
- PD H-USD shares	Distribution	28 669,50 €
	Retained	3,16 €
- PVC EUR shares:	Accumulation	6 117 044,11 €
- PVC H-CHF shares	Accumulation	317 547,54 €
- RC EUR shares:	Accumulation	5 991 615,73 €
- RC H-USD shares	Accumulation	3 314,73 €
- RD EUR shares:	Distribution	254,28 €
	Retained	0,22 €
- RD-H USD shares	Distribution	4,34 €
	Retained	12,99 €
- TC EUR shares:	Accumulation	554 007,96 €

- Each shareholder holding PD EUR shares on the detachment date will receive a unit dividend of **€24,90** which will be detached on December 19th, 2023 and be paid on December 21st, 2023.
- Each shareholder holding PD H-USD shares on the detachment date will receive a unit dividend of **€22,44** which will be detached on December 19th, 2023 and be paid on December 21st, 2023.
- Each shareholder holding RD EUR shares on the detachment date will receive a unit dividend of **€9,78** which will be detached on December 19th, 2023 and be paid on December 21st, 2023.
- Each shareholder holding RD-H USD shares on the detachment date will receive a dividend of **€4,34** which will be detached on December 19th, 2023 and be paid on December 21st, 2023.

2) Distributable amount pertaining to net capital gains and losses

- FC EUR shares:	Accumulation	-1 941 775,69 €
- PC EUR shares:	Accumulation	-53 646 747,09 €
- PC H-CHF shares	Accumulation	-80 651,36 €
- PC H-USD shares	Accumulation	-3 150 606,43 €
- PC USD shares:	Accumulation	-183 341,52 €
- PD EUR shares:	Retained	1 295 937,00 €
- PD H-USD shares	Accumulation	-151 794,95 €
- PVC EUR shares:	Accumulation	-19 429 796,47 €
- PVC H-CHF shares	Accumulation	-1 128 556,43 €
- RC EUR shares:	Accumulation	-28 375 598,48 €
- RC H-USD shares	Accumulation	-18 055,41 €
- RD EUR shares:	Accumulation	-696,29 €
- RD-H USD shares	Accumulation	37,85 €
- TC EUR shares:	Accumulation	-1 951 886,87 €

Reminder of amounts distributed in respect of net income for previous financial years

Amount per unit/share

2022	€24,59 share class PD EUR, and €3,29 share class RD-H USD
2021	€23,62 share class PD EUR
2020	€22,37 share class PD EUR (formerly "PD" share)
2019	€20,63 share class PD EUR (formerly "G" share)
2018	€27,58 share class PD EUR (formerly "G" share)

Third resolution

The Shareholders' Meeting approves the distributable income for the financial year for the **Lazard Euro Short Duration High Yield SRI** sub-fund which amounts to:

€2 305 330,87 distributable amount pertaining to net income,
-€1 416 242,62 distributable amount pertaining to net income

and decides that they shall be allocated as follows:

1) Distributable amount pertaining to net income

- EVC EUR shares:	Accumulation:	481 134,12 €
- PD EUR shares:	Distribution:	241 276,01 €
	Retained	60,67 €
- PVC EUR shares:	Accumulation:	1 520 840,49 €
- RC shares:	Accumulation:	62 015,77 €
- RVC shares:	Accumulation:	3,81 €

Each shareholder holding PD shares on the detachment date will receive a unit dividend of **€31,96** which will be detached on December 19th, 2023 and be paid on December 21st, 2023.

2) Distributable amount pertaining to net capital gains and losses

- EVC EUR shares:	Accumulation:	-286 603,09 €
- PD EUR shares:	Accumulation:	-152 783,07 €
- PVC EUR shares:	Accumulation:	-931 860,95 €
- RC EUR shares:	Accumulation:	-44 993,28 €
- RVC EUR shares:	Accumulation:	-2,23 €

*Reminder of amounts distributed in respect of
net income for previous financial years*

Amount per unit/share

2022	€38,26 share class PD EUR
2021	€46,74 share class PD EUR
2020	€9,67 share class PD EUR (formerly "PD" share)

Fourth resolution

The Shareholders' Meeting approves the distributable income for the first financial year for the **Lazard Global Green Bond Opportunities** sub-fund which amounts to:

€541 224,92 distributable amount pertaining to net income,
-€1 330 936,32 distributable amount pertaining to net capital gains and losses

and decides that they shall be allocated as follows:

1) Distributable amount pertaining to net income

- EC EUR shares:	Accumulation:	541 224,57 €
- RC shares:	Accumulation:	0,35 €

2) Distributable amount pertaining to net capital gains and losses

- EC EUR shares:	Accumulation:	-1 330 934,32 €
- RC EUR shares:	Accumulation:	-2,00 €

Fifth resolution

The Shareholders' Meeting approves the distributable income for the first financial year for the **Lazard Human Capital** sub-fund which amounts to:

€484 943,40 distributable amount pertaining to net income,
-€951 572,48 distributable amount pertaining to net capital gains and losses

and decides that they shall be allocated as follows:

1) Distributable amount pertaining to net income

- EC EUR shares:	Accumulation:	411 625,22 €
- ED EUR shares:	Distribution:	49 378,35 €
	Retained:	3,66 €
- PC EUR shares:	Accumulation:	23 867,21 €
- RC EUR shares:	Accumulation:	68,96 €

Each shareholder holding ED EUR shares on the detachment date will receive a **dividend per share of €14,35** which will be detached on December 19th, 2023 and be paid on December 21st, 2023.

2) Distributable amount pertaining to net capital gains and losses

- EC EUR shares:	Accumulation:	-787 140,55 €
- ED EUR shares:	Accumulation:	-80 568,99 €
- PC EUR shares:	Accumulation:	-83 880,63 €
- RC EUR shares:	Accumulation:	17,69 €

Sixth resolution

The Shareholders' Meeting approves the distributable income for the first financial year for the **Lazard Euro Crédit SRI** sub-fund which amounts to:

€1 123 927,52 distributable amount pertaining to net income,
-€1 510 936,87 distributable amount pertaining to net capital gains and losses

and decides that they shall be allocated as follows:

1) Distributable amount pertaining to net income

- PC EUR shares:	Accumulation:	907 821,70 €
- PVC EUR shares:	Accumulation:	169,25 €
- RC EUR shares:	Accumulation:	215 936,57 €

2) Distributable amount pertaining to net capital gains and losses

- PC EUR shares:	Accumulation:	-1 112 813,62 €
- PVC EUR shares:	Accumulation:	-152,94 €
- RC EUR shares:	Accumulation:	-397 970,31 €

* * *

**Sub-fund:
LAZARD EURO CREDIT SRI**

3. CHARACTERISTICS OF THE UCI

LEGAL FORM

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

CLASSIFICATION

Bonds and other euro-denominated debt securities.

ALLOCATION 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 Sub-fund's portfolio, plus income generated by temporary cash holdings, 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.

RC EUR, PC EUR, PVC EUR shares:

Distributable income shall be fully accumulated, with the exception of those amounts subject to compulsory distribution by law.

Fund of funds

None.

INVESTMENT OBJECTIVE

RC EUR, PC EUR, PVC EUR shares

The investment objective is to achieve, through a Socially Responsible Investment (SRI) management approach, a performance net of fees that exceeds that of the following benchmark over the recommended investment period of three years: ICE BofAML Euro Corporate Index. The benchmark index is expressed in EUR. Net dividends or coupons are reinvested.

BENCHMARK INDEX

RC EUR, PC EUR, PVC EUR shares

ICE BofAML Euro Corporate Index

The ICE BofAML Euro Corporate Index consists of investment grade, euro-denominated private issues. Transaction fees are included.

Data are available at: www.indices.theice.com

Bloomberg code: ER00 Index

INVESTMENT STRATEGY

1. Strategies used by the Lazard Euro Credit SRI sub-fund

By applying Socially Responsible Investment (SRI) management through the analysis and integration of environmental, social and governance (ESG) criteria, the Sub-fund aims to outperform the ICE BofAML Euro Corporate index by managing interest rate and credit risk through investment in bonds and negotiable debt securities denominated in euro, at variable, fixed or indexed rates.

The manager may also implement arbitrage strategies according to his expectations of the yield curve trend.

Information on the Sub-fund's sensitivity range is shown in the table below:

Interest rate risk (including derivatives)		Investment		Exposure	
		Min.	Max.	Min.	Max.
Interest rate risk sensitivity range		0	8	0	8
Credit risk (including derivatives)		Investment		Exposure	
		Min.	Max.	Min.	Max.
Issuer's geographic zone	Europe zone	60%	100%	60%	100%
	Other regions	0%	40%	0%	40%

The portfolio manager conducts his own credit assessment for selection purposes, both at the time of purchase and during the life of the securities. They do not rely solely on ratings issued by rating agencies and develop credit risk analysis and the necessary procedures to make purchase decisions or sell or hold decisions in the event of a downgrade. The fund manager does not automatically use agency ratings but gives precedence to his own analysis to assess the credit quality of said assets and decide on possible downgrades.

Investments are made in euro-denominated securities. These issues are rated in the investment grade category by the rating agencies or equivalent based on the management company's analysis (up to a maximum of 100% of the net assets), as well as the speculative/High Yield category (as rated by the rating agencies) or equivalent based on the management company's analysis, or specialised High Yield UCIs (up to a maximum of 30% of the net assets), or in securities not rated by a rating agency (up to a maximum of 10% of the net assets). Investments may also be made in convertible bonds.

The investment universe includes the various categories of subordinated debt. These debt securities have a specific risk profile that differs from that of traditional bonds. Investment in subordinated securities is authorised up to a maximum of 30% of net assets.

Exposure to securities denominated in currencies other than the euro and exposure to currency risk must remain incidental.

As an exception to the 5%-10%-40% ratios, the management team may invest more than 35% of the Sub-Fund's net assets in securities guaranteed by a member state of the EEA or the United States.

ESG analysis and selection

ESG (environmental, social and governance) analysis is based on a proprietary model shared by the teams in charge of financial management in the form of an internal ESG grid. Based on the various data provided by our ESG partners (non-financial analysis agency, external service providers, etc.), annual reports and reports on the corporate social responsibility (CSR) of the companies monitored among all the stocks in the portfolio and direct exchanges with them, the analysts responsible for each stock monitored establish an internal ESG score based on an approach that is both quantitative (energy intensity, staff turnover rate, board independence rate, etc.) and qualitative (environmental policy, employment strategy, competence of directors, etc.). This ESG rating takes into account the companies' main adverse impacts in terms of sustainability, or Principal Adverse Impacts (carbon emissions, energy consumption, water consumption, waste production) and the risks likely to affect their own sustainability, or Sustainability Risks (regulatory and physical risks, reputational risk through, among other factors, monitoring of controversies).

The information relating to the principal adverse impacts on sustainability factors is published in the Sub-fund's periodic SFDR reports, available on the Management Company's website.

Each E, S and G pillar is rated from 1 to 5 (5 being the best rating) based on at least ten relevant key indicators per pillar (energy intensity, staff turnover rate, board independence rate, etc.). The company's overall ESG score summarises the scores for each pillar according to the following weighting: 30% for Environment and Social and 40% for Governance.

On the basis of these internal ESG analysis grids, the bond analyst-managers

- Limit to 30% of the portfolio the proportion of issuers with a rating of three or less for Investment Grade funds,
- Exclude issuers with a rating of 2 or less.

SRI management

The Sub-fund promotes environmental and/or social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088, the "SFDR".

The Sub-fund is managed in accordance with the principles of the SRI label defined by the French Ministry of the Economy and Finance. The inclusion of environmental, social and governance (ESG) criteria influences the analysis of companies held in the portfolio, selection of securities and weighting.

The proportion of issuers covered by an ESG analysis in the portfolio must be at least 90%, excluding bonds and other debt securities issued by public or quasi-public issuers and cash held on an ancillary basis, and social impact assets (which are then capped at 10% of total assets).

As part of SRI management, the following impact indicators are reported at least once a year: Environmental criterion:

- Carbon emissions reduction initiatives

Social criterion:

- The percentage of women in senior management positions

Human rights criterion:

- The percentage of companies that are signatories to the United Nations Global Compact

Governance criteria:

- The percentage of independent directors

As part of SRI management, the analyst-managers ensure that an external ESG rating is maintained that is higher than that of a composite index made up of 85% of the ICE ER00 and 15% of the ICE HEAE after eliminating the 20% worst stocks.

The risk control department ensures compliance with this criterion.

Regulation (EU) 2020/852, known as the "Taxonomy Regulation"

The European Union Taxonomy aims to identify economic activities that are considered environmentally sustainable. The Taxonomy identifies these activities according to their contribution to six broad environmental objectives:

- Climate change mitigation,
- Climate change adaptation,
- Sustainable use and protection of water and marine resources,
- Transition to the circular economy (waste, prevention and recycling),
- Pollution prevention and control
- Protection of healthy ecosystems.

To be considered sustainable, an economic activity must demonstrate that it contributes substantially to the achievement of one of the six objectives, while not harming any of the other five (the so-called DNSH principle, standing for "Do No Significant Harm"). In order for an activity to be considered aligned with the European Taxonomy, it must also respect the human and social rights guaranteed under international law.

The "Do No Significant Harm" principle applies only to investments underlying the financial product that take into account the European Union's 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.

The minimum percentage of alignment with the European Union Taxonomy is 0%.

2. Assets excluding derivatives held in the Lazard Euro Crédit SRI sub-fund

Debt securities and money market instruments:

- Up to a maximum of 100% of the net assets in bonds and negotiable debt securities denominated in euro. These securities and bonds may be of any rank and of any form.
- Up to a maximum of 100% of the net assets in euro-denominated debt issued and/or guaranteed by Member States of the European Union, or by public and semi-public bodies of Member States of the European Union.
- Up to a maximum of 20% of the net assets in convertible bonds.
- Up to a maximum of 10% of the net assets in contingent convertible bonds (CoCos bonds).
- Up to a maximum of 30% of the net assets in subordinated bonds.
- Up to a maximum of 30% of the net assets in speculative/High Yield bonds (rated as such by the rating agencies or an equivalent rating based on the management company's analysis).
- Up to a maximum of 10% of the net assets in bonds not rated by a rating agency.

UCIs:

Money market UCITS-compliant or alternative investment funds, short-term money market or French bond funds for up to 10% of the net assets.

Investment is solely made in UCITS or alternative investment funds that may not themselves invest more than 10% of their assets in other UCIs.

These UCIs may be managed by the management company.

3. Derivatives held in the Lazard Euro Credit SRI sub-fund

- Types of markets:

- regulated
- organised
- OTC

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

- equity
- 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
- interest rates: Hedging: minimum 0% - maximum 100% of the net assets • Exposure: minimum 0% - maximum 100% of net assets
- foreign exchange: to systematically hedge assets denominated in a currency other than the UCI's accounting currency.
- other

options:

- equity and equity indices
- interest rates: hedging of interest rate risk, hedging or exposure to interest rate volatility risk - Hedging: minimum 0% - maximum 100% of net assets - Exposure: minimum 0% - maximum 100% of net assets
- foreign exchange
- other

swaps:

- equity swaps
- interest rate swaps: transformation of remuneration from variable rate to variable rate, from variable rate to fixed rate and vice versa • Use: minimum 0% - maximum 100% of net assets
- currency swaps: systematic hedging of currency risk
- performance swaps

- currency forwards: systematic hedging of currency risk
- credit derivatives: CDS authorised up to a maximum of 40% of net assets
- other type

- Derivatives strategies to achieve the investment objective:

- partial or general portfolio hedging
- creating synthetic exposure to assets and risks
- increasing exposure to the market without leverage
- maximum permitted and sought
- other strategy

Interest rate swap transactions may only be entered into with counterparties authorised by the Management Company's Credit Committee. Derivatives will be used to set up tactical exposure to interest rate risk. This would also entail anticipation of yield curve distortion which would not be covered by market liquidity. Interest rate swaps may be used to hedge the risk of a spread in the remuneration of corporate bonds in relation to government bonds and to protect or expose those maturities that are least present within corporate and governmental issues.

4. Securities with embedded derivatives held in the Lazard Euro Credit SRI sub-fund

The manager may invest in any securities with embedded derivatives permitted under the management company's business plan, including convertible bonds and callable and puttable bonds, as well as warrants traded on regulated, organised or over-the-counter markets.

Within this framework, the manager may take positions with a view to hedging the portfolio against and/or exposing it to particular business sectors, geographic regions, shares (all capitalisation types), stocks and similar securities in order to achieve the investment objective.

Investment in securities with embedded derivatives is allowed for up to a maximum of 100% of the net assets.

5. Deposits in the Lazard Euro Credit SRI sub-fund

Up to 10% of the Sub-Fund's assets may be held in deposits.

6. Cash borrowings of the Lazard Euro Credit SRI sub-fund

The Sub-fund may borrow cash within the limit of 10% of its net assets to meet specific cash requirements related to its operating needs.

7. Temporary purchases and sales of securities of the Lazard Euro Credit SRI sub-fund

None.

8. Information on the financial guarantees of the Lazard Euro Credit SRI sub-fund

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 Sub-fund 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 OF THE LAZARD EURO CREDIT SRI SUB-FUND

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 Sub-fund provides no capital 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 Sub-fund's performance is dependent both on the selection of securities and UCI picked by the manager and the manager's asset allocation. There is therefore a risk that the manager may not select the best-performing securities or choose the optimal asset allocation.

- **Credit risk**

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

- **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.

- **Convertible bond risk:**

The Sub-fund may invest in securities and other UCI that in turn are authorised to acquire convertible bonds. This would mean the Sub-fund's net asset value could decrease in the event of an increase in interest rates, a deterioration in the issuer's risk profile, a decline in the equity markets, or a decline in the value of the conversion options.

- **Equity risk**

Fluctuations in share prices may have a negative impact on the Sub-fund's net asset value. The net asset value may decrease during periods in which equity markets are falling.

- **Derivative financial instrument risk**

The risk arising from the Sub-fund'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 Sub-fund has invested.

- **Counterparty risk**

This is a risk linked to the use of forward financial instruments traded over the counter. These transactions, entered into with one or more counterparties, potentially expose the Sub-fund to a risk of failure of any such counterparty, which may lead to default in payment and cause the Sub-fund's NAV to fall.

- **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 OF THE LAZARD EURO CREDIT SRI SUB-FUND

None.

ELIGIBLE SUBSCRIBERS AND TYPICAL INVESTOR PROFILE OF THE LAZARD EURO CREDIT SRI SUB-FUND

The Sub-fund is intended for all shareholders seeking to optimise their investments in fixed-income instruments.

The Sub-fund may be used as a vehicle for life insurance and savings policies.

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

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 Sub-fund is not registered as an investment vehicle in the United States and its shares 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 Sub-fund 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 Sub-fund 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 Sub-fund 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 Sub-fund may not be suitable for investors planning to withdraw their contributions within three years.

4. CHANGES AFFECTING THE UCI

The LAZARD EURO CREDIT SRI mutual fund was absorbed by the LAZARD EURO CREDIT SRI sub-fund (ISIN code: FR0010751008, FR001400DLP8, FR001400FNL8) of the **LAZARD FUNDS** SICAV on 05/09/2023.

5. MANAGEMENT REPORT

PERFORMANCE

The UCI's performance over the period from 01/04/2023 to 29/09/2023 was 0,12% for the PC share, -0,12% for the RC share and 0,35% for the PVC share.

The benchmark's performance over the period was: 0,76%

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

ECONOMIC ENVIRONMENT

Economy

In the United States, GDP growth accelerated to +2,4% year-on-year in Q2 2023. Job creation slowed to an average of +266 000 per month. The unemployment rate rose to 3,8%. Annual hourly wage growth slowed to +4,2%. The year-on-year increase in consumer prices slowed to +3,7% and +4,1% excluding energy and food.

The Fed raised its key rate by +2,25% to 5,25%-5,50%, in the following sequence: a +0,75% hike in November 2022, +0,50% in December 2022 and three consecutive +0,25% hikes in February, March and May 2023. The Fed took a first break in June 2023, before a further 0,25% hike in July 2023 and a further break in September 2023.

In terms of unconventional measures, in March 2023 the Fed announced the creation of a new liquidity access mechanism ("Bank Term Funding Program") in response to the collapse of Silvergate Bank, Silicon Valley Bank and Signature Bank.

In the U.S. midterm elections on November 8th, 2022, the Democrats retained their majority in the Senate and the Republicans won the House of Representatives.

In the Eurozone, GDP growth slowed to +0,5% year-on-year in Q2 2023, with contrasting trends between countries. GDP fell by -0,2% in Germany, while rising by +1,0% in France, +0,3% in Italy and +2,2% in Spain. PMI surveys improved until the spring of 2023 before deteriorating rapidly in the summer of 2023. The Eurozone unemployment rate fell to 6,4%. The year-on-year increase in consumer prices slowed to +4,3% and +4,5% excluding energy and food.

The ECB raised its key rates by +3,25%, in the following sequence: +0,75% in October 2022, three consecutive increases of +0,50% between December 2022 and March 2023 and four consecutive increases of +0,25% between May and September 2023. The deposit rate was raised from +0,75% to +4,00% and the refinancing rate from +1,25% to +4,50%.

In terms of unconventional measures, in December 2022 the ECB announced a reduction in the size of its APP portfolio from March 2023. In June 2023, the ECB announced that it would end reinvestments under this programme.

In Italy, the right-wing coalition secured a clear victory in the general elections on September 25th, 2022. Giorgia Meloni was elected prime minister on October 22nd, 2022.

In China, GDP growth accelerated to +6,3% year-on-year in Q2 2023. Activity benefited from the complete lifting of health restrictions in December 2022. The real estate sector continued to struggle. The urban unemployment rate fell to 5,2%. Consumer prices remained stable.

The Chinese central bank cut its key interest rate from -0,25% to 2,50% and the reserve requirement ratio from -0,75% to 10,50%.

At the conclusion of the 20th CCP Congress in October 2022, Xi Jinping won a third term as General Secretary of the Party and head of the armed forces. Xi Jinping was formally re-elected President of the Republic during the annual session of the National People's Congress in March 2023. On this occasion, the government announced that it was aiming for growth of "around +5,0%" in 2023.

IMF growth forecasts

Real GDP growth (%)	2022	2023	2024
World	3,5	3,0	2,9
Developed countries	2,6	1,5	1,4
Emerging countries	4,1	4,0	4,0
Eurozone	3,3	0,7	1,2
United States	2,1	1,5	1,1
Japan	1,0	2,0	1,0
United Kingdom	4,1	0,5	0,6
China	3,0	5,0	4,2
India	7,2	6,3	6,3
Brazil	2,9	3,1	1,5
Russia	-2,1	2,2	1,1

IMF Economic Outlook, October 2023

* The data and forecasts for India are presented based on the budget year

Markets

The MSCI World All Country index of global equity markets rose by +18,7% year-on-year, wiping out around half of the decline in the first nine months of 2022. The Topix in yen rose by +26,6%, the Euro Stoxx in euro by +20,9%, the S&P 500 in dollar by +19,6% and the MSCI index of emerging equities in dollar by +8,8%.

The unexpected resilience of the global economy was a major support factor for equity markets between the fourth quarter of 2022 and the start of the third quarter of 2023.

The effects of the Eurozone energy crisis were less significant than feared, the Chinese economy reopened faster than expected and US inflation slowed, while the unemployment rate remained low, fuelling the idea of a soft landing for the US economy.

Equity markets also benefited from the sharp rise in tech mega-caps in the United States, linked to the artificial intelligence craze.

The uptrend in equity markets reversed from August 2023 onwards, against a backdrop of increasing economic uncertainty in China, poor economic data in Europe and soaring long-term interest rates.

Bond markets alternated between rises and falls between the fourth quarter of 2022 and the start of the third quarter of 2023, with investors switching from one monetary policy scenario to another.

US and European interest rates soared during the summer of 2023 to reach their highest levels for more than ten years, as the resilience of the US economy and the Fed's more restrictive message led investors to anticipate permanently higher key rates. The US 10-year yield rose from 3,83% to 4,57% and the German 10-year yield from 2,11% to 2,84%.

According to ICE Bank of America indices, credit spreads for European corporate issuers fell from 210 to 141 basis points in the Investment Grade segment and from 625 to 445 basis points in the High Yield segment.

The euro appreciated by +7,9% against the dollar and by +11,3% against the yen. It stabilised against the Swiss franc and depreciated by -1,2% against sterling. According to the JPMorgan index, emerging currencies depreciated by an average of 2,9% against the dollar,

The S&P GSCI commodity price index was virtually stable over the year. The price of a barrel of Brent crude oil rose from \$86 to \$92, with a peak of \$100 in early November 2022 and a low point of \$72 in mid-March 2023.

On the foreign exchange market, the euro depreciated by -2,1% against the dollar and by -2,8% against the Swiss franc. It appreciated by +7,0% against the yen and +4,3% against the pound sterling. Emerging currencies depreciated on average by -5,0% against the dollar, according to the JPMorgan index.

The S&P GSCI commodity price index fell by -20,7%. The price of a barrel of Brent crude oil fell from \$107 to \$80, peaking at \$128 in early June.

MANAGEMENT POLICY

April 2023

April was a fairly calm month on the financial markets after the turbulence of March. In the absence of major developments, the markets were able to regain their composure and investors accordingly turned their attention to the Fed, focusing on the probability of a 25bp rate hike in May. Added to this are growing concerns about the time crunch for raising the US debt ceiling. Meanwhile, the latest data continued to show that inflation remains resilient (PCE index +0,3% in March). Inflation also remained high in Europe. Despite an easing in US yields (-5bp for the 10-year T-Note to 3,42%), sovereign bond yields tightened slightly in the Eurozone, from 2bp to 8bp. The Bund ended the month at 2,31% (+2bp). OPEC+ decided to cut production at the beginning of the month. Against this backdrop, credit spreads are tightening on IG credit, stable on HY credit and widening slightly on AT1 financials. The primary market was active: €21bn for financials and €19bn for corporates. At the end of April, the portfolio's exposure to credit risk was down to 84%: 51% non-financial credit, including 6% HY credit, 39% financial debt, including 10% financial subordinated, and 5% CDS (purchase of protection). Modified duration was actively managed between 2 and 4. It stood at 3,1 at the end of April, corresponding to 68% relative exposure.

May 2023

In the United States, the publication of better-than-expected economic, employment and inflation data, combined with statements by central bankers in favour of maintaining restrictive monetary policies, moved yields higher across the board. Although the Fed, as expected, hiked its rates by 25bp at the beginning of May, expectations of a first rate cut have been postponed, with the Fed Funds rate expected to be 50bp higher at the end of the year than at the start of the month. In addition, talks on raising the debt ceiling may have led to a slight increase in volatility over the month. In Europe, yields eased slightly, with the 10-year Bund down 3bp to 2,28%. Greece saw its borrowing rate fall sharply at the end of the month following the results of the legislative elections. Credit spreads are widening slightly in the less risky segments. However, the positive interest rate effect combined with the carry effect enabled all euro bond asset classes to post positive performances in May. The credit primary market was very active, particularly for corporate issuers with €45bn. For financials, the primary market reopened in almost all segments, with €35bn issued, of which €5bn of Tier 2 subordinated debt.

At the end of May, the portfolio's exposure to credit risk was down slightly to 83%: 51% non-financial credit, including 6% HY credit, 37% financial debt, including 9% financial subordinated, and 4% CDS (purchase of protection). Modified duration was raised to 4,1, corresponding to 91% relative exposure.

June 2023

The central banks have not finished raising rates. They are taking a tougher stance and reaffirming their intention to curb inflation, leading to a rise in all yield curves. The T-Note and the 10-year Bund rose by 19bp and 11bp, ending the month at 3,84% and 2,39% respectively. Short maturities are rising more, with the result that the curve is continuing to invert. The 2-10 year spread is now close to its lows (-106bp in the United States and -80bp in Germany). Credit spreads are tightening across all sectors and segments. With the exception of the least risky segments (government bonds and IG credit), the positive contribution of the spread component combined with carry enabled euro bond asset classes to deliver positive returns. Activity in the primary market slowed, in line with historical seasonality: €31bn for financials and €22bn for corporates.

At the end of June, the portfolio's exposure to credit risk had risen to 88%: 53% non-financial credit, including 7% HY credit, 40% financial debt, including 11% financial subordinated, and 5% CDS (purchase of protection). Modified duration was 4,9 (vs. 4,1 at the start of the month), i.e. a higher exposure than that of the benchmark index.

July 2023

After a mixed June, July was broadly positive for all asset classes, with the central banks remaining active: the ECB raised its key rates by 25bp, bringing the deposit rate to 3.75%, while the Fed lifted its rates by another 25bp to the 5,25%-5,5% range. Against this backdrop, short-term rates fell and gradually took on board the fact that central banks were probably close to the end of the rate hike cycle, while long rates rebounded, causing the yield curve to steepen again. The 10-year T-Note and Bund rose by 12bp and 10bp respectively, ending the month at 3,95% and 2,49%. Credit spreads are tightening across all sectors and segments. Despite a negative interest rate effect, the positive contribution of the spread component combined with carry enabled euro bond asset classes to deliver clearly positive returns. Activity in the primary market continued to slow: €8,5bn for financials and €11,5bn for corporates. The lack of supply contributed to the spread tightening.

At the end of July, the portfolio's exposure to credit risk was virtually unchanged at 87%: 54% non-financial credit, including 7% HY credit, 38% financial debt, including 10% financial subordinated, and 5% CDS (purchase of protection). Modified duration was raised to 5,0 (vs. 4,9 at the start of the month), i.e. a higher exposure than that of the benchmark index.

August 2023

After a positive July, August was a difficult month for the financial markets. There were several reasons for this, not least the prospect of interest rates remaining high for longer. In addition, economic figures continued to ease, particularly in Europe and China. Against this backdrop, short rates fell slightly while long rates remained stable, causing the yield curve to steepen again. US and German yields ended the month at 4,11% and 2,59%, respectively. The US and German 2Y/10Y yield curves rose by 3bp and 16bp, respectively. Credit spreads widened over the month across all sectors and segments. With the exception of corporate hybrids and financial AT1s, euro bond asset classes posted slightly positive performances in August. After a lull of almost a month, the primary market was very active in the second half of the month: €12bn for financials and €21bn for corporates. At the end of August, the portfolio's exposure to credit risk rose slightly to 89%: 55% non-financial credit, including 8% HY credit, 40% financial debt, including 10% financial subordinated, and 5% CDS (purchase of protection). Modified duration was virtually unchanged at 5,0, i.e. a higher exposure than that of the benchmark index.

September 2023

In September, the markets performed poorly in a month marked by high volatility, pressure on rates, a growing feeling that central banks are likely to keep interest rates higher for longer and, at the same time, a rise in oil prices of around 7% over the month. The Fed and the ECB remained vigilant once again. The positive signals about the strength of activity and the resilience of the US economy will have enabled the Fed not to change its key rates (range 5,25% - 5,50%) but to adjust their trajectory over the next three years, pointing to a further hike in 2023. The ECB raised its rates by 25bp, bringing the refinancing rate to 4,50% and the deposit rate to 4%. Against this backdrop, yields tightened in a steepening movement on the curves: the US and German 10-year yields tightened by 46bp and 37bp, respectively, to end the month at 4,57% and 2,84%. The US and German 2Y/10Y yield curves rose by 28bp and 15bp, respectively. The rise in real rates weighed on peripheral spreads, with a widening of 22bp for Italian 10-year debt. Credit spreads tightened over the month across all sectors and segments. With the exception of corporate hybrids and HY credit, euro bond asset classes posted negative performances over the month, mainly due to the interest rate effect. The primary market remained active despite a relatively timid start to the month: €34bn for financials and €28bn for corporate issuers. At the end of September, the portfolio's exposure to credit risk was relatively stable at 88%: 53% non-financial credit, including 8% HY credit, 40% financial debt, including 10% financial subordinated, and 5% CDS (purchase of protection). Modified duration was unchanged at 5,0, i.e. a higher exposure than that of the benchmark index.

Reminder: in order to give investors access to an investment vehicle which implements a socially responsible corporate governance structure, the Management of Lazard Frères Gestion, acting on behalf of your mutual fund (FCP), has decided to merge the LAZARD EURO CREDIT SRI FCP (hereinafter referred to as the “Merging Fund”) into the LAZARD EURO CREDIT SRI sub-fund of the LAZARD FUNDS SICAV with sub-funds (hereinafter referred to as the “Receiving Sub-Fund”), created for this purpose. The merger was completed on September 5th, 2023.

Main changes in the portfolio during the year

Securities	Changes (“accounting currency”)	
	Purchases	Sales
LAZARD EURO SHORT TERM MONEY MARKET	28 193 876,68	31 702 725,35
MONTE PASCHI 6.75% 05-09-27	1 700 000,00	1 706 515,11
SANOFI 0.625% 05-04-24	1 075 085,26	1 478 499,59
ICADE SANTE SAS 0.875% 04-11-29	950 987,67	1 160 927,05
Abbo Ir 0.875 09-23	497 762,95	1 500 000,00
FRAN TREA BILL BTF ZCP 19-07-23	992 516,15	1 000 000,00
0473820FRENCH R ZCP 230823	989 727,18	1 000 000,00
FRENCH REPUBLIC ZCP 20-09-23	987 778,71	1 000 000,00
LAZARD EURO MONEY MARKET		1 925 194,85
KUTXABANK 4.75% 15-06-27	1 795 338,00	99 803,00

6. REGULATORY INFORMATION

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

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

• **Exposure through efficient management techniques: None.**

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

Underlying exposure through derivative financial instruments: 72 662 500,00

- o Currency forwards:
- o Futures: 63 662 500,00
- o Options:
- o Swap: 9 000 000,00

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

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

(*) Excluding listed derivatives.

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

Instrument types	Amount in the currency of the portfolio
<p>Efficient portfolio management techniques</p> <ul style="list-style-type: none"> . Term deposits . Equities . Bonds . UCITS . Cash (*) <p style="text-align: right;">Total</p>	None
<p>Derivative financial instruments</p> <ul style="list-style-type: none"> . Term deposits . Equities . Bonds . UCITS . Cash <p style="text-align: right;">Total</p>	None

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

d) Operating income and expenses related to efficient management techniques

Operating income and expenses	Amount in the currency of the portfolio
<ul style="list-style-type: none"> . Income (*) . Other income <p style="text-align: right;">Total income</p>	None
<ul style="list-style-type: none"> . Direct operating expenses . Indirect operating expenses . Other expenses <p style="text-align: right;">Total expenses</p>	None

(*) Income on securities lending and repurchase agreements

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

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

PROCEDURE FOR SELECTING AND ASSESSING INTERMEDIARIES AND COUNTERPARTIES

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

The information can be consulted on the management company's website: www.lazardfreresgestion.fr

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 is available in the appendix to this report."

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 shareholders, 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 shareholders entering and leaving the UCI that would otherwise have been allocated across all shareholders 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 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 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 financial year ended on December 31st, 2022 by the management company to its personnel, in proportion to their investment in the management of the UCITS, excluding the management of AIFs and discretionary mandates, can be obtained on request by post from the legal department of Lazard Frères Gestion, and are 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 risks and 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.

The remuneration policy is reviewed annually.

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 31/12/2022: Fixed-term and permanent contracts of LFG, LFG Luxembourg and LFG Belgique
(therefore excluding interns and apprentices and excluding LFG Courtage)**

Headcount at 31/12/2022 LFG - LFG Belgique - LFG Luxembourg	Fixed annual remuneration in 2022 in €	Variable remuneration for 2022 (cash paid in 2023 and deferred compensation allocated in 2023) in €
205	20 102 615	29 964 115

“Identified employees”

Category	Number of employees	2022 aggregate fixed and variable remuneration (annual salaries and cash and deferred bonuses)
Senior management	3	5 848 796
Other	61	28 469 324
Total	64	34 318 120

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 shareholders to:

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

www.lazardfreresgestion.fr

7. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AS OF 29/09/2023 in euros

ASSETS

	29/09/2023	31/03/2023
NET NON-CURRENT ASSETS		
DEPOSITS		
FINANCIAL INSTRUMENTS	176 297 417,77	153 219 614,51
Equities and similar securities		
Traded on a regulated or equivalent market		
Not traded on a regulated or equivalent market		
Bonds and similar securities	165 695 703,43	137 992 373,29
Traded on a regulated or equivalent market	165 695 703,43	137 992 373,29
Not traded on a regulated or equivalent market		
Debt securities		
Traded on a regulated or equivalent market		
Negotiable debt securities		
Other debt securities		
Not traded on a regulated or equivalent market		
Undertakings for collective investment	9 947 214,34	15 195 241,22
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries	9 947 214,34	15 195 241,22
Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU		
General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities		
Other funds aimed at professional investors and their equivalent in other Member States of the EU and unlisted securitisation entities		
Other non-European entities		
Temporary securities transactions		
Receivables on securities purchased under repurchase agreements		
Receivables on loaned securities		
Borrowed securities		
Securities sold under repurchase agreements		
Other temporary transactions		
Forward financial instruments	654 500,00	32 000,00
Transactions on a regulated or equivalent market	654 500,00	32 000,00
Other transactions		
Other financial instruments		
RECEIVABLES	2 036 729,33	1 063 889,15
Currency forward exchange transactions		
Other	2 036 729,33	1 063 889,15
FINANCIAL ACCOUNTS	1 453 023,73	8 263 003,36
Cash and cash equivalents	1 453 023,73	8 263 003,36
TOTAL ASSETS	179 787 170,83	162 546 507,02

LIABILITIES AND SHAREHOLDERS' EQUITY

	29/09/2023	31/03/2023
SHAREHOLDERS' EQUITY		
Share capital	178 228 758,18	156 424 140,46
Undistributed net capital gains and losses recognised in previous years (a)		
Retained earnings (a)		
Net capital gains and losses for the year (a, b)	-1 510 936,87	-1 344 029,75
Net income for the year (a,b)	1 123 927,52	637 861,00
TOTAL SHAREHOLDERS' EQUITY*	177 841 748,83	155 717 971,71
<i>* Sum representing the net assets</i>		
FINANCIAL INSTRUMENTS	935 458,40	32 000,00
Sales of financial instruments		
Temporary securities transactions		
Liabilities on securities sold under repurchase agreements		
Liabilities on borrowed securities		
Other temporary transactions		
Forward financial instruments	935 458,40	32 000,00
Transactions on a regulated or equivalent market	654 500,00	32 000,00
Other transactions	280 958,40	
LIABILITIES	1 009 963,60	6 796 535,31
Currency forward exchange transactions		
Other	1 009 963,60	6 796 535,31
FINANCIAL ACCOUNTS		
Bank overdrafts		
Borrowings		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	179 787 170,83	162 546 507,02

(a) Including accrued income

(b) Less interim dividends paid for the financial year

OFF-BALANCE SHEET ITEMS AS AT 29/09/2023 in euros

	29/09/2023	31/03/2023
HEDGING TRANSACTIONS		
Commitments on regulated or similar markets		
Futures contracts		
EURO SCHATZ 0623		21 139 000,00
EURO BOBL 0623		11 788 000,00
Commitments on OTC markets		
Credit Default Swaps		
ITRAXX EUR XOVER S40	9 000 000,00	
Other commitments		
OTHER TRANSACTIONS		
Commitments on regulated or similar markets		
Futures contracts		
EURO BOBL 1223	63 662 500,00	
Commitments on OTC markets		
Other commitments		

INCOME STATEMENT AT 29/09/2023 in euros

	29/09/2023	31/03/2023
Income from financial transactions		
Income from deposits and financial accounts	37 949,02	12 399,98
Income from equities and similar securities		20 648,00
Income from bonds and similar securities	1 513 782,42	1 350 173,69
Income from debt securities	46 852,96	
Income from temporary purchases and sales of securities	4 385,40	169,60
Income from forward financial instruments		
Other financial income		
TOTAL (1)	1 602 969,80	1 383 391,27
Expenses related to financial transactions		
Expenses related to temporary purchases and sales of securities		
Expenses related to forward financial instruments		
Expenses related to financial liabilities		379,17
Other financial charges		
TOTAL (2)		379,17
INCOME FROM FINANCIAL TRANSACTIONS (1 - 2)	1 602 969,80	1 383 012,10
Other income (3)		
Management fees and depreciation and amortisation (4)	524 644,70	540 875,24
NET INCOME FOR THE FINANCIAL YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	1 078 325,10	842 136,86
Income adjustment for the financial year (5)	45 602,42	-204 275,86
Interim dividends paid on net income for the financial year (6)		
Net income (1 - 2 + 3 - 4 + 5 - 6)	1 123 927,52	637 861,00

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 exceptional duration of the financial year ending September 29th, 2023 is 6 months.

Exceptional events

The SICAV was created on 05/09/2023 through the absorption of the LAZARD EURO CREDIT SRI fund.

This absorption was carried out by taking over the accounts of the absorbed fund.

This merger was carried out under the "French Routes and Opportunities garden" scheme so that the SICAV would be an extension of the absorbed fund.

The figures for previous financial years are those of the merged fund.

Following this merger, the balance sheet date was changed. It is now on the last trading day in September rather than March.

Asset valuation rules

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

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

Marketable securities:

- **Shares and similar securities** are valued on the basis of the last known price on their main market.

If applicable, prices are translated into euros using the exchange rate prevailing in Paris on the valuation day (as published by WM Closing).

- **Fixed-income securities**

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

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

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

Financial instruments whose prices have not been determined on the valuation day or whose prices have been adjusted are valued at their probable trading price, for which the shareholders' meeting is responsible. These 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.

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

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

1.3. Valuation methods for off-balance sheet commitments

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

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

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

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

Management fees

Management fees are calculated on each valuation day.

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

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

This amount is 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.

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

<i>Fees charged to the Sub-fund</i>	<i>Basis</i>	<i>Share</i>	<i>Maximum rate (incl. taxes)</i>	
Financial management fees	Net assets excluding UCIs managed by Lazard Frères Gestion	RC EUR	1,0%	
		PC EUR	0,50%	
		PVC EUR	0,30%	
Operating and other service fees	Net assets	Applied to all shares	0,035%	
Indirect charges (management fees and expenses)	NA	Applied to all shares	None	
Turnover commission (0% to 100% received by the management company and 0% to 100% received by the custodian)	Maximum charge on each transaction	Applied to all shares	Fixed-income instruments	None
			Futures and other transactions	From €0 to €450 per batch/contract
Performance fee	Net assets	RC EUR, PC EUR	None	
		PVC EUR	20% of the Fund's outperformance relative to the benchmark index	

Details of the calculation of the performance fee:

The performance fee corresponds to a variable charge and is contingent on the Sub-fund outperforming its benchmark over the observation period. If a provision is recognised at the end of the observation period, it is crystallised, i.e. it is definitively acquired and becomes payable to the Manager.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of each Sub-fund share and that of a notional UCI achieving the performance of its benchmark index and recording the same subscription and redemption pattern as the actual Sub-fund. The outperformance generated by the Sub-fund share on a given date is defined as the positive difference between the assets of the Sub-fund 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 reference indicator, 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 07/03/2023.

At the end of each financial year, one of the following two cases may occur:

- The Sub-fund share 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 Sub-fund share 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 20% of the outperformance) when the performance of the Sub-fund share 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 shares redeemed is definitively acquired and charged by the management company.

Swing pricing adjustments to the net asset value (NAV) with a trigger level for the Lazard Euro Crédit SRI sub-fund

In order to protect the Sub-fund's long-term shareholders, a swing factor will be applied to subscriptions and redemptions that have a significant impact on the Sub-fund's outstandings, which may generate costs for shareholders entering and leaving the Sub-fund that would otherwise have been allocated across all shareholders in the Sub-fund. Therefore, if, on a particular NAV calculation date, the total net subscription/redemption orders of investors across all categories of Sub-fund shares exceeds a threshold predetermined by the financial sub-manager on the basis of objective criteria and expressed as a percentage of the net assets in the Sub-fund, 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 share 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 share category in the Sub-fund.

The cost parameters and trigger level shall be determined by the financial sub-manager 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 Sub-fund.

Insofar as this adjustment mechanism is linked to the net balance of subscriptions/redemptions within the Sub-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 financial sub-manager will have to make such adjustments, which shall not exceed 1,50% of the NAV. Investors should be aware that the volatility of the Sub-fund's NAV may not reflect solely that of the securities in the portfolio arising from the application of swing pricing.

Allocation of distributable income

Definition of distributable income:

Distributable income consists of:

Net income:

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

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

Capital gains and losses:

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

Allocation of distributable income:

Share(s)	Allocation of net income	Allocation of net realised capital gains or losses
LAZARD EURO CREDIT SRI PC EUR shares	Accumulation	Accumulation
LAZARD EURO CREDIT SRI PVC EUR shares	Accumulation	Accumulation
LAZARD EURO CREDIT SRI RC EUR shares	Accumulation	Accumulation

2. CHANGE IN NET ASSETS AT 29/09/2023 in euros

	29/09/2023	31/03/2023
NET ASSETS AT START OF YEAR	155 717 971,71	74 031 834,46
Subscriptions (including subscription fees retained by the Fund)	31 907 293,32	179 346 044,06
Redemptions (net of redemption fees retained by the Fund)	-9 825 034,18	-94 763 855,85
Realised capital gains on deposits and financial instruments	798 742,10	213 779,84
Realised capital losses on deposits and financial instruments	-1 319 650,18	-2 003 032,93
Realised capital gains on forward financial instruments	688 348,52	2 650 196,18
Realised capital losses on forward financial instruments	-1 634 033,14	-1 998 040,71
Transaction charges	-6 471,00	-8 313,31
Exchange rate differences		
Changes in valuation difference of deposits and financial instruments	1 346 714,98	-2 427 316,89
<i>Valuation difference for financial year N</i>	-3 447 151,95	-4 793 866,93
<i>Valuation difference for financial year N-1</i>	4 793 866,93	2 366 550,04
Changes in valuation difference of forward financial instruments	-910 458,40	-165 460,00
<i>Valuation difference for financial year N</i>	-935 458,40	-25 000,00
<i>Valuation difference for financial year N-1</i>	25 000,00	-140 460,00
Distribution of prior year's net capital gains and losses		
Dividends paid in the previous financial year		
Net profit/loss for the financial year prior to income adjustment	1 078 325,10	842 136,86
Interim dividend(s) paid on net capital gains/losses during the financial year		
Interim dividend(s) paid on net income during the financial year		
Other items		
NET ASSETS AT END OF YEAR	177 841 748,83	155 717 971,71

3. ADDITIONAL INFORMATION

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC STATUS

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
Fixed-rate bonds traded on a regulated or similar market	165 695 703,43	93,17
TOTAL BONDS AND SIMILAR SECURITIES	165 695 703,43	93,17
DEBT SECURITIES		
TOTAL DEBT SECURITIES		
LIABILITIES AND SHAREHOLDERS' EQUITY		
SALES OF FINANCIAL INSTRUMENTS		
TOTAL SALES OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGING TRANSACTIONS		
Credit	9 000 000,00	5,06
TOTAL HEDGING TRANSACTIONS	9 000 000,00	5,06
OTHER TRANSACTIONS		
Interest rate	63 662 500,00	35,80
TOTAL OTHER TRANSACTIONS	63 662 500,00	35,80

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

	Fixed rate	%	Variable rate	%	Revisable rate	%	Other	%
ASSETS								
Deposits								
Bonds and similar securities	165 695 703,43	93,17						
Debt securities								
Temporary securities transactions								
Financial accounts							1 453 023,73	0,82
LIABILITIES AND SHAREHOLDERS' EQUITY								
Temporary securities transactions								
Financial accounts								
OFF-BALANCE SHEET								
Hedging transactions								
Other transactions	63 662 500,00	35,80						

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										
Bonds and similar securities	1 623 500,89	0,91	8 434 314,27	4,74	34 986 657,24	19,67	44 285 128,62	24,90	76 366 102,41	42,94
Debt securities										
Temporary securities transactions										
Financial accounts	1 453 023,73	0,82								
LIABILITIES AND SHAREHOLDERS' EQUITY										
Temporary securities transactions										
Financial accounts										
OFF-BALANCE SHEET										
Hedging transactions										
Other transactions							63 662 500,00	35,80		

(*) 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		Currency 2		Currency 3		Currency N OTHER(S)	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities								
Bonds and similar securities								
Debt securities								
UCI								
Temporary securities transactions								
Receivables								
Financial accounts								
LIABILITIES AND SHAREHOLDERS' EQUITY								
Sales of financial instruments								
Temporary securities transactions								
Liabilities								
Financial accounts								
OFF-BALANCE SHEET								
Hedging transactions								
Other transactions								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Debit/credit item	29/09/2023
RECEIVABLES		
	Subscription receivables	429 857,53
	Margin cash deposits	896 871,80
	Collateral	710 000,00
TOTAL RECEIVABLES		2 036 729,33
LIABILITIES		
	Deferred settlement purchase	598 950,00
	Redemptions payable	310 996,00
	Fixed management fees	100 017,60
TOTAL LIABILITIES		1 009 963,60
TOTAL LIABILITIES AND RECEIVABLES		1 026 765,73

3.6. SHAREHOLDERS' EQUITY

3.6.1. Number of securities issued or redeemed

	In equity	In amounts
LAZARD EURO CREDIT SRI PC EUR shares		
Shares subscribed during the financial year	23 894,742	24 075 305,29
Shares redeemed during the financial year	-7 963,431	-8 021 397,97
Net balance of subscriptions/redemptions	15 931,311	16 053 907,32
Number of shares outstanding at the end of the financial year	130 348,472	
LAZARD EURO CREDIT SRI PVC EUR shares		
Shares subscribed during the financial year	17,000	17 021,93
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions	17,000	17 021,93
Number of shares outstanding at the end of the financial year	18,000	
LAZARD EURO CREDIT SRI RC EUR shares		
Shares subscribed during the financial year	5 854,115	7 814 966,10
Shares redeemed during the financial year	-1 347,982	-1 803 636,21
Net balance of subscriptions/redemptions	4 506,133	6 011 329,89
Number of shares outstanding at the end of the financial year	35 104,628	

3.6.2. Subscription and/or redemption fees

	In amounts
LAZARD EURO CREDIT SRI PC EUR shares	
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	
LAZARD EURO CREDIT SRI PVC EUR shares	
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	
LAZARD EURO CREDIT SRI RC EUR shares	
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	

3.7. MANAGEMENT FEES

	29/09/2023
LAZARD EURO CREDIT SRI PC EUR shares	
Guarantee fees	
Fixed management fees	315 094,61
Percentage of fixed management fees	0,50
Retrocessions of management fees	
LAZARD EURO CREDIT SRI PVC EUR shares	
Guarantee fees	
Fixed management fees	0,06
Percentage of fixed management fees	0,01
Retrocessions of management fees	
LAZARD EURO CREDIT SRI RC EUR shares	
Guarantee fees	
Fixed management fees	209 550,03
Percentage of fixed management fees	0,96
Retrocessions of management fees	

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the Fund:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. OTHER INFORMATION

3.9.1. Present value of financial instruments held temporarily

	29/09/2023
Securities held under repurchase agreements	
Borrowed securities	

3.9.2. Present value of financial instruments representing security deposits

	29/09/2023
Financial instruments given as security and retained under their original classification	
Financial instruments received as security and not recorded on the balance sheet	

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

	ISIN code	Name	29/09/2023
Equities			
Bonds			
Negotiable debt securities			
UCI			9 947 214,34
	FR0011291657	LAZARD EURO SHORT TERM MONEY MARKET	9 947 214,34
Forward financial instruments			
Total group securities			9 947 214,34

3.10. APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Table of appropriation of distributable income pertaining to net income

	29/09/2023	31/03/2023
Remaining amounts to be allocated		
Retained earnings		
Net income	1 123 927,52	637 861,00
Interim dividends paid on net income for the financial year		
Total	1 123 927,52	637 861,00

	29/09/2023	31/03/2023
LAZARD EURO CREDIT SRI PC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	907 821,70	306 724,67
Total	907 821,70	306 724,67

	29/09/2023	31/03/2023
LAZARD EURO CREDIT SRI PVC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	169,25	1,58
Total	169,25	1,58

	29/09/2023	31/03/2023
LAZARD EURO CREDIT SRI RC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	215 936,57	331 134,75
Total	215 936,57	331 134,75

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

	29/09/2023	31/03/2023
Remaining amounts to be allocated		
Undistributed net capital gains and losses recognised in previous years		
Net capital gains and losses for the year	-1 510 936,87	-1 344 029,75
Interim dividends paid on net capital gains/losses for the financial year		
Total	-1 510 936,87	-1 344 029,75

	29/09/2023	31/03/2023
LAZARD EURO CREDIT SRI PC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-1 112 813,62	-971 982,71
Total	-1 112 813,62	-971 982,71

	29/09/2023	31/03/2023
LAZARD EURO CREDIT SRI PVC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-152,94	-8,46
Total	-152,94	-8,46

	29/09/2023	31/03/2023
LAZARD EURO CREDIT SRI RC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-397 970,31	-372 038,58
Total	-397 970,31	-372 038,58

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

	31/03/2020	31/03/2021	31/03/2022	31/03/2023	29/09/2023
Global net assets in EUR	61 376 242,04	60 185 161,55	74 031 834,46	155 717 971,71	177 841 748,83
LAZARD EURO CREDIT SRI PC EUR shares in EUR					
Net assets				114 861 168,71	131 005 527,49
Number of shares				114 417,161	130 348,472
Net asset value per share				1 003,88	1 005,04
Accumulation per share pertaining to net capital gains/losses				-8,49	-8,53
Accumulation per share pertaining to income				2,68	6,96
LAZARD EURO CREDIT SRI PVC EUR shares in EUR					
Net assets				1 004,53	18 144,24
Number of shares				1,000	18,000
Net asset value per share				1 004,53	1 008,01
Accumulation per share pertaining to net capital gains/losses				-8,46	-8,49
Accumulation per share pertaining to income				1,58	9,40
LAZARD EURO CREDIT SRI RC EUR shares in EUR					
Net assets	61 376 242,04	60 185 161,55	74 031 834,46	40 855 798,47	46 818 077,10
Number of shares	46 981,872	40 916,036	52 531,761	30 598,495	35 104,628
Net asset value per share	1 306,38	1 470,94	1 409,27	1 335,22	1 333,67
Accumulation per share pertaining to net capital gains/losses	24,37	36,75	21,39	-12,15	-11,33
Accumulation per share pertaining to income	12,19	12,41	15,83	10,82	6,15

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
Bonds and similar securities				
Bonds and similar securities traded on a regulated or similar market				
GERMANY				
CMZB FRANCFORT 5.125% 18-01-30	EUR	1 000 000	1 022 461,03	0,57
COMMERZBANK AKTIENGESELLSCHAFT 5.25% 25-03-29	EUR	1 200 000	1 199 631,05	0,68
DEUTSCHE BK 0.75% 17-02-27	EUR	500 000	453 539,97	0,25
DEUTSCHE BK 1.75% 19-11-30	EUR	800 000	646 973,26	0,36
DEUTSCHE LUFTHANSA AG 1.625% 16-11-23	EUR	600 000	606 399,66	0,34
DEUTSCHE TELEKOM AG 1.75% 25-03-31	EUR	1 000 000	884 090,33	0,50
EEW ENERGY FROM WASTE 0.361% 30-06-26	EUR	1 400 000	1 238 498,83	0,70
HEIDELBERGCEMENT AG 3.75% 31-05-32	EUR	1 000 000	934 487,38	0,53
INFINEON TECHNOLOGIES AG 0.625% 17-02-25	EUR	1 000 000	956 684,11	0,54
MERCK FINANCIAL SERVICES 0.5% 16-07-28	EUR	500 000	430 659,62	0,24
MERCK KGAA 1.625% 25-06-79	EUR	500 000	486 455,72	0,27
SAP SE 0.375% 18-05-29	EUR	500 000	419 281,97	0,23
ZF FINANCE 5.75% 03-08-26 EMTN	EUR	500 000	504 756,67	0,29
TOTAL GERMANY			9 783 919,60	5,50
AUSTRIA				
ERSTE GR BK 4.0% 16-01-31	EUR	1 000 000	1 004 123,15	0,56
UNIQA VERSICHERUNGEN AG 3.25% 09-10-35	EUR	400 000	386 096,30	0,22
TOTAL AUSTRIA			1 390 219,45	0,78
BELGIUM				
ARGENTA SPAARBANK 5.375% 29-11-27	EUR	1 000 000	1 054 411,16	0,59
BELFIUS SANV 5.25% 19-04-33	EUR	1 300 000	1 299 213,39	0,73
KBC GROUPE 2.875% 29-06-25	EUR	1 000 000	994 785,98	0,56
KBC GROUPE 4.875% 25-04-33	EUR	1 400 000	1 393 559,54	0,79
TOTAL BELGIUM			4 741 970,07	2,67
DENMARK				
DANSKE BK 0.5% 27-08-25	EUR	600 000	579 219,28	0,32
TOTAL DENMARK			579 219,28	0,32
SPAIN				
ABERTIS INFRA 4.125% 07-08-29	EUR	500 000	499 129,83	0,28
BANCO DE BADELL 2.625% 24-03-26	EUR	500 000	487 728,61	0,28
BANCO DE BADELL 5.125% 10-11-28	EUR	600 000	632 597,63	0,36
BANCO DE BADELL 5.25% 07-02-29	EUR	800 000	812 726,30	0,46
BANCO DE BADELL 6.0% 16-08-33	EUR	1 000 000	945 698,85	0,53
BANCO NTANDER 1.125% 23-06-27	EUR	1 000 000	900 395,25	0,51
BANKINTER 1.25% 23-12-32	EUR	500 000	422 255,51	0,24
BBVA 1.0% 21-06-26	EUR	600 000	554 802,92	0,31
BBVA 4.625% 13-01-31	EUR	900 000	918 153,31	0,51
BBVA 5.75% 15-09-33 EMTN	EUR	1 000 000	994 662,87	0,56
CAIXABANK 0.75% 26-05-28 EMTN	EUR	1 000 000	869 518,93	0,49
CAIXABANK 5.375% 14-11-30 EMTN	EUR	800 000	851 260,05	0,48
CELLNEX TELECOM 1.75% 23-10-30	EUR	1 000 000	830 456,10	0,46
IBERCAJA 3.75% 15-06-25	EUR	700 000	700 455,34	0,39
IBERDROLA FINANZAS SAU 4.875% PERP	EUR	1 300 000	1 267 127,90	0,71
IE2 H 2.375% 27-11-23 EMTN	EUR	1 000 000	1 017 101,23	0,57
KUTXABANK 4.75% 15-06-27	EUR	1 700 000	1 710 244,13	0,96

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
TELEFONICA EMISIONES SAU 1.447% 22-01-27	EUR	500 000	469 157,27	0,27
UNICAJA BAN 2.875% 13-11-29	EUR	700 000	667 852,88	0,37
TOTAL SPAIN			15 551 324,91	8,74
UNITED STATES				
ABBVIE 0.75% 18-11-27	EUR	1 000 000	893 044,79	0,50
AT T 0.8% 04-03-30	EUR	1 000 000	808 105,74	0,46
AT T 1.6% 19-05-28	EUR	700 000	630 583,85	0,35
COTY 5.75% 15/09/2028	EUR	700 000	706 597,12	0,40
FORD MOTOR CREDIT CO 3.021% 06-03-24	EUR	1 000 000	1 009 896,15	0,57
LEVI STRAUSS CO 3.375% 15-03-27	EUR	400 000	377 683,00	0,22
NETFLIX 3.625% 15-05-27	EUR	700 000	695 653,58	0,39
VERIZON COMMUNICATION 0.875% 08-04-27	EUR	600 000	541 218,28	0,30
TOTAL UNITED STATES			5 662 782,51	3,19
FINLAND				
CASTELLUM HELSINKI FINANCE 0.875% 17-09-29	EUR	1 000 000	722 907,51	0,41
NOKIA OYJ 4.375% 21-08-31 EMTN	EUR	1 500 000	1 447 627,54	0,81
TOTAL FINLAND			2 170 535,05	1,22
FRANCE				
ACCOR 2.375% 29-11-28	EUR	700 000	641 452,77	0,36
ACCOR SA 2.625% PERP	EUR	700 000	673 930,97	0,38
ADP 1.5% 07-04-25	EUR	600 000	583 917,64	0,33
AEROPORTS DE PARIS 3.125% 06/24	EUR	1 300 000	1 304 496,19	0,73
AIR FR KLM 1.875% 16-01-25	EUR	400 000	386 826,47	0,21
AIR FR KLM 8.125% 31-05-28	EUR	600 000	643 214,59	0,36
AIR LI 0.75% 13-06-24 EMTN	EUR	1 700 000	1 667 156,14	0,94
AIR LI 1.25% 13-06-28 EMTN	EUR	1 000 000	915 005,14	0,52
ALD 4.25% 18-01-27 EMTN	EUR	1 300 000	1 325 169,42	0,75
ALD 4.75% 13-10-25 EMTN	EUR	700 000	737 137,54	0,41
ALSTOM 0.25% 14-10-26 EMTN	EUR	400 000	359 455,86	0,21
ARKEMA 2.75% PERP EMTN	EUR	600 000	583 483,31	0,33
BFCM BANQUE FEDERATIVE CREDIT MUTUEL 0.25% 19-07-28	EUR	1 300 000	1 067 688,86	0,60
BFCM BANQUE FEDERATIVE CREDIT MUTUEL 4.0% 26-01-33	EUR	1 000 000	977 342,26	0,55
BFCM BANQUE FEDERATIVE CREDIT MUTUEL 5.125% 13-01-33	EUR	1 000 000	1 010 768,08	0,57
BNP PAR 1.125% 17-04-29 EMTN	EUR	2 000 000	1 722 299,34	0,97
BNP PAR 2.1% 07-04-32 EMTN	EUR	1 000 000	829 215,49	0,47
BNP PAR 2.5% 31-03-32 EMTN	EUR	800 000	730 607,93	0,41
BPCE 0.5% 24-02-27 EMTN	EUR	600 000	530 869,44	0,30
BPCE 1.5% 13-01-42	EUR	800 000	701 678,58	0,40
BPCE 4.375% 13-07-28 EMTN	EUR	1 200 000	1 200 848,30	0,68
BPCE 5.125% 25-01-35 EMTN	EUR	1 000 000	995 853,15	0,56
BUREAU VERITAS 1.875% 06-01-25	EUR	1 000 000	984 909,86	0,55
CA 0.625% 12-01-28	EUR	900 000	798 093,49	0,45
CA 1.0% 22-04-26 EMTN	EUR	1 600 000	1 524 905,40	0,86
CAPGEMINI SE 1.625% 15-04-26	EUR	500 000	477 938,61	0,27
COMPAGNIE DE SAINT GOBAIN 2.125% 10-06-28	EUR	500 000	465 075,96	0,26
COVIVIO 1.625% 23-06-30	EUR	700 000	582 647,58	0,33
CRED AGRI ASS 4.75% 27-09-48	EUR	1 000 000	954 148,69	0,54
CRED AGRI ASSU 4.5% PERP	EUR	500 000	508 427,50	0,29

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
CREDIT MUTUEL ARKEA 1.625% 15-04-26	EUR	1 300 000	1 230 413,88	0,69
CREDIT MUTUEL ARKEA 4.25% 01-12-32	EUR	900 000	913 810,62	0,51
EDENRED 1.375% 10-03-25	EUR	1 000 000	972 701,64	0,55
EDENRED 3.625% 13-06-31	EUR	1 100 000	1 071 194,19	0,60
EDF 2.0% 09-12-49 EMTN	EUR	900 000	504 597,39	0,28
EDF 3.875% 12-01-27 EMTN	EUR	500 000	511 171,20	0,29
EDF 7.5% PERP EMTN	EUR	800 000	865 547,45	0,48
ENGIE 1.75% 27-03-28 EMTN	EUR	1 200 000	1 104 827,64	0,62
ENGIE 4.0% 11-01-35 EMTN	EUR	1 000 000	984 446,10	0,56
ENGIE 4.25% 11/01/1943	EUR	600 000	578 994,70	0,32
FAURECIA 7.25% 15-06-26	EUR	800 000	844 592,00	0,47
FRAN 0.125% 16-03-26	EUR	600 000	548 127,89	0,31
HIME SARLU 0.625% 16-09-28	EUR	600 000	493 611,18	0,27
HOLDING D INFRASTRUCTURES DES METIERS 4.5% 06-04-27	EUR	1 000 000	1 010 856,15	0,57
INDIGO GROUP SAS 1.625% 19-04-28	EUR	600 000	539 213,77	0,31
JCDECAUX 2.625% 24-04-28	EUR	500 000	464 996,93	0,26
L OREAL S A 0.375% 29-03-24	EUR	1 600 000	1 576 233,97	0,89
LVMH MOET HENNESSY ZCP 11-02-26	EUR	600 000	551 640,00	0,31
ORANGE 1.25% 07-07-27 EMTN	EUR	700 000	641 651,83	0,36
ORANGE 1.375% 04-09-49 EMTN	EUR	900 000	549 584,53	0,30
ORANGE 3.625% 16-11-31 EMTN	EUR	1 400 000	1 416 205,19	0,80
ORANO 5.375% 15-05-27 EMTN	EUR	700 000	723 888,88	0,41
ORANO SA 4.875% 23-09-24 EMTN	EUR	800 000	805 781,57	0,46
PERNOD RICARD 3.25% 02-11-28	EUR	1 000 000	1 000 468,77	0,57
PSA BANQUE FRANCE 3.875% 19-01-26	EUR	1 000 000	1 018 359,25	0,57
RCI BANQUE 4.125% 01-12-25	EUR	1 000 000	1 028 467,19	0,58
RCI BANQUE 4.875% 14-06-28	EUR	1 500 000	1 525 792,25	0,86
SCHNEIDER ELECTRIC SE 3.25% 12-06-28	EUR	700 000	692 729,91	0,39
SEB 1.375% 16-06-25	EUR	500 000	479 627,47	0,27
SG 0,625% 02/12/2027	EUR	600 000	530 353,56	0,29
SG 1.125% 30-06-31 EMTN	EUR	1 000 000	885 120,08	0,50
SG 4.25% 06-12-30 EMTN	EUR	1 000 000	988 770,07	0,55
SG 5.625% 02-06-33 EMTN	EUR	1 200 000	1 181 986,43	0,66
SGOFP 1 03/17/25	EUR	900 000	868 054,03	0,49
SOCIETE DES AUTOROUTES DU SUD DE LA FRAN 1.375% 21-02-31	EUR	800 000	684 742,68	0,38
SUEZ SACA 5.0% 03- 11-32 EMTN	EUR	900 000	962 899,58	0,54
THALES 0.875% 19-04-24 EMTN	EUR	1 500 000	1 478 583,73	0,83
TOTALENERGIES SE 3,369% PERP	EUR	1 000 000	975 403,10	0,54
VALEO 1.0% 03-08-28 EMTN	EUR	1 000 000	824 526,67	0,46
VALEO 5.375% 28-05-27 EMTN	EUR	1 000 000	1 019 972,81	0,57
VEOLIA ENVIRONNEMENT 4.625% 12-30/03/27 EMTN	EUR	800 000	836 444,37	0,47
VIVENDI 0.625% 11-06-25 EMTN	EUR	1 000 000	943 746,72	0,53
TOTAL FRANCE			62 714 701,93	35,26
GREECE				
EFG EUROBANK 7.0% 26-01-29	EUR	1 000 000	1 091 570,21	0,61
NATL BANK OF GREECE 7.25% 22-11-27	EUR	700 000	777 880,95	0,43
PIRAEUS BANK 7.25% 13-07-28	EUR	1 000 000	1 027 608,17	0,58
TOTAL GREECE			2 897 059,33	1,62

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
HUNGARY				
RAIFFEISEN BANK RT BUDAPEST 8.75% 22-11-25	EUR	600 000	661 346,22	0,37
TOTAL HUNGARY			661 346,22	0,37
IRELAND				
AIB GROUP 0.5% 17-11-27 EMTN	EUR	500 000	442 626,78	0,25
AIB GROUP 4.625% 23-07-29 EMTN	EUR	1 000 000	994 908,36	0,56
BK IRELAND 6.75% 01-03-33 EMTN	EUR	700 000	747 166,75	0,42
BK IRELAND GROUP 1.875% 05-06-26	EUR	1 000 000	960 682,54	0,54
BK IRELAND GROUP 4.875% 16-07-28	EUR	1 000 000	1 017 657,54	0,57
RYANAIR 0.875% 25-05-26 EMTN	EUR	1 300 000	1 200 948,88	0,68
SMURFIT KAPPA TREASURY ULC 1.5% 15-09-27	EUR	800 000	726 296,00	0,41
TOTAL IRELAND			6 090 286,85	3,43
ITALY				
AEROPORTI DI ROMA 1.625% 02-02-29	EUR	1 700 000	1 494 305,94	0,84
AUTOSTRADE PER L ITALILIA 1.625% 25-01-28	EUR	800 000	714 399,73	0,40
AUTOSTRADE PER L ITALILIA 1.75% 01-02-27	EUR	500 000	465 866,82	0,26
CREDITO EMILIANO 1.125% 19-01-28	EUR	1 000 000	902 951,23	0,51
ENEL 2.25% PERP	EUR	500 000	446 485,20	0,25
ENEL 6.375% PERP EMTN	EUR	1 000 000	1 026 015,25	0,57
ENI 0.375% 14-06-28 EMTN	EUR	900 000	763 341,57	0,43
ENI 2.625% PERP	EUR	600 000	569 456,63	0,32
ENI 3.375% PERP	EUR	1 000 000	877 650,34	0,49
FERROVIE DELLO STATO ITALIANE 4.125% 23-05-29	EUR	1 000 000	997 304,75	0,56
INTE 1.35% 24-02-31 EMTN	EUR	1 000 000	754 803,97	0,43
INTE 4.0% 19-05-26 EMTN	EUR	1 300 000	1 309 746,98	0,74
INTE 6.184% 20-02-34 EMTN	EUR	900 000	918 184,99	0,52
LEASYS 4.375% 07-12-24	EUR	1 000 000	1 036 248,90	0,58
LEASYS 4.5% 26-07-26 EMTN	EUR	1 400 000	1 412 423,05	0,80
MEDIOBANCA CREDITO FINANZ 1.125% 23-04-25	EUR	750 000	715 582,68	0,40
TRASMISSIONE ELETTRICITA RETE NAZIONALE 1.0% 10-04-26	EUR	800 000	751 854,99	0,42
UNICREDIT 2.2% 22-07-27 EMTN	EUR	600 000	558 391,79	0,31
TOTAL ITALY			15 715 014,81	8,83
LUXEMBOURG				
BECTON DICKINSON EURO FINANCE SARL 0.334% 13-08-28	EUR	500 000	419 112,70	0,24
BECTON DICKINSON EURO FINANCE SARL 3.553% 13-09-29	EUR	1 500 000	1 458 467,30	0,82
BP CAP MK BV 4.323% 12-05-35	EUR	1 000 000	986 418,52	0,55
EUROFINS SCIENTIFIC 2.125% 25-07-24	EUR	600 000	592 166,52	0,33
EUROFINS SCIENTIFIC SE 4.75% 06-09-30	EUR	1 000 000	995 184,10	0,57
EUROFINS SCIENTIFIC SE 6.75% PERP	EUR	800 000	805 723,41	0,45
HOLCIM FINANCE LUXEMBOURG 0.5% 03-09-30	EUR	500 000	383 244,92	0,22
SES 3.5% 14-01-29 EMTN	EUR	1 300 000	1 247 133,27	0,70
TOTAL LUXEMBOURG			6 887 450,74	3,88
NETHERLANDS				
ABERTIS FINANCE BV 3.248% PERP	EUR	500 000	468 257,99	0,26
ABN AMRO BK 0.6% 15-01-27	EUR	600 000	534 492,25	0,30
ABN AMRO BK 4.0% 16-01-28 EMTN	EUR	1 000 000	1 011 518,15	0,57
AIRBUS GROUP SE 1.625% 09-06-30	EUR	1 000 000	868 740,27	0,49

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
ATHORA NETHERLANDS NV 2.25% 15-07-31	EUR	600 000	510 859,82	0,29
COOPERATIEVE RABOBANK UA 4.625% 27-01-28	EUR	500 000	519 463,18	0,29
DAIMLER INTL FINANCE BV 0.625% 06-05-27	EUR	600 000	539 856,89	0,30
EASYJET FINCO BV 1.875% 03-03-28	EUR	1 700 000	1 511 874,80	0,85
ENEL FINANCE INTL NV 0.375% 17-06-27	EUR	1 000 000	879 006,56	0,49
FIAT CHRYSLER AUTOMOBILES NV 4.5% 07-07-28	EUR	500 000	509 017,34	0,28
IBERDROLA INTL BV 3.25% PERP	EUR	500 000	498 273,29	0,28
ING GROEP NV 4.5% 23-05-29	EUR	1 000 000	1 006 912,46	0,57
LEASEPLAN CORPORATION NV 2,125% 03-10-22	EUR	1 000 000	975 769,02	0,55
REPSOL INTERNATIONAL FINANCE BV 4.5% 25-03-75	EUR	600 000	605 097,93	0,34
REPSOL INTL FINANCE BV 2.5% PERP	EUR	1 000 000	897 289,67	0,51
STELLANTIS NV 4.375% 14-03-30	EUR	700 000	708 120,50	0,40
TELEFONICA EUROPE BV 2.88% PERP	EUR	400 000	346 136,75	0,20
TELEFONICA EUROPE BV 3.875% PERP	EUR	600 000	559 058,77	0,32
TELEFONICA EUROPE BV 6.135% PERP	EUR	700 000	702 739,60	0,39
TENNET HOLDING BV 3.875% 28-10-28	EUR	500 000	523 210,45	0,29
WOLTERS KLUWER NV 3.0% 23-09-26	EUR	1 000 000	978 764,67	0,55
TOTAL NETHERLANDS			15 154 460,36	8,52
PORTUGAL				
BCP 4.0% 17-05-32	EUR	600 000	522 531,75	0,29
BCP 5.625% 02-10-26 EMTN	EUR	600 000	600 473,21	0,34
BCP 8.5% 25-10-25 EMTN	EUR	500 000	556 890,86	0,31
BRI CONC 1.875% 30-04-25 EMTN	EUR	1 000 000	972 101,80	0,55
CAIXA GEN 5.75% 31-10-28 EMTN	EUR	500 000	543 557,02	0,31
TOTAL PORTUGAL			3 195 554,64	1,80
CZECH REPUBLIC				
CESKA SPORITELNA AS 5.943% 29-06-27	EUR	900 000	923 753,88	0,52
TOTAL CZECH REPUBLIC			923 753,88	0,52
UNITED KINGDOM				
BARCLAYS 3.375% 02-04-25 EMTN	EUR	1 500 000	1 516 645,82	0,85
BARCLAYS 4.918% 08-08-30 EMTN	EUR	1 300 000	1 291 504,25	0,73
BP CAP MK 3.25% PERP	EUR	500 000	472 818,09	0,27
HSBC 1.5% 04-12-24 EMTN	EUR	1 000 000	1 007 942,05	0,57
HSBC 6.364% 16-11-32	EUR	750 000	809 181,25	0,45
NATIONWIDE BUILDING SOCIETY 2.0% 25-07-29	EUR	1 000 000	973 060,14	0,55
NATWEST GROUP 1.043% 14-09-32	EUR	1 000 000	831 246,45	0,47
NATWEST MKTS 0.125% 18-06-26	EUR	500 000	447 490,22	0,25
RENTOKIL INITIAL FINANCE BV 3.875% 27-06-27	EUR	1 000 000	1 003 940,68	0,56
SANTANDER UK GROUP 3.53% 25-08-28	EUR	500 000	477 433,24	0,27
VIRGIN MONEY UK 2.875% 24-06-25	EUR	700 000	690 647,12	0,39
VODAFONE GROUP 1.625% 24-11-30	EUR	1 700 000	1 460 920,38	0,82
TOTAL UNITED KINGDOM			10 982 829,69	6,18
SWITZERLAND				
UBS GROUP AG 1.0% 21-03-25	EUR	600 000	593 274,11	0,34
TOTAL SWITZERLAND			593 274,11	0,34
TOTAL Bonds and similar securities traded on a regulated or similar market			165 695 703,43	93,17
TOTAL Bonds and similar securities			165 695 703,43	93,17

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
Undertakings for collective investment				
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries				
FRANCE				
LAZARD EURO SHORT TERM MONEY MARKET	EUR	4 922	9 947 214,34	5,59
TOTAL FRANCE			9 947 214,34	5,59
TOTAL general UCITS and general AIFs aimed at non-professionals and their equivalent in other countries			9 947 214,34	5,59
TOTAL Undertakings for collective investment			9 947 214,34	5,59
Forward financial instruments				
Futures contracts				
Futures contracts on a regulated or equivalent market				
EURO BOBL 1223	EUR	550	-654 500,00	-0,37
TOTAL Futures contracts on a regulated or equivalent market			-654 500,00	-0,37
TOTAL Futures contracts			-654 500,00	-0,37
Other forward financial instruments				
Credit Default Swap				
ITRAXX EUR XOVER S40	EUR	-9 000 000	-280 958,40	-0,15
TOTAL Credit Default Swap			-280 958,40	-0,15
TOTAL Other forward financial instruments			-280 958,40	-0,15
TOTAL Forward financial instruments			-935 458,40	-0,52
Margin call				
CACEIS MARGIN CALL	EUR	654 500	654 500,00	0,37
TOTAL Margin call			654 500,00	0,37
Receivables			2 036 729,33	1,14
Liabilities			-1 009 963,60	-0,57
Financial accounts			1 453 023,73	0,82
Net assets			177 841 748,83	100,00

LAZARD EURO CREDIT SRI PC EUR shares	EUR	130 348,472	1 005,04
LAZARD EURO CREDIT SRI RC EUR shares	EUR	35 104,628	1 333,67
LAZARD EURO CREDIT SRI PVC EUR shares	EUR	18,000	1 008,01

8. APPENDIX(ES)

This report covers the last 12 months prior to the financial year ending 30/09/2023, including the 6-month period constituting the financial year (exceptional period due to the change in the closing date).

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 EURO CREDIT SRI

Legal entity identifier: 9695001JBAOPJN6DKI11

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

The **EU taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

Yes

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

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

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

It made a minimum of **sustainable investments with a social objective**

No

It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 58,01% of sustainable investments

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

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

with a social objective

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



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

Sustainability indicators

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

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

Moreover, the portfolio promotes 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

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 at several levels:

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

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

Each E, S and G pillar is rated from 1 to 5 based on a minimum of ten 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 (WACC) 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:

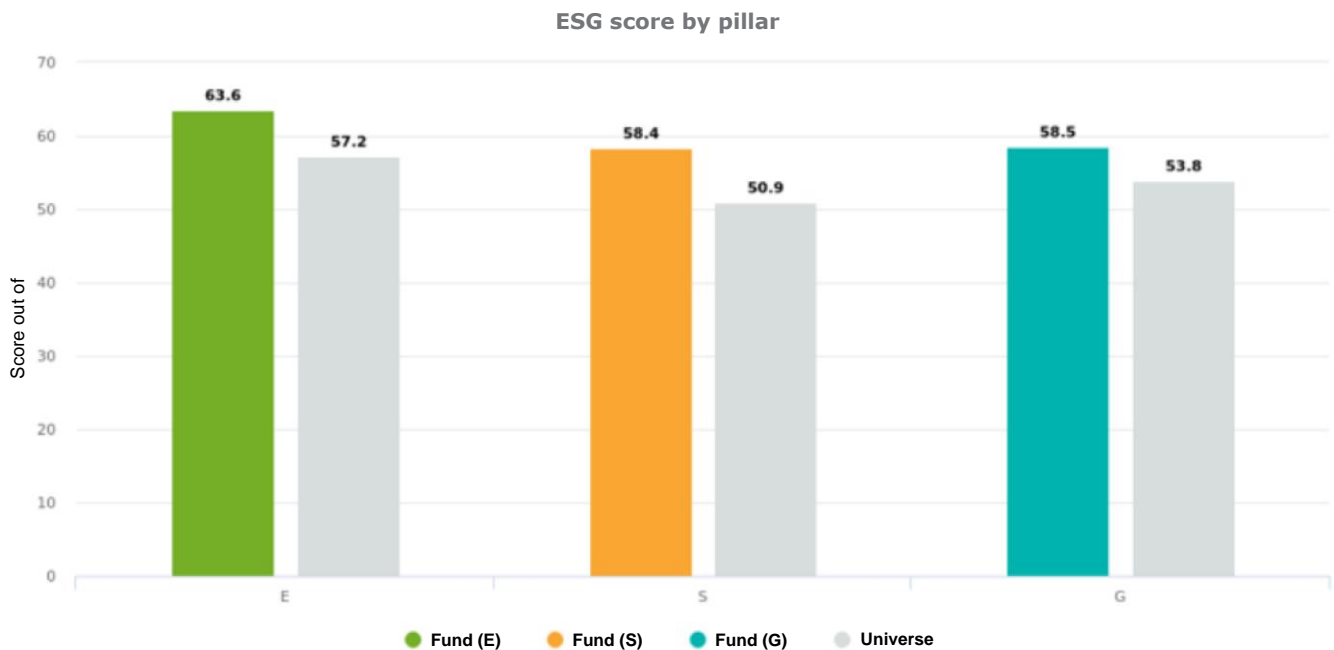
In addition, to confirm the robustness of the internal model, the analysts-managers in charge of management compare the portfolio's average ESG rating to that of its reference ESG universe using Moody's ESG Solutions ratings.

Evolution of the ESG score



The portfolio's ESG reference universe is:
 15% ICE BofA Euro Non-Financial Fixed & Floating Rate High Yield Constrained Index

Bloomberg code: HEAE Index;
85% BofA Merrill Lynch Euro Corporate Index Total Return EUR
Bloomberg code: EROO Index.



● ***... and compared to previous periods?***

Not applicable

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The definition of sustainable investment within the meaning of the SFDR is based on the selection of indicators that show a substantial contribution to one or more environmental and social objectives, which do not harm any of the adverse impact indicators and ensures good governance principles.

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

A sustainable investment objective is attained if the substantial contribution of the corresponding indicator is validated, the other indicators are not prejudiced, and good governance principles are complied with. Substantial contribution is measured by the application of thresholds for each of the above indicators.

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	36,85%
GHG intensity	Included in the lowest 20% of the sector	5,14%
Implied temperature rise in 2100	<2°C	24,49%
Number of low-carbon patents	Included in the top 20% of the universe	10,76%
% of women in executive management	Included in the top 20% of the universe	4,16%
Number of hours of training for employees	Included in the top 20% of the universe	2,09%
Benefits coverage	See sustainable investment presentation www.lazardfreresgestion.fr	18,69%
Diversity policies by management	See presentation www.lazardfreresgestion.fr	10,89%

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

The absence of significant harm is assessed on the basis of all the PAI indicators listed in Table 1 of Annex I to Delegated Regulation (EU) 2022/1288 of 6 April 2022. In the event of insufficient coverage of the investment universe for certain indicators, alternative criteria may be used on an exceptional basis (such as for the PAI 12, use of an indicator on management attention to diversity). 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".

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

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.

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.

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.

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

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

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

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

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

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



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

The proprietary model for ESG analysis of portfolio companies takes into account all indicators related to companies' principal adverse 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?

Largest investments	Sector	Percentage of assets	Country
1. LAZARD EU SHRT TRM MONEY M-C	UCI	2,92%	France
2. OBJECTIF MONETAIRE EURO-B	UCI	2,91%	France

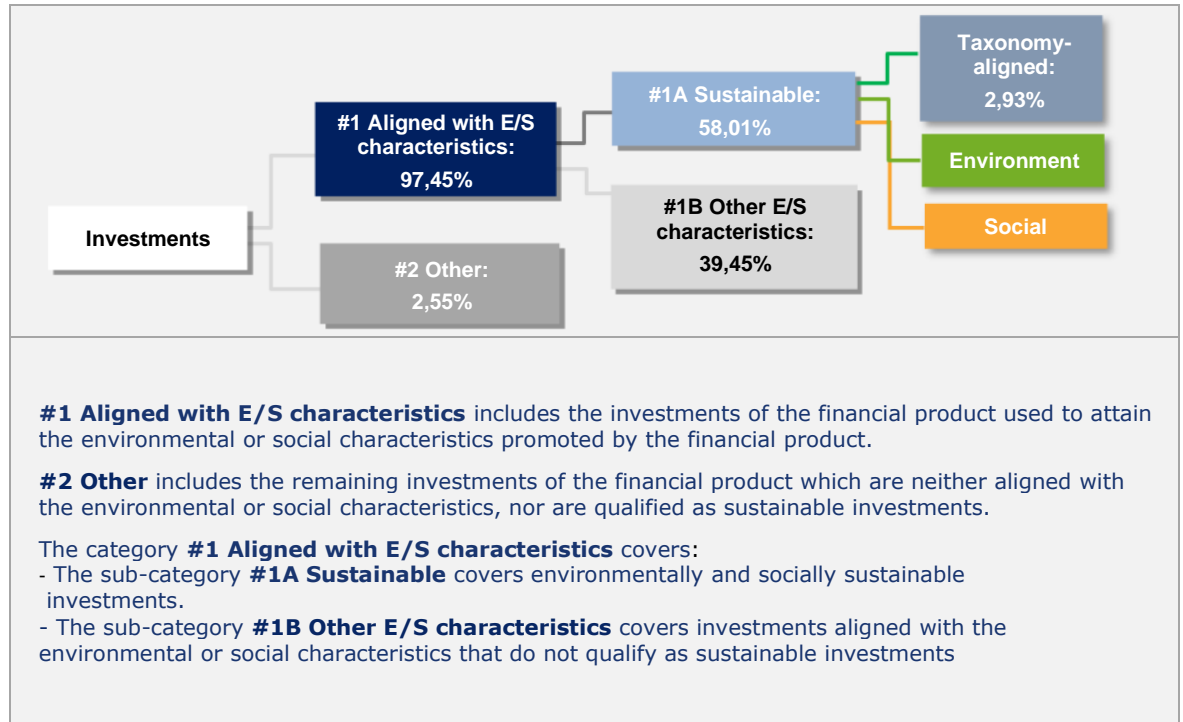
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 01/10/2022 to 30/09/2023

Largest investments	Sector	Percentage of assets	Country
3. BNP PAR 1.125% 17-04-29 EMTN	Unknown sector	1,02%	Luxembourg
4. ENEL FIN INTL NV 0.375% 19-17/06/2027	Unknown sector	0,88%	Netherlands
5. INFINEON TECHNOLOGIES AG 0.625% 17-02-25	Manufacturing	0,87%	Germany
6. CRED AGRICOLE SA VAR 22/04/2026	Financial and insurance activities	0,86%	France
7. NOS SGPS 1.125% 02-05-23	Unknown sector	0,80%	Portugal
8. LEASEPLAN CORPORATION NV 2.125% 03-10-22	Administrative and support services activities	0,77%	Netherlands
9. BANCO NTANDER 1.125% 23-06-27	Financial and insurance activities	0,77%	Spain
10. ENI 0.375% 14-06-28 EMTN	Electricity, gas, steam and air conditioning supply	0,72%	Italy
11. AEROPORTI DI ROMA 1.625% 02-02-29	Transportation and storage	0,72%	Italy
12. EASYJET FINCO BV 1.875% 03/03/2028	Unknown sector	0,72%	Netherlands
13. MEDIOBANCABCA CREDITO FINANZ 1.125% 23-04-25	Financial and insurance activities	0,71 %	Italy
14. BRI CONC 1.875% 30-04-25 EMTN	Unknown sector	0,69%	Portugal
15. VEOLIA ENVIRONNEMENT 4.625% 12-30/03/27 EMTN	Water supply; sewerage, waste management and remediation activities	0,65%	France



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.

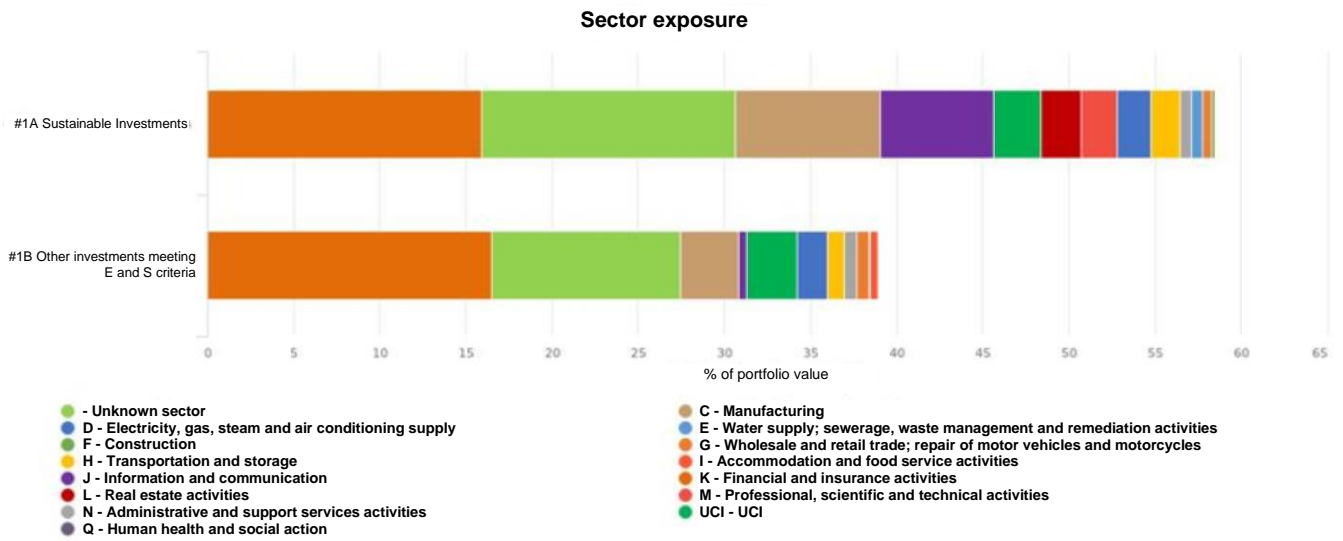
The category **#1 Aligned with E/S characteristics** covers:

- 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

Details of sustainable investments	
Weight of sustainable investments in the portfolio	58,01%
Of which sustainable investments E	52,33%
Of which sustainable investments S	36,19%

An investment is considered to be sustainable if it complies with at least one of the rules presented above, while not prejudicing any of the negative impact indicators and ensuring good governance criteria. A company can therefore be considered as environmentally and socially sustainable.

● **In which economic sectors were the investments made?**



Exposure to the fossil fuel sector averaged 7,47% over the period.

Taxonomy-aligned activities are expressed as a share of:

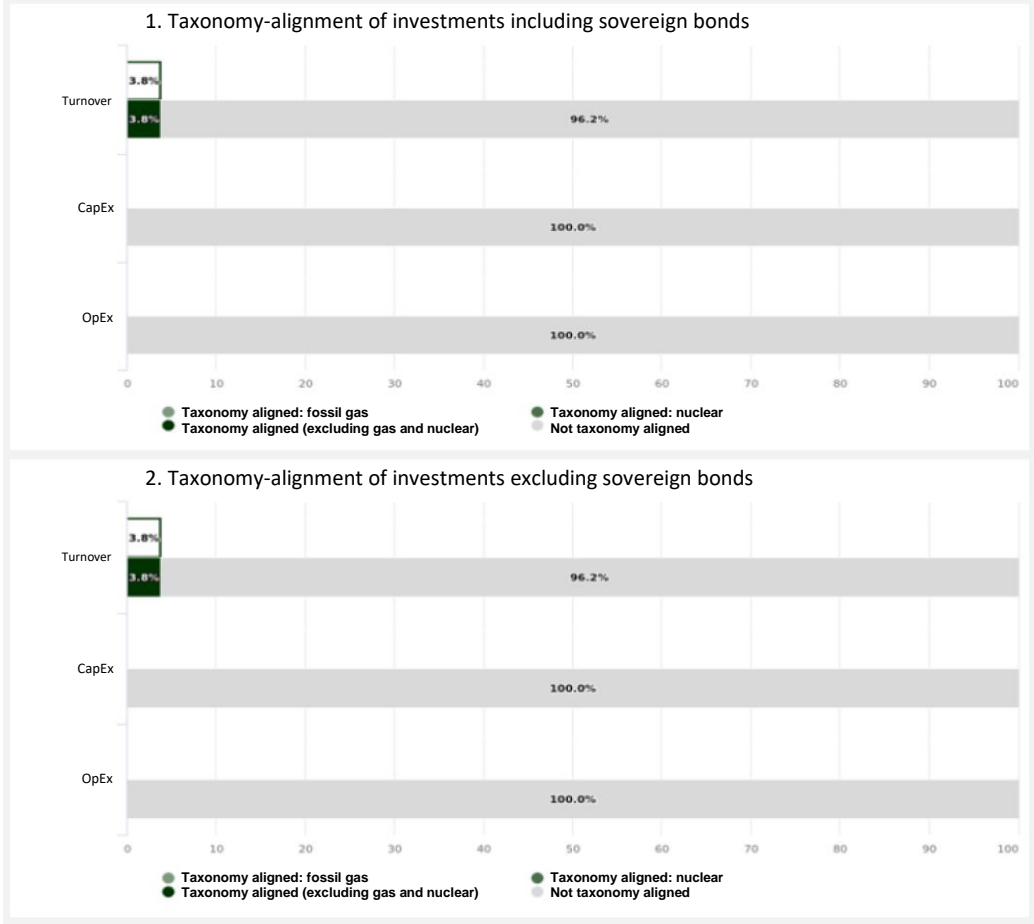
- **turnover** reflecting the share of revenue from green activities of investee companies;
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

● **Did the financial product invest in Taxonomy aligned fossil fuel and/or nuclear energy activities?**

At the date of production of this document, Lazard Frères Gestion does not have the data needed to identify the share of activities related to Taxonomy aligned fossil fuel and/or nuclear energy sectors.

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



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

● **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



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



What 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 50,50%

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 36,19%.

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



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

The "other" category consists mainly of money market UCIs and cash. Over the past period, the "other" segment represented on average 2,55%.



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

To promote environmental and social characteristics, the following elements have been respected:

- The non-financial analysis rate

The non-financial analysis rate of the product's investments is over 90%. This rate is expressed as a percentage of total assets. Over the past period, the non-financial analysis rate was 97,45% 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.

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 on the engagement and voting policy, please refer to the voting and engagement reports available at <https://www.lazardfreresgestion.fr>.



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

Not applicable.

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

- ***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.

**Sub-fund:
LAZARD CREDIT OPPORTUNITIES**

9. CHARACTERISTICS OF THE UCI

LEGAL FORM

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

CLASSIFICATION

International bonds and other debt securities.

ALLOCATION 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 Sub-fund's portfolio, plus income generated by temporary cash holdings, 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.

RC EUR, PC EUR, PVC EUR, TC EUR, PVC H-CHF, FC EUR, PC USD, PC HUSD, RC H-USD, PC H-CHF shares

Distributable income shall be fully accumulated, with the exception of those amounts subject to compulsory distribution by law.

PD EUR RD H-USD, PD H-USD, PVD EUR, RD EUR shares

Net income is distributed in full and the allocation of net realised capital gains is decided each year at the Shareholders' Meeting. It may pay interim dividends.

Fund of funds

None.

INVESTMENT OBJECTIVE

RC EUR, RD EUR shares

The investment objective is to outperform, over the recommended investment period of three years and net of charges, the following benchmark index: Capitalised €STR + 1,25% The benchmark index is expressed in EUR.

PC EUR, PD EUR, TC EUR, FC EUR shares

The investment objective is to outperform, over the recommended investment period of three years and net of charges, the following benchmark index: Capitalised €STR + 2,00% The benchmark index is expressed in EUR.

PVC EUR, PVD EUR shares

The investment objective is to outperform, over the recommended investment period of three years and net of charges, the following benchmark index: Capitalised €STR + 2,40% The benchmark index is expressed in EUR.

PVC H-CHF shares

The investment objective is to outperform, over the recommended investment period of three years and net of charges, the following benchmark index: SARON +2,40%. The benchmark index is expressed in CHF.

PC USD, PC H-USD, PD H-USD shares

The investment objective is to outperform, over the recommended investment period of three years and net of charges, the following benchmark index: Daily Effective Compounded Federal Funds Rate +2%. The benchmark index is expressed in USD.

RC H-USD, RD H-USD shares

The investment objective is to outperform, over the recommended investment period of three years and net of charges, the following benchmark index: Daily Effective Compounded Federal Funds Rate +1,25%. The benchmark index is expressed in USD.

PC H-CHF shares

The investment objective is to outperform, over the recommended investment period of three years and net of charges, the following benchmark index: SARON + 2%. The benchmark index is expressed in CHF.

BENCHMARK INDEX

PVC H-CHF shares

SARON +2,40%

SARON represents the guaranteed overnight money market interest rate for the Swiss franc (CHF). It is based on transactions and listed prices in the Swiss repo market. SARON is part of an index dataset including all Swiss benchmark rates calculated by SIX. This dataset can be obtained on the SIX website (<https://www.six-group.com>) and through data providers (e.g. SIX, Bloomberg, Refinitiv).

PC H-CHF shares

SARON + 2%

SARON represents the guaranteed overnight money market interest rate for the Swiss franc (CHF). It is based on transactions and listed prices in the Swiss repo market. SARON is part of an index dataset including all Swiss benchmark rates calculated by SIX. This dataset can be obtained on the SIX website (<https://www.six-group.com>) and through data providers (e.g. SIX, Bloomberg, Refinitiv).

RC EUR, RD EUR shares

Capitalised €STR + 1,25%

The Capitalised €STR is the main benchmark index of the Eurozone money market. This rate is calculated based on the volume-weighted average of the overnight interbank rates at which the 57 reference banks carry out their transactions. It is established by the European Central Bank on the basis of the "exact number of days/360" and is published by the European Banking Federation. Additional information is available on the website www.banque-france.fr

PVC EUR, PVD EUR shares

Capitalised €STR + 2,40%

The Capitalised €STR is the main benchmark index of the Eurozone money market. This rate is calculated based on the volume-weighted average of the overnight interbank rates at which the 57 reference banks carry out their transactions. It is established by the European Central Bank on the basis of the "exact number of days/360" and is published by the European Banking Federation. Additional information is available on the website www.banque-france.fr

RC H-USD, RD H-USD shares

Daily Effective Compounded Federal Funds Rate +1,25%

This money market rate is a weighted average capitalised rate calculated by the Federal Reserve Bank of New York.

Data are available at: <https://fred.stlouisfed.org>

Bloomberg code: FDTR Index.

PC USD, PC H-USD, PD H-USD shares

Daily Effective Compounded Federal Funds Rate +2%

This money market rate is a weighted average capitalised rate calculated by the Federal Reserve Bank of New York.

Data are available at: <https://fred.stlouisfed.org>

Bloomberg code: FDTR Index.

PC EUR, PD EUR, TC EUR, FC EUR shares

Capitalised €STR + 2,00%

The Capitalised €STR is the main benchmark index of the Eurozone money market. This rate is calculated based on the volume-weighted average of the overnight interbank rates at which the 57 reference banks carry out their transactions.

It is established by the European Central Bank on the basis of the “exact number of days/360” and is published by the European Banking Federation. Additional information is available on the website www.banque-france.fr

BENCHMARK ESG INVESTMENT UNIVERSE

50% Eurozone universe provided by our ESG partners, equi-weighted, restricted to the following sectors: Diversified Banks, Insurance, Financial Services General, Retail and Specialized Banks; 50% ICE BofA Euro Non-financial Fixed & Floating Rate High Yield Constrained Index
Bloomberg code: HEAE Index.

As it is a central bank, the €STR administrator is exempt from Article 2.2 of the Benchmark Regulation, and therefore is not listed on the ESMA register.

INVESTMENT STRATEGY

I. Strategies used by the Lazard Credit Opportunities sub-fund

The Sub-Fund aims to achieve an annual performance, net of expenses, in excess of the benchmark for each share, through dynamic management of interest rate risk, credit risk and currency risk and by investing primarily in risky debt issued by governments, companies, financial institutions and financial structures that offer a yield premium in relation to sovereign debt.

Outperformance in relation to the index through credit is achieved in two ways: additional yield offered by risky debt, in particular corporate and government debt potentially linked to emerging markets, and dynamic portfolio rotation when there is a decline in this yield premium. The fund manager may invest in any type of issuer, without restrictions in terms of credit quality or geographical location. The manager conducts their own credit assessment for selection purposes, both at the time of purchase and during the life of the securities. They do not rely solely on ratings issued by rating agencies and develop credit risk analysis and the necessary procedures to make purchase decisions or sell or hold decisions in the event of a downgrade. The fund manager does not automatically use agency ratings but gives precedence to his own analysis to assess the credit quality of said assets and decide on possible downgrades.

Information on the Sub-fund's sensitivity range is shown in the table below:

Interest rate risk (including derivatives)		Investment		Exposure	
		Min.	Max.	Min.	Max.
Interest rate risk sensitivity range		-5	+10	-5	+10
Credit risk		Investment		Exposure	
		Min.	Max.	Min.	Max.
Geographical area of the Issuer	Europe zone	20%	100%	20%	100%
	Other regions	0%	80%	0%	80%

The Sub-fund may invest in bonds denominated in currencies other than the euro.

As an exception to the 5%-10%-40% ratios, the management team may invest more than 35% of the UCI's net assets in securities guaranteed by an EEA Member State or the United States.

The Sub-fund will also engage in dynamic management of currency risk to optimise its medium-term performance.

The Sub-fund may use interest rate and currency futures, interest rate and currency options, interest rate and currency swaps, and currency forward transactions traded on regulated, organised and/or OTC markets for hedging and/or exposure purposes, thereby taking the Sub-fund's exposure beyond 100% of the net assets.

The portfolio is exposed to interest rate, foreign exchange, credit and volatility risk, up to a fixed amount calculated based on the absolute VaR. The VaR level must remain lower than 15% and leverage must not exceed 400% gross.

Non-financial criteria

The UCI falls under Article 8 of Regulation (EU) 2019/2088, the Sustainable Finance Disclosure Regulation (SFDR). All ESG information is provided in the appendix to this prospectus.

The inclusion of Environmental, Social and Governance (ESG) criteria influences the analysis of companies held in the portfolio without being a determining factor in decision-making.

Analysis of investments in directly held bonds

The ESG analysis of live 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.). It takes into account the risks likely to affect companies' sustainability, or Sustainability Risks (regulatory and physical risks, reputational risk thanks to, among other factors, the monitoring of controversies) as well as companies' main negative impacts in terms of sustainability, or Principal Adverse Impacts (carbon emissions, energy consumption, water consumption, waste production), i.e. any event or situation in the environmental, social or governance field which, 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 to or impairment of the value of assets;
- 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.

These internal ESG ratings are integrated into the issuer selection process and in determining their weight in the portfolio.

Conditions enabling reduced disclosure regarding the inclusion of non-financial criteria:

The rate of non-financial analysis of the UCI's investments is, depending on the UCI's investment categories, higher than:

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

In the event of investment in several categories, the above rates shall apply transparently to each category.

The portfolio's overall Moody's ESG Solutions rating will be higher than that of the benchmark ESG investment universe defined above.

Exclusion criteria

In order to promote the ecological and societal transition, an exclusion policy is implemented at the portfolio level. The objective is to limit the portfolio's exposure to controversial activities or activities considered to be unsustainable through sector and normative exclusions. Companies which do not comply with any of the ten principles of the United Nations Global Compact and/or are active in any of the controversial or sensitive sectors listed below will be excluded from the portfolio:

1. United Nations Global Compact

- Companies that seriously or systematically violate one or more of the UN Global Compact principles

2. Controversial or sensitive sectors

- Tobacco:
 - o All companies deriving their revenue from tobacco production
 - o All companies deriving 10% or more of their revenue from tobacco wholesale
- Gambling:
 - o All companies deriving 10% or more of their total revenue from the ownership or operation of commercial gambling activities
- Armament:
 - o Companies active in the field of controversial or unconventional arms
 - o Companies deriving more than 10% of their total revenue from conventional arms activities
- Energy:
 - o Companies deriving 10% or more of their revenue from thermal coal extraction or from unconventional oil and gas extraction (shale gas, oil sands, Arctic drilling), as well as companies with expansion projects related to these sectors
 - o All companies active in the conventional oil and gas extraction sector if their revenues from natural gas or renewable energy sources are less than 40%
 - o Companies are excluded if: 10% or more of their production is based on coal or 30% or more of their production is based on oil or gas or 30% or more of their production is based on a nuclear source
 - o Issuers operating in the construction or maintenance of nuclear power plants outside the European Union
- Mining
 - o Mining operations, unless they have an adequate policy to control and limit their negative impact on the environment, living and/or working conditions in mining areas, ecosystems, climate and governance risks
- Palm oil
 - o Companies that do not comply with the principles and criteria of the Roundtable on Sustainable Palm Oil (RSPO)

Regulation (EU) 2020/852, known as the "Taxonomy Regulation"

The European Union Taxonomy aims to identify economic activities that are considered environmentally sustainable. The Taxonomy identifies these activities according to their contribution to six broad environmental objectives:

- Climate change mitigation,
- Climate change adaptation,
- Sustainable use and protection of water and marine resources,
- Transition to the circular economy (waste, prevention and recycling),
- Pollution prevention and control
- Protection of healthy ecosystems.

To be considered sustainable, an economic activity must demonstrate that it contributes substantially to the achievement of one of the six objectives, while not harming any of the other five (the so-called DNSH principle, standing for "Do No Significant Harm"). In order for an activity to be considered aligned with the European Taxonomy, it must also respect the human and social rights guaranteed under international law.

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.

The minimum percentage of alignment with the European Union Taxonomy is 0%.

2. Assets excluding derivatives held in the Lazard Human Capital sub-fund

The Sub-fund's portfolio comprises:

Equities

- A maximum of 5% of the net assets in preference shares insofar as they may be considered deeply subordinated instruments with the following characteristics: rated investment grade by a ratings agency or an equivalent rating by the management company; a fixed dividend comparable to accrued interest; perpetual debt likely to be called in by the issuer under specified conditions; sensitive to interest rates.

- A maximum of 5% of the net assets in ordinary shares. The Sub-fund will not invest actively in equities but may hold equities if they derive from a debt restructuring, typically following an exchange of shares for debt. The fund manager will do his best to sell the shares received as soon as possible depending on market conditions with a view to optimising the exit price for the shareholders.

Debt securities and money market instruments:

- A maximum of 100% of the net assets in bonds and negotiable debt securities denominated in euros or any other currency, issued by companies and financial institutions, without any credit restrictions.

- A maximum of 60% of the net assets in bonds and negotiable debt securities denominated in currencies other than the euro and the US dollar.

- A maximum of 100% of the net assets in debt denominated in euros and/or any currency issued by governments in any geographical location, by any institution and of any rating.

- A maximum of 10% of the net assets in convertible bonds.

- A maximum of 50% of the net assets in perpetual subordinated bonds, of which a maximum of 30% of the net assets in contingent convertible bonds (CoCos).

- Specific euro-denominated instruments:

- Securities issued as part of an EMTN programme whose issuer is not the same as the issuer of the underlying security, insofar as the performance of these securities is index-linked to changes in interest rate or credit spread risk. Up to a maximum of 20% of the net assets.

UCI

French or foreign UCITS or AIFs that meet the four criteria of Article R. 214-13 of the French Monetary and Financial Code (*Code Monétaire et Financier*), money market, short-term money market and bond funds up to a maximum of 10% of the net assets.

These UCIs may be managed by the management company.

3. Derivatives held in the Lazard Credit Opportunities sub-fund

• Types of markets:

- regulated
- organised
- OTC

- The manager wishes to seek exposure to the following risks:
 - equity
 - interest rates
 - foreign exchange
 - credit
 - other: volatility

- 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
 - interest rates: Interest rate risk
 - foreign exchange
 - other
 - options:**
 - equity and equity indices
 - interest rates: interest rate and interest rate volatility risk
 - foreign exchange
 - 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
 - credit derivatives
 - other type

- 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 and fine-tuning leverage
 - maximum permitted and sought
 - other strategy

4. Securities with embedded derivatives held in the Lazard Credit Opportunities sub-fund

The fund manager may invest in any securities with embedded derivatives permitted under the management company's business plan, whose issuer is not the same as the issuer of the underlying security, insofar as the performance of these securities is index-linked to changes in interest rate or credit spread risk.

Within this framework, the manager may take positions with a view to hedging the portfolio against and/or exposing it to particular business sectors, geographic regions, shares (all capitalisation types), stocks and similar securities in order to achieve the investment objective.

Total investments in securities with embedded derivatives may not exceed 100% of the net assets. Investments in contingent convertible bonds may not exceed 30% of the net assets.

5. Deposits of the Lazard Credit Opportunities sub-fund

Up to 10% of the Sub-fund's assets may be held in deposits.

6. Cash borrowings of the Lazard Credit Opportunities sub-fund

The Sub-fund may borrow cash within the limit of 10% of its net assets to meet specific cash requirements related to its operating needs.

7. Temporary purchases and sales of securities of the Lazard Credit Opportunities sub-fund

None.

8. Information on the financial guarantees of the Lazard Credit Opportunities sub-fund

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 Sub-fund 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 OF THE LAZARD CREDIT OPPORTUNITIES SUB-FUND

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

• 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. For instance, bond prices tend 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 Sub-fund's exposure to issuers either through direct investment or via other UCIs may give rise to a decline in the net asset value. If the Sub-fund is exposed to unrated or speculative/High Yield debt, the credit risk is high and may lead to a decline in the Sub-fund's net asset value.

• Foreign exchange risk

The Sub-fund 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 Sub-fund'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).

• Derivative financial instrument risk

The risk arising from the Sub-fund'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 Sub-fund has invested.

• Counterparty risk

The risk linked to the use of forward financial instruments traded over the counter. These transactions, entered into with one or more counterparties, potentially expose the Sub-fund to a risk of failure of any such counterparty, which may lead to default in payment and cause the Sub-fund's NAV to fall.

• 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 Sub-fund liquidates, initiates or modifies positions and thus cause a decline in the Sub-fund's net asset value.

- **Risks linked to hybrid or subordinated securities:**

The sub-fund may be exposed to hybrid or subordinated securities. Hybrid and subordinated debt are subject to specific risks of non-payment of coupons and capital loss in certain circumstances. For non-financial bonds, since hybrid debt securities are “deeply subordinated”, there is a low recovery rate in the event of issuer default.

- **Risk related to overexposure**

The Sub-fund may use forward financial instruments (derivatives) to generate overexposure and thus bring the Sub-fund's exposure above its net asset value.

Depending on the direction of the transactions, the impact of a decrease (purchase of exposure) or increase (sale of exposure) in the derivative's underlying instrument may be amplified and thus amplify any decrease in the Sub-fund's net asset value.

Because of the hedging strategy applied, shareholders may not benefit from potential upside on certain markets.

- **Equity risk**

Fluctuations in share prices may have a negative impact on the Sub-fund's net asset value. The net asset value may decrease during periods in which equity markets are falling.

- **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 OF THE LAZARD CREDIT OPPORTUNITIES SUB-FUND

None.

ELIGIBLE SUBSCRIBERS AND TYPICAL INVESTOR PROFILE OF THE LAZARD CREDIT OPPORTUNITIES SUB-FUND

This Sub-fund is aimed at all investors who are aware of the risks associated with investing in the international credit markets.

The Sub-fund may be used with life insurance and savings policies.

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

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 Sub-fund is not registered as an investment vehicle in the United States and its shares 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 Sub-fund 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 Sub-fund 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 Sub-fund 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 Sub-fund may not be suitable for investors planning to withdraw their contributions within three years.

10. CHANGES AFFECTING THE UCI

The Board of Directors of the **LAZARD FUNDS** SICAV (for the LAZARD CREDIT OPPORTUNITIES sub-fund) on November 18th, 2021 decided to create a "PD-H-USD" share with ISIN code: FR001400D2C2.

➤ **Effective date: 12/10/2022.**

The Board of Directors of the **LAZARD FUNDS** SICAV (for the LAZARD CREDIT OPPORTUNITIES sub-fund) (ISIN code: FR0010230490) has decided to create a "PVD EUR" share ISIN code: FR001400DIW0, intended for the Belgian and Luxembourg markets;

➤ **Effective date: 31/10/2022.**

The Board of Directors of the **LAZARD FUNDS** SICAV (for the LAZARD CREDIT OPPORTUNITIES sub-fund) on November 15th, 2022 decided to implement subscription fees not retained by the UCI as follows:

Sub-fund	Equities	ISIN	Entry fees not retained by the UCI
Lazard Credit Opportunities	PC EUR	FR0010235507	4%
Lazard Credit Opportunities	PD EUR	FR0012156347	4%
Lazard Credit Opportunities	PVC EUR	FR0013432143	4%
Lazard Credit Opportunities	PVC H-CHF	FR0014002XI5	4%
Lazard Credit Opportunities	PC USD	FR001400BBG2	4%
Lazard Credit Opportunities	PC H-USD	FR001400BBI8	4%

➤ **Effective date: 25/11/2022.**

The KIID of the **LAZARD FUNDS** SICAV (for the LAZARD CRÉDIT OPPORTUNITIES sub-fund) (ISIN code: FR0010230490) was converted to the KID PRIIPS (*Key Information Document and Packaged Retail Investment and Insurance-based Products*) on January 1st, 2023, in accordance with the European regulations aimed at standardising pre-contractual information on financial products intended for retail investors.

The following decisions were made in relation to the **LAZARD FUNDS** SICAV (for the LAZARD CREDIT OPPORTUNITIES sub-fund) (ISIN code: FR0010230490): to create two new shares:

- "RD EUR" share (ISIN Code: FR001400F1C2)
- "PC H-CHF" share (ISIN code: FR001400FIB4)

➤ **Effective date: 23/01/2023.**

The following decisions were made in relation to the **LAZARD FUNDS** SICAV (for the LAZARD CREDIT OPPORTUNITIES sub-fund) (ISIN code: FR0010230490), the abolition of transaction fees

➤ **Effective date: 06/02/2023.**

The Board of Directors of the **LAZARD FUNDS** SICAV on November 15th, 2022 decided to create a new sub-fund, LAZARD EURO CREDIT SRI (ISIN codes: FR0010751008/ FR001400DLP8/ FR001400FNL8) by merger with the mutual fund of the same name.

➤ **Effective date: 05/09/2023.**

The Board of Directors of the **LAZARD FUNDS** SICAV (for the LAZARD CREDIT OPPORTUNITIES sub-fund) (ISIN code: FR0010230490) on September 25th, 2023, decided to introduce the gates mechanism in the SICAV's prospectus. The Chairman of the SICAV has called an Extraordinary Shareholders' Meeting to include the gates mechanism in the articles of association and to amend the Prospectus.

➤ **Effective date: 16/11/2023.**

11. MANAGEMENT REPORT

PERFORMANCE

The UCI's performance over the period was as follows:

RC EUR shares: FR0010230490: -4,77%.
TC EUR shares: FR0010235499: -4,12%. PC EUR shares: FR0010235507: -4,12%.
PVC EUR shares: FR0013432143: -3,83%.
PVC H-CHF shares: FR0014002XI5: -5,75%.
FC EUR shares: FR00140081X3: -3,95%.
PC USD shares: FR001400BBG2: +4,08%.
PC H-USD shares: FR001400BBI8: -1,61%. RC H-USD shares: FR001400BBJ6: -2,44%.
PC H-CHF shares: FR001400F1B4: -8,20% (launched 27/01/2023).
PD EUR shares: FR0012156347: -4,12%.
RD H-USD shares: FR001400BBK4: -0,86%.
PD H-USD shares: FR001400D2C2: -2,23% (launched 26/10/2022).
RD EUR shares: FR001400F1C2: -6,85% (launched 27/01/2023).

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

The benchmark's performance over the period was:

RC EUR shares: 3,88 % (*€ster +1,25%).
RD EUR shares: 2,99% (*€ster +1,25%).
TC EUR shares: 4,67% (*€ster +2,00%, since 01/01/2022 previously €ster +1,50%),
PC/PD EUR shares: 4,67%, (*€ster +2,00% since 01/01/2022 previously Ester +1,50%),
FC EUR shares: 4,67% (*€ster +2,00%).
PVC EUR shares: 5,09% (*€ster +2,40%).
PC H-CHF shares: 2,36% (*SARON +2,00%).
PVC H-CHF shares: 3,67% (*SARON +2,40%)
PC USD shares: 6,89% (*Daily Effective Compounded Federal Funds Rate +2,00%).
PC H-USD shares: 6,89% (*Daily Effective Compounded Federal Funds Rate +2,00%). PD H-USD shares: 6,50% (*Daily Effective Compounded Federal Funds Rate +2,00%).
RC/RD H-USD shares: 6,09% (*Daily Effective Compounded Federal Funds Rate +1,25%).

ECONOMIC ENVIRONMENT

Despite central banks' efforts to curb activity and inflation, growth showed unexpected resilience in Western countries. US growth was robust, supported by household consumption. Growth in the Eurozone was modest, against a backdrop of deteriorating purchasing power and rapid transmission of the ECB's monetary tightening. However, the economic impacts of the energy crisis were less severe than feared. The collapse of three US regional banks and the disaster takeover of Credit Suisse in March 2023 could also have had a greater impact. Thanks to lower energy prices and the easing of supply tensions, inflation fell sharply in the US and Europe. However, it remained well above central bank targets, fuelled by the services sector and the still tight labour market situation. Against this backdrop, the Fed and the ECB continued to tighten their monetary policy. The Fed raised its key rate to 5,25%-5,50%, its highest level in 22 years. The ECB raised the refinancing rate to 4,50% and the deposit rate to 4,00%, levels never before reached. In China, after a rebound following the lifting of health restrictions, growth lost momentum amid a slowdown in the real estate sector. Against this backdrop, global equity markets rebounded strongly, making up some of the losses recorded in 2022. US and European interest rates alternated between rises and falls before soaring in the summer of 2023 to reach their highest levels for more than ten years.

Economy

In the United States, GDP growth accelerated to +2,4% year-on-year in Q2 2023. Job creation slowed to an average of +266 000 per month. The unemployment rate rose to 3,8%. Annual hourly wage growth slowed to +4,2%. The year-on-year increase in consumer prices slowed to +3,7% and +4,1% excluding energy and food.

The Fed raised its key rate by +2,25% to 5,25%-5,50%, in the following sequence: a +0,75% hike in November 2022, +0,50% in December 2022 and three consecutive +0,25% hikes in February, March and May 2023. The Fed took a first break in June 2023, before a further 0,25% hike in July 2023 and a further break in September 2023.

In terms of unconventional measures, in March 2023 the Fed announced the creation of a new liquidity access mechanism ("Bank Term Funding Program") in response to the collapse of Silvergate Bank, Silicon Valley Bank and Signature Bank.

In the U.S. midterm elections on November 8th, 2022, the Democrats retained their majority in the Senate and the Republicans won the House of Representatives.

In the Eurozone, GDP growth slowed to +0,5% year-on-year in Q2 2023, with contrasting trends between countries. GDP fell by -0,2% in Germany, while rising by +1,0% in France, +0,3% in Italy and +2,2% in Spain. PMI surveys improved until the spring of 2023 before deteriorating rapidly in the summer of 2023. The Eurozone unemployment rate fell to 6,4%. The year-on-year increase in consumer prices slowed to +4,3% and +4,5% excluding energy and food.

The ECB raised its key rates by +3,25%, in the following sequence: +0.75% in October 2022, three consecutive increases of +0.50% between December 2022 and March 2023 and four consecutive increases of +0.25% between May and September 2023. The deposit rate was raised from +0,75% to +4,00% and the refinancing rate from +1,25% to +4,50%.

In terms of unconventional measures, in December 2022 the ECB announced a reduction in the size of its APP portfolio from March 2023. In June 2023, the ECB announced that it would end reinvestments under this programme.

In Italy, the right-wing coalition secured a clear victory in the general elections on September 25th, 2022. Giorgia Meloni was elected prime minister on October 22nd, 2022.

In China, GDP growth accelerated to +6,3% year-on-year in Q2 2023. Activity benefited from the complete lifting of health restrictions in December 2022. The real estate sector continued to struggle. The urban unemployment rate fell to 5,2%. Consumer prices remained stable.

The Chinese central bank cut its key interest rate from -0,25% to 2,50% and the reserve requirement ratio from -0,75% to 10,50%.

At the conclusion of the 20th CCP Congress in October 2022, Xi Jinping won a third term as General Secretary of the Party and head of the armed forces. Xi Jinping was formally re-elected President of the Republic during the annual session of the National People's Congress in March 2023. On this occasion, the government announced that it was aiming for growth of "around +5,0%" in 2023.

Markets

The MSCI World All Country index of global equity markets rose by +18,7% year-on-year, wiping out around half of the decline in the first nine months of 2022. The Topix in yen rose by +26,6%, the Euro Stoxx in euro by +20,9%, the S&P 500 in dollar by +19,6% and the MSCI index of emerging equities in dollar by +8,8%.

The unexpected resilience of the global economy was a major support factor for equity markets between the fourth quarter of 2022 and the start of the third quarter of 2023.

The effects of the Eurozone energy crisis were less significant than feared, the Chinese economy reopened faster than expected and US inflation slowed, while the unemployment rate remained low, fuelling the idea of a soft landing for the US economy.

Equity markets also benefited from the sharp rise in tech mega-caps in the United States, linked to the artificial intelligence craze.

The uptrend in equity markets reversed from August 2023 onwards, against a backdrop of increasing economic uncertainty in China, poor economic data in Europe and soaring long-term interest rates.

Bond markets alternated between rises and falls between the fourth quarter of 2022 and the start of the third quarter of 2023, with investors switching from one monetary policy scenario to another.

US and European interest rates soared during the summer of 2023 to reach their highest levels for more than ten years, as the resilience of the US economy and the Fed's more restrictive message led investors to anticipate permanently higher key rates.

The US 10-year yield rose from 3,83% to 4,57% and the German 10-year yield from 2,11% to 2,84%.

According to ICE Bank of America indices, credit spreads for European corporate issuers fell from 210 to 141 basis points in the Investment Grade segment and from 625 to 445 basis points in the High Yield segment.

The euro appreciated by +7,9% against the dollar and by +11,3% against the yen. It stabilised against the Swiss franc and depreciated by -1,2% against sterling. According to the JPMorgan index, emerging currencies depreciated by an average of -2,9% against the dollar,

The S&P GSCI commodity price index was virtually stable over the year. The price of a barrel of Brent crude oil rose from \$86 to \$92, with a peak of \$100 in early November 2022 and a low point of \$72 in mid-March 2023.

MANAGEMENT POLICY

Over the last quarter of 2022, sovereign yields stabilised in October. Supported by good Q3 earnings releases, credit indices, expressed in spreads, tightened across the board. In November, sovereign yields fell sharply for the second time this year after July, in a reversal of the upward movement that began in January. The tipping point came on November 8th, when the Democrats averted a "red wave" in the US midterm elections. The month had started with another 75bp Fed Funds rate hike, the fourth consecutive one of this magnitude. From November 8th onwards, yields fell back, under the combined influence of rumours of an easing of China's zero-Covid policy, US earnings releases confirming the resilience of growth and employment, and less clearly hawkish communications from central banks. This environment encouraged a general move back into risky assets, resulting in a general decline in all credit indices. The influence of central bank rhetoric was a determining factor in the upward trend in interest rates in December. In the middle of the month, the ECB and the Fed raised their key rates again, albeit by less than the previous hikes, by 50bp compared with the expected 75bp. In particular, Christine Lagarde made some very firm comments to illustrate the central bank's determination to keep its guard up against inflation. The surprise came when the bank announced that it would continue to reduce its balance sheet from March 2023, by €15 billion a month until June. These announcements led to a widespread rise in Eurozone yields, which more than wiped out November's declines. Credit margins tightened overall. At the end of 2022, the fund had a return of 1,06%, with a positive credit effect and a slightly positive interest rate effect thanks to the negative duration positioning.

The first quarter of 2023 began with sovereign yields felling across the board in January, generally dominated by the idea that the tightening of central banks' monetary policies was bearing fruit in terms of controlling inflation, and by the observation that the economy was slowing down, which was expected. The strength of the labour market and the prospects offered by China's reopening do not really argue for a rapid disinflation. Ahead of their monetary policy meetings in early February, the market was still expecting confirmation that the ECB, Fed and BoE would reduce the pace of rate rises. In February, sovereign yields rose steadily throughout the month, more or less cancelling out the decline in January. The theme is fairly simple: inflation is falling, but less than expected, while core inflation remains very high. Sovereign bond yields fell in March in a move almost symmetrical to the rise of February, continuing the dithering we have been seeing every month since the beginning of the year. March 2023 was marked by renewed volatility on the markets and the failure of small US banks. The largest, SVB, was placed under supervision by the US authorities on March 10th, 2023 after being forced to make substantial losses on its bond portfolio to cope with outflows of funds from its clients, mainly in the technology sector. Sentiment towards banks then entered a very negative spiral, hitting European issuers and in particular Credit Suisse, which suffered a major flight of deposits following comments made by one of its main shareholders. An emergency rescue was needed, in the form of a takeover by UBS, orchestrated in parallel by the Swiss authorities. This rapid intervention prevented any negative spillover to the European financial sector and sent a positive signal for global stability. However, FINMA's decision to wipe out all of Credit Suisse's AT1 bonds at the time of this forced merger (bonds representing 5% of the universe) triggered a major sell-off in the asset class, which partially recovered at the end of the month. Over the quarter, risk premiums tightened by -3bp for euro Investment Grade credit and by up to -42bp for euro High Yield corporate credit. The fund posted a performance of +0,48% over the quarter. The credit effect was positive, but the fund's defensive positioning held back performance. The interest rate effect was slightly positive despite the negative duration position.

In the second quarter of the year, April saw a slight rise in government bond yields in the Eurozone (with the exception of Greece) and a moderate fall in the United States. Credit, all segments and sectors combined, outperformed sovereign debt with a positive contribution from the spread component which, combined with carry, enabled all asset classes to deliver positive performances above that of the money market. In May in the United States, the publication of better-than-expected economic, employment and inflation data, combined with statements by central bankers in favour of maintaining restrictive monetary policies, moved yields higher across the board. Credit spreads are widening slightly in the less risky segments. However, the positive interest rate effect combined with the carry effect enabled all euro bond asset classes to post positive performances. The quarter ended in June with central banks still raising rates. They are taking a tougher stance and reaffirming their intention to curb inflation, leading to a rise in all yield curves. The 2-10 year spread is now close to its lows (-106bp in the United States and -80bp in Germany). Credit spreads are tightening across all sectors and segments. With the exception of the least risky segments (government bonds and IG

credit), the positive contribution of the spread component combined with carry enabled euro bond asset classes to deliver positive returns. The interest rate effect made a negative contribution, with a long duration repositioning during the quarter. The credit effect was positive, although penalised by the credit hedge in place. The fund ended the period with a performance of -4,41%.

Over the third quarter, the major central banks remained active in July: the ECB raised its key rates by 25bp, taking the deposit rate to 3,75%, while the Federal Reserve lifted its rates by another 25bp to the 5,25%-5,5% range. In August, rates remained unchanged. The inflation data published over the month confirmed that core inflation is moderating, but also gave substance to central bank concerns about the speed of the return to the target. The PMI surveys and labour market data pointed to a slow deterioration in activity in the United States and the Eurozone. In September, the Federal Reserve (Fed) and the European Central Bank (ECB) remained vigilant. Signs of resilience in the US economy enabled the Fed to leave its key rates unchanged (range 5,25%-5,50%), but to change their trajectory over the next three years. Its "high rates for an extended period" guidance was reinforced by the upward revision of its inflation and growth forecasts. Over the last quarter, risk premiums tightened by -9bp for euro Investment Grade credit and -17bp for euro High Yield corporate credit. The fund ended the last quarter with a negative performance of -1,23%. Performance continued to suffer from the long duration position, which contributed significantly to a negative interest rate effect. The credit effect was positive, driven by good momentum in credit margins.

Main changes in the portfolio during the year

Securities	Changes ("accounting currency")	
	Purchases	Sales
LAZARD EURO SHORT TERM MONEY MARKET	559 250 569,82	538 574 070,03
ITALY BUONI POLIENNALI DEL TESORO 4.4% 01-05-33	157 439 548,00	157 849 177,50
LAZARD EURO MONEY MARKET	88 824 914,33	78 563 250,87
UNITED STATES OF AMERICA 0.125% 15-04-25	82 754 590,81	82 677 281,94
ITALY BUONI POLIENNALI DEL TESORO 4.35% 01-11-33	106 170 000,50	41 520 732,00
0473820FRENCH R ZCP 230823	49 436 346,68	49 988 223,61
FREN REP PRES ZCP 24-05-23	39 815 407,58	40 000 000,00
FRANCE TREASURY BILL ZCP 070623	39 771 789,60	40 000 000,00
FRANCE TREASURY BILL ZCP 270923	39 730 655,95	40 000 000,00
FRANCE TREASURY BILL ZCP 210224	38 924 479,93	39 351 304,92

12. REGULATORY INFORMATION

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

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

• **Exposure through efficient management techniques: None.**

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

• **Underlying exposure through derivative financial instruments: 3 517 542 331,93**

- o Currency forwards: 48 483 227,78
- o Futures: 2 969 059 104,15
- o Options:
- o Swap: 500 000 000,00

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

Efficient portfolio management techniques	Derivative financial instruments (*)
	CACEIS BANK LUXEMBOURG

(*) 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	None
Derivative financial instruments . Term deposits . Equities . Bonds . UCITS . Cash Total	 570 000,00 570 000,00

(*) 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	None
. Direct operating expenses . Indirect operating expenses . Other expenses Total expenses	None

(*) Income on securities lending and repurchase agreements

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

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

PROCEDURE FOR SELECTING AND ASSESSING INTERMEDIARIES AND COUNTERPARTIES

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

The information can be consulted on the management company's website: www.lazardfreresgestion.fr

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 is available in the appendix to this report."

ART 29: 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

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 calculation method used is the absolute VaR:

Maximum level of VaR per month: 7,703%.

Minimum level of VaR per month: 1,877%.

Average level of VaR per month: 4,988%.

SWING PRICING

In order to protect the UCI's long-term shareholders, 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 shareholders entering and leaving the UCI that would otherwise have been allocated across all shareholders 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 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 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 financial year ended on December 31st, 2022 by the management company to its personnel, in proportion to their investment in the management of the UCITS, excluding the management of AIFs and discretionary mandates, can be obtained on request by post from the legal department of Lazard Frères Gestion, and are 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 risks and 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.

The remuneration policy is reviewed annually.

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 31/12/2022: Fixed-term and permanent contracts of LFG, LFG Luxembourg and LFG Belgique
(therefore excluding interns and apprentices and excluding LFG Courtage)**

Headcount at 31/12/2022 LFG - LFG Belgique - LFG Luxembourg	Fixed annual remuneration 2022 in €	Variable remuneration for 2022 (cash paid in 2023 and deferred compensation allocated in 2023) in €
205	20 102 615	29 964 115

“Identified employees”

Category	Number of employees	2022 aggregate fixed and variable remuneration (annual salaries and cash and deferred bonuses)
Senior management	3	5 848 796
Other	61	28 469 324
Total	64	34 318 120

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 shareholders to:

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

www.lazardfreresgestion.fr

13. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AS OF 29/09/2023 in euros

ASSETS

	29/09/2023	30/09/2022
NET NON-CURRENT ASSETS		
DEPOSITS		
FINANCIAL INSTRUMENTS	1 154 525 028,63	657 723 947,23
Equities and similar securities		
Traded on a regulated or equivalent market		
Not traded on a regulated or equivalent market		
Bonds and similar securities	1 063 693 518,60	604 421 232,85
Traded on a regulated or equivalent market	1 063 693 518,60	604 421 232,85
Not traded on a regulated or equivalent market		
Debt securities	9 822 465,48	
Traded on a regulated or equivalent market	9 822 465,48	
Negotiable debt securities	9 822 465,48	
Other debt securities		
Not traded on a regulated or equivalent market		
Undertakings for collective investment	67 480 773,70	29 699 759,80
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries	67 480 773,70	29 699 759,80
Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU		
General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities		
Other funds aimed at professional investors and their equivalent in other Member States of the EU and unlisted securitisation entities		
Other non-European entities		
Temporary securities transactions		
Receivables on securities purchased under repurchase agreements		
Receivables on loaned securities		
Borrowed securities		
Securities sold under repurchase agreements		
Other temporary transactions		
Forward financial instruments	13 528 270,85	23 602 954,58
Transactions on a regulated or equivalent market	13 528 270,85	8 399 683,80
Other transactions		15 203 270,78
Other financial instruments		
RECEIVABLES	115 257 658,26	40 957 094,59
Currency forward exchange transactions	48 483 227,78	239 241,95
Other	66 774 430,48	40 717 852,64
FINANCIAL ACCOUNTS	21 194 704,77	33 139 948,60
Cash and cash equivalents	21 194 704,77	33 139 948,60
TOTAL ASSETS	1 290 977 391,66	731 820 990,42

LIABILITIES AND SHAREHOLDERS' EQUITY

	29/09/2023	30/09/2022
SHAREHOLDERS' EQUITY		
Share capital	1 254 851 003,30	590 143 514,20
Undistributed net capital gains and losses recognised in previous years (a)	4 682 835,35	
Retained earnings (a)	112,71	198,05
Net capital gains and losses for the year (a, b)	-113 446 443,19	84 708 833,42
Net income for the year (a, b)	30 743 510,28	15 935 720,47
TOTAL SHAREHOLDERS' EQUITY*	1 176 831 018,45	690 788 266,14
<i>* Sum representing the net assets</i>		
FINANCIAL INSTRUMENTS	29 137 070,90	8 426 984,83
Sales of financial instruments		
Temporary securities transactions		
Liabilities on securities sold under repurchase agreements		
Liabilities on borrowed securities		
Other temporary transactions		
Forward financial instruments	29 137 070,90	8 426 984,83
Transactions on a regulated or equivalent market	13 528 270,90	8 426 984,83
Other transactions	15 608 800,00	
LIABILITIES	67 637 339,23	24 006 009,19
Currency forward exchange transactions	48 165 733,46	238 969,36
Other	19 471 605,77	23 767 039,83
FINANCIAL ACCOUNTS	17 371 963,08	8 599 730,26
Bank overdrafts	17 371 963,08	8 599 730,26
Borrowings		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1 290 977 391,66	731 820 990,42

(a) Including accrued income

(b) Less interim dividends paid for the financial year

OFF-BALANCE SHEET ITEMS AS AT 29/09/2023 in euros

	29/09/2023	30/09/2022
HEDGING TRANSACTIONS		
Commitments on regulated or similar markets		
Futures contracts		
EURO SCHATZ 1222		1 714 640 000,00
EURO BOBL 1222		119 750 000,00
EURO BUND 1223	57 630 720,00	
TU CBOT UST 2 1223	2 297 550 182,76	
JAP GOVT 10 1223	61 473 511,78	
FV CBOT UST 5 1223	537 370 129,86	
EC EURUSD 1223	12 529 515,94	
RP EURGBP 1223	2 505 043,81	
EC EURUSD 1222		18 849 525,34
RP EURGBP 1222		2 510 112,81
Commitments on OTC markets		
Credit Default Swaps		
ITRAXX EUR XOVER S38		195 000 000,00
ITRAXX EUR XOVER S38		100 000 000,00
ITRAXX EUR XOVER S40	500 000 000,00	
Other commitments		
OTHER TRANSACTIONS		
Commitments on regulated or similar markets		
Commitments on OTC markets		
Other commitments		

INCOME STATEMENT AT 29/09/2023 in euros

	29/09/2023	30/09/2022
Income from financial transactions		
Income from deposits and financial accounts	1 057 792,76	28 214,17
Income from equities and similar securities		1 880,00
Income from bonds and similar securities	36 301 577,14	15 893 265,62
Income from debt securities	1 179 058,83	
Income from temporary purchases and sales of securities	385 796,15	2 977,31
Income from forward financial instruments		
Other financial income		
TOTAL (1)	38 924 224,88	15 926 337,10
Expenses related to financial transactions		
Expenses related to temporary purchases and sales of securities	284,19	17 164,81
Expenses related to forward financial instruments		
Expenses related to financial liabilities	484 904,63	77 533,78
Other financial charges		
TOTAL (2)	485 188,82	94 698,59
INCOME FROM FINANCIAL TRANSACTIONS (1 - 2)	38 439 036,06	15 831 638,51
Other income (3)		
Management fees and depreciation and amortisation (4)	10 831 087,85	5 145 912,12
NET INCOME FOR THE FINANCIAL YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	27 607 948,21	10 685 726,39
Income adjustment for the financial year (5)	3 135 562,07	5 249 994,08
Interim dividends paid on net income for the financial year (6)		
Net income (1 - 2 + 3 - 4 + 5 - 6)	30 743 510,28	15 935 720,47

NOTES TO THE 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,
- consistency of accounting methods from one financial year to the next.

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

Purchases and sales of securities are recorded excluding expenses.

The accounting currency of the portfolio is the euro.

The financial year comprises 12 months.

Asset valuation rules

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

o **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).

o **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 price, for which the shareholders' meeting 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 with a residual maturity of more than three months:**

Negotiable debt securities traded in large volumes are valued at market price.

In the absence of significant trading volumes, these securities are valued using an actuarial method, with a benchmark rate plus, where applicable, a margin representative of the issuer's intrinsic characteristics.

Benchmark rate	
Negotiable debt securities in euros	Negotiable debt securities in other currencies
Euribor, OIS and Btf swaps - 3 - 6 - 9 - 12 months Btan - 18 months, 2 - 3 - 4 - 5 years	Official key rates in the relevant countries

- **Negotiable debt securities with a residual maturity of three months or less:**

Negotiable debt securities with a residual maturity of three months or less are valued using the straight-line method. However, this method would not be applied if any of these securities were particularly sensitive to market movements.

○ **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 SICAV'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 SICAV'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 SICAV's currency).

Management fees

Management fees are calculated on each valuation day.

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

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

This amount is 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.

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

<i>Fees charged to the Sub-fund</i>	<i>Basis</i>	<i>Share</i>	<i>Rate (Maximum incl. taxes)</i>
Financial management fees	Net assets excluding UCIs managed by Lazard Frères Gestion	RC EUR	1,715%
		PC EUR	1%
		PD EUR	1%
		PVC EUR	0,60%
		TC EUR	1%
		PVC H-CHF	0,60%
		FC EUR	1,00%
		PC USD	1%
		PC H-USD	1,05%
		RC H-USD	1,765%
		RD H-USD	1,765%
		PD H-USD	1,05%
		PVD EUR	0,60%
		RD EUR	1,715%
PC H-CHF	1,05%		
Operating and other service fees	Net assets	Applied to all shares	0,035%
Indirect charges (management fees and expenses)	NA	Applied to all shares	None
Turnover commission (0% to 100% received by the management company and 0% to 100% received by the custodian)	Maximum charge on each transaction	Applied to all shares	None
Performance fee	Net assets	RC EUR, PC EUR, PD EUR, TC EUR, FC EUR, PC USD, PC H-USD, RC H-USD, RD H-USD, PD H-USD, RD EUR, PC H-CHF	None
		PVC EUR, PVC H-CHF, PVD EUR	20% of the Fund's outperformance relative to the benchmark index

Details of the calculation of the performance fee:

The performance fee corresponds to a variable charge and is contingent on the Sub-fund outperforming its benchmark over the observation period. If a provision is recognised at the end of the observation period, it is crystallised, i.e. it is definitively acquired and becomes payable to the Manager.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of each Sub-fund share and that of a notional UCI achieving the performance of its benchmark index and recording the same subscription and redemption pattern as the actual Sub-fund. The outperformance generated by the Sub-fund share on a given date is defined as the positive difference between the assets of the Sub-fund 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 reference indicator, 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 01/10/2021. At the end of each financial year, one of the following two cases may occur:

- The Sub-fund share 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 Sub-fund share 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 20% of the outperformance) when the performance of the Sub-fund share 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 shares redeemed is definitively acquired and charged by the management company.

Swing pricing adjustments to the net asset value (NAV) with a trigger level for the Lazard Credit Opportunities Sub-fund

In order to protect the Sub-fund's long-term shareholders, a swing factor will be applied to subscriptions and redemptions that have a significant impact on the Sub-fund's outstandings, which may generate costs for shareholders entering and leaving the Sub-fund that would otherwise have been allocated across all shareholders in the Sub-fund. Therefore, if, on a particular NAV calculation date, the total net subscription/redemption orders of investors across all categories of Sub-fund shares exceeds a threshold predetermined by the financial sub-manager on the basis of objective criteria and expressed as a percentage of the net assets in the Sub-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 share 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 share category in the Sub-fund.

The cost parameters and trigger level shall be determined by the financial sub-manager 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 Sub-fund.

Insofar as this adjustment mechanism is linked to the net balance of subscriptions/redemptions within the Sub-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 financial sub-manager will have to make such adjustments, which shall not exceed 1,75% of the NAV. Investors should be aware that the volatility of the Sub-fund's NAV may not reflect solely that of the securities in the portfolio arising from the application of swing pricing.

Allocation of distributable income

Definition of distributable income:

Distributable income consists of:

Net income:

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

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

Capital gains and losses:

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

Allocation of distributable income:

Share(s)	Allocation of net income	Allocation of net realised capital gains or losses
LAZARD CREDIT OPPORTUNITIES FC EUR shares	Accumulation	Accumulation
LAZARD CREDIT OPPORTUNITIES PC EUR shares	Accumulation	Accumulation
LAZARD CREDIT OPPORTUNITIES PC H-CHF shares	Accumulation	Accumulation
LAZARD CREDIT OPPORTUNITIES PC H-USD shares	Accumulation	Accumulation
LAZARD CREDIT OPPORTUNITIES PC USD shares	Accumulation	Accumulation
LAZARD CREDIT OPPORTUNITIES PD EUR shares	Distribution	Accumulation and/or Distribution and/or Retention as decided by the SICAV
LAZARD CREDIT OPPORTUNITIES PD H-USD shares	Distribution	Accumulation and/or Distribution and/or Retention as decided by the SICAV
LAZARD CREDIT OPPORTUNITIES PVC EUR shares	Accumulation	Accumulation
LAZARD CREDIT OPPORTUNITIES PVC H-CHF shares	Accumulation	Accumulation
LAZARD CREDIT OPPORTUNITIES RC EUR shares	Accumulation	Accumulation
LAZARD CREDIT OPPORTUNITIES RC H-USD shares	Accumulation	Accumulation
LAZARD CREDIT OPPORTUNITIES RD EUR shares	Distribution	Accumulation and/or Distribution and/or Retention as decided by the SICAV
LAZARD CREDIT OPPORTUNITIES RD H-USD shares	Distribution	Accumulation and/or Distribution and/or Retention as decided by the SICAV
LAZARD CREDIT OPPORTUNITIES TC EUR shares	Accumulation	Accumulation

2. CHANGE IN NET ASSETS AT 29/09/2023 in euros

	29/09/2023	30/09/2022
NET ASSETS AT START OF YEAR	690 788 266,14	238 587 255,07
Subscriptions (including subscription fees retained by the Fund)	884 394 052,82	484 073 103,32
Redemptions (net of redemption fees retained by the Fund)	-336 983 671,65	-50 539 598,15
Realised capital gains on deposits and financial instruments	9 767 394,36	2 066 242,00
Realised capital losses on deposits and financial instruments	-14 974 121,41	-7 637 489,13
Realised capital gains on forward financial instruments	166 814 864,85	295 311 969,88
Realised capital losses on forward financial instruments	-262 591 203,50	-232 821 318,95
Transaction charges	-1 203 076,46	-998 425,75
Exchange rate differences	-4 100 227,25	2 661 320,70
Changes in valuation difference of deposits and financial instruments	53 484 831,17	-54 736 308,97
<i>Valuation difference for financial year N</i>	4 942 616,25	-48 542 214,92
<i>Valuation difference for financial year N-1</i>	48 542 214,92	-6 194 094,05
Changes in valuation difference of forward financial instruments	-35 460 323,13	4 733 753,65
<i>Valuation difference for financial year N</i>	-28 627 775,82	6 832 547,31
<i>Valuation difference for financial year N-1</i>	-6 832 547,31	-2 098 793,66
Distribution of prior year's net capital gains and losses		
Dividends paid in the previous financial year	-713 715,70	-597 963,92
Net profit/loss for the financial year prior to income adjustment	27 607 948,21	10 685 726,39
Interim dividend(s) paid on net capital gains/losses during the financial year		
Interim dividend(s) paid on net income during the financial year		
Other items		
NET ASSETS AT END OF YEAR	1 176 831 018,45	690 788 266,14

3. ADDITIONAL INFORMATION

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC STATUS

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
Fixed-rate bonds traded on a regulated or similar market	1 048 229 754,90	89,08
Fixed-rate bonds traded on a regulated or similar market	12 239 502,45	1,04
Convertible bonds traded on a regulated or equivalent market	3 224 261,25	0,27
TOTAL BONDS AND SIMILAR SECURITIES	1 063 693 518,60	90,39
DEBT SECURITIES		
Treasury bills	9 822 465,48	0,83
TOTAL DEBT SECURITIES	9 822 465,48	0,83
LIABILITIES AND SHAREHOLDERS' EQUITY		
SALES OF FINANCIAL INSTRUMENTS		
TOTAL SALES OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGING TRANSACTIONS		
Currency	15 034 559,75	1,28
Credit	500 000 000,00	42,48
Interest rate	2 954 024 544,40	251,02
TOTAL HEDGING TRANSACTIONS	3 469 059 104,15	294,78
OTHER TRANSACTIONS		
TOTAL OTHER TRANSACTIONS		

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

	Fixed rate	%	Variable rate	%	Revisable rate	%	Other	%
ASSETS								
Deposits								
Bonds and similar securities	1 048 229 754,90	89,07			15 463 763,70	1,31		
Debt securities	9 822 465,48	0,83						
Temporary securities transactions							21 194 704,77	1,80
Financial accounts								
LIABILITIES AND SHAREHOLDERS' EQUITY								
Temporary securities transactions							17 371 963,08	1,48
Financial accounts								
OFF-BALANCE SHEET								
Hedging transactions	2 954 024 544,40	251,02						
Other transactions								

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

	< 3 months	%	3 months- 1 year	%	]1 – 3 years]	%	]3 – 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities	11 920 288,42	1,01	41 165 951,24	3,50	156 839 371,15	13,33	171 827 247,48	14,60	681 940 660,31	57,95
Debt securities			9 822 465,48	0,83						
Temporary securities transactions										
Financial accounts	21 194 704,77	1,80								
LIABILITIES AND SHAREHOLDERS' EQUITY										
Temporary securities transactions										
Financial accounts	17 371 963,08	1,48								
OFF-BALANCE SHEET										
Hedging transactions					2 297 550 182,76	195,23	537 370 129,86	45,66	119 104 231,78	10,12
Other transactions										

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

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

	Currency 1 USD		Currency 2 JPY		Currency 3 CHF		Currency N OTHER(S)	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities								
Bonds and similar securities			3 288,77					
Debt securities								
UCI								
Temporary securities transactions								
Receivables	60 817 541,58	5,17	893 096,14	0,08	14 681 356,63	1,25	65 944,20	0,01
Financial accounts					10 025,10		2 855 636,35	0,24
LIABILITIES AND SHAREHOLDERS' EQUITY								
Sales of financial instruments								
Temporary securities transactions								
Liabilities	878 682,33	0,07			814 197,97	0,07		
Financial accounts	16 678 268,07	1,42	693 695,01	0,06				
OFF-BALANCE SHEET								
Hedging transactions	2 847 449 828,56	241,96	61 473 511,78	5,22			2 505 043,81	0,21
Other transactions								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Debit/credit item	29/09/2023
RECEIVABLES		
	Forward currency purchases	46 825 506,60
	Receivables on forward currency sales	1 657 721,18
	Subscription receivables	1 262 157,61
	Margin cash deposits	30 809 666,93
	Coupons and dividends in cash	522 605,94
	Collateral	34 180 000,00
TOTAL RECEIVABLES		115 257 658,26
LIABILITIES		
	Forward currency sales	1 646 386,16
	Payables on forward currency purchases	46 519 347,30
	Deferred settlement purchase	12 011 113,46
	Redemptions payable	5 734 829,23
	Fixed management fees	1 116 716,44
	Variable management fees	38 946,64
	Collateral	570 000,00
TOTAL LIABILITIES		67 637 339,23
TOTAL LIABILITIES AND RECEIVABLES		47 620 319,03

3.6. SHAREHOLDERS' EQUITY

3.6.1. Number of securities issued or redeemed

	In equity	In amounts
LAZARD CREDIT OPPORTUNITIES FC EUR shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions		
Number of shares outstanding at the end of the financial year	20 000,000	
LAZARD CREDIT OPPORTUNITIES PC EUR shares		
Shares subscribed during the financial year	276 397,186	397 388 253,66
Shares redeemed during the financial year	-113 973,162	-161 389 727,82
Net balance of subscriptions/redemptions	162 424,024	235 998 525,84
Number of shares outstanding at the end of the financial year	408 012,999	
LAZARD CREDIT OPPORTUNITIES PC H-CHF shares		
Shares subscribed during the financial year	3 150,699	3 081 520,82
Shares redeemed during the financial year	-322,699	-311 360,94
Net balance of subscriptions/redemptions	2 828,000	2 770 159,88
Number of shares outstanding at the end of the financial year	2 828,000	
LAZARD CREDIT OPPORTUNITIES PC H-USD shares		
Shares subscribed during the financial year	31 282,674	30 328 487,61
Shares redeemed during the financial year	-455,199	-425 370,76
Net balance of subscriptions/redemptions	30 827,475	29 903 116,85
Number of shares outstanding at the end of the financial year	30 828,475	
LAZARD CREDIT OPPORTUNITIES PC USD shares		
Shares subscribed during the financial year	2 230,470	2 294 436,59
Shares redeemed during the financial year	-264,000	-264 103,17
Net balance of subscriptions/redemptions	1 966,470	2 030 333,42
Number of shares outstanding at the end of the financial year	1 967,470	
LAZARD CREDIT OPPORTUNITIES PD EUR shares		
Shares subscribed during the financial year	23 277,855	22 364 626,48
Shares redeemed during the financial year	-11 129,672	-10 409 850,82
Net balance of subscriptions/redemptions	12 148,183	11 954 775,66
Number of shares outstanding at the end of the financial year	38 600,576	
LAZARD CREDIT OPPORTUNITIES PD H-USD shares		
Shares subscribed during the financial year	2 227,282	2 211 335,38
Shares redeemed during the financial year	-949,675	-878 124,76
Net balance of subscriptions/redemptions	1 277,607	1 333 210,62
Number of shares outstanding at the end of the financial year	1 277,607	
LAZARD CREDIT OPPORTUNITIES PVC EUR shares		
Shares subscribed during the financial year	88 560,218	106 375 701,49
Shares redeemed during the financial year	-59 165,999	-70 116 633,93
Net balance of subscriptions/redemptions	29 394,219	36 259 067,56
Number of shares outstanding at the end of the financial year	176 158,936	

	In equity	In amounts
LAZARD CREDIT OPPORTUNITIES PVC H-CHF shares		
Shares subscribed during the financial year	12 550,939	13 234 342,00
Shares redeemed during the financial year	-1 848,000	-1 917 530,12
Net balance of subscriptions/redemptions	10 702,939	11 316 811,88
Number of shares outstanding at the end of the financial year	10 891,212	
LAZARD CREDIT OPPORTUNITIES RC EUR shares		
Shares subscribed during the financial year	443 785,591	292 326 003,01
Shares redeemed during the financial year	-132 354,728	-85 293 022,88
Net balance of subscriptions/redemptions	311 430,863	207 032 980,13
Number of shares outstanding at the end of the financial year	472 498,816	
LAZARD CREDIT OPPORTUNITIES RC H-USD shares		
Shares subscribed during the financial year	1 330,000	647 311,05
Shares redeemed during the financial year	-1 035,000	-482 094,10
Net balance of subscriptions/redemptions	295,000	165 216,95
Number of shares outstanding at the end of the financial year	356,000	
LAZARD CREDIT OPPORTUNITIES RD EUR shares		
Shares subscribed during the financial year	26,000	12 441,25
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions	26,000	12 441,25
Number of shares outstanding at the end of the financial year	26,000	
LAZARD CREDIT OPPORTUNITIES RD H-USD shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions		
Number of shares outstanding at the end of the financial year	1,000	
LAZARD CREDIT OPPORTUNITIES TC EUR shares		
Shares subscribed during the financial year	1 014,950	14 129 593,48
Shares redeemed during the financial year	-407,193	-5 495 852,35
Net balance of subscriptions/redemptions	607,757	8 633 741,13
Number of shares outstanding at the end of the financial year	1 542,017	

3.6.2. Subscription and/or redemption fees

	In amounts
LAZARD CREDIT OPPORTUNITIES FC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD CREDIT OPPORTUNITIES PC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD CREDIT OPPORTUNITIES PC H-CHF shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD CREDIT OPPORTUNITIES PC H-USD shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD CREDIT OPPORTUNITIES PC USD shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD CREDIT OPPORTUNITIES PD EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD CREDIT OPPORTUNITIES PD H-USD shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD CREDIT OPPORTUNITIES PVC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD CREDIT OPPORTUNITIES PVC H-CHF shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD CREDIT OPPORTUNITIES RC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD CREDIT OPPORTUNITIES RC H-USD shares Total fees acquired Subscription fees acquired Redemption fees acquired	

	In amounts
LAZARD CREDIT OPPORTUNITIES RD EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD CREDIT OPPORTUNITIES RD H-USD shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD CREDIT OPPORTUNITIES TC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	

3.7. MANAGEMENT FEES

	29/09/2023
LAZARD CREDIT OPPORTUNITIES FC EUR shares	
Guarantee fees	
Fixed management fees	165 564,78
Percentage of fixed management fees	0,79
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
LAZARD CREDIT OPPORTUNITIES PC EUR shares	
Guarantee fees	
Fixed management fees	4 839 110,30
Percentage of fixed management fees	0,97
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
LAZARD CREDIT OPPORTUNITIES PC H-CHF shares	
Guarantee fees	
Fixed management fees	7 007,32
Percentage of fixed management fees	1,03
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
LAZARD CREDIT OPPORTUNITIES PC H-USD shares	
Guarantee fees	
Fixed management fees	208 071,44
Percentage of fixed management fees	1,02
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	

"The 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."

	29/09/2023
LAZARD CREDIT OPPORTUNITIES PC USD shares	
Guarantee fees	
Fixed management fees	7 833,95
Percentage of fixed management fees	0,70
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
LAZARD CREDIT OPPORTUNITIES PD EUR shares	
Guarantee fees	
Fixed management fees	326 865,61
Percentage of fixed management fees	0,97
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
LAZARD CREDIT OPPORTUNITIES PD H-USD shares	
Guarantee fees	
Fixed management fees	19 312,83
Percentage of fixed management fees	1,02
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
LAZARD CREDIT OPPORTUNITIES PVC EUR shares	
Guarantee fees	
Fixed management fees	1 279 677,59
Percentage of fixed management fees	0,60
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	38 831,12
Percentage of variable management fees earned	0,02
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."

	29/09/2023
LAZARD CREDIT OPPORTUNITIES PVC H-CHF shares	
Guarantee fees	
Fixed management fees	52 671,68
Percentage of fixed management fees	0,60
Provisioned variable management fees	-1 393,09
Percentage of variable management fees provisioned	-0,02
Variable management fees earned	112,52
Percentage of variable management fees earned	
Retrocessions of management fees	
LAZARD CREDIT OPPORTUNITIES RC EUR shares	
Guarantee fees	
Fixed management fees	3 683 279,70
Percentage of fixed management fees	1,65
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
LAZARD CREDIT OPPORTUNITIES RC H-USD shares	
Guarantee fees	
Fixed management fees	6 482,32
Percentage of fixed management fees	1,66
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
LAZARD CREDIT OPPORTUNITIES RD EUR shares	
Guarantee fees	
Fixed management fees	61,69
Percentage of fixed management fees	1,63
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	

"The 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."

	29/09/2023
LAZARD CREDIT OPPORTUNITIES RD H-USD shares	
Guarantee fees	
Fixed management fees	
Percentage of fixed management fees	
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
LAZARD CREDIT OPPORTUNITIES TC EUR shares	
Guarantee fees	
Fixed management fees	197 598,09
Percentage of fixed management fees	0,97
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	

"The 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. Present value of financial instruments held temporarily

	29/09/2023
Securities held under repurchase agreements	
Borrowed securities	

3.9.2. Present value of financial instruments representing security deposits

	29/09/2023
Financial instruments given as security and retained under their original classification	
Financial instruments received as security and not recorded on the balance sheet	

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

	ISIN code	Name	29/09/2023
Equities			
Bonds			
Negotiable debt securities			
UCI			67 480 773,70
	FR001400BVQ9	GLOBAL GREEN BOND OPPORTUNITIES EC	6 850 620,00
	FR0010505313	LAZARD EURO CORP HIGH YIELD PVC EUR	17 372 979,40
	FR0010941815	LAZARD EURO MONEY MARKET	10 408 974,30
	FR0013507027	LAZARD EURO SHORT DURATION HIGH YIELD PART EVC EUR	11 628 015,00
	FR0011291657	LAZARD EURO SHORT TERM MONEY MARKET	21 220 185,00
Forward financial instruments			
Total group securities			67 480 773,70

3.10. APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Table of appropriation of distributable income pertaining to net income

	29/09/2023	30/09/2022
Remaining amounts to be allocated		
Retained earnings	112,71	198,05
Net income	30 743 510,28	15 935 720,47
Interim dividends paid on net income for the financial year		
Total	30 743 622,99	15 935 918,52

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES FC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	590 050,05	329 977,47
Total	590 050,05	329 977,47

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	15 226 669,75	8 805 258,71
Total	15 226 669,75	8 805 258,71

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PC H-CHF shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	55 256,49	
Total	55 256,49	

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PC H-USD shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	837 071,75	6,65
Total	837 071,75	6,65

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PC USD shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	60 929,51	6,55
Total	60 929,51	6,55

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PD EUR shares		
Appropriation		
Distribution	961 154,34	650 464,34
Balance brought forward for the financial year	16,54	77,29
Accumulation		
Total	961 170,88	650 541,63
Information on shares with dividend rights		
Number of shares	38 600,576	26 452,393
Dividend per share	24,90	24,59
Tax credit		
Tax credit attached to the distribution of earnings		6,14

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PD H-USD shares		
Appropriation		
Distribution	28 669,50	
Balance brought forward for the financial year	3,16	
Accumulation		
Total	28 672,66	
Information on shares with dividend rights		
Number of shares	1 277,607	
Dividend per share	22,44	
Tax credit		
Crédit attached to the distribution of earnings		

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PVC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	6 117 044,11	3 880 358,93
Total	6 117 044,11	3 880 358,93

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PVC H-CHF shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	317 547,54	4 604,13
Total	317 547,54	4 604,13

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES RC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	5 991 615,73	1 942 559,74
Total	5 991 615,73	1 942 559,74

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES RC H-USD shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	3 314,73	126,09
Total	3 314,73	126,09

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES RD EUR shares		
Appropriation		
Distribution	254,28	
Balance brought forward for the financial year	0,22	
Accumulation		
Total	254,50	
Information on shares with dividend rights		
Number of shares	26,000	
Dividend per share	9,78	
Tax credit		
Tax credit attached to the distribution of earnings		

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES RD H-USD shares		
Appropriation		
Distribution	4,34	3,29
Balance brought forward for the financial year	12,99	
Accumulation		
Total	17,33	3,29
Information on shares with dividend rights		
Number of shares	1,000	1,000
Dividend per share	4,34	3,29
Tax credit		
Tax credit attached to the distribution of earnings		

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES TC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	554 007,96	322 475,33
Total	554 007,96	322 475,33

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

	29/09/2023	30/09/2022
Remaining amounts to be allocated		
Undistributed net capital gains and losses recognised in previous years	4 682 835,35	
Net capital gains and losses for the year	-113 446 443,19	84 708 833,42
Interim dividends paid on net capital gains/losses for the financial year		
Total	-108 763 607,84	84 708 833,42

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES FC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-1 941 775,69	1 703 573,34
Total	-1 941 775,69	1 703 573,34

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-53 646 747,09	43 422 892,31
Total	-53 646 747,09	43 422 892,31

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PC H-CHF shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-80 651,36	
Total	-80 651,36	

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PC H-USD shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-3 150 606,43	26,18
Total	-3 150 606,43	26,18

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PC USD shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-183 341,52	23,44
Total	-183 341,52	23,44

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PD EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses	1 295 937,00	3 209 067,58
Accumulation		
Total	1 295 937,00	3 209 067,58

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PD H-USD shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-151 794,95	
Total	-151 794,95	

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PVC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-19 429 796,47	21 628 255,63
Total	-19 429 796,47	21 628 255,63

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES PVC H-CHF shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-1 128 556,43	46 855,49
Total	-1 128 556,43	46 855,49

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES RC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-28 375 598,48	13 107 051,98
Total	-28 375 598,48	13 107 051,98

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES RC H-USD shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-18 055,41	796,70
Total	-18 055,41	796,70

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES RD EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-696,29	
Total	-696,29	

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES RD H-USD shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		13,10
Accumulation	-37,85	
Total	-37,85	13,10

	29/09/2023	30/09/2022
LAZARD CREDIT OPPORTUNITIES TC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-1 951 886,87	1 590 277,67
Total	-1 951 886,87	1 590 277,67

3.11. INCOME STATEMENT AND OTHER ENTITY DATA FOR THE YEAR ENDED

	30/09/2019	30/09/2020	30/09/2021	30/09/2022	29/09/2023
Global net assets in euros	90 392 045,05	122 844 815,48	238 587 255,07	690 788 266,14	1 176 831 018,45
LAZARD CREDIT OPPORTUNITIES FC EUR shares in EUR					
Net assets				21 057 300,65	20 226 443,65
Number of shares				20 000,000	20 000,000
Net asset value per share				1 052,86	1 011,32
Accumulation per share pertaining to net capital gains/losses				85,17	-97,08
Accumulation per share pertaining to income				16,49	29,50
LAZARD CREDIT OPPORTUNITIES PC EUR shares in EUR					
Net assets	49 665 121,68	74 644 208,05	146 124 423,38	350 593 197,92	558 446 571,38
Number of shares	44,000	60 119,671	106 399,876	245 588,975	408 012,999
Net asset value per share	1 128 752,76	1 241,59	1 373,35	1 427,56	1 368,69
Accumulation per share pertaining to net capital gains/losses	-97 681,48	87,78	11,79	176,81	-131,48
Accumulation per share pertaining to income	27 779,92	31,14	33,62	35,85	37,31
LAZARD CREDIT OPPORTUNITIES PC H-CHF shares in CHF					
Net assets in CHF					2 596 169,12
Number of shares					2 828,000
Net asset value per share in CHF					918,02
Accumulation per share pertaining to net capital gains/losses in euros					-28,51
Accumulation per share pertaining to income in euros					19,53

	30/09/2019	30/09/2020	30/09/2021	30/09/2022	29/09/2023
LAZARD CREDIT OPPORTUNITIES PC H-USD shares in USD					
Net assets in USD				1 022,49	31 015 729,82
Number of shares				1,000	30 828,475
Net asset value per share in USD				1 022,49	1 006,07
Accumulation per share pertaining to net capital gains/losses in euros				26,18	-102,19
Accumulation per share pertaining to income in euros				6,65	27,15
LAZARD CREDIT OPPORTUNITIES PC USD shares in USD					
Net assets in USD				988,45	2 024 077,54
Number of shares				1,000	1 967,470
Net asset value per share in USD				988,45	1 028,77
Accumulation per share pertaining to net capital gains/losses in euros				23,44	-93,18
Accumulation per share pertaining to income in euros				6,55	30,96
LAZARD CREDIT OPPORTUNITIES PD EUR shares in EUR					
Net assets	31 362 030,60	30 752 477,29	24 281 593,34	25 691 873,07	35 044 823,12
Number of shares	37 987,394	34 688,944	25 353,000	26 452,393	38 600,576
Net asset value per share	825,59	886,52	957,74	971,24	907,88
net capital gains/losses per share not distributed				121,31	33,57
Accumulation per share pertaining to net capital gains/losses	-73,56	63,13	9,96		
Distribution of income per share:	20,63	22,37	23,62	24,59	24,90
Tax credit per share			0,001		

	30/09/2019	30/09/2020	30/09/2021	30/09/2022	29/09/2023
LAZARD CREDIT OPPORTUNITIES PD H-USD shares in USD					
Net assets in USD					1 248 049,95
Number of shares					1 277,607
Net asset value per share in USD					976,86
Accumulation per share pertaining to net capital gains/losses in euros					-118,81
Distribution of income per share in euros					22,44
Tax credit per share in euros					
LAZARD CREDIT OPPORTUNITIES PVC EUR shares in EUR					
Net assets		84 218,12	35 870 181,07	174 887 231,11	201 873 736,39
Number of shares		80,000	31 206,969	146 764,717	176 158,936
Net asset value per share		1 052,72	1 149,42	1 191,61	1 145,97
Accumulation per share pertaining to net capital gains/losses		54,54	10,09	147,36	-110,29
Accumulation per share pertaining to income		25,62	13,87	26,43	34,72
LAZARD CREDIT OPPORTUNITIES PVC H-CHF shares in CHF					
Net assets in CHF			376 768,13	195 241,23	10 644 673,23
Number of shares			377,000	188,273	10 891,212
Net asset value per share in CHF			999,38	1 037,01	977,36
Accumulation per share pertaining to net capital gains/losses in euros			21,31	248,86	-103,62
Accumulation per share pertaining to income in euros			9,79	24,45	29,15

	30/09/2019	30/09/2020	30/09/2021	30/09/2022	29/09/2023
LAZARD CREDIT OPPORTUNITIES RC EUR shares in EUR					
Net assets	7 544 907,76	14 553 463,27	26 343 464,11	105 482 059,90	294 684 963,84
Number of shares	14 310,000	25 213,047	41 523,902	161 067,953	472 498,816
Net asset value per share	527,24	577,21	634,41	654,89	623,67
Accumulation per share pertaining to net capital gains/losses	-45,78	40,96	5,56	81,37	-60,05
Accumulation per share pertaining to income	10,50	11,91	11,61	12,06	12,68
LAZARD CREDIT OPPORTUNITIES RC H-USD shares in USD					
Net assets in USD				31 110,63	177 137,72
Number of shares				61,000	356,000
Net asset value per share in USD				510,01	497,57
Accumulation per share pertaining to net capital gains/losses in euros				13,06	-50,71
Accumulation per share pertaining to income in euros				2,06	9,31
LAZARD CREDIT OPPORTUNITIES RD EUR shares in EUR					
Net assets					12 109,38
Number of shares					26,000
Net asset value per share					465,74
Accumulation per share pertaining to net capital gains/losses					-26,78
Distribution of income per share:					9,78
Tax credit per share					

	30/09/2019	30/09/2020	30/09/2021	30/09/2022	29/09/2023
LAZARD CREDIT OPPORTUNITIES RD H-USD shares in USD					
Net assets in USD				510,93	503,15
Number of shares				1,000	1,000
Net asset value per share in USD				510,93	503,15
Undistributed net capital gains/losses per share in euros				13,10	
Accumulation per share pertaining to net capital gains/losses in euros					-37,85
Distribution of income per share in euros				3,29	4,34
Tax credit per share in euros					
Retained earnings per share pertaining to net income in euros					12,99
LAZARD CREDIT OPPORTUNITIES TC EUR shares in EUR					
Net assets	1 819 985,01	2 810 448,75	5 619 088,75	12 839 781,97	20 318 573,13
Number of shares	167,000	235,000	425,000	934,260	1 542,017
Net asset value per share	10 898,11	11 959,35	13 221,38	13 743,26	13 176,62
Accumulation per share pertaining to net capital gains/losses	-944,77	847,14	113,73	1 702,17	-1 265,80
Accumulation per share pertaining to income	242,65	273,52	317,11	345,16	359,27

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
Bonds and similar securities				
Bonds and similar securities traded on a regulated or similar market				
GERMANY				
ALLIANZ SE 2.6% PERP	EUR	2 000 000	1 332 893,93	0,11
ALLIANZ SE 5.824% 25-07-53	EUR	6 400 000	6 524 376,31	0,55
CMZB FRANCFORT 1.375% 29-12-31	EUR	9 000 000	7 611 233,42	0,64
CMZB FRANCFORT 4.0% 05-12-30	EUR	1 600 000	1 587 505,42	0,14
CMZB FRANCFORT 5.125% 18-01-30	EUR	4 000 000	4 089 844,11	0,35
CMZB FRANCFORT 6.125% PERP	EUR	3 000 000	2 800 877,70	0,23
CMZB FRANCFORT 6.5% 06-12-32	EUR	6 000 000	6 261 496,44	0,53
CT INVESTMENT 5.5% 15-04-26	EUR	500 000	483 245,83	0,04
DEUTSC 4.5% 19-05-26 EMTN	EUR	500 000	505 717,13	0,04
DEUTSCHE BK 4.0% 24-06-32 EMTN	EUR	4 000 000	3 622 253,01	0,31
DEUTSCHE BK 5.625% 19-05-31	EUR	2 500 000	2 481 350,82	0,21
DEUTSCHE LUFTHANSA AG 1.625% 16-11-23	EUR	1 800 000	1 819 198,97	0,16
DEUTSCHE LUFTHANSA AG 2.0% 14-07-24	EUR	1 700 000	1 669 249,09	0,14
DEUTSCHE LUFTHANSA AG 2.875% 11-02-25	EUR	1 000 000	985 321,51	0,09
DEUTSCHE PFANDBRIEFBANK AG 4.6% 22-02-27	EUR	5 000 000	4 272 870,55	0,37
NIDDA BOND 7.25% 30-09-25	EUR	500 000	340 901,45	0,03
SCHAEFFLER AG 2.75% 12-10-25	EUR	3 000 000	2 961 185,75	0,25
SCHAEFFLER AG 3.375% 12-10-28	EUR	8 000 000	7 512 662,47	0,64
THYSSENKRUPP AG 2.875% 22-02-24	EUR	2 000 000	2 021 180,14	0,17
ZF FINANCE 3.75% 21-09-28 EMTN	EUR	5 000 000	4 508 772,54	0,38
ZF FINANCE 5.75% 03-08-26 EMTN	EUR	8 400 000	8 479 912,00	0,72
TOTAL GERMANY			71 872 048,59	6,10
AUSTRIA				
ERSTE GR BK 5.125% PERP EMTN	EUR	9 000 000	8 288 997,05	0,71
ERSTE GR BK 8.5% PERP	EUR	7 200 000	7 242 278,75	0,61
RAIFFEISEN BANK INTL AG EUSA5+5.954% PERP	EUR	8 000 000	7 173 131,15	0,61
VILKSBANK WIEN AG 7.75% PERP	EUR	3 000 000	2 898 418,52	0,25
TOTAL AUSTRIA			25 602 825,47	2,18
BELGIUM				
AGEAS NV 3.875% PERP	EUR	3 000 000	2 211 076,64	0,19
ARGENTA SPAARBANK 5.375% 29-11-27	EUR	8 000 000	8 435 289,32	0,72
BELFIUS BANK 3.625% PERP	EUR	6 000 000	4 588 814,59	0,39
BNP PARIBAS FORTIS SA E3R+2.0% PERP	EUR	3 750 000	3 224 261,25	0,27
KBC GROUPE 0.5% 03-12-29 EMTN	EUR	10 000 000	9 434 093,84	0,80
KBC GROUPE 8.0% PERP	EUR	6 400 000	6 389 976,62	0,54
TOTAL BELGIUM			34 283 512,26	2,91
BERMUDA				
CELE NUTR LTD 12-06-11IN DEFAULT	SGD	1 000 000		
TOTAL BERMUDA				
BRAZIL				
X PETROLEO 8.5% 01/06/2018 SERIE REGS DEFAULT	USD	2 000 000	3 288,77	
TOTAL BRAZIL			3 288,77	
CYPRUS				
Hellenic Bank Public Company 10.25% 14-06-33	EUR	4 800 000	5 270 573,11	0,45
TOTAL CYPRUS			5 270 573,11	0,45

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
SPAIN				
ABANCA CORPORACION BANCARIA 6.0% PERP	EUR	6 000 000	5 443 969,57	0,46
ABANCA CORPORACION BANCARIA 8.375% 23-09-33	EUR	7 700 000	7 823 417,54	0,66
BANCO DE BADELL 2.0% 17-01-30	EUR	2 000 000	1 888 543,56	0,16
BANCO DE BADELL 2.5% 15-04-31	EUR	4 000 000	3 614 221,31	0,30
BANCO DE BADELL 2.625% 24-03-26	EUR	1 200 000	1 170 548,66	0,10
BANCO DE BADELL 5.0% PERP	EUR	9 000 000	6 900 607,17	0,59
BANCO DE BADELL 5.125% 10-11-28	EUR	3 200 000	3 373 854,03	0,29
BANCO DE BADELL 5.25% 07-02-29	EUR	3 200 000	3 250 905,21	0,27
BANCO DE BADELL 5.75% PERP	EUR	5 000 000	4 332 117,03	0,37
BANCO DE BADELL 9.375% PERP	EUR	8 200 000	8 181 108,58	0,70
BANCO DE CREDITO SOCIAL 1.75% 09-03-28	EUR	6 500 000	5 437 544,81	0,46
BANCO DE CREDITO SOCIAL 5.25% 27-11-31	EUR	5 100 000	4 616 770,11	0,39
BANCO DE CREDITO SOCIAL 8.0% 22-09-26	EUR	6 900 000	7 060 455,16	0,60
BANCO NTANDER 3.625% PERP	EUR	3 000 000	1 929 675,16	0,17
BANCO SANTANDER SA 5.25% PERP	EUR	8 000 000	7 875 895,38	0,67
BANKINTER 7.375% 31-12-99	EUR	3 000 000	2 895 084,58	0,24
BBVA 1.0% 16-01-30	EUR	10 000 000	9 484 082,88	0,81
BBVA 8,375% PERP	EUR	8 000 000	8 028 207,91	0,68
CAIXABANK 3,625% PERP	EUR	2 000 000	1 352 364,34	0,12
CAIXABANK 5.375% 14-11-30 EMTN	EUR	6 300 000	6 703 672,93	0,57
CAIXABANK 6.125% 30-05-34 EMTN	EUR	12 000 000	12 181 692,79	1,03
CAIXABANK 6.25% 23-02-33 EMTN	EUR	6 100 000	6 354 057,06	0,53
CAIXABANK 8.25% PERP	EUR	6 000 000	5 915 627,80	0,51
CELLNEX FINANCE 2.25% 12-04-26	EUR	4 000 000	3 822 746,89	0,33
GRIFOLS 1.625% 15-02-25	EUR	5 000 000	4 844 858,33	0,41
GRIFOLS 3.2% 01-05-25	EUR	1 500 000	1 467 504,17	0,13
IBERCAJA 2.75% 23-07-30	EUR	1 000 000	917 434,84	0,08
IBERCAJA 3.75% 15-06-25	EUR	6 800 000	6 804 423,34	0,58
IBERCAJA 9,125% PERP	EUR	7 000 000	6 982 516,36	0,59
UNICAJA BAN 2.875% 13-11-29	EUR	3 500 000	3 339 264,42	0,29
UNICAJA BAN 3.125% 19-07-32	EUR	2 800 000	2 369 707,40	0,20
UNICAJA BAN 4.5% 30-06-25 EMTN	EUR	3 500 000	3 533 426,15	0,30
UNICAJA BAN 4.875% PERP	EUR	7 000 000	5 052 556,25	0,43
TOTAL SPAIN			164 948 861,72	14,02
UNITED STATES				
BALL 0,875% 15-03-24	EUR	4 000 000	3 941 940,22	0,34
FORD MOTOR CREDIT 1.744% 19-07-24	EUR	1 250 000	1 223 264,28	0,10
FORD MOTOR CREDIT 6.125% 15-05-28	EUR	4 000 000	4 214 345,25	0,36
FORD MOTOR CREDIT CO 3.021% 06-03-24	EUR	6 200 000	6 261 356,11	0,53
NETFLIX 3.625% 15-05-27	EUR	5 000 000	4 968 954,17	0,42
NETFLIX 3.625% 15-06-30	EUR	6 000 000	5 766 570,00	0,49
ORGANON FINANCE 1 LLC 2.875% 30-04-28	EUR	5 500 000	4 813 758,13	0,41
QUINTILES IMS 2.25% 15-01-28	EUR	4 000 000	3 539 700,00	0,30
TOTAL UNITED STATES			34 729 888,16	2,95
FRANCE				
ACCOR 2.375% 29-11-28	EUR	3 000 000	2 749 083,29	0,23
ACCOR SA 2.625% PERP	EUR	15 000 000	14 441 377,87	1,23
AIR FR KLM 1.875% 16-01-25	EUR	9 000 000	8 703 595,48	0,74

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
AIR FR KLM 3.0% 01-07-24	EUR	2 000 000	1 986 969,84	0,17
AIR FR KLM 7.25% 31-05-26 EMTN	EUR	6 500 000	6 835 406,04	0,58
BNP PAR 2.5% 31-03-32 EMTN	EUR	6 600 000	6 027 515,46	0,52
BNP PAR 7.375% PERP	EUR	8 000 000	7 971 210,49	0,68
BPCE 4.375% 13-07-28 EMTN	EUR	6 900 000	6 904 877,70	0,58
BQ POSTALE 3.875% PERP	EUR	2 000 000	1 644 671,30	0,14
BQ POSTALE 5.5% 05-03-34	EUR	1 000 000	999 147,92	0,08
CA 4.0% PERP	EUR	5 000 000	4 283 744,51	0,37
CA 7.25% PERP EMTN	EUR	4 000 000	3 950 807,03	0,33
CREDIT AGRICOLE SA 4.10% 04/24	EUR	2 500 000	2 514 600,54	0,21
CROWN EU HLD 5.0% 15-05-28	EUR	3 000 000	3 049 455,00	0,26
EDENRED 3.625% 13-06-31	EUR	7 900 000	7 693 121,88	0,65
EDF 2.625% PERP	EUR	1 600 000	1 333 861,51	0,11
EDF 4.0% PERP	EUR	7 800 000	7 921 605,21	0,67
EDF 7.5% PERP EMTN	EUR	2 000 000	2 163 868,63	0,18
ELIS EX HOLDELIS 4.125% 24-05-27	EUR	1 200 000	1 195 070,46	0,10
FAURECIA 7.25% 15-06-26	EUR	6 250 000	6 598 375,00	0,56
FORVIA 2.625% 15-06-25	EUR	3 000 000	2 923 275,00	0,25
FORVIA 2.75% 15-02-27	EUR	5 000 000	4 557 450,00	0,39
GETLINK 3.5% 30-10-25	EUR	10 000 000	9 846 716,67	0,84
ILIAD 5.375% 14-06-27	EUR	7 200 000	7 138 952,85	0,61
ILIAD HOLDING HOLD 5.125% 15-10-26	EUR	1 117 000	1 091 511,92	0,10
ORAN 5.0% PERP EMTN	EUR	3 000 000	2 993 769,67	0,26
ORANO 2.75% 08-03-28 EMTN	EUR	3 000 000	2 797 600,66	0,24
ORANO 5.375% 15-05-27 EMTN	EUR	4 600 000	4 756 984,05	0,40
ORANO SA 4.875% 23-09-24 EMTN	EUR	6 000 000	6 043 361,80	0,51
PARTS EUROPE 6.5% 16-07-25	EUR	1 250 000	1 268 041,67	0,11
RCI BANQUE 4.625% 13-07-26	EUR	6 000 000	6 079 122,13	0,52
RENAULT 2.375% 25-05-26 EMTN	EUR	2 000 000	1 873 761,37	0,15
RENAULT CREDIT INTERNATIONAL BANQUE SA 2.625% 18-02-30	EUR	500 000	479 745,17	0,04
SG 5.625% 02-06-33 EMTN	EUR	6 500 000	6 402 426,48	0,55
SG 7.875% PERP EMTN	EUR	3 300 000	3 216 980,52	0,27
TEREOS FINANCE GROUPE I 7.5% 30-10-25	EUR	5 900 000	6 197 743,50	0,53
VALEO 5.375% 28-05-27 EMTN	EUR	3 000 000	3 059 918,44	0,26
VALLOUREC 8.5% 30-06-26	EUR	5 000 000	5 209 933,33	0,44
TOTAL FRANCE			174 905 660,39	14,86
GREECE				
ALPHA BANK 4.25% 13-02-30 EMTN	EUR	5 800 000	5 542 008,45	0,47
ALPHA BANK 5.5% 11-06-31	EUR	3 500 000	3 333 859,02	0,28
ALPHA BANK AE 7.5% 16-06-27	EUR	4 600 000	4 888 217,90	0,42
ALPHA SERVICES AND 11.875% PERP	EUR	7 000 000	7 245 669,57	0,62
EFG EUROBANK 10.0% 06-12-32	EUR	4 100 000	4 737 491,59	0,40
EFG EUROBANK 2.0% 05-05-27	EUR	2 500 000	2 285 103,42	0,20
EFG EUROBANK 7.0% 26-01-29	EUR	8 100 000	8 841 718,66	0,75
NATL BANK OF GREECE 7.25% 22-11-27	EUR	5 500 000	6 111 921,71	0,51
NATL BANK OF GREECE 8.25% 18-07-29	EUR	8 000 000	8 253 372,46	0,69
PIRAEUS BANK 3.875% 03-11-27	EUR	3 050 000	2 941 111,66	0,25
PIRAEUS BANK 8.25% 28-01-27	EUR	7 500 000	8 251 910,96	0,71

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
PIRAEUS FINANCIAL 5.5% 19-02-30	EUR	4 000 000	3 900 819,18	0,33
PIRAEUS FINANCIAL 8.75% PERP	EUR	7 200 000	6 686 558,95	0,57
PIRAEUS FINANCIAL 9.75% 26-06-29	EUR	6 000 000	6 268 607,70	0,53
TOTAL GREECE			79 288 371,23	6,73
HUNGARY				
OTP BANK 5.5% 13-07-25 EMTN	EUR	3 500 000	3 538 123,42	0,31
RAIFFEISEN BANK RT BUDAPEST 8.75% 22-11-25	EUR	5 700 000	6 282 789,08	0,53
TOTAL HUNGARY			9 820 912,50	0,84
CAYMAN ISLANDS				
CHINA MILK 0% 05/01/12 CV *USD	USD	1 000 000		
TOTAL CAYMAN ISLANDS				
IRELAND				
AIB GROUP 1.875% 19-11-29 EMTN	EUR	14 000 000	13 561 458,63	1,15
AIB GROUP 5.25% PERP	EUR	6 000 000	5 887 616,07	0,50
AIB GROUP 6.25% PERP	EUR	7 000 000	6 794 256,23	0,58
BANK OF CYPRUS 6.625% 23-10-31	EUR	4 200 000	4 254 473,42	0,36
BK IRELAND 1.375% 11-08-31	EUR	9 000 000	8 021 305,08	0,68
BK IRELAND GROUP 1.875% 05-06-26	EUR	3 200 000	3 074 184,13	0,26
BK IRELAND GROUP 7.5% PERP	EUR	6 000 000	6 076 447,17	0,52
TOTAL IRELAND			47 669 740,73	4,05
ICELAND				
ARION BANK 7.25% 25-05-26	EUR	5 000 000	5 301 522,27	0,45
LANDSBANKINN HF 6.375% 12-03-27	EUR	2 100 000	2 117 519,85	0,18
TOTAL ICELAND			7 419 042,12	0,63
ITALY				
AEROPORTI DI ROMA 1.625% 02-02-29	EUR	2 000 000	1 758 006,99	0,15
ATLANTIA EX AUTOSTRADE 1.875% 12-02-28	EUR	3 000 000	2 635 707,53	0,22
AUTO PER 1.875% 04-11-25 EMTN	EUR	5 500 000	5 331 596,40	0,45
AUTOSTRADE PER L ITALILIA 1.625% 25-01-28	EUR	5 500 000	4 911 498,12	0,42
AUTOSTRADE PER L ITALILIA 1.75% 01-02-27	EUR	1 500 000	1 397 600,45	0,12
BANCA IFIS 4.5% 17-10-27 EMTN	EUR	4 000 000	4 122 515,89	0,35
BANCA POPOLARE DELL EMILIA ROMAGNA 4.625% 22-01-25	EUR	10 000 000	10 318 499,32	0,88
BANCA POPOLARE DELL EMILIA ROMAGNA 8.625% 20-01-33	EUR	5 800 000	6 503 094,27	0,55
BANCA POPOLARE DI SONDRIO SCPA 3.875% 25-02-32	EUR	1 950 000	1 732 353,02	0,15
BANCO BPM 2.875% 29-06-31 EMTN	EUR	3 200 000	2 883 059,15	0,24
BANCO BPM 4.25% 01-10-29	EUR	4 900 000	4 821 610,98	0,41
BANCO BPM 4.875% 18-01-27 EMTN	EUR	7 100 000	7 302 555,22	0,62
BANCO BPM 6.125% PERP	EUR	1 000 000	948 536,58	0,08
BANCO BPM 8.75% PERP EMTN	EUR	1 000 000	1 027 035,60	0,09
ENEL 6.375% PERP EMTN	EUR	5 300 000	5 437 880,80	0,46
FONDIARIA SAI 5.75% 31-12-99	EUR	6 500 000	6 543 940,71	0,56
INTE 3.75% PERP	EUR	4 000 000	3 487 001,52	0,29
INTE 4.125% PERP	EUR	5 000 000	3 597 287,09	0,31
INTE 5,875% PERP	EUR	3 000 000	2 435 534,51	0,21
INTE 6.184% 20-02-34 EMTN	EUR	5 600 000	5 713 151,07	0,48
INTE 6.375% PERP	EUR	4 000 000	3 481 661,65	0,29
INTE 9.125% PERP	EUR	4 100 000	4 180 556,21	0,36

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
ITALY BUONI POLIENNALI DEL TESORO 3.8% 01-08-28	EUR	5 000 000	4 955 802,00	0,42
ITALY BUONI POLIENNALI DEL TESORO 4.35% 01-11-33	EUR	65 000 000	64 259 572,26	5,46
LEATHER 2 E3R+4.5% 30-09-28	EUR	1 200 000	1 167 203,92	0,10
MEDIOBANCABCA CREDITO FINANZ 2.3% 23-11-30	EUR	450 000	421 855,34	0,04
TELECOM ITALIA SPA EX OLIVETTI 6.875% 15-02-28	EUR	8 000 000	8 139 633,70	0,69
TELECOM ITALIA SPA EX OLIVETTI 7.875% 31-07-28	EUR	4 000 000	4 216 454,43	0,36
UNICREDIT 2.0% 23-09-29 EMTN	EUR	10 000 000	9 580 114,48	0,82
UNICREDIT 5.85% 15-11-27 EMTN	EUR	4 500 000	4 830 876,99	0,41
UNICREDIT SPA 7.5% PERP	EUR	4 000 000	4 035 820,00	0,34
TOTAL ITALY			192 178 016,20	16,33
JERSEY				
ADIANT GLOBAL HOLDINGS 3.5% 15-08-24	EUR	4 000 000	589 939,88	0,05
TOTAL JERSEY			589 939,88	0,05
LUXEMBOURG				
ARCELLOR MITTAL 4.875% 26-09-26	EUR	7 000 000	7 100 886,64	0,60
DANA FINANCING LUX SARL 3.0% 15-07-29	EUR	3 000 000	2 364 200,22	0,20
EUROFINS SCIENTIFIC 2.125% 25-07-24	EUR	4 000 000	3 947 776,83	0,34
EUROFINS SCIENTIFIC 3.25% PERP	EUR	1 550 000	1 475 056,44	0,12
EUROFINS SCIENTIFIC SE 6.75% PERP	EUR	8 750 000	8 812 599,80	0,75
GOLDEN GOOSE E3R+4.875% 14-05-27	EUR	3 800 000	3 851 553,76	0,33
PLT VII FINANCE SA RL 4.625% 05-01-26	EUR	1 000 000	980 080,83	0,08
ROSSINI SARL 6.75% 30-10-25	EUR	250 000	257 864,38	0,02
TOTAL LUXEMBOURG			28 790 018,90	2,44
NETHERLANDS				
ABN AMRO BK 3.625% 10-01-26	EUR	2 000 000	2 034 095,62	0,17
ASR NEDERLAND NV 7.0% 07-12-43	EUR	5 500 000	5 993 327,77	0,51
ATHORA NETHERLANDS NV 2.25% 15-07-31	EUR	1 000 000	851 433,03	0,08
ATHORA NETHERLANDS NV 5.375% 31-08-32	EUR	7 000 000	6 519 354,18	0,55
ING GROEP NV 1.625% 26-09-29	EUR	4 000 000	3 840 143,17	0,33
ING GROEP NV 2.125% 23-05-26	EUR	3 000 000	2 916 980,98	0,25
LEASEPLAN CORPORATION NV 7.375% PERP	EUR	5 000 000	5 090 883,83	0,43
NN GROUP N.V. 4.5% 31/12/2099	EUR	4 400 000	4 312 202,69	0,37
NN GROUP NV 6.0% 03-11-43 EMTN	EUR	5 400 000	5 388 285,70	0,46
TELEFONICA EUROPE BV 2.875% PERP	EUR	2 500 000	2 186 217,42	0,18
TELEFONICA EUROPE BV 2.88% PERP	EUR	2 500 000	2 163 354,71	0,18
TELEFONICA EUROPE BV 4.375% PERP	EUR	8 000 000	8 046 325,68	0,69
TELEFONICA EUROPE BV 6.135% PERP	EUR	2 000 000	2 007 827,42	0,17
TELEFONICA EUROPE BV 7.125% PERP	EUR	5 100 000	5 563 026,55	0,47
ZF EUROPE FINANCE BV 1.25% 23-10-23	EUR	10 000 000	10 097 800,68	0,86
ZF EUROPE FINANCE BV 6.125% 13-03-29	EUR	3 900 000	3 920 034,28	0,33
ZIGGO BOND COMPANY BV 3.375% 28-02-30	EUR	7 000 000	5 227 442,50	0,44
TOTAL NETHERLANDS			76 158 736,21	6,47
PORTUGAL				
BCP 3.871% 27-03-30 EMTN	EUR	3 500 000	3 333 768,74	0,28
BCP 4.0% 17-05-32	EUR	5 300 000	4 615 697,16	0,39
BCP 5.625% 02-10-26 EMTN	EUR	2 100 000	2 101 656,25	0,19
BCP 8.5% 25-10-25 EMTN	EUR	5 000 000	5 568 908,56	0,47
BCP 8.75% 05-03-33 EMTN	EUR	6 000 000	6 301 578,36	0,54
BCP 9.25% PERP	EUR	5 000 000	5 061 859,78	0,43

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
BES FINANCE LTD EURIBOR 3 MOIS REV +2.65 31/12/2099 DEFAULT	EUR	2 000 000	47 613,62	
FIDELIDADE COMPANHIA DE SEGUROS 4.25% 04-09-31	EUR	6 900 000	5 997 290,16	0,51
NOVO BAN 9.875% 01-12-33	EUR	6 100 000	6 540 651,47	0,56
TOTAL PORTUGAL			39 569 024,10	3,37
CZECH REPUBLIC				
CESKA SPORITELNA AS 5.943% 29-06-27	EUR	5 700 000	5 850 441,22	0,50
TOTAL CZECH REPUBLIC			5 850 441,22	0,50
UNITED KINGDOM				
HSBC 6.364% 16-11-32	EUR	7 100 000	7 660 249,13	0,66
INEOS FINANCE 3.375% 31-03-26	EUR	1 844 000	1 764 019,06	0,15
JAGUAR LAND ROVER 6.875% 15-11-26	EUR	3 000 000	3 100 677,50	0,26
JAGUAR LAND ROVER AUTOMOTIVE 2.2% 15-01-24	EUR	8 000 000	7 971 373,33	0,68
NATIONWIDE BUILDING SOCIETY 2.0% 25-07-29	EUR	8 000 000	7 784 481,09	0,66
VODAFONE GROUP 2.625% 27-08-80	EUR	5 000 000	4 582 818,44	0,39
VODAFONE GROUP 6.5% 30-08-84	EUR	4 400 000	4 472 108,31	0,38
TOTAL UNITED KINGDOM			37 335 726,86	3,18
SLOVENIA				
NOVA KREDITNA BANKA MARIBOR DD 7.375% 29-06-26	EUR	4 200 000	4 373 603,90	0,37
NOVA LJUBLJANSKA BANKA DD 10.75% 28-11-32	EUR	7 000 000	8 134 117,95	0,69
NOVA LJUBLJANSKA BANKA DD 7.125% 27-06-27	EUR	2 900 000	3 047 255,82	0,27
TOTAL SLOVENIA			15 554 977,67	1,33
SWEDEN				
VERISURE HOLDING AB 9.25% 15-10-27	EUR	8 000 000	8 856 973,33	0,75
VOLVO CAR AB 2.125% 02-04-24	EUR	3 000 000	2 994 939,18	0,25
TOTAL SWEDEN			11 851 912,51	1,00
TOTAL Bonds and similar securities traded on a regulated or similar market			1 063 693 518,60	90,39
TOTAL Bonds and similar securities			1 063 693 518,60	90,39
Debt securities				
Debt securities traded on a regulated or equivalent market				
FRANCE				
FRANCE TREASURY BILL ZCP 200324	EUR	10 000 000	9 822 465,48	0,83
TOTAL FRANCE			9 822 465,48	0,83
TOTAL Debt securities traded on a regulated or equivalent market			9 822 465,48	0,83
TOTAL Debt securities			9 822 465,48	0,83
Undertakings for collective investment				
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries				
FRANCE				
GLOBAL GREEN BOND OPPORTUNITIES EC	EUR	7 000	6 850 620,00	0,58
LAZARD EURO CORP HIGH YIELD PVC EUR	EUR	9 380	17 372 979,40	1,48
LAZARD EURO MONEY MARKET	EUR	10	10 408 974,30	0,89
LAZARD EURO SHORT DURATION HIGH YIELD PART EVC EUR	EUR	10 500	11 628 015,00	0,99
LAZARD EURO SHORT TERM MONEY MARKET	EUR	10 500	21 220 185,00	1,80
TOTAL FRANCE			67 480 773,70	5,74
TOTAL general UCITS and general AIFs aimed at non-professionals and their equivalent in other countries			67 480 773,70	5,74
TOTAL Undertakings for collective investment			67 480 773,70	5,74

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
Forward financial instruments				
Futures contracts				
Futures contracts on a regulated or equivalent market				
EC EURUSD 1223	USD	100	-189 492,33	-0,02
EURO BUND 1223	EUR	448	-34 240,00	
FV CBOT UST 5 1223	USD	5 400	-3 752 376,04	-0,32
JAP GOVT 10 1223	JPY	-67	230 581,37	0,02
RP EURGBP 1223	GBP	20	24 066,17	
TU CBOT UST 2 1223	USD	12 000	-9 297 514,99	-0,79
TOTAL Futures contracts on a regulated or equivalent market			-13 018 975,82	-1,11
TOTAL Futures contracts			-13 018 975,82	-1,11
Other forward financial instruments				
Credit Default Swap				
ITRAXX EUR XOVER S40	EUR	-500 000 000	-15 608 800,00	-1,33
TOTAL Credit Default Swap			-15 608 800,00	-1,33
TOTAL Other forward financial instruments			-15 608 800,00	-1,33
TOTAL Forward financial instruments			-28 627 775,82	-2,44
Margin call				
CACEIS MARGIN CALL	USD	14 017 197,08	13 239 383,31	1,13
CACEIS MARGIN CALL	JPY	-36 430 000	-230 581,37	-0,02
CACEIS MARGIN CALL	EUR	34 240	34 240,00	
CACEIS MARGIN CALL	GBP	-20 875	-24 066,17	
TOTAL Margin call			13 018 975,77	1,11
Receivables			115 257 658,26	9,79
Liabilities			-67 637 339,23	-5,74
Financial accounts			3 822 741,69	0,32
Net assets			1 176 831 018,45	100,00

LAZARD CREDIT OPPORTUNITIES PD EUR shares	EUR	38 600,576	907,88
LAZARD CREDIT OPPORTUNITIES RD EUR shares	EUR	26,000	465,74
LAZARD CREDIT OPPORTUNITIES RC EUR shares	EUR	472 498,816	623,67
LAZARD CREDIT OPPORTUNITIES TC EUR shares	EUR	1 542,017	13 176,62
LAZARD CREDIT OPPORTUNITIES FC EUR shares	EUR	20 000,000	1 011,32
LAZARD CREDIT OPPORTUNITIES PVC EUR shares	EUR	176 158,936	1 145,97
LAZARD CREDIT OPPORTUNITIES PC EUR shares	EUR	408 012,999	1 368,69
LAZARD CREDIT OPPORTUNITIES PD H-USD shares	USD	1 277,607	976,86
LAZARD CREDIT OPPORTUNITIES RD H-USD shares	USD	1,000	503,15
LAZARD CREDIT OPPORTUNITIES RC H-USD shares	USD	356,000	497,57
LAZARD CREDIT OPPORTUNITIES PC H-USD shares	USD	30 828,475	1 006,07
LAZARD CREDIT OPPORTUNITIES PC USD shares	USD	1 967,470	1 028,77
LAZARD CREDIT OPPORTUNITIES PVC H-CHF shares	CHF	10 891,212	977,36
LAZARD CREDIT OPPORTUNITIES PC H-CHF shares	CHF	2 828,000	918,02

ADDITIONAL INFORMATION ON THE TAX REGIME APPLICABLE TO INTEREST PAYMENTS

Breakdown of interest: LAZARD CREDIT OPPORTUNITIES PD EUR shares

	NET OVERALL	CURRENCY	NET PER SHARE	CURRENCY
Revenue subject to non-definitive withholding tax	961 154,34	EUR	24,90	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax				
Other income not eligible for a tax allowance and subject to non-definitive withholding tax				
Non-declarable and non-taxable income				
Amounts paid out in relation to capital gains and losses				
TOTAL	961 154,34	EUR	24,90	EUR

Breakdown of interest: LAZARD CREDIT OPPORTUNITIES PD H-USD shares

	NET OVERALL	CURRENCY	NET PER SHARE	CURRENCY
Revenue subject to non-definitive withholding tax	28 669,50	EUR	22,44	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax				
Other income not eligible for a tax allowance and subject to non-definitive withholding tax				
Non-declarable and non-taxable income				
Amounts paid out in relation to capital gains and losses				
TOTAL	28 669,50	EUR	22,44	EUR

Breakdown of interest: LAZARD CREDIT OPPORTUNITIES RD EUR shares

	NET OVERALL	CURRENCY	NET PER SHARE	CURRENCY
Revenue subject to non-definitive withholding tax	254,28	EUR	9,78	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax				
Other income not eligible for a tax allowance and subject to non-definitive withholding tax				
Non-declarable and non-taxable income				
Amounts paid out in relation to capital gains and losses				
TOTAL	254,28	EUR	9,78	EUR

Breakdown of interest: LAZARD CREDIT OPPORTUNITIES RD H-USD shares

	NET OVERALL	CURRENCY	NET PER SHARE	CURRENCY
Revenue subject to non-definitive withholding tax	4,34	EUR	4,34	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax				
Other income not eligible for a tax allowance and subject to non-definitive withholding tax				
Non-declarable and non-taxable income				
Amounts paid out in relation to capital gains and losses				
TOTAL	4,34	EUR	4,34	EUR

14. 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 CREDIT OPPORTUNITIES

Legal entity identifier: 969500NKC6I01JG1OU63

Environmental and/or social characteristics

Sustainable investment

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

The **EU taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

Yes

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

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

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

It made a minimum of **sustainable investments with a social objective**

No

It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 36,19% of sustainable investments

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

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

with a social objective

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



Sustainability indicators

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

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

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

Environmental policy:

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

Controlling environmental impacts:

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

Managing the environmental impact of products and services:

- Ecodesign of products and services
- Environmental innovation

Moreover, the portfolio promotes 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

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 at several levels:

In terms of valuation in the internal analysis model:

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

This rating 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.).

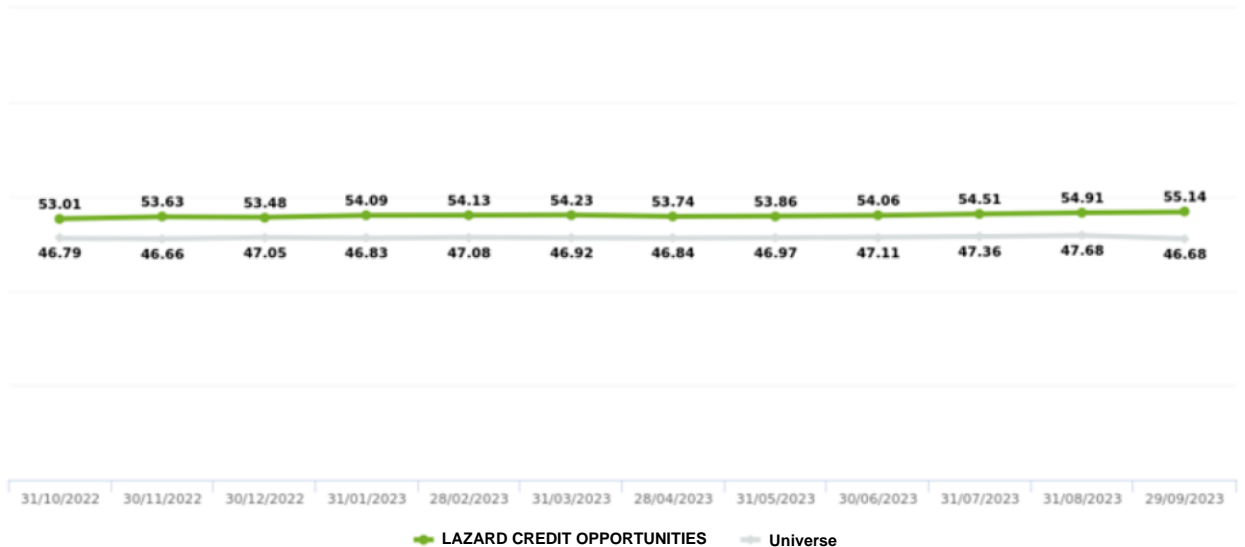
Each E, S and G pillar is rated from 1 to 5 based on a minimum of ten relevant key indicators per dimension.

These internal ESG ratings are built into the valuation models through the Beta used to define the weighted average cost of capital (WACC) 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 using Moody's ESG Solutions ratings.

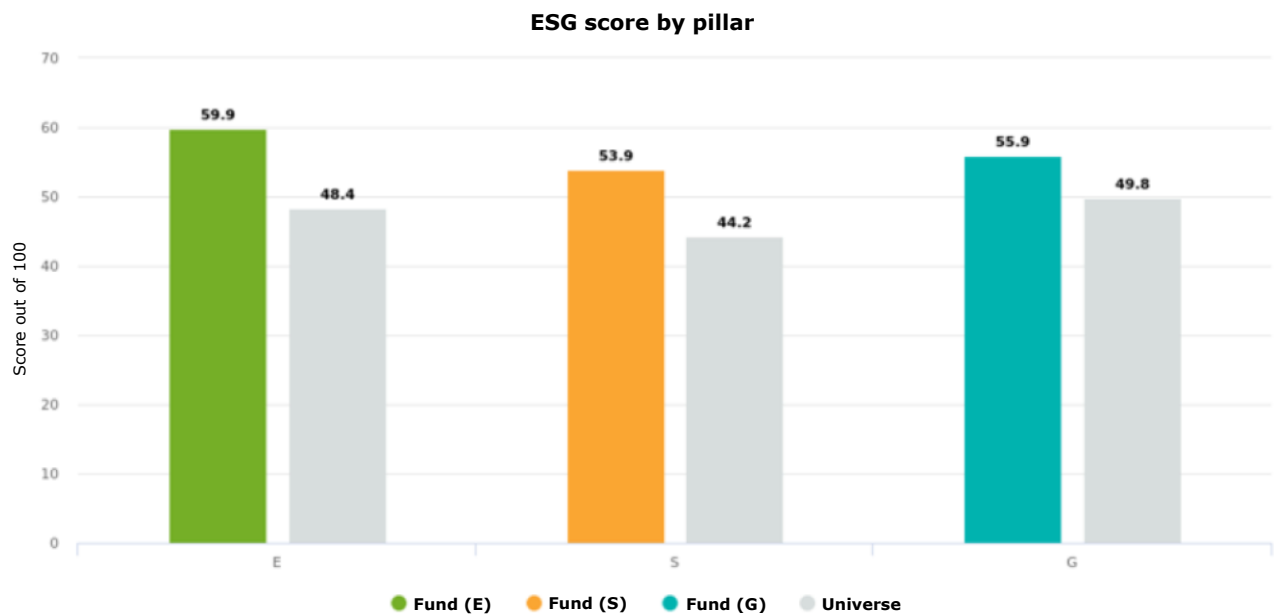
Evolution of the ESG score



The portfolio's ESG reference universe is:

50% Eurozone universe provided by our ESG partners, equi-weighted, restricted to the following sectors: Diversified Banks, Insurance, Financial Services General, Retail and Specialized Banks;

50% ICE BofA Euro Non-Financial Fixed & Floating Rate High Yield Constrained Index.



● **... and compared to previous periods?**

Not applicable

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The definition of sustainable investment within the meaning of the SFDR is based on the selection of indicators that show a substantial contribution to one or more environmental and social objectives, which do not harm any of the adverse impact indicators and ensures good governance principles.

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

A sustainable investment objective is attained if the substantial contribution of the corresponding indicator is validated, the other indicators are not prejudiced, and good governance principles are complied with.

Substantial contribution is measured by the application of thresholds for each of the above indicators.

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

	Rule	Average share of the portfolio
Carbon footprint in €m	Included in the lowest 20% of the sector	27,11%
GHG intensity	Included in the lowest 20% of the sector	4,15%
Implied temperature rise in 2100	≤2°C	14,58%
Number of low-carbon patents	Included in the top 20% of the universe	6,25%
% of women in executive management	Included in the top 20% of the universe	4,51 %
Number of hours of training for employees	Included in the top 20% of the universe	5,85%
Benefits coverage	See sustainable investment presentation www.lazardfreresgestion.fr	3,60%
Diversity policies by management	See presentation www.lazardfreresgestion.fr	4,65%

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

The absence of significant harm is assessed on the basis of all the PAI indicators listed in Table 1 of Annex I to Delegated Regulation (EU) 2022/1288 of 6 April 2022. In the event of insufficient coverage of the investment universe for certain indicators, alternative criteria may be used on an exceptional basis (such as for the PAI 12, use of an indicator on management attention to diversity). 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".

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

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.

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.

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.

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

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

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

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

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



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?

Largest investments	Sector	Percentage of assets	Country
1. LAZARD EU SHRT TRM MONEY M-C	UCI	1,81%	France

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:

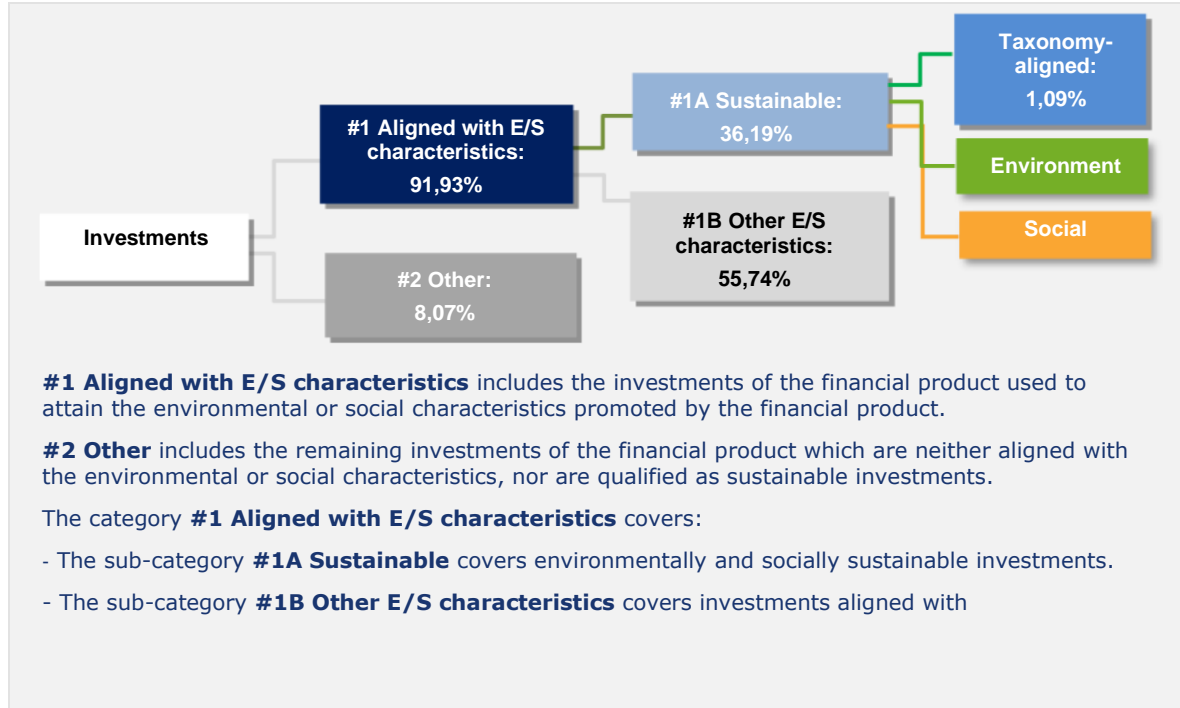
01/10/2022 to
30/09/2023

Largest investments	Sector	Percentage of assets	Country
2. LAZARD EURO CORP HIGH YIELD PVC EUR	UCI	1,53%	France
3. 0473820FRENCH R ZCP 230823	Public administration	1,42%	France
4. FRANCE TREASURY BILL ZCP 210224	Public administration	1,33%	France
5. US TSY INFL IX N/B 0.125% 20-15/04/2025	Public administration	1,19%	United States
6. ITALY BTPS 4.35% 23-01/11/2033	Public administration	1,18%	Italy
7. LAZARD EURO SHORT DURATION HIGH YIELD PART EVC EUR	UCI	0,96%	France
8. BANCA POPOLARE DELL EMILIA ROMAGNA 4.625% 22-01-25	Financial and insurance activities	0,95%	Italy
9. FRANCE TREASURY BILL ZCP 070623	Public administration	0,86%	France
10. AIR FR KLM 1.875% 16-01-25	Transportation and storage	0,79%	France
11. ACCOR SA 2.625% PERP	Accommodation and food service activities	0,76%	France
12. ERSTEGRBK 5.125% PERP EMTN	Financial and insurance activities	0,76%	Austria
13. BANCO SANTANDER SA 5.25% PERP	Financial and insurance activities	0,72%	Spain
14. ZF EUROPE FINANCE BV 1.25% 23-10-23	Unknown sector	0,71 %	Netherlands
15. EDF 4.0% PERP	Electricity, gas, steam and air conditioning supply	0,71 %	France



What was the proportion of sustainability-related investment?

● What was the asset allocation?



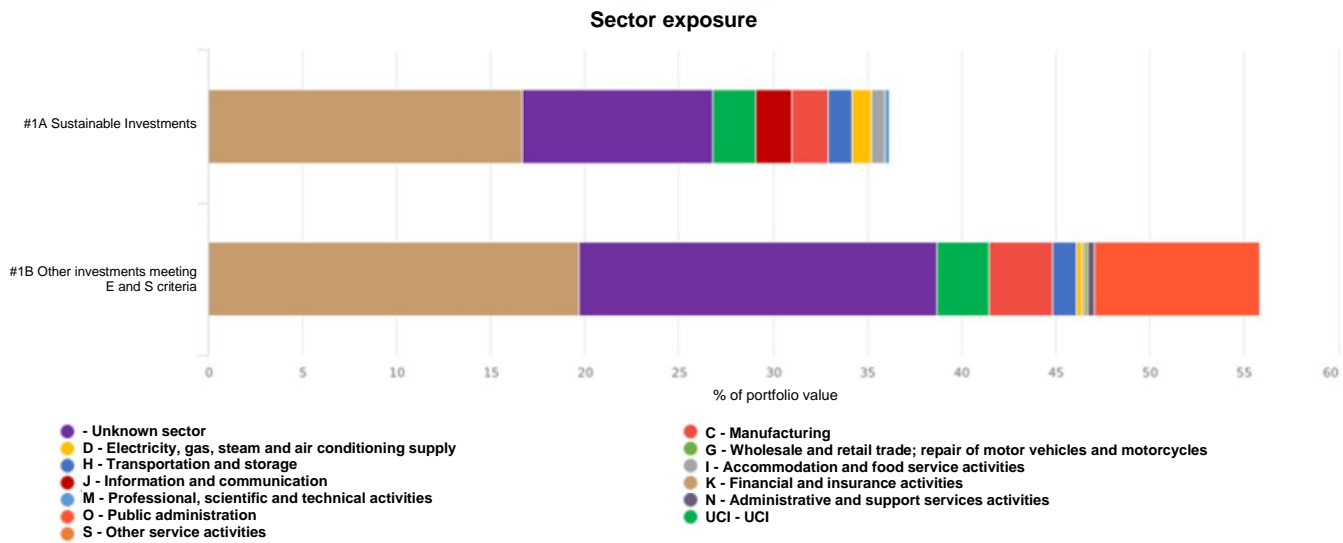
Asset allocation describes the share of investments in specific assets.

- #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

Details of sustainable investments	
Weight of sustainable investments in the portfolio	36,19%
Of which sustainable investments E	34,09%
Of which sustainable investments S	22,93%

An investment is considered to be sustainable if it complies with at least one of the rules presented above, while not prejudicing any of the negative impact indicators and ensuring good governance criteria. A company can therefore be considered as environmentally and socially sustainable.

In which economic sectors were the investments made?



Exposure to the fossil fuel sector averaged 3,49% over the period.

Taxonomy-aligned activities are expressed as a share of:

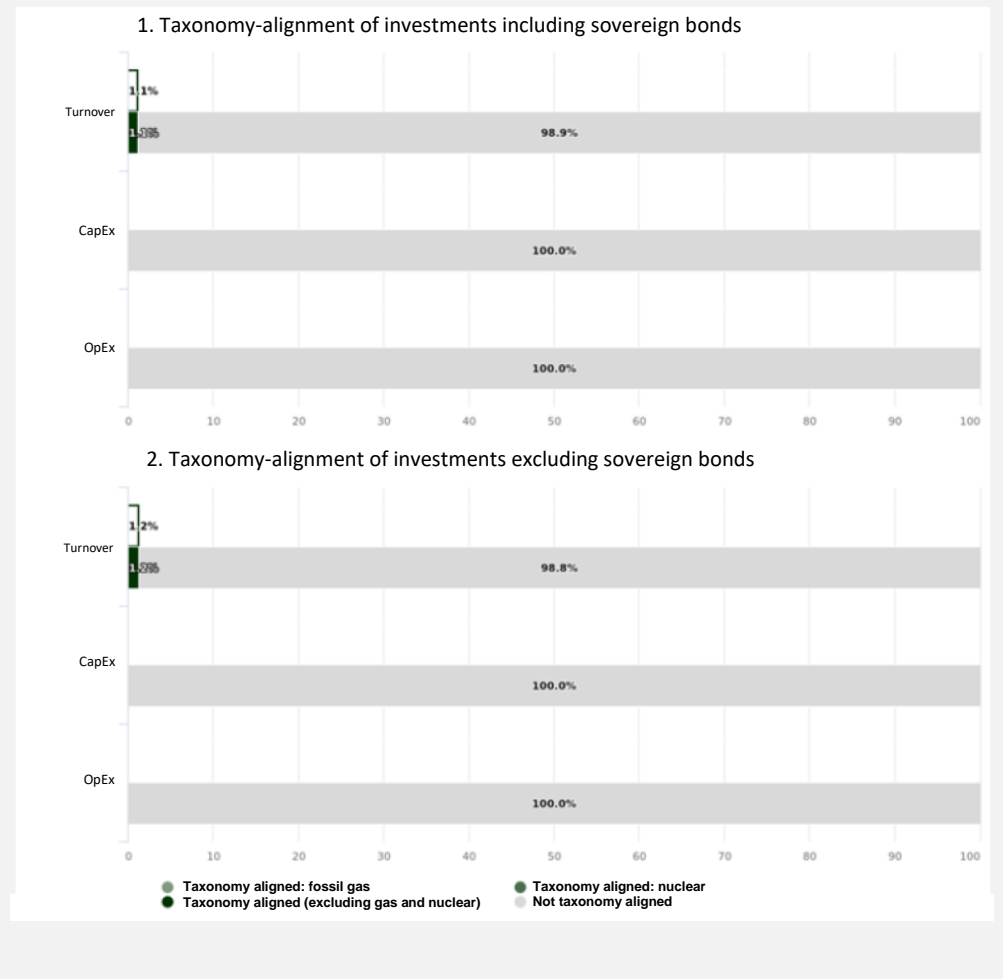
- **turnover** reflects the “greenness” of investee companies today;
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy;
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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

Did the financial product invest in Taxonomy aligned fossil fuel and/or nuclear energy activities?

At the date of production of this document, Lazard Frères Gestion does not have the data needed to identify the share of activities related to Taxonomy aligned fossil fuel and/or nuclear energy sectors.

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



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

● **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



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



What 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 33,63%

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 22,93%.

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



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

The "other" category consists mainly of money market UCIs and cash. Over the past period, the "other" segment represented on average 8,07%.



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

To promote environmental and social characteristics, the following elements have been respected:

- The non-financial analysis rate

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

- 90% for equities issued by large capitalisation companies with their headquarters in "developed" countries, debt securities and money market instruments with an investment grade credit rating, sovereign debt issued by developed countries;

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

These rates are expressed as a percentage of total assets. Over the past period, the non-financial analysis rate was 91,93% 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

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 on the engagement and voting policy, please refer to the voting and engagement reports available at <https://www.lazardfreresgestion.fr>.



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

Not applicable.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

**Sub-fund:
LAZARD EURO SHORT DURATION HIGH
YIELD SRI**

15. CHARACTERISTICS OF THE UCI

LEGAL FORM

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

CLASSIFICATION

International bonds and other debt securities.

ALLOCATION 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 Sub-fund's portfolio, plus income generated by temporary cash holdings, 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.

RC EUR, RVC EUR, PVC EUR, EVC EUR shares

Distributable income shall be fully accumulated, with the exception of those amounts subject to compulsory distribution by law.

PD EUR shares:

Net income is distributed in full and the allocation of net realised capital gains is decided each year at the Shareholders' Meeting. It may pay interim dividends.

Fund of funds

None.

INVESTMENT OBJECTIVE

RC EUR, RVC EUR, PD EUR, PVC EUR, EVC EUR shares

The investment objective is to achieve, through a Socially Responsible Investment (SRI) management approach, a performance net of fees that exceeds that of the following composite benchmark over the recommended investment period of three years: 70% ICE BofAML BB-CCC 1-3 Year Euro Developed Markets High Yield Constrained Index (H1EC); 30% ICE BofAML 1-3 Year Corporate. The benchmark index is rebalanced every month and its components are expressed in EUR, with dividends or net coupons reinvested.

BENCHMARK INDEX

RC EUR, RVC EUR, PD EUR, PVC EUR, EVC EUR shares

ICE BofAML 1-3 Year Corporate

The ICE BofAML 1-3 Year Corporate index in euros is published by ICE and consists of investment grade-rated bonds with a maturity of between one and three years, denominated in euro and issued by financial and non-financial companies. Transaction fees are included.

Data are available at: www.indices.theice.com

Bloomberg code: ER01

RC EUR, RVC EUR, PD EUR, PVC EUR, EVC EUR shares

ICE BofAML BB-CCC 1-3 Year Euro Developed Markets High Yield Constrained Index (H1EC)

The ICE BofAML BB-CCC 1-3 Year Euro Developed Markets High Yield Constrained Index (H1EC) tracks the performance of euro-denominated corporate and financial institution bonds with short maturities.

Eligible securities must be rated from BB1 to CCC3 (based on an average of the Moody's, S&P and Fitch rating), have a final maturity of at least 18 months at the time of issue, have a residual maturity of at least one year but less than three years at the final maturity at the rebalancing date, a fixed coupon schedule and a minimum outstanding amount of €250 million. In addition, eligible securities must have risk exposure to FX-G10 member countries, Western countries, and developing countries. Transaction fees are included.

As at the date of this prospectus, the benchmark index administrator, namely [ICE Benchmark Administration Limited], is listed on ESMA's register of administrators and benchmark indices.

Additional information on the benchmark index can be found on the administrator's website [<https://www.theice.com/iba>]

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

INVESTMENT STRATEGY

1. Strategies used by the Lazard Euro Short Duration High Yield SRI sub-fund

The investment strategy is based on a top-down and bottom-up approach in order to take into account the macroeconomic scenario and the management company's credit analysis of the issuers.

The management process for the high yield asset class is a quarterly one that involves our four-step Macro (M), Valuation (V), Sentiment (S) and Technical (T) analysis model.

The management company therefore analyses the issuers' fundamentals, the valuation of the asset class, the sentiment, i.e. the positioning of investors in this asset class, and the technical factors, which are a balance between supply (primary market) and demand (flows).

Bottom-up selection is based on a credit analysis of the issuer by looking at its business profile (regulatory framework, competitive pressure, strategy, positioning, management track record and the financial strength of the company or financial institution).

Once an issuer has been approved, the management company decides on the choice of bond, with a maximum maturity of five years (maturity or call date), and a set of legal clauses by analysing two factors, the characteristics of the security (covenants, seniority and recovery rate) and its market valuation.

Investments are mainly in securities issued by governments, companies and financial institutions rated speculative/High Yield by the rating agencies or an equivalent rating based on the management company's analysis. A maximum of 40% of the net assets may be invested in securities rated Investment Grade or equivalent based on the management company's analysis. The manager may invest up to a maximum of 10% of the net assets in unrated securities.

Interest rate risk will be managed independently within a sensitivity range of 0 to 3.

To build the portfolio, the manager conducts their own analysis of euro-denominated bonds and negotiable debt securities, of any subordination rank, at fixed, variable or indexed rates, issued by companies, financial institutions and States. The portfolio's average duration will be around 2.

The manager conducts their own credit assessment for selection purposes, both at the time of purchase and during the life of the securities. He does not rely solely on ratings issued by rating agencies and develops credit risk analysis and the necessary procedures to make purchase decisions or buy or hold decisions in the event of a downgrade. The fund manager does not automatically use agency ratings but gives precedence to his own analysis to assess the credit quality of said assets and decide on possible downgrades.

Information on the Sub-fund's sensitivity range is shown in the table below:

Interest rate risk (including derivatives)		Investment		Exposure	
		Min.	Max.	Min.	Max.
Interest rate risk sensitivity range		0	3	0	3
Credit risk (including derivatives)		Investment		Exposure	
		Min.	Max.	Min.	Max.
Issuer's geographic zone	Europe zone	0%	100%	0%	100%
	Other regions	0%	100%	0%	100%

The Sub-fund may invest in bonds denominated in currencies other than the euro.

As an exception to the 5%-10%-40% ratios, the management team may invest more than 35% of the UCI's net assets in securities guaranteed by an EEA Member State or the United States.

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

The UCI will be exposed to emerging countries up to a maximum of 10% of the net assets.

The Sub-fund may use, up to 100% of the net assets, interest rate and currency futures, credit derivatives, interest rate and currency options, interest rate and currency swaps and currency forward contracts traded on regulated, organised and/or OTC markets to hedge and/or expose the Sub-fund to interest rate, currency, credit and volatility risk.

SRI management

The Sub-fund promotes environmental and/or social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088, the "SFDR".

The Sub-fund is managed in accordance with the principles of the SRI label defined by the French Ministry of the Economy and Finance. The inclusion of environmental, social and governance (ESG) criteria influences the analysis of companies held in the portfolio, selection of securities and weighting.

ESG analysis is based on a proprietary model shared by the teams in charge of financial management in the form of an internal ESG grid. Based on the various data provided by our ESG partners (non-financial analysis agencies, external service providers, etc.), annual reports and reports on the corporate social responsibility (CSR) of the companies monitored among all the stocks in the portfolio and direct exchanges with them, the analysts responsible for each stock monitored establish an internal ESG score based on an approach that is both quantitative (energy intensity, staff turnover rate, board independence rate, etc.) and qualitative (environmental policy, employment strategy, competence of directors, etc.). It takes into account the companies' main negative impacts in terms of sustainability, or Principal Adverse Impacts (carbon emissions, energy consumption, water consumption, waste production) and the risks likely to affect their own sustainability, or Sustainability Risks (regulatory and physical risks, reputational risk through, among other factors, monitoring of controversies).

The information relating to the principal adverse impacts on sustainability factors is published in the Sub-fund's periodic SFDR reports, available on the Management Company's website.

Each E, S and G pillar is rated from 1 to 5 (5 being the best rating) based on at least ten relevant key indicators per dimension. The company's overall ESG score summarises the scores for each pillar according to the following weighting: 30% for Environment and Social and 40% for Governance.

The proportion of issuers covered by an ESG analysis in the portfolio must be at least 90%, excluding bonds and other debt securities issued by public or quasi-public issuers and cash held on an ancillary basis, and social impact assets (which are therefore capped at 10% of total assets).

On the basis of these internal ESG analysis grids, we have developed a fixed income process that:

- Limits to 50% of the portfolio the proportion of issuers with a rating of three or less for High Yield funds,
- Excludes issuers with a rating of less than or equal to 2.

As part of SRI management, the following impact indicators are reported at least once a year:

Environmental criterion:

- o Carbon intensity of the portfolio, expressed in tonnes of CO2 equivalent per €m of revenue

Social criterion:

- o Risk management score relating to controversies on human resources management, provided by our ESG extra-financial rating partner

Human rights criterion:

- o % of companies that are signatories to the United Nations Global Compact

Governance criterion:

- o average % of independent directors

As part of SRI management, the analyst-managers ensure that an external ESG rating is maintained that is higher than that of a composite index made up of 30% of the ICE ER01 and 70% of the ICE H1EC after eliminating the 20% worst securities.

The risk control department ensures compliance with this criterion on a monthly basis.

The external ESG ratings of the Sub-fund and the index correspond to the weighted average of the absolute E, S and G ratings provided by our ESG non-financial rating partner.

The rating method is based on a model with data going back 17 years and 330 indicators grouped into 38 criteria in 6 areas. These 38 criteria are weighted from 0 to 3 depending on their materiality (relevance) for the sector.

The ESG analysis is broken down into 6 areas:

1. Human Resources: 7 criteria

Promotion of social dialogue / Promotion of employee profit-sharing / Promotion of individual career choices and employability / Controlled management of restructuring / Quality of remuneration systems / Improvement of health and safety conditions / Respect and organisation of working hours.

2. Environment: 11 criteria

Definition of the environmental and eco-design strategy / Consideration of pollution risks (soil, accidents) / Offer of green products and services / Prevention of risks of damage to biodiversity / Control of impacts on water / Control of energy consumption and reduction of polluting emissions / Control of impacts on air / Control and improvement of waste management / Control of local pollution levels / Control of impacts related to distribution-transport / Control of impacts related to the use and disposal of the product or service

3. Customer/supplier relationships: 9 criteria

Product safety / Customer information / Contract guidance / Sustainable cooperation with suppliers / Integration of environmental factors in the supply chain / Integration of social factors in the supply chain / Prevention of corruption / Prevention of anti-competitive practices / Transparency and integrity of strategies and influencing practices

4. Human rights: 4 criteria

Respect for fundamental rights and prevention of violations of these rights / Respect for the freedom to join trade unions and the right to collective bargaining / Non-discrimination and promotion of equal opportunities / Elimination of prohibited forms of work

5. **Community involvement:** 3 criteria

Commitments in favour of the economic and social development of the area in which the company operates / Consideration of the societal impact of the products and services developed by the company / Contributions by the company to causes of general interest

6. **Governance:** 4 criteria

Balance of powers and efficiency of the board of directors / Audit of control mechanisms / Shareholders' rights / Executive remuneration.

The issuer's overall ESG score is equal to the weighted average of the Criteria scores.

An issuer's ESG rating is based on an absolute rating scale of 0 to 100, with 100 being the highest score.

The methodology used to calculate ESG ratings can be found in the Transparency Code published on the management company's website.

2. Non-derivative assets of the Lazard Euro Short Duration High Yield SRI sub-fund

The Sub-fund's portfolio comprises:

Equities:

- a) A maximum of 5% of the net assets in preference shares.
- b) A maximum of 5% of the net assets in ordinary shares.

The Sub-fund will not invest actively in equities but may hold equities if they derive from a debt restructuring, typically following an exchange of shares for debt. The fund manager will do their best to sell the shares received as soon as possible depending on market conditions with a view to optimising the exit price for the shareholders.

The total exposure to equity risk may not exceed 10% of the net assets.

Debt securities and money-market instruments:

- a) Up to 100% of the net assets in bonds and debt securities denominated in euros and/or any other currency, rated speculative or high yield or the equivalent based on the management company's analysis.
- b) A maximum of 40% of the net assets in bonds and debt securities denominated in euros and/or any other currency, rated investment grade or the equivalent based on the management company's analysis.
- c) A maximum of 50% of the net assets in perpetual subordinated debt, including a maximum of 30% of the net assets in contingent convertible bonds (CoCos).
- d) A maximum of 10% of the net assets in unrated bonds.
- e) Convertible bonds up to a maximum of 10% of the net assets.

UCIs:

French or foreign UCITS or AIFs that meet the four criteria of Article R. 214-13 of the French Monetary and Financial Code (*Code Monétaire et Financier*), standard money-market and short-term money-market funds with variable net asset values, and bond funds up to a maximum of 10% of the net assets.

These UCIs may be managed by the management company.

3. Derivative assets of the Lazard Euro Short Duration High Yield SRI sub-fund

- Types of markets:

- regulated
- organised
- OTC

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

- equity
- interest rates
- foreign exchange
- credit
- other: volatility

- 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
- interest rates: Interest rate risk
- foreign exchange
- other

options:

- equity and equity indices
- interest rate: interest rate risk
- foreign exchange
- 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

- credit derivatives, with the exception of CDS on single or tranche products
- other type

- Derivatives strategies to achieve the investment objective:

- partial or general portfolio hedging
- creation of synthetic exposure to assets
- increasing exposure to the market
- maximum permitted and sought
- other strategy

4. Embedded derivatives of the Lazard Euro Short Duration High Yield SRI sub-fund

The fund manager may invest in any securities with embedded derivatives permitted under the management company's business plan, whose issuer is not the same as the issuer of the underlying security, insofar as the performance of these securities is index-linked to changes in interest rate or credit spread risk.

Within this framework, the manager may take positions with a view to hedging the portfolio against and/or exposing it to particular business sectors, geographic regions, shares (all capitalisation types), stocks and similar securities in order to achieve the investment objective.

Total investments in securities with embedded derivatives may not exceed 100% of the net assets. Investments in contingent convertible bonds may not exceed 30% of the net assets.

5. Deposits of the Lazard Euro Short Duration High Yield SRI sub-fund

Up to 10% of the Sub-fund's assets may be held in deposits.

6. Cash Borrowing of the Lazard Euro Short Duration High Yield SRI sub-fund

The Sub-fund may borrow cash within the limit of 10% of its net assets to meet specific cash requirements related to its operating needs.

7. Temporary purchases and sales of securities of the Lazard Euro Short Duration High Yield SRI sub-fund

None.

8. Information on the financial guarantees of the Lazard Euro Short Duration High Yield SRI sub-fund

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 Sub-fund 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 OF THE LAZARD EURO SHORT DURATION HIGH YIELD SRI SUB-FUND

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

- **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. For instance, bond prices tend 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 Sub-fund's exposure to issuers either through direct investment or via other UCIs may give rise to a decline in the net asset value. If the Sub-fund is exposed to unrated or speculative/High Yield debt, the credit risk is high and may lead to a decline in the Sub-fund's net asset value.

- **Derivative financial instrument risk**

The risk arising from the Sub-fund'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 Sub-fund has invested.

- **Counterparty risk**

The risk linked to the use of forward financial instruments traded over the counter. These transactions, entered into with one or more counterparties, potentially expose the Sub-fund to a risk of failure of any such counterparty, which may lead to default in payment and cause the Sub-fund's NAV to fall.

- **Risks linked to hybrid or subordinated securities:**

The sub-fund may be exposed to hybrid or subordinated securities. Hybrid and subordinated debt are subject to specific risks of non-payment of coupons and capital loss in certain circumstances. For non-financial bonds, since hybrid debt securities are "deeply subordinated", there is a low recovery rate in the event of issuer default.

- **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 Sub-fund liquidates, initiates or modifies positions and thus cause a decline in the Sub-fund'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, or trigger, event, the issuer may or is obliged to suspend the payment of interest and/or reduce the nominal value of the security or convert the bonds into equity.

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.

- **Risk related to overexposure**

The Sub-fund may use forward financial instruments (derivatives) to generate overexposure and thus bring the Sub-fund's exposure above its net asset value.

Depending on the direction of the transactions, the impact of a decrease (purchase of exposure) or increase (sale of exposure) in the derivative's underlying instrument may be amplified and thus amplify any decrease in the Sub-fund's net asset value.

Because of the hedging strategy applied, shareholders may not benefit from potential upside on certain markets.

- **Foreign exchange risk (ancillary):**

The Sub-fund may invest in securities and UCIs that are themselves permitted to purchase stocks denominated in currencies other than the euro. The value of the assets of such UCIs may fall if exchange rates fluctuate, which may lead to a fall in the Sub-fund's NAV.

- **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 OF THE LAZARD EURO SHORT DURATION HIGH YIELD SRI SUB-FUND

None.

ELIGIBLE SUBSCRIBERS AND TYPICAL INVESTOR PROFILE OF THE LAZARD EURO SHORT DURATION HIGH YIELD SRI SUB-FUND

This sub-fund is aimed at all investors who are aware of the risks associated with investing in the international credit markets.

The Sub-fund may be used with life insurance and savings policies.

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

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 Sub-fund is not registered as an investment vehicle in the United States and its shares 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 Sub-fund 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 Sub-fund 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 Sub-fund 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 Sub-fund may not be suitable for investors planning to withdraw their contributions within three years.

16. CHANGES AFFECTING THE UCI

The Board of Directors of the **LAZARD FUNDS SICAV** (for the LAZARD EURO SHORT DURATION HIGH YIELD SRI sub-fund) (ISIN code: FR0010230490) decided on November 15th, 2022 to implement subscription fees not retained by the UCI as follows:

Sub-fund	Equities	ISIN	Entry fees not retained by the UCI
Lazard Euro Short Duration High Yield SRI	RC EUR	FR0013506987	4%
Lazard Euro Short Duration High Yield SRI	RVC EUR	FR0013506995	4%
Lazard Euro Short Duration High Yield SRI	PD EUR	FR0013507001	4%
Lazard Euro Short Duration High Yield SRI	PVC EUR	FR0013507019	4%
Lazard Euro Short Duration High Yield SRI	EVC EUR	FR0013507027	4%

➤ **Effective date: 25/11/2022.**

The KIID of the **LAZARD FUNDS SICAV** (for the LAZARD EURO SHORT DURATION HIGH YIELD SRI sub-fund) (ISIN code: FR0010230490) was converted to the KID PRIIPS (*Key Information Document and Packaged Retail Investment and Insurance-based Products*) on January 1st, 2023, in accordance with the European regulations aimed at standardising pre-contractual information on financial products intended for retail investors.

The Board of Directors of the **LAZARD FUNDS SICAV** (for the LAZARD EURO SHORT DURATION HIGH YIELD SRI sub-fund) (ISIN code: FR0010230490), on September 25th, 2023, proposed introducing the gates mechanism in the SICAV's prospectus. An Extraordinary Shareholders' Meeting has been called to include the gates mechanism in the articles of association and to amend the Prospectus.

➤ **Effective date: 16/11/2023.**

17. MANAGEMENT REPORT

The UCI's performance over the period was as follows:

PVC shares: FR0013507019: +5,13%.
EVC shares: FR0013507027: +5,23%.
PD shares: FR0013507001: +4,99%.
RC shares: FR0013506987: +4,58%.
RVC shares: FR0013506995: +5,34%.

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

The benchmark's performance over the period was:

The performance of the benchmark* over the period was: +6,42%.
(*) 30% ER01 + 70% H1EC

ECONOMIC ENVIRONMENT

Despite central banks' efforts to curb activity and inflation, growth showed unexpected resilience in Western countries. US growth was robust, supported by household consumption. Growth in the Eurozone was modest, against a backdrop of deteriorating purchasing power and rapid transmission of the ECB's monetary tightening. However, the economic impacts of the energy crisis were less severe than feared. The collapse of three US regional banks and the disaster takeover of Credit Suisse in March 2023 could also have had a greater impact. Thanks to lower energy prices and the easing of supply tensions, inflation fell sharply in the US and Europe. However, it remained well above central bank targets, fuelled by the services sector and the still tight labour market situation. Against this backdrop, the Fed and the ECB continued to tighten their monetary policy. The Fed raised its key rate to 5,25%-5,50%, its highest level in 22 years. The ECB raised the refinancing rate to 4,50% and the deposit rate to 4,00%, levels never before reached. In China, after a rebound following the lifting of health restrictions, growth lost momentum amid a slowdown in the real estate sector. Against this backdrop, global equity markets rebounded strongly, making up some of the losses recorded in 2022. US and European interest rates alternated between rises and falls before soaring in the summer of 2023 to reach their highest levels for more than ten years.

Economy

In the United States, GDP growth accelerated to +2,4% year-on-year in Q2 2023. Job creation slowed to an average of +266 000 per month. The unemployment rate rose to 3,8%. Annual hourly wage growth slowed to +4,2%. The year-on-year increase in consumer prices slowed to +3,7% and +4,1% excluding energy and food.

The Fed raised its key rate by +2,25% to 5,25%-5,50%, in the following sequence: a +0,75% hike in November 2022, +0,50% in December 2022 and three consecutive +0,25% hikes in February, March and May 2023. The Fed took a first break in June 2023, before a further 0,25% hike in July 2023 and a further break in September 2023.

In terms of unconventional measures, in March 2023 the Fed announced the creation of a new liquidity access mechanism ("Bank Term Funding Program") in response to the collapse of Silvergate Bank, Silicon Valley Bank and Signature Bank.

In the U.S. midterm elections on November 8th, 2022, the Democrats retained their majority in the Senate and the Republicans won the House of Representatives.

In the Eurozone, GDP growth slowed to +0,5% year-on-year in Q2 2023, with contrasting trends between countries. GDP fell by -0,2% in Germany, while rising by +1,0% in France, +0,3% in Italy and +2,2% in Spain. PMI surveys improved until the spring of 2023 before deteriorating rapidly in the summer of 2023. The Eurozone unemployment rate fell to 6,4%. The year-on-year increase in consumer prices slowed to +4,3% and +4,5% excluding energy and food.

The ECB raised its key rates by +3,25%, in the following sequence: +0.75% in October 2022, three consecutive increases of +0,50% between December 2022 and March 2023 and four consecutive increases of +0,25% between May and September 2023. The deposit rate was raised from +0,75% to +4,00% and the refinancing rate from +1,25% to +4,50%.

In terms of unconventional measures, in December 2022 the ECB announced a reduction in the size of its APP portfolio from March 2023. In June 2023, the ECB announced that it would end reinvestments under this programme.

In Italy, the right-wing coalition secured a clear victory in the general elections on September 25th, 2022. Giorgia Meloni was elected prime minister on October 22nd, 2022.

In China, GDP growth accelerated to +6,3% year-on-year in Q2 2023. Activity benefited from the complete lifting of health restrictions in December 2022. The real estate sector continued to struggle. The urban unemployment rate fell to 5,2%. Consumer prices remained stable.

The Chinese central bank cut its key interest rate from -0,25% to 2,50% and the reserve requirement ratio from -0,75% to 10,50%.

At the conclusion of the 20th CCP Congress in October 2022, Xi Jinping won a third term as General Secretary of the Party and head of the armed forces. Xi Jinping was formally re-elected President of the Republic during the annual session of the National People's Congress in March 2023. On this occasion, the government announced that it was aiming for growth of "around +5,0%" in 2023.

Markets

The MSCI World All Country index of global equity markets rose by +18,7% year-on-year, wiping out around half of the decline in the first nine months of 2022. The Topix in yen rose by +26,6%, the Euro Stoxx in euro by +20,9%, the S&P 500 in dollar by +19,6% and the MSCI index of emerging equities in dollar by +8,8%.

The unexpected resilience of the global economy was a major support factor for equity markets between the fourth quarter of 2022 and the start of the third quarter of 2023.

The effects of the Eurozone energy crisis were less significant than feared, the Chinese economy reopened faster than expected and US inflation slowed, while the unemployment rate remained low, fuelling the idea of a soft landing for the US economy.

Equity markets also benefited from the sharp rise in tech mega-caps in the United States, linked to the artificial intelligence craze.

The uptrend in equity markets reversed from August 2023 onwards, against a backdrop of increasing economic uncertainty in China, poor economic data in Europe and soaring long-term interest rates.

Bond markets alternated between rises and falls between the fourth quarter of 2022 and the start of the third quarter of 2023, with investors switching from one monetary policy scenario to another.

US and European interest rates soared during the summer of 2023 to reach their highest levels for more than ten years, as the resilience of the US economy and the Fed's more restrictive message led investors to anticipate permanently higher key rates. The US 10-year yield rose from 3,83% to 4,57% and the German 10-year yield from 2,11% to 2,84%.

According to ICE Bank of America indices, credit spreads for European corporate issuers fell from 210 to 141 basis points in the Investment Grade segment and from 625 to 445 basis points in the High Yield segment.

The euro appreciated by +7,9% against the dollar and by +11,3% against the yen. It stabilised against the Swiss franc and depreciated by -1,2% against sterling. According to the JPMorgan index, emerging currencies depreciated by an average of -2,9% against the dollar,

The S&P GSCI commodity price index was virtually stable over the year. The price of a barrel of Brent crude oil rose from \$86 to \$92, with a peak of \$100 in early November 2022 and a low point of \$72 in mid-March 2023.

MANAGEMENT POLICY

Over the last quarter of 2022, sovereign yields stabilised in October. Supported by good Q3 earnings releases, credit indices, expressed in spreads, tightened across the board. In November, sovereign yields fell sharply for the second time this year after July, in a reversal of the upward movement that began in January. The tipping point came on November 8th, when the Democrats averted a "red wave" in the US midterm elections. The month had started with another 75bp Fed Funds rate hike, the fourth consecutive one of this magnitude. From November 8th onwards, yields fell back, under the combined influence of rumours of an easing of China's zero-Covid policy, US earnings releases confirming the resilience of growth and employment, and less clearly hawkish communications from central banks. This environment encouraged a general move back into risky assets, resulting in a general decline in all credit indices. The influence of central bank rhetoric was a determining factor in the upward trend in interest rates in December. In the middle of the month, the ECB and the Fed raised their key rates again, albeit by less than the previous hikes, by 50bp compared with the expected 75bp. In particular, Christine Lagarde made some very firm comments to illustrate the central bank's determination to keep its guard up against inflation. The surprise came when the bank announced that it would continue to reduce its balance sheet from March 2023, by €15 billion a month until June. These announcements led to a widespread rise in Eurozone yields, which more than wiped out November's declines. Credit margins tightened overall. At the end of 2022, the fund posted an outperformance of 0,08% on the PVC share, with an interest rate effect that contributed significantly despite a credit effect that was down compared with the index.

The first quarter of 2023 began with sovereign yields felling across the board in January, generally dominated by the idea that the tightening of central banks' monetary policies was bearing fruit in terms of controlling inflation, and by the observation that the economy was slowing down, which was expected. The strength of the labour market and the prospects offered by China's reopening do not really argue for a rapid disinflation. Ahead of their monetary policy meetings in early February, the market was still expecting confirmation that the ECB, Fed and BoE would reduce the pace of rate rises. In February, sovereign yields rose steadily throughout the month, more or less cancelling out the decline in January. The theme is fairly simple: inflation is falling, but less than expected, while core inflation remains very high. Sovereign bond yields fell in March in a move almost symmetrical to the rise of February, continuing the dithering we have been seeing every month since the beginning of the year. March 2023 was marked by renewed volatility on the markets and the failure of small US banks. The largest, SVB, was placed under supervision by the US authorities on March 10th, 2023 after being forced to make substantial losses on its bond portfolio to cope with outflows of funds from its clients, mainly in the technology sector. Sentiment towards banks then entered a very negative spiral, hitting European issuers and in particular Credit Suisse, which suffered a major flight of deposits following comments made by one of its main shareholders. An emergency rescue was needed, in the form of a takeover by UBS, orchestrated in parallel by the Swiss authorities. This rapid intervention prevented any negative spillover to the European financial sector and sent a positive signal for global stability. However, FINMA's decision to wipe out all of Credit Suisse's AT1 bonds at the time of this forced merger (bonds representing 5% of the universe) triggered a major sell-off in the asset class, which partially recovered at the end of the month. Over the quarter, risk premiums tightened by -3bp for euro Investment Grade credit and by up to -42bp for euro High Yield corporate credit. The fund posted a performance of +0,31% for the PVC share over the quarter, behind the 1,39% of the benchmark. The defensive positioning explains the underperformance over the period, combined with a negative interest rate effect.

In the second quarter of the year, April saw a slight rise in government bond yields in the Eurozone (with the exception of Greece) and a moderate fall in the United States. Credit, all segments and sectors combined, outperformed sovereign debt with a positive contribution from the spread component which, combined with carry, enabled all asset classes to deliver positive performances above that of the money market. In May in the United States, the publication of better-than-expected economic, employment and inflation data, combined with statements by central bankers in favour of maintaining restrictive monetary policies, moved yields higher across the board. Credit spreads are widening slightly in the less risky segments. However, the positive interest rate effect combined with the carry effect enabled all euro bond asset classes to post positive performances. The quarter ended in June with central banks still raising rates. They are taking a tougher stance and reaffirming their intention to curb inflation, leading to a rise in all yield curves. The 2-10 year spread is now close to its lows (-106bp in the United States and -80bp in Germany). Credit spreads are tightening across all sectors and segments. With the exception of the least risky segments (government bonds and IG credit), the positive contribution of the spread component combined with carry enabled euro bond asset classes to deliver positive returns.

The fund outperformed by 14bp over the second quarter, with a return of +1,17%, thanks to the good performance of financials within the portfolio. The positioning remained defensive and the portfolio's rate duration was gradually increased to a range between 2 and 3. The fixed income component therefore underperformed the benchmark.

Over the third quarter, the major central banks remained active in July: the ECB raised its key rates by 25bp, taking the deposit rate to 3,75%, while the Federal Reserve lifted its rates by another 25bp to the 5,25%-5,5% range. In August, rates remained unchanged. The inflation data published over the month confirmed that core inflation is moderating, but also gave substance to central bank concerns about the speed of the return to the target. The PMI surveys and labour market data pointed to a slow deterioration in activity in the United States and the Eurozone. In September, the Federal Reserve (Fed) and the European Central Bank (ECB) remained vigilant. Signs of resilience in the US economy enabled the Fed to leave its key rates unchanged (range 5,25%-5,50%), but to change their trajectory over the next three years. Its "high rates for an extended period" guidance was reinforced by the upward revision of its inflation and growth forecasts. Over the last quarter, risk premiums tightened by -9bp for euro Investment Grade credit and -17bp for euro High Yield corporate credit. The fund returned +1,20% compared with 1,58% for the benchmark over the period, with the credit effect in line with that of the benchmark. The underperformance is explained by the portfolio's over-sensitivity to the fixed-income component.

Main changes in the portfolio during the year

Securities	Changes ("accounting currency")	
	Purchases	Sales
LAZARD EU SHRT TRM MONEY M-C	31 338 409,08	32 338 488,62
FRAN TREA BILL BTF ZCP 29- 11-23	1 961 403,93	1 967 511,14
0473820FRENCH R ZCP 230823	1 482 903,20	1 489 270,02
ROLLS ROYCE 0.875% 09-05-24	972 906,71	977 334,02
ZF NA CAPITAL 2.75% 27-04-23	717 106,85	1 200 000,00
Abbo Ir 0.875 09-23	889 786,48	1 000 000,00
INFINEON TECHNOLOGIES AG 0.75% 24-06-23	895 769,26	993 979,73
UNICREDIT 3.875% PERP CV EMTN	801 443,82	729 232,83
AIB GROUP 1.875% 19-11-29 EMTN	1 424 120,20	
UNIBAIL RODAMCO SE 2.125% PERP	434 570,21	885 102,74

18. REGULATORY INFORMATION

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

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

• **Exposure through efficient management techniques: None.**

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

• **Underlying exposure through derivative financial instruments: 40 481 000,00**

- o Currency forwards:
- o Futures: 28 481 000,00
- o Options:
- o Swap: 12 000 000,00

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

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

(*) Excluding listed derivatives.

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

Instrument types	Amount in the currency of the portfolio
Efficient portfolio management techniques . Term deposits . Equities . Bonds . UCITS . Cash (*) <p style="text-align: right;">Total</p>	None
Derivative financial instruments . Term deposits . Equities . Bonds . UCITS . Cash <p style="text-align: right;">Total</p>	None

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

d) Operating income and expenses related to efficient management techniques

Operating income and expenses	Amount in the currency of the portfolio
. Income (*) . Other income <p style="text-align: right;">Total income</p>	None
. Direct operating expenses . Indirect operating expenses . Other expenses <p style="text-align: right;">Total expenses</p>	None

(*) Income on securities lending and repurchase agreements

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

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

PROCEDURE FOR SELECTING AND ASSESSING INTERMEDIARIES AND COUNTERPARTIES

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

The information can be consulted on the management company's website: www.lazardfreresgestion.fr

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 is available in the appendix to this report."

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.

SWING PRICING

In order to protect the UCI's long-term shareholders, 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 shareholders entering and leaving the UCI that would otherwise have been allocated across all shareholders 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 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 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.

INFORMATION ON DISTRIBUTED INCOME ELIGIBLE FOR THE 40% ALLOWANCE

Pursuant to the provisions of Article 41 sexdecies H of the French General Tax Code, income on distributing shares is subject to an allowance of 40%.

REMUNERATION

The fixed and variable remuneration paid during the financial year ended on December 31st, 2022 by the management company to its personnel, in proportion to their investment in the management of the UCITS, excluding the management of AIFs and discretionary mandates, can be obtained on request by post from the legal department of Lazard Frères Gestion, and are 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 risks and 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.

The remuneration policy is reviewed annually.

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 31/12/2022: Fixed-term and permanent contracts of LFG, LFG Luxembourg and LFG Belgique
(therefore excluding interns and apprentices and excluding LFG Courtage)**

Headcount at 31/12/2022 LFG - LFG Belgique - LFG Luxembourg	Fixed annual remuneration in 2022 in €	Variable remuneration for 2022 (cash paid in 2023 and deferred compensation allocated in 2023) in €
205	20 102 615	29 964 115

“Identified employees”

Category	Number of employees	2022 aggregate fixed and variable remuneration (annual salaries and cash and deferred bonuses)
Senior management	3	5 848 796
Other	61	28 469 324
Total	64	34 318 120

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 shareholders to:

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

www.lazardfreresgestion.fr

19. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AS OF 29/09/2023 in euros

ASSETS

	29/09/2023	30/09/2022
NET NON-CURRENT ASSETS		
DEPOSITS		
FINANCIAL INSTRUMENTS	69 513 990,34	59 716 503,89
Equities and similar securities		
Traded on a regulated or equivalent market		
Not traded on a regulated or equivalent market		
Bonds and similar securities	68 771 996,13	57 219 543,89
Traded on a regulated or equivalent market	68 771 996,13	57 219 543,89
Not traded on a regulated or equivalent market		
Debt securities		
Traded on a regulated or equivalent market		
Negotiable debt securities		
Other debt securities		
Not traded on a regulated or equivalent market		
Undertakings for collective investment	592 144,21	1 513 935,36
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries	592 144,21	1 513 935,36
Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU		
General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities		
Other funds aimed at professional investors and their equivalent in other Member States of the EU and unlisted securitisation entities		
Other non-European entities		
Temporary securities transactions		
Receivables on securities purchased under repurchase agreements		
Receivables on loaned securities		
Borrowed securities		
Securities sold under repurchase agreements		
Other temporary transactions		
Forward financial instruments	149 850,00	983 024,64
Transactions on a regulated or equivalent market	149 850,00	313 050,00
Other transactions		669 974,64
Other financial instruments		
RECEIVABLES	1 215 766,51	1 572 814,90
Currency forward exchange transactions		
Other	1 215 766,51	1 572 814,90
FINANCIAL ACCOUNTS	1 225 024,56	855 341,95
Cash and cash equivalents	1 225 024,56	855 341,95
TOTAL ASSETS	71 954 781,41	62 144 660,74

LIABILITIES AND SHAREHOLDERS' EQUITY

	29/09/2023	30/09/2022
SHAREHOLDERS' EQUITY		
Share capital	70 434 034,88	59 382 762,91
Undistributed net capital gains and losses recognised in previous years (a)		
Retained earnings (a)	66,83	
Net capital gains and losses for the year (a, b)	-1 416 242,62	-34 194,23
Net income for the year (a,b)	2 305 264,04	2 002 829,70
TOTAL SHAREHOLDERS' EQUITY*	71 323 123,13	61 351 398,38
<i>* Sum representing the net assets</i>		
FINANCIAL INSTRUMENTS	524 461,20	313 050,00
Sales of financial instruments		
Temporary securities transactions		
Liabilities on securities sold under repurchase agreements		
Liabilities on borrowed securities		
Other temporary transactions		
Forward financial instruments	524 461,20	313 050,00
Transactions on a regulated or equivalent market	149 850,00	313 050,00
Other transactions	374 611,20	
LIABILITIES	107 197,08	480 212,36
Currency forward exchange transactions		
Other	107 197,08	480 212,36
FINANCIAL ACCOUNTS		
Bank overdrafts		
Borrowings		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	71 954 781,41	62 144 660,74

(a) Including accrued income

(b) Less interim dividends paid for the financial year

OFF-BALANCE SHEET ITEMS AS AT 29/09/2023 in euros

	29/09/2023	30/09/2022
HEDGING TRANSACTIONS		
Commitments on regulated or similar markets		
Futures contracts		
EURO SCHATZ 1222		35 364 450,00
EURO BOBL 1223	12 732 500,00	
EURO SCHATZ 1223	15 748 500,00	
Commitments on OTC markets		
Credit Default Swaps		
ITRAXX EUR XOVER S38		9 000 000,00
ITRAXX EUR XOVER S38		4 000 000,00
ITRAXX EUR XOVER S40	12 000 000,00	
Other commitments		
OTHER TRANSACTIONS		
Commitments on regulated or similar markets		
Commitments on OTC markets		
Other commitments		

INCOME STATEMENT AT 29/09/2023 in euros

	29/09/2023	30/09/2022
Income from financial transactions		
Income from deposits and financial accounts	52 168,56	286,42
Income from equities and similar securities		
Income from bonds and similar securities	2 526 750,99	2 197 048,36
Income from debt securities		6 375,00
Income from temporary purchases and sales of securities	7 309,73	
Income from forward financial instruments		
Other financial income		
TOTAL (1)	2 586 229,28	2 203 709,78
Expenses related to financial transactions		
Expenses related to temporary purchases and sales of securities		373,70
Expenses related to forward financial instruments		
Expenses related to financial liabilities	20,15	1 479,18
Other financial charges		
TOTAL (2)	20,15	1 852,88
INCOME FROM FINANCIAL TRANSACTIONS (1 - 2)	2 586 209,13	2 201 856,90
Other income (3)		
Management fees and depreciation and amortisation (4)	209 733,24	519 445,61
NET INCOME FOR THE FINANCIAL YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	2 376 475,89	1 682 411,29
Income adjustment for the financial year (5)	-71 211,85	320 418,41
Interim dividends paid on net income for the financial year (6)		
Net income (1 - 2 + 3 - 4 + 5 - 6)	2 305 264,04	2 002 829,70

NOTES TO THE 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.

- **Shares and similar securities** are valued on the basis of the last known price on their main market.

If applicable, prices are translated into euros using the exchange rate prevailing in Paris on the valuation day (as published by WM Closing).

- **Fixed-income securities:**

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

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

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

Financial instruments whose prices have not been determined on the valuation day or whose prices have been adjusted are valued at their probable trading price, for which the shareholders' meeting is responsible. These 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 with a residual maturity of more than three months:**

Negotiable debt securities traded in large volumes are valued at market price.

In the absence of significant trading volumes, these securities are valued using an actuarial method, with a benchmark rate plus, where applicable, a margin representative of the issuer's intrinsic characteristics.

Benchmark rate	
Negotiable debt securities in euros	Negotiable debt securities in other currencies
Euribor, OIS and Btf swaps - 3 - 6 - 9 - 12 months Btan - 18 months, 2 - 3 - 4 - 5 years	Official key rates in the relevant countries

- **Negotiable debt securities with a residual maturity of three months or less:**

Negotiable debt securities with a residual maturity of three months or less are valued using the straight-line method. However, this method would not be applied if any of these securities were particularly sensitive to market movements.

○ **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**

Financial instruments that are not traded on a regulated market are valued at their foreseeable sale price under the management company's responsibility.

Valuation methods for off-balance sheet commitments

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

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

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

Management fees

Management fees are calculated on each valuation day.

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

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

This amount is 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.

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

<i>Fees charged to the Sub-fund</i>	<i>Basis</i>	<i>Share</i>	<i>Maximum rate (incl. taxes)</i>	
Financial management fees	Net assets excluding UCIs managed by Lazard Frères Gestion	RC EUR	0,80%	
		RVC EUR	0,50%	
		PD EUR	0,40%	
		PVC EUR	0,25%	
		EVC EUR	0,15%	
Operating and other service fees	Net assets	Applied to all shares	0,035%	
Indirect charges (management fees and expenses)	NA	Applied to all shares	None	
Turnover commission (0% to 100% received by the management company and 0% to 100% received by the custodian)	Maximum charge on each transaction	Applied to all shares	Bonds, foreign exchange	None
			Futures and other transactions	From €0 to €450 per batch/contract
Performance fee	Net assets	RC EUR, PD EUR	None	
		RVC EUR	20% above the benchmark index, capped at 2% of the net assets	
		PVC EUR, EVC EUR	20% above the benchmark index, capped at 2% of the net assets	

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 617.
- 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 Sub-fund outperforming its benchmark over the observation period. If a provision is recognised at the end of the observation period, it is crystallised, i.e. it is definitively acquired and becomes payable to the Manager.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of each Sub-fund share and that of a notional UCI achieving the performance of its benchmark index and recording the same subscription and redemption pattern as the actual Sub-fund. The outperformance generated by the Sub-fund share on a given date is defined as the positive difference between the assets of the Sub-fund 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 reference indicator, 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 01/10/2021. At the end of each financial year, one of the following two cases may occur:

- The Sub-fund share 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 Sub-fund share 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 20% of the outperformance) when the performance of the Sub-fund share 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 shares redeemed is definitively acquired and charged by the management company.

Swing pricing adjustments to the net asset value (NAV) with a trigger level for the Lazard Euro Short Duration High Yield Sub-fund

In order to protect the Sub-fund's long-term shareholders, a swing factor will be applied to subscriptions and redemptions that have a significant impact on the Sub-fund's outstandings, which may generate costs for shareholders entering and leaving the Sub-fund that would otherwise have been allocated across all shareholders in the Sub-fund. Therefore, if, on a particular NAV calculation date, the total net subscription/redemption orders of investors across all categories of Sub-fund shares exceeds a threshold predetermined by the financial sub-manager on the basis of objective criteria and expressed as a percentage of the net assets in the Sub-fund, 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 share 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 share category in the Sub-fund.

The cost parameters and trigger level shall be determined by the financial sub-manager 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 Sub-fund.

Insofar as this adjustment mechanism is linked to the net balance of subscriptions/redemptions within the Sub-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 financial sub-manager will have to make such adjustments, which shall not exceed 1,50% of the NAV. Investors should be aware that the volatility of the Sub-fund's NAV may not reflect solely that of the securities in the portfolio arising from the application of swing pricing.

Allocation of distributable income***Definition of distributable income:***

Distributable income consists of:

Net income:

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

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

Capital gains and losses:

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

Allocation of distributable income:

Share(s)	Allocation of net income	Allocation of net realised capital gains or losses
LAZARD EURO SHORT DURATION HIGH YIELD SRI EVC EUR shares	Accumulation	Accumulation
LAZARD EURO SHORT DURATION HIGH YIELD SRI PD EUR shares	Distribution	Accumulation and/or Distribution and/or Retention as decided by the SICAV
LAZARD EURO SHORT DURATION HIGH YIELD SRI PVC EUR shares	Accumulation	Accumulation
LAZARD EURO SHORT DURATION HIGH YIELD SRI RC EUR shares	Accumulation	Accumulation
LAZARD EURO SHORT DURATION HIGH YIELD SRI RVC EUR shares	Accumulation	Accumulation

2. CHANGE IN NET ASSETS AT 29/09/2023 in euros

	29/09/2023	30/09/2022
NET ASSETS AT START OF YEAR	61 351 398,38	32 236 795,18
Subscriptions (including subscription fees retained by the Fund)	25 529 221,26	36 337 685,34
Redemptions (net of redemption fees retained by the Fund)	-18 509 471,91	-4 731 272,25
Realised capital gains on deposits and financial instruments	414 544,16	47 153,07
Realised capital losses on deposits and financial instruments	-1 358 655,31	-854 940,03
Realised capital gains on forward financial instruments	3 702 100,31	6 314 505,04
Realised capital losses on forward financial instruments	-4 287 587,56	-5 600 533,64
Transaction charges	-21 381,12	-9 352,94
Exchange rate differences		
Changes in valuation difference of deposits and financial instruments	3 922 801,55	-4 869 524,48
<i>Valuation difference for financial year N</i>	<i>-578 078,87</i>	<i>-4 500 880,42</i>
<i>Valuation difference for financial year N-1</i>	<i>4 500 880,42</i>	<i>-368 644,06</i>
Changes in valuation difference of forward financial instruments	-1 507 485,84	926 974,64
<i>Valuation difference for financial year N</i>	<i>-524 461,20</i>	<i>983 024,64</i>
<i>Valuation difference for financial year N-1</i>	<i>-983 024,64</i>	<i>-56 050,00</i>
Distribution of prior year's net capital gains and losses		
Dividends paid in the previous financial year	-288 836,68	-128 502,84
Net profit/loss for the financial year prior to income adjustment	2 376 475,89	1 682 411,29
Interim dividend(s) paid on net capital gains/losses during the financial year		
Interim dividend(s) paid on net income during the financial year		
Other items		
NET ASSETS AT END OF YEAR	71 323 123,13	61 351 398,38

3. ADDITIONAL INFORMATION

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC STATUS

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
Bonds and similar securities traded on a regulated or similar market	358 656,56	0,50
Fixed-rate bonds traded on a regulated or similar market	68 413 339,57	95,92
TOTAL BONDS AND SIMILAR SECURITIES	68 771 996,13	96,42
DEBT SECURITIES		
TOTAL DEBT SECURITIES		
LIABILITIES AND SHAREHOLDERS' EQUITY		
SALES OF FINANCIAL INSTRUMENTS		
TOTAL SALES OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGING TRANSACTIONS		
Credit	12 000 000,00	16,82
Interest rate	28 481 000,00	39,94
TOTAL HEDGING TRANSACTIONS	40 481 000,00	56,76
OTHER TRANSACTIONS		
TOTAL OTHER TRANSACTIONS		

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

	Fixed rate	%	Variable rate	%	Revisable rate	%	Other	%
ASSETS								
Deposits								
Bonds and similar securities	68 413 339,57	95,92			358 656,56	0,50		
Debt securities								
Temporary securities transactions								
Financial accounts							1 225 024,56	1,72
LIABILITIES AND SHAREHOLDERS' EQUITY								
Temporary securities transactions								
Financial accounts								
OFF-BALANCE SHEET								
Hedging transactions	28 481 000,00	39,93						
Other transactions								

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

	< 3 months	%	3 months-1 year	%	[1 – 3 years]	%	[3 – 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities			2 889 414,67	4,05	19 871 416,02	27,86	11 859 767,08	16,63	34 151 398,36	47,88
Debt securities										
Temporary securities transactions										
Financial accounts	1 225 024,56	1,72								
LIABILITIES AND SHAREHOLDERS' EQUITY										
Temporary securities transactions										
Financial accounts										
OFF-BALANCE SHEET										
Hedging transactions					15 748 500,00	22,08	12 732 500,00	17,85		
Other transactions										

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

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

	Currency 1		Currency 2		Currency 3		Currency N OTHER(S)	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities								
Bonds and similar securities								
Debt securities								
UCI								
Temporary securities transactions								
Receivables								
Financial accounts								
LIABILITIES AND SHAREHOLDERS' EQUITY								
Sales of financial instruments								
Temporary securities transactions								
Liabilities								
Financial accounts								
OFF-BALANCE SHEET								
Hedging transactions								
Other transactions								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Debit/credit item	29/09/2023
RECEIVABLES		
	Subscription receivables	23 186,31
	Margin cash deposits	267 830,20
	Coupons and dividends in cash	44 750,00
	Collateral	880 000,00
TOTAL RECEIVABLES		1 215 766,51
LIABILITIES		
	Redemptions payable	85 164,38
	Fixed management fees	21 975,47
	Variable management fees	57,23
TOTAL LIABILITIES		107 197,08
TOTAL LIABILITIES AND RECEIVABLES		1 108 569,43

3.6. SHAREHOLDERS' EQUITY

3.6.1. Number of securities issued or redeemed

	In equity	In amounts
LAZARD EURO SHORT DURATION HIGH YIELD SRI EVC EUR shares		
Shares subscribed during the financial year	6 000,000	6 527 340,00
Shares redeemed during the financial year	-2 000,000	-2 156 780,00
Net balance of subscriptions/redemptions	4 000,000	4 370 560,00
Number of shares outstanding at the end of the financial year	13 000,000	
LAZARD EURO SHORT DURATION HIGH YIELD SRI PD EUR shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions		
Number of shares outstanding at the end of the financial year	7 549,312	
LAZARD EURO SHORT DURATION HIGH YIELD SRI PVC EUR shares		
Shares subscribed during the financial year	16 983,417	18 589 625,24
Shares redeemed during the financial year	-13 916,413	-15 247 541,18
Net balance of subscriptions/redemptions	3 067,004	3 342 084,06
Number of shares outstanding at the end of the financial year	42 387,916	
LAZARD EURO SHORT DURATION HIGH YIELD SRI RC EUR shares		
Shares subscribed during the financial year	3 819,887	412 256,02
Shares redeemed during the financial year	-10 160,660	-1 105 150,73
Net balance of subscriptions/redemptions	-6 340,773	-692 894,71
Number of shares outstanding at the end of the financial year	20 460,227	
LAZARD EURO SHORT DURATION HIGH YIELD SRI RVC EUR shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions		
Number of shares outstanding at the end of the financial year	1,000	

3.6.2. Subscription and/or redemption fees

	In amounts
LAZARD EURO SHORT DURATION HIGH YIELD SRI EVC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD EURO SHORT DURATION HIGH YIELD SRI PD EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD EURO SHORT DURATION HIGH YIELD SRI PVC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD EURO SHORT DURATION HIGH YIELD SRI RC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD EURO SHORT DURATION HIGH YIELD SRI RVC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	

3.7. MANAGEMENT FEES

	29/09/2023
LAZARD EURO SHORT DURATION HIGH YIELD SRI EVC EUR shares Guarantee fees Fixed management fees Percentage of fixed management fees Provisioned variable management fees Percentage of variable management fees provisioned Variable management fees earned Percentage of variable management fees earned Retrocessions of management fees	 22 574,61 0,18
LAZARD EURO SHORT DURATION HIGH YIELD SRI PD EUR shares Guarantee fees Fixed management fees Percentage of fixed management fees Provisioned variable management fees Percentage of variable management fees provisioned Variable management fees earned Percentage of variable management fees earned Retrocessions of management fees	 31 682,98 0,42
LAZARD EURO SHORT DURATION HIGH YIELD SRI PVC EUR shares Guarantee fees Fixed management fees Percentage of fixed management fees Provisioned variable management fees Percentage of variable management fees provisioned Variable management fees earned Percentage of variable management fees earned Retrocessions of management fees	 133 015,22 0,27 57,23
LAZARD EURO SHORT DURATION HIGH YIELD SRI RC EUR shares Guarantee fees Fixed management fees Percentage of fixed management fees Provisioned variable management fees Percentage of variable management fees provisioned Variable management fees earned Percentage of variable management fees earned Retrocessions of management fees	 22 403,13 0,80

"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."

	29/09/2023
LAZARD EURO SHORT DURATION HIGH YIELD SRI RVC EUR shares	
Guarantee fees	
Fixed management fees	0,07
Percentage of fixed management fees	0,06
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	

"The 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. Present value of financial instruments held temporarily

	29/09/2023
Securities held under repurchase agreements	
Borrowed securities	

3.9.2. Present value of financial instruments representing security deposits

	29/09/2023
Financial instruments given as security and retained under their original classification	
Financial instruments received as security and not recorded on the balance sheet	

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

	ISIN code	Name	29/09/2023
Equities			
Bonds			
Negotiable debt securities			
UCI			592 144,21
	FR0011291657	LAZARD EU SHRT TRM MONEY M-C	592 144,21
Forward financial instruments			
Total group securities			592 144,21

3.10. APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Table of appropriation of distributable income pertaining to net income

	29/09/2023	30/09/2022
Remaining amounts to be allocated		
Retained earnings	66,83	
Net income	2 305 264,04	2 002 829,70
Interim dividends paid on net income for the financial year		
Total	2 305 330,87	2 002 829,70

	29/09/2023	30/09/2022
LAZARD EURO SHORT DURATION HIGH YIELD SRI EVC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	481 134,12	309 726,46
Total	481 134,12	309 726,46

	29/09/2023	30/09/2022
LAZARD EURO SHORT DURATION HIGH YIELD SRI PD EUR shares		
Appropriation		
Distribution	241 276,01	288 836,68
Balance brought forward for the financial year	60,67	66,83
Accumulation		
Total	241 336,68	288 903,51
Information on shares with dividend rights		
Number of shares	7 549,312	7 549,312
Dividend per share	31,96	38,26
Tax credit		
Tax credit attached to the distribution of earnings		

	29/09/2023	30/09/2022
LAZARD EURO SHORT DURATION HIGH YIELD SRI PVC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	1 520 840,49	1 309 300,54
Total	1 520 840,49	1 309 300,54

	29/09/2023	30/09/2022
LAZARD EURO SHORT DURATION HIGH YIELD SRI RC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	62 015,77	94 895,55
Total	62 015,77	94 895,55

	29/09/2023	30/09/2022
LAZARD EURO SHORT DURATION HIGH YIELD SRI RVC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	3,81	3,64
Total	3,81	3,64

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

	29/09/2023	30/09/2022
Remaining amounts to be allocated		
Undistributed net capital gains and losses recognised in previous years		
Net capital gains and losses for the year	-1 416 242,62	-34 194,23
Interim dividends paid on net capital gains/losses for the financial year		
Total	-1 416 242,62	-34 194,23

	29/09/2023	30/09/2022
LAZARD EURO SHORT DURATION HIGH YIELD SRI EVC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-286 603,09	-5 298,81
Total	-286 603,09	-5 298,81

	29/09/2023	30/09/2022
LAZARD EURO SHORT DURATION HIGH YIELD SRI PD EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-152 783,07	-4 504,08
Total	-152 783,07	-4 504,08

	29/09/2023	30/09/2022
LAZARD EURO SHORT DURATION HIGH YIELD SRI PVC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-931 860,95	-22 801,61
Total	-931 860,95	-22 801,61

	29/09/2023	30/09/2022
LAZARD EURO SHORT DURATION HIGH YIELD SRI RC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-44 993,28	-1 589,68
Total	-44 993,28	-1 589,68

	29/09/2023	30/09/2022
LAZARD EURO SHORT DURATION HIGH YIELD SRI RVC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-2,23	-0,05
Total	-2,23	-0,05

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

	30/09/2020	30/09/2021	30/09/2022	29/09/2023
Global net assets in euros	10 856 257,36	32 236 795,18	61 351 398,38	71 323 123,13
LAZARD EURO SHORT DURATION HIGH YIELD SRI EVC EUR shares in EUR				
Net assets	5 113 131,70	5 498 335,16	9 497 192,22	14 436 051,17
Number of shares	5 000,000	5 000,000	9 000,000	13 000,000
Net asset value per share	1 022,62	1 099,66	1 055,24	1 110,46
Accumulation per share pertaining to net capital gains/losses	11,40	-1,05	-0,58	-22,04
Accumulation per share pertaining to income	9,76	43,95	34,41	37,01
LAZARD EURO SHORT DURATION HIGH YIELD SRI PD EUR shares in EUR				
Net assets	1 022,43	1 092,07	7 610 521,50	7 693 933,13
Number of shares	1,000	1,000	7 549,312	7 549,312
Net asset value per share	1 022,43	1 092,07	1 008,10	1 019,15
Accumulation per share pertaining to net capital gains/losses	11,42	-0,79	-0,59	-20,23
Distribution of income per share:	9,67	46,74	38,26	31,96
Tax credit per share				
LAZARD EURO SHORT DURATION HIGH YIELD SRI PVC EUR shares in EUR				
Net assets	5 741 898,75	26 717 314,93	41 407 990,37	46 928 977,98
Number of shares	5 616,000	24 321,921	39 320,912	42 387,916
Net asset value per share	1 022,41	1 098,48	1 053,07	1 107,13
Accumulation per share pertaining to net capital gains/losses	11,40	-1,03	-0,57	-21,98
Accumulation per share pertaining to income	9,55	42,98	33,29	35,87
LAZARD EURO SHORT DURATION HIGH YIELD SRI RC EUR shares in EUR				
Net assets	102,21	19 942,88	2 835 588,55	2 264 049,46
Number of shares	1,000	181,000	26 801,000	20 460,227
Net asset value per share	102,21	110,18	105,80	110,65
Accumulation per share pertaining to net capital gains/losses	1,15	-0,06	-0,05	-2,19
Accumulation per share pertaining to income	0,95	4,61	3,54	3,03

	30/09/2020	30/09/2021	30/09/2022	29/09/2023
LAZARD EURO SHORT DURATION HIGH YIELD SRI RVC EUR shares in EUR				
Net assets	102,27	110,14	105,74	111,39
Number of shares	1,000	1,000	1,000	1,000
Net asset value per share	102,27	110,14	105,74	111,39
Accumulation per share pertaining to net capital gains/losses	1,15	-0,08	-0,05	-2,23
Accumulation per share pertaining to income	1,02	4,56	3,64	3,81

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
Bonds and similar securities				
Bonds and similar securities traded on a regulated or similar market				
GERMANY				
CMZB FRANCFORT 1.375% 29-12-31	EUR	800 000	676 554,08	0,95
DEUTSCHE LUFTHANSA AG 2.0% 14-07-24	EUR	400 000	392 764,49	0,55
NIDDA HEALTHCARE HOLDING AG 7.5% 21-08-26	EUR	400 000	416 476,00	0,59
SCHAEFFLER AG 2.75% 12-10-25	EUR	1 000 000	987 061,92	1,38
THYSENKRUPP AG 2.875% 22-02-24	EUR	300 000	303 177,02	0,42
ZF FINANCE 5.75% 03-08-26 EMTN	EUR	800 000	807 610,67	1,13
TOTAL GERMANY			3 583 644,18	5,02
AUSTRIA				
RAIF BANK FLR PERP	EUR	400 000	358 656,56	0,50
VILKSBANK WIEN AG 2.75% 06-10-27	EUR	500 000	515 149,13	0,73
VILKSBANK WIEN AG 7.75% PERP	EUR	400 000	386 455,80	0,54
TOTAL AUSTRIA			1 260 261,49	1,77
BELGIUM				
ARGENTA SPAARBANK 5.375% 29-11-27	EUR	600 000	632 646,70	0,89
BELFIUS SANV 3.625% PERP	EUR	600 000	458 881,46	0,64
KBC GROUPE 0.5% 03-12-29 EMTN	EUR	500 000	471 704,69	0,66
TOTAL BELGIUM			1 563 232,85	2,19
SPAIN				
BANC DE 5.125 11-28	EUR	600 000	632 597,63	0,88
BANCO DE BADELL 2.5% 15-04-31	EUR	200 000	180 711,07	0,26
BANCO DE BADELL 5.375% 12-12-28	EUR	600 000	626 050,07	0,88
BANCO DE CREDITO SOCIAL 1.75% 09-03-28	EUR	500 000	418 272,68	0,59
BANCO SANTANDER SA 5.25% PERP	EUR	800 000	787 589,54	1,11
BBVA 1.0% 16/01/1930	EUR	500 000	474 204,14	0,66
CELLNEX TELECOM 2.875% 18-04-25	EUR	800 000	793 005,38	1,11
GRIFOLS 1.625% 15-02-25	EUR	400 000	387 588,67	0,54
GRIFOLS 3.2% 01-05-25	EUR	100 000	97 833,61	0,14
IBERCAJA 3.75% 15-06-25	EUR	700 000	700 455,34	0,98
UNICAJA BAN 2.875% 13-11-29	EUR	200 000	190 815,11	0,26
TOTAL SPAIN			5 289 123,24	7,41
UNITED STATES				
BALL 0,875% 15-03-24	EUR	500 000	492 742,53	0,69
FORD MO 3.021 03-24	EUR	500 000	504 948,07	0,71
FORD MO 6.125 05-28	EUR	1 000 000	1 053 586,31	1,48
GROUPAMA ASSURANCES MUTUELLES SA 6.375% PERP	EUR	100 000	102 337,51	0,13
TOTAL UNITED STATES			2 153 614,42	3,01
FRANCE				
ACCOR 3.0% 04-02-26	EUR	800 000	775 998,58	1,09
ACCOR SA 2.625% PERP	EUR	1 200 000	1 155 310,23	1,62
AIR FR KLM 1.875% 16-01-25	EUR	1 300 000	1 257 186,01	1,76
AIR FR KLM 3.0% 01-07-24	EUR	200 000	198 696,98	0,28
AIR FR KLM 7.25% 31-05-26 EMTN	EUR	700 000	736 120,65	1,04
BANI GR 6.5 03-26	EUR	200 000	199 463,56	0,28
BNP 4.032 12/31/49	EUR	400 000	399 782,13	0,56
BNP PAR 2.5% 31-03-32 EMTN	EUR	800 000	730 607,93	1,02

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
BQ POSTALE 3.875% PERP	EUR	400 000	328 934,26	0,46
CROWN EU HLD 5.0% 15-05-28	EUR	600 000	609 891,00	0,85
EDF 4.0% PERP	EUR	1 500 000	1 523 385,62	2,13
ELIS EX 1.0 04-25	EUR	600 000	570 900,00	0,80
ENGIE 3.25% PERP	EUR	800 000	794 357,53	1,11
FAURECIA 3.125% 15-06-26	EUR	200 000	190 937,00	0,27
FORVIA 2.625% 15-06-25	EUR	100 000	97 442,50	0,14
FORVIA 7.25% 15-06-26	EUR	650 000	686 231,00	0,96
GETLINK 3.5% 30-10-25	EUR	1 000 000	984 671,67	1,38
GOLDSTORY SASU 5.375% 01-03-26	EUR	300 000	294 129,83	0,41
ILIA HO 5.125 10-26	EUR	600 000	586 309,00	0,82
LOXAM SAS 4.5% 15-02-27	EUR	800 000	761 128,00	1,07
ORAN 5.0% PERP EMTN	EUR	300 000	299 376,97	0,42
ORANGE 2.375% PERP	EUR	400 000	385 732,52	0,54
ORANO 5.375% 15-05-27 EMTN	EUR	800 000	827 301,57	1,16
ORANO SA 4.875% 23-09-24 EMTN	EUR	500 000	503 613,48	0,71
PAPREC 4.0% 31/03/2025	EUR	300 000	296 287,67	0,42
PARTS EUROPE 6.5% 16-07-25	EUR	250 000	253 608,33	0,35
PICARD GROUPE 3.875% 01-07-26	EUR	200 000	188 277,00	0,26
RCI BANQUE 4.625% 13-07-26	EUR	400 000	405 274,81	0,57
RENAULT 1.25% 24-06-25 EMTN	EUR	200 000	188 545,89	0,27
RENAULT SA	EUR	700 000	655 816,48	0,92
SG 1.125% 30-06-31 EMTN	EUR	1 000 000	885 120,08	1,24
SOLVAY FINANCE 5.425% 31/12/99	EUR	300 000	314 636,94	0,44
SPCM 2.0% 01-02-26	EUR	200 000	189 280,19	0,27
SPIE 2.625% 18-06-26	EUR	1 000 000	955 849,18	1,34
TOTALENERGIES SE 1.75% PERP	EUR	700 000	691 923,53	0,97
VALEO 5.375% 28-05-27 EMTN	EUR	800 000	815 978,25	1,14
VALLOUREC 8.5% 30-06-26	EUR	700 000	729 390,67	1,03
TOTAL FRANCE			21 467 497,04	30,10
GREECE				
ALPHA BANK 4.25% 13-02-30 EMTN	EUR	700 000	668 863,09	0,94
NATL BA 8.25 07-29	EUR	500 000	515 835,78	0,73
NATL BANK OF GREECE 7.25% 22-11-27	EUR	1 000 000	1 111 258,49	1,56
PIRAEUS BANK 3.875% 03-11-27	EUR	450 000	433 934,51	0,61
PIRAEUS BANK 8.25% 28-01-27	EUR	750 000	825 191,10	1,15
PIRAEUS FINANCIAL 8.75% PERP	EUR	600 000	557 213,25	0,78
Pira Fi 9.75 06-29	EUR	900 000	940 291,16	1,31
TOTAL GREECE			5 052 587,38	7,08
HUNGARY				
OTP BANK 5.5% 13-07-25 EMTN	EUR	500 000	505 446,20	0,70
RAIFFEISEN BANK RT BUDAPEST 8.75% 22-11-25	EUR	600 000	661 346,22	0,93
TOTAL HUNGARY			1 166 792,42	1,63
IRELAND				
AIB GROUP 1.875% 19-11-29 EMTN	EUR	1 500 000	1 453 013,42	2,03
BK IREL 1.875 06-26	EUR	350 000	336 238,89	0,48
BK IRELAND 1.375% 11-08-31	EUR	500 000	445 628,06	0,62
SMUR KA 2.875 01-26	EUR	800 000	782 507,33	1,11
TOTAL IRELAND			3 017 387,70	4,24

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
ITALY				
AUTO PER 1.875% 04-11-25 EMTN	EUR	300 000	290 814,35	0,41
Banca Ifis 4.5% 17-10-27 EMTN	EUR	200 000	206 125,79	0,28
BANCA POPOLARE DELL EMILIA ROMAGNA 4.625% 22-01-25	EUR	1 000 000	1 031 849,93	1,45
BANCO BPM 2.875% 29-06-31 EMTN	EUR	100 000	90 095,60	0,13
BANCO BPM 4.25% 01-10-29	EUR	700 000	688 801,57	0,96
ENI 2.625% PERP	EUR	500 000	474 547,19	0,67
FONDIARIA SAI 5.75% 31-12-99	EUR	1 100 000	1 107 436,12	1,55
INTE 3.75% PERP	EUR	500 000	435 875,19	0,61
INTESA SANPAOLO 6.25% PERP	EUR	1 200 000	1 223 492,61	1,72
MONTE PASCHI 6.75% 02-03-26	EUR	500 000	517 123,75	0,73
TELE IT 2.75 04-25	EUR	400 000	388 141,34	0,54
TELE IT 6.875 02-28	EUR	600 000	610 472,53	0,86
UBI BANCA UNIONE DI BANCHE ITALIANE 4.375% 12-07-29	EUR	400 000	400 298,58	0,57
UNICREDIT 2.0% 23-09-29 EMTN	EUR	800 000	766 409,16	1,07
UNICREDIT 5.85% 15-11-27 EMTN	EUR	600 000	644 116,93	0,90
TOTAL ITALY			8 875 600,64	12,45
LUXEMBOURG				
EURO SC 2.125 07-24	EUR	500 000	493 472,10	0,69
EURO SC 6.75 PERP.	EUR	1 000 000	1 007 154,26	1,42
TOTAL LUXEMBOURG			1 500 626,36	2,11
NETHERLANDS				
AEGON 4 04/25/44	EUR	200 000	201 324,13	0,28
DUFY ONE BV 2.5% 15-10-24	EUR	350 000	346 995,83	0,49
IBERDROLA INTL BV 3.25% PERP	EUR	1 000 000	996 546,58	1,40
ING GROEP NV 1.625% 26-09-29	EUR	1 000 000	960 035,79	1,34
KPN 2.0% PERP	EUR	400 000	386 372,52	0,54
LEAS CO 7.375 PERP	EUR	800 000	814 541,41	1,15
NN GROUP NV 4.375% PERP EMTN	EUR	302 000	301 600,75	0,42
NN GROUP NV 4.5% PERP	EUR	600 000	588 027,64	0,82
REPSOL INTERNATIONAL FINANCE BV 4.5% 25-03-75	EUR	700 000	705 947,59	0,99
TELE EU 3.0 PERP	EUR	700 000	714 237,38	1,00
TELE EU 4.375 PERP	EUR	700 000	704 053,50	0,99
TOTAL NETHERLANDS			6 719 683,12	9,42
PORTUGAL				
BCP 3.871% 27-03-30 EMTN	EUR	700 000	666 753,75	0,94
BCP 8.5% 25-10-25 EMTN	EUR	500 000	556 890,86	0,78
BCP 8.75% 05-03-33 EMTN	EUR	600 000	630 157,84	0,88
BCP 9.25% PERP	EUR	400 000	404 948,78	0,57
ENERGIAS DE PORTUGAL EDP 4.496% 30-04-79	EUR	1 000 000	1 014 828,28	1,42
TOTAL PORTUGAL			3 273 579,51	4,59
CZECH REPUBLIC				
CESKA SPORITELNA AS 5.943% 29-06-27	EUR	500 000	513 196,60	0,72
TOTAL CZECH REPUBLIC			513 196,60	0,72
UNITED KINGDOM				
INEOS FINANCE 2.875% 01-05-26	EUR	100 000	94 209,89	0,14
INTL CO 2.75 03-25	EUR	100 000	97 875,12	0,14
JAGU LA 6.875 11-26	EUR	300 000	310 067,75	0,43

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
NATI BU 2.0 07-29	EUR	1 000 000	973 060,14	1,36
VODA GR 2.625 08-80	EUR	500 000	458 281,84	0,64
TOTAL UNITED KINGDOM			1 933 494,74	2,71
SLOVENIA				
NOVA KREDITNA BANKA MARIBOR DD 7.375% 29-06-26	EUR	400 000	416 533,70	0,58
NOVA LJUBLJANSKA BANKA DD 7.125% 27-06-27	EUR	200 000	210 155,57	0,30
TOTAL SLOVENIA			626 689,27	0,88
SWEDEN				
VERI HO 9.25 10-27	EUR	700 000	774 985,17	1,09
TOTAL SWEDEN			774 985,17	1,09
TOTAL Bonds and similar securities traded on a regulated or similar market			68 771 996,13	96,42
TOTAL Bonds and similar securities			68 771 996,13	96,42
Undertakings for collective investment				
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries				
FRANCE				
LAZARD EU SHRT TRM MONEY M-C	EUR	293	592 144,21	0,83
TOTAL FRANCE			592 144,21	0,83
TOTAL general UCITS and general AIFs aimed at non-professionals and their equivalent in other countries			592 144,21	0,83
TOTAL Undertakings for collective investment			592 144,21	0,83
Forward financial instruments				
Futures contracts				
Futures contracts on a regulated or equivalent market				
EURO BOBL 1223	EUR	110	-92 100,00	-0,13
EURO SCHATZ 1223	EUR	150	-57 750,00	-0,08
TOTAL Futures contracts on a regulated or equivalent market			-149 850,00	-0,21
TOTAL Futures contracts			-149 850,00	-0,21
Other forward financial instruments				
Credit Default Swap				
ITRAXX EUR XOVER S40	EUR	-12 000 000	-374 611,20	-0,52
TOTAL Credit Default Swap			-374 611,20	-0,52
TOTAL Other forward financial instruments			-374 611,20	-0,52
TOTAL Forward financial instruments			-524 461,20	-0,73
Margin call				
CACEIS MARGIN CALL	EUR	149 850	149 850,00	0,21
TOTAL Margin call			149 850,00	0,21
Receivables			1 215 766,51	1,70
Liabilities			-107 197,08	-0,15
Financial accounts			1 225 024,56	1,72
Net assets			71 323 123,13	100,00

LAZARD EURO SHORT DURATION HIGH YIELD SRI PD EUR shares	EUR	7 549,312	1 019,15
LAZARD EURO SHORT DURATION HIGH YIELD SRI PVC EUR shares	EUR	42 387,916	1 107,13
LAZARD EURO SHORT DURATION HIGH YIELD SRI RVC EUR shares	EUR	1,000	111,39
LAZARD EURO SHORT DURATION HIGH YIELD SRI RC EUR shares	EUR	20 460,227	110,65
LAZARD EURO SHORT DURATION HIGH YIELD SRI EVC EUR shares	EUR	13 000,000	1 110,46

ADDITIONAL INFORMATION ON THE TAX REGIME APPLICABLE TO INTEREST PAYMENTS

Breakdown of interest: LAZARD EURO SHORT DURATION HIGH YIELD SRI PD EUR shares

	NET OVERALL	CURRENCY	NET PER SHARE	CURRENCY
Revenue subject to non-definitive withholding tax	241 276,01	EUR	31,96	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax				
Other income not eligible for a tax allowance and subject to non-definitive withholding tax				
Non-declarable and non-taxable income				
Amounts paid out in relation to capital gains and losses				
TOTAL	241 276,01	EUR	31,96	EUR

20. 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 EURO SHORT DURATION HIGH YIELD SRI

Legal entity identifier: 969500DLCVWEF8C6KD21

Environmental and/or social characteristics

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

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

Did this financial product have a sustainable investment objective?

Yes

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

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

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

It made a minimum of **sustainable investments with a social objective**

No

It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 39,87% of sustainable investments

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

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

with a social objective

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



Sustainability indicators

measure how the environmental or social characteristics promoted by the 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

Moreover, the portfolio promotes 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

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 at several levels:

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

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

Each E, S and G pillar is rated from 1 to 5 based on a minimum of ten 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 (WACC) 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:

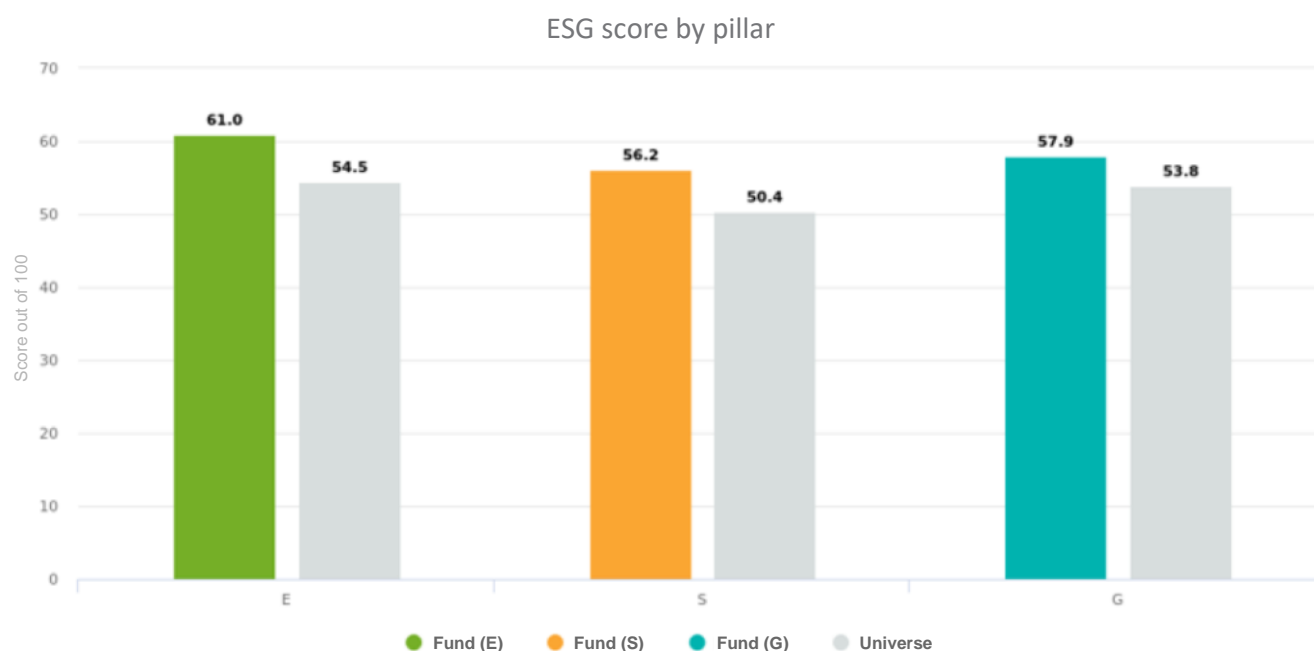
In addition, to confirm the robustness of the internal model, the analysts-managers ensure that the portfolio's weighted average ESG rating is higher than the average of the reference universe by using Moody's ESG Solutions non-financial rating framework, after eliminating the 20% of the lowest rated securities.

Evolution of the ESG



The portfolio's ESG reference universe is:

50% Eurozone universe provided by our ESG partners, equi-weighted, restricted to the following sectors: Diversified Banks, Insurance, Financial Services General, Retail and Specialized Banks; 50% ICE BofA Euro Non-financial Fixed & Floating Rate High Yield Constrained Index



● ***... and compared to previous periods?***

Not applicable

● ***What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?***

The definition of sustainable investment within the meaning of the SFDR is based on the selection of indicators that show a substantial contribution to one or more environmental and social objectives, which do not harm any of the adverse impact indicators and ensures good governance principles.

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

A sustainable investment objective is attained if the substantial contribution of the corresponding indicator is validated, the other indicators are not prejudiced, and good governance principles are complied with.

Substantial contribution is measured by the application of thresholds for each of the above indicators.

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	31,09%
GHG intensity	Included in the lowest 20% of the sector	4,80%
Implied temperature rise in 2100	<2°C	23,10%
Number of low-carbon patents	Included in the top 20% of the universe	9,71 %
% of women in executive management	Included in the top 20% of the universe	4,62%
Number of hours of training for employees	Included in the top 20% of the universe	2,55%
Benefits coverage	See sustainable investment presentation www.lazardfreresgestion.fr	7,77%
Diversity policies by management	See presentation www.lazardfreresgestion.fr	7,31%

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

The absence of significant harm is assessed on the basis of all the PAI indicators listed in Table 1 of Annex I to Delegated Regulation (EU) 2022/1288 of 6 April 2022. In the event of insufficient coverage of the investment universe for certain indicators, alternative criteria may be used on an exceptional basis (such as for the PAI 12, use of an indicator on management attention to diversity). 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".

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

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.

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.

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.

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

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

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

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

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

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



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

The proprietary model for ESG analysis of portfolio companies takes into account all indicators related to companies' principal adverse 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:

01/10/2022 to 30/09/2023

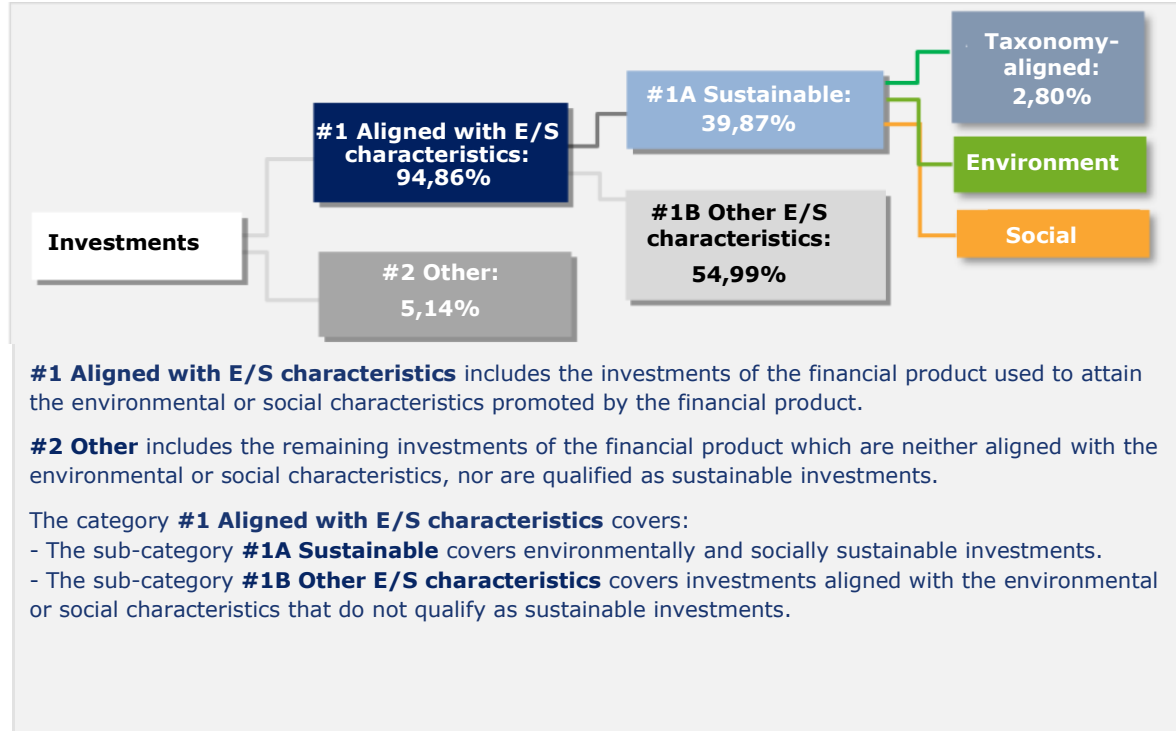
Largest investments	Sector	Percentage of assets	Country
1. LAZARD EU SHRT TRM MONEY M-C	UCI	3,61 %	France
2. EDF 4.0% PERP	Electricity, gas, steam and air conditioning supply	2,04%	France

Largest investments	Sector	Percentage of assets	Country
3. AIR FR KLM 1.875% 1601-25	Transportation and storage	1,47%	France
4. BANCA POPOLARE DELL EMILIA ROMAGNA 4.625% 22-01-25	Financial and insurance activities	1,41%	Italy
5. ENERGIAS DE PORTUGAL EDP 4.496% 30-04-79	Electricity, gas, steam and air conditioning supply	1,40%	Portugal
6. IBERDROLA INTL BV 3.25% PERP	Unknown sector	1,37%	Netherlands
7. PIRAEUS FINANCIAL 9.75% 26-06-29	Financial and insurance activities	1,29%	Greece
8. INTESA SANPAOLO 6.25% PERP	Financial and insurance activities	1,24%	Italy
9. NATL BANK OF GREECE 7.25% 22-11-27	Financial and insurance activities	1,17%	Greece
10. ACCOR SA 2.625% PERP	Accommodation and food service activities	1,09%	France
11. BANCO SANTANDER SA 5.25% PERP	Financial and insurance activities	1,07%	Spain
12. PIRAEUS BANK 8.25% 28-01-27	Unknown sector	1,01%	Greece
13. BPCE 4.625% 18/07/23	Unknown sector	0,99%	France
14. ENGIE 3.25% PERP	Electricity, gas, steam and air conditioning supply	0,99%	France
15. VALLOUREC 8.5% 30-06-26	Manufacturing	0,99%	France



What was the proportion of sustainability-related investment?

● What was the asset allocation?

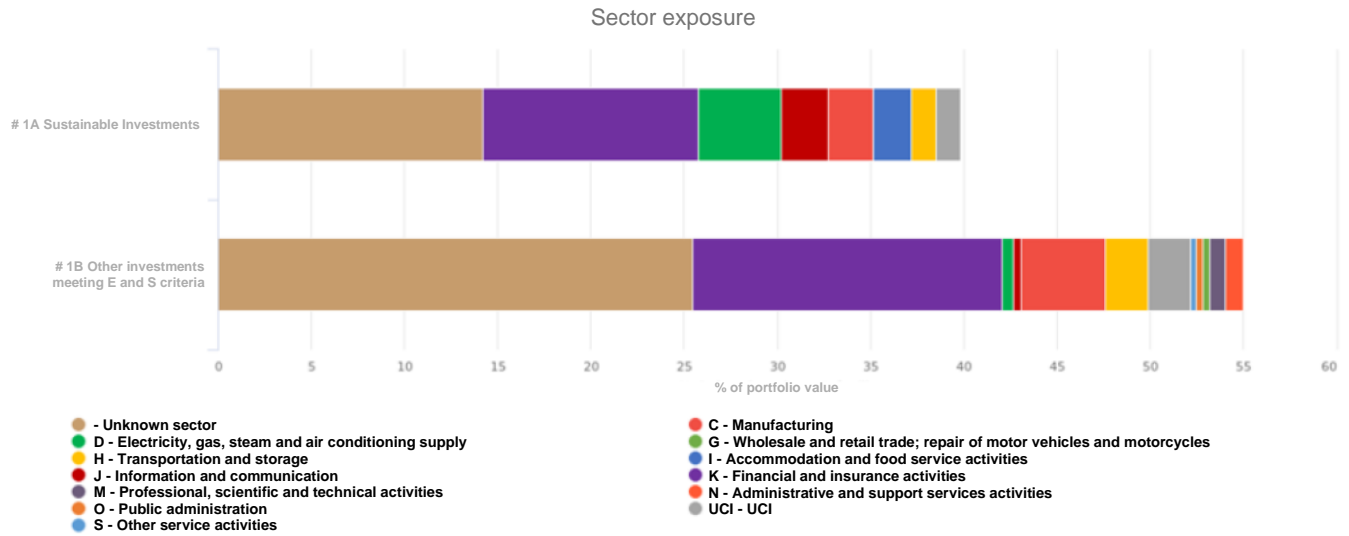


Asset allocation describes the share of investments in specific assets.

Details of sustainable investments	
Weight of sustainable investments in the portfolio	39,87%
Of which sustainable investments E	37,65%
Of which sustainable investments S	26,12%

An investment is considered to be sustainable if it complies with at least one of the rules presented above, while not prejudicing any of the negative impact indicators and ensuring good governance criteria. A company can therefore be considered as environmentally and socially sustainable.

In which economic sectors were the investments made?



Exposure to the fossil fuel sector averaged 7,97% over the period.

Taxonomy-aligned activities are expressed as a share of:

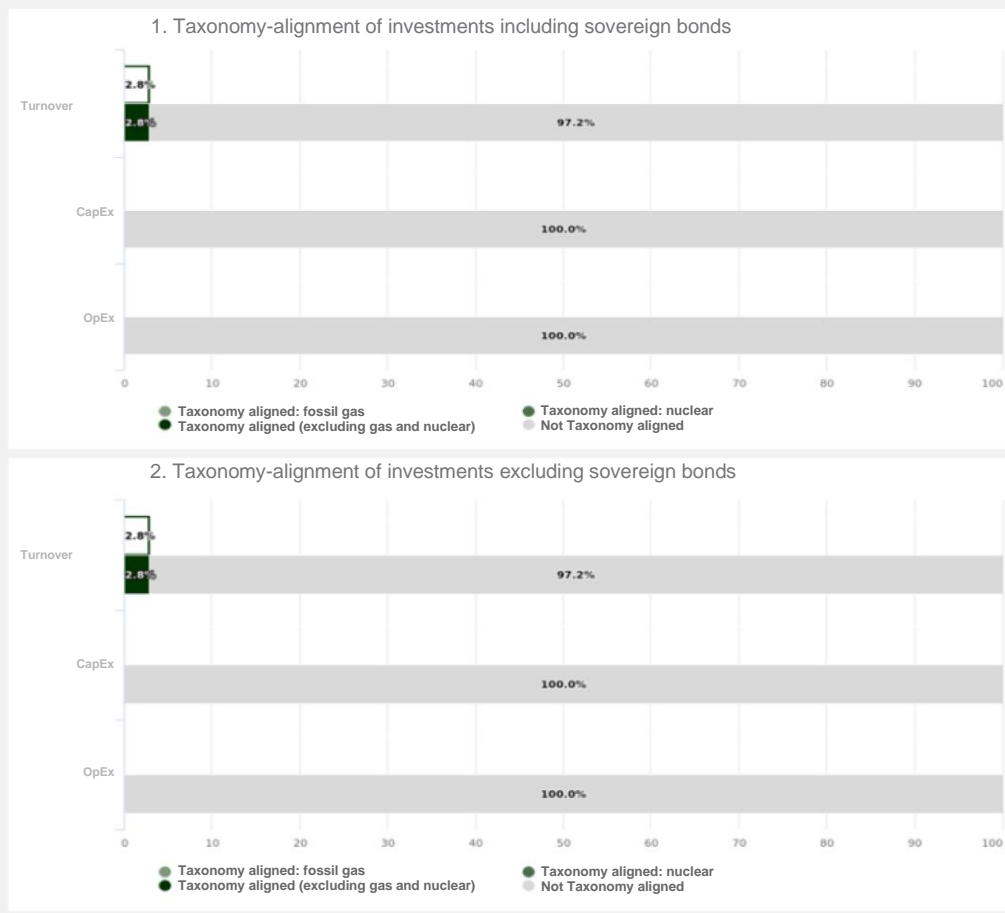
- **turnover** reflects the “greenness” of investee companies today;
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy;
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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

- **Did the financial product invest in Taxonomy aligned fossil fuel and/or nuclear energy activities?**

At the date of production of this document, Lazard Frères Gestion does not have the data needed to identify the share of activities related to Taxonomy aligned fossil fuel and/or nuclear energy sectors.

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



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

● **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



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



What 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 35,98%

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 26,12%

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



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

The "other" category consists mainly of money market UCIs and cash. Over the past period, the "other" segment represented on average 5,14%.



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

To promote environmental and social characteristics, the following elements have been respected:

- The non-financial analysis rate

The non-financial analysis rate of the product's investments is over 90%. This rate is expressed as a percentage of total assets. Over the past period, the non-financial analysis rate was 94,86% 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.

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 on the engagement and voting policy, please refer to the voting and engagement reports available at <https://www.lazardfreresgestion.fr>.



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

Not applicable.

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

- ***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.

**Sub-fund:
LAZARD GLOBAL GREEN BOND
OPPORTUNITIES**

21. CHARACTERISTICS OF THE UCI

LEGAL FORM

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

CLASSIFICATION

International bonds and other debt securities.

ALLOCATION 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 Sub-fund's portfolio, plus income generated by temporary cash holdings, 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.

EC EUR, PVC EUR, PC EUR, RC EUR, RVC EUR shares

Distributable income shall be fully accumulated, with the exception of those amounts subject to compulsory distribution by law.

PD EUR, RD EUR shares

Net income is distributed in full and the allocation of net realised capital gains is decided each year at the Shareholders' Meeting. It may pay interim dividends.

Fund of funds

None.

INVESTMENT OBJECTIVE

EC EUR, PVC EUR, PC EUR, RC EUR, RVC EUR, PD EUR, RD EUR shares

The investment objective is to outperform the benchmark index ICE BofA 1-3 Year Euro Government Index (EG01) + 0,80%, net of charges, over the recommended investment period of three years, while promoting the ecological and energy transition through investment in green bonds.

The benchmark index is expressed in EUR.

BENCHMARK INDEX

EC EUR, PVC EUR, PC EUR, RC EUR, RVC EUR, PD EUR, RD EUR shares

ICE BofAML 1-3 Year Euro Government Index +0,80%

The ICE BofAML 1-3 Year Euro Government Index +0,80% is a basket of euro-denominated bonds issued by Eurozone member states with a maturity of between 1 and 3 years. Transaction fees are included. The data are available on the website: www.indices.theice.com

INVESTMENT STRATEGY

1. Strategies used by the Lazard Global Green Bond Opportunities Sub-fund

The Sub-Fund aims to achieve an annual performance, net of fees, that exceeds the benchmark index + 0,80%, through dynamic management of interest rate risk, credit risk and currency risk, by investing in corporate, public entity, government or supranational bonds issued to finance projects with a positive impact on the environment such as renewable energies, energy efficiency, pollution prevention and control, sustainable waste and water management, biodiversity preservation, sustainable land use, clean transportation, the circular economy, green buildings and adaptation to climate change.

The Sub-fund invests in sustainable bonds, with a minimum of 90% in green bonds that are intended to finance the ecological and energy transition. Green bonds must comply with the principles set out in the International Capital Market Association (ICMA) Green Bond Principles (GBP). Up to 10% may be diversified into bonds issued by issuers whose economic activity is considered sustainable within the meaning of the SFDR Regulation, Social Bonds whose objective is to finance socially sustainable projects and aiming to provide substantial social benefits, and/or Sustainability Bonds whose funds are used exclusively for environmental and social projects. Social Bonds must comply with the four principles set out in the ICMA's Social Bond Principles (SBP). Sustainability Bonds must follow the principles of the GBP and the SBP, respectively relevant for environmental and social projects in accordance with the ICMA's Sustainability Bond Guidelines (SBG).

The GBP, SBG and SBP are a set of frameworks whose principles are as follows:

- 1/ the use of funds,
 - 2/ the project assessment and selection process,
 - 3/ fund management, and
 - 4/ reporting.
- Percentages exclude cash and money market funds.

The selection process for sustainable investments with an environmental or social purpose covers at least 80% of the fund's net assets. The portfolio only makes sustainable investments except for a proportion of assets for hedging and liquidity purposes. If a security held in the portfolio is not eligible for sustainable investment, the position will be sold within three months.

As such, the Sub-Fund has a sustainable investment objective within the meaning of Article 9 of Regulation (EU) 2019/2088 known as the "SFDR Regulation".

The initial investment universe is the global universe of bonds and negotiable debt securities denominated in euros or other currencies, of any subordination rank, at fixed, variable or indexed rates, issued by companies, financial institutions, public entities and governments. To build the portfolio, the manager conducts their own analysis of bonds and debt securities. The portfolio manager may invest in any type of issuer, regardless of geographical location. The manager conducts their own credit assessment for selection purposes, both at the time of purchase and during the life of the securities. They do not rely solely on ratings issued by rating agencies and develop credit risk analysis and the necessary procedures to make purchase decisions or sell or hold decisions in the event of a downgrade.

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

Interest rate risk (including derivatives)		Investment		Exposure	
		Min.	Max.	Min.	Max.
Interest rate risk sensitivity range		-3	12	-3	12
Credit risk		Investment		Exposure	
		Min.	Max.	Min.	Max.
Geographical area of the Issuer	Europe zone	0%	100%	0%	100%
	Other regions	0%	100%	0%	100%

The Sub-fund may invest in bonds denominated in currencies other than the euro. The net exposure to currencies other than the euro may reach 10% of the net assets.

The Sub-fund will also engage in dynamic management of currency risk to optimise its medium-term performance.

The Sub-fund may use interest rate and currency futures, interest rate and currency options, interest rate and currency swaps, and currency forward transactions traded on regulated, organised and/or OTC markets for hedging and/or exposure purposes, thereby taking the Sub-fund's exposure beyond 100% of the net assets. The portfolio is exposed to interest rate, foreign exchange, credit and volatility risk, up to a fixed amount calculated based on the absolute VaR. The VaR level must remain lower than 15% and leverage must not exceed 400% gross. Hedging will be discretionary.

The use of derivatives for hedging purposes meets a technical and portfolio adjustment objective to hedge risks. They can also be used to obtain additional exposure on a temporary basis.

Selection of derivatives according to ESG criteria

In accordance with the Sub-Fund's policy, the use of derivatives will not affect the sustainable quality of the portfolio.

Before investing, our analysts perform a first level of ESG analysis, common to the entire management company. This analysis covers both the issuers' ESG profile and the green bonds selected.

Internal analysis of issuers' ESG profile

Based on the various data provided by our ESG partners (extra-financial analysis agencies), the companies' annual reports, sustainability reports and direct exchanges with them, the analysts responsible for each stock monitored establish an internal ESG score.

This score is based on quantitative indicators (such as CO2 intensity, staff turnover rate, board independence rate, etc.) and qualitative indicators (such as the existence and solidity of the environmental policy, the existence of an equal opportunity policy, management remuneration policy, etc.).

The analyst-manager assesses these data for each company in absolute and relative terms by comparing it with companies in the same sector and the same geographical area.

Each E, S and G pillar is scored from 1 to 5 (5 being the best score) based on at least ten relevant key indicators per pillar.

1) Environmental pillar:

The analyst-manager:

- Assesses each component of this pillar: Emissions, Energy, Water, Waste, Biodiversity, based on the Lazard Frères Gestion materiality table;
- Analyses the severity of any controversies;
- Takes into account the absolute and relative rating of our external ESG partners in his/her assessment.

Based on his/her fundamental knowledge of the company and in light of the material ESG indicators for its sector, the analyst-manager assigns a score for Pillar E.

2) Social pillar:

The analyst-manager:

- Assesses each component of this pillar: Human Resources, Gender equality, Health and Safety, Relations with external third parties, based on the Lazard Frères Gestion materiality table;
- Analyses the severity of any controversies;
- Takes into account the absolute and relative rating of our external ESG partners in his/her assessment.

Based on his/her fundamental knowledge of the company and in light of the material ESG indicators for its sector, the analyst-manager assigns a score for Pillar S.

3) Governance pillar:

The analyst-manager:

- Assesses each component of this pillar: Shareholder structure, Board independence, Diversity, Roots, Multi-representation, Remuneration, based on the Lazard Frères Gestion materiality table;
- Analyses the severity of any controversies;
- Takes into account the service provider's absolute and relative score in his/her assessment.

Based on his/her fundamental knowledge of the company and in light of the material ESG indicators for its sector, the analyst-manager assigns a score for Pillar G.

The issuer's overall ESG score summarises the scores for each pillar according to the following weighting: 30% for Environment, 30% for Social and 40% for Governance.

This rating system therefore takes into account the risks likely to affect the sustainability of companies, or Sustainability Risks: regulatory, physical and reputational risks. These risks are assessed by monitoring of controversies, as well as by monitoring companies' main negative impacts in terms of sustainability, or Principal Adverse Impacts (carbon emissions, energy consumption, water consumption, waste production), i.e. 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 to or impairment of the value of assets;
- 4) higher cost of capital,
- 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.

The inclusion of environmental, social and governance (ESG) criteria influences the analysis of companies held in the portfolio, selection of securities and weighting. ESG criteria are considered according to a "Best in Universe" approach that consists in favouring the issuers with the best non-financial ratings, irrespective of their business sector;

Based on internal ESG analysis grids, the bond analyst-managers:

- Limit to 30% of the portfolio the share of investment grade issuers with a rating of three or less.
- Limit to 50% of the portfolio the share of High Yield issuers with a rating of three or less.
- Exclude issuers with a rating of 2 or less.

The information relating to the Principal Adverse Impacts on sustainability factors is published in the Sub-fund's periodic SFDR reports, available on the website of the management company.

Lazard Frères Gestion will specify by December 30th, 2022 how this product considers negative impacts on sustainability factors in the pre-contractual appendix provided for in the SFDR.

ESG analysis of sustainable bonds

The ESG analysis specific to green bonds is based on internal analysis tools specific to each issue, based on three pillars:

- The issuer's ESG profile and environmental strategy;
- Compliance with best practices defined in the Green Bond Principles (GBP): use of funds, project selection and assessment process, fund management and reporting;
- The level of opinion provided by the external review of an independent third party (Second Party Opinion, SPO), judging the quality of the green bond.

The ESG analysis of Social Bonds and Sustainability Bonds as defined by the Social Bond Principles (SBP) and the International Capital Market Association's (ICMA) Sustainability Bond Guidelines (SBG) is based on the same internal analysis tools as green bonds.

SRI management

The UCI is managed in accordance with the principles of the SRI label defined by the French Ministry of Economy and Finance. The inclusion of environmental, social and governance (ESG) criteria influences the analysis of companies held in the portfolio, selection of securities and weighting.

In the context of SRI management, the analysts/managers follow a "rating enhancement" approach by ensuring that an external ESG rating is maintained above that of a composite index composed of 90% ICE BofA Green Bond (GREN) + 10% ICE BofA Euro High Yield Index (HE00) after elimination of the worst 20%.

For the sake of integrity and objectivity, a second ESG selection process is implemented by the management team and is based on ratings provided by our partner Moody's ESG Solutions.

In order to emphasise the Sub-fund's environmental dimension, the external ESG ratings of the Sub-fund and the index correspond to the weighted average of the absolute E, S and G ratings provided by Moody's ESG Solutions, with the following weights: 50% for Environment, 25% for Social and 25% for Governance.

The proportion of issuers covered by the ESG analysis provided by Moody's ESG Solutions in the portfolio must be greater than 90%, excluding bonds and other debt securities issued by public or quasi-public issuers and cash held on an ancillary basis, and social impact assets.

The risk control department ensures compliance with this criterion.

As part of SRI management, the following impact indicators are reported at least once a year:

- Environmental criterion:
 - Carbon footprint
 - Carbon reduction initiatives
- Social criterion:
 - % of women in senior management positions
- Human rights criterion:
 - % of signatories to the United Nations Global Compact
- Governance criterion:
 - % of independent directors

Regulation (EU) 2020/852, the "Taxonomy Regulation"

The European Union Taxonomy aims to identify economic activities that are considered environmentally sustainable. The Taxonomy identifies these activities according to their contribution to six broad environmental objectives:

- Climate change mitigation,
- Climate change adaptation,
- Sustainable use and protection of water and marine resources,
- Transition to the circular economy (waste, prevention and recycling),
- Pollution prevention and control,
- Protection of healthy ecosystems.

Currently, Technical Screening Criteria have been developed for a number of economic activities that can contribute substantially to two of these objectives: climate change mitigation and climate change adaptation. These criteria are currently awaiting publication in the Official Journal of the European Union. The data presented below therefore only reflect alignment with these two objectives, based on the not-yet-finally published criteria as submitted to the European co-legislators. We will update this information in the event of changes to these criteria, the development of new review criteria relating to these two objectives, as well as when the criteria relating to the other four environmental objectives come into effect: sustainable use and protection of aquatic and marine resources; the transition to a circular economy; pollution prevention and reduction; the protection and restoration of biodiversity and ecosystems.

To be considered sustainable, an economic activity must demonstrate that it contributes substantially to the achievement of one of the six objectives, while not harming any of the other five (the so-called DNSH principle, standing for "Do No Significant Harm"). In order for an activity to be considered aligned with the European Taxonomy, it must also respect the human and social rights guaranteed under international law.

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.

The minimum percentage of alignment with the European Union Taxonomy is 0%. Consideration of the alignment of companies' activities is carried out qualitatively in the internal analysis process based on the data published by the companies themselves as well as data made available by our ESG data providers.

2. Non-derivative assets of the Lazard Global Green Bond Opportunities Sub-fund

The Sub-fund's portfolio comprises:

Equities

- A maximum of 5% of the net assets in preference shares insofar as they may be considered deeply subordinated instruments with the following characteristics: rated investment grade by a ratings agency or an equivalent rating by the management company; a fixed dividend comparable to accrued interest; perpetual debt likely to be called in by the issuer under specified conditions; sensitive to interest rates.
- A maximum of 5% of the net assets in ordinary shares. The Sub-fund will not invest actively in equities but may hold equities if they derive from a debt restructuring, typically following an exchange of shares for debt. They may be of any market capitalisation (large market capitalisations of more than €10 billion, mid-market capitalisations of between €5 billion and €10 billion and small market capitalisations of between €0 billion and €5 billion), and without any predominant geographical area. The fund manager will do their best to sell the shares received as soon as possible and in any case over a period of less than three years, depending on market conditions with a view to optimising the exit price for the shareholders.

Debt securities and money market instruments:

- Green bonds: 90% minimum
- A maximum of 100% of the net assets in bonds and negotiable debt securities denominated in euros and/or any currency issued by companies, financial institutions, public entities and governments, rated investment grade by the rating agencies or an equivalent rating based on the management company's analysis.
- A maximum of 60% of the net assets in bonds and negotiable debt securities denominated in currencies other than the euro and the US dollar.
- A maximum of 10% of the net assets in convertible bonds.
- A maximum of 50% of the net assets in perpetual subordinated bonds, of which a maximum of 10% of the net assets in contingent convertible bonds (CoCos).
- A maximum of 30% of the net assets in speculative/high yield bonds with a minimum rating of B-/B3 by the rating agencies or an equivalent rating based on the management company's analysis.
- Debt securities and money market instruments issued by public or private entities, rated at least BBB-. They will be used for the purpose of managing the vehicle's cash flow.

Specific euro-denominated instruments

Securities issued as part of a EMTN programme whose issuer is not the same as the issuer of the underlying security, insofar as the performance of these securities is index-linked to changes in interest rate or credit spread risk. Up to a maximum of 20% of the net assets.

UCI

French or foreign UCITS or AIFs that meet the four criteria of Article R. 214-13 of the French Monetary and Financial Code (*Code Monétaire et Financier*), money market, short-term money market and bond funds up to a maximum of 10% of the net assets. All UCIs may be managed by the management company.

3. Derivatives of the Lazard Global Green Bond Opportunities Sub-fund

- Types of markets:

- regulated
- organised
- OTC

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

- equity
- 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
 - interest rate
 - foreign exchange
 - other
- options:**
 - equity and equity indices
 - interest rate
 - foreign exchange
 - other
- swaps:**
 - equity swaps
 - interest rate swaps
 - currency swaps
 - performance swaps
- currency forwards
- credit derivatives
- other type

- 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 and fine-tuning leverage
- maximum permitted and sought
- other strategy

4. Securities with embedded derivatives of the Lazard Global Green Bond Opportunities Sub-fund

The fund manager may invest in any securities with embedded derivatives permitted under the management company's business plan, whose issuer is not the same as the issuer of the underlying security, insofar as the performance of these securities is index-linked to changes in interest rate or credit spread risk.

Within this framework, the manager may take positions with a view to hedging the portfolio against and/or exposing it to particular business sectors, geographic regions, shares (all capitalisation types), stocks and similar securities in order to achieve the investment objective.

Total investments in securities with embedded derivatives may not exceed 100% of the net assets. Investments in contingent convertible bonds may not exceed 10% of the net assets.

5. Deposits in the Lazard Global Green Bond Opportunities Sub-fund

Up to 10% of the Sub-Fund's assets may be held in deposits.

6. Cash borrowings of the Lazard Global Green Bond Opportunities Sub-fund

The Sub-fund may borrow cash within the limit of 10% of its net assets to meet specific cash requirements related to its operating needs.

7. Temporary purchases and sales of securities of the Lazard Global Green Bond Opportunities Sub-fund

None.

8. Information on the financial collateral of the Lazard Global Green Bond Opportunities Sub-fund

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 Sub-fund 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 OF THE LAZARD GLOBAL GREEN BOND OPPORTUNITIES SUB-FUND Warning

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 Sub-fund provides no capital guarantee or protection. As such, the investor may not get back the full amount of the initial investment during redemption.

- **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 Sub-fund's exposure to issuers either through direct investment or via other UCIs may give rise to a decline in the net asset value. If the Sub-fund is exposed to unrated or speculative/High Yield debt, the credit risk is high and may lead to a decline in the Sub-fund's net asset value.

- **Foreign exchange risk**

The Sub-fund 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 Sub-fund'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).

- **Derivative financial instrument risk**

The risk arising from the Sub-fund'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 Sub-fund has invested.

- **Counterparty risk**

This is a risk linked to the use of forward financial instruments traded over the counter. These transactions, entered into with one or more counterparties, potentially expose the Sub-fund to a risk of failure of any such counterparty, which may lead to default in payment and cause the Sub-fund's NAV to fall.

- **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 Sub-fund liquidates, initiates or modifies positions and thus cause a decline in the Sub-fund's net asset value.

- **Risks linked to hybrid or subordinated securities:**

The Sub-fund may be exposed to hybrid or subordinated securities. Hybrid and subordinated debt are subject to specific risks of non-payment of coupons and capital loss in certain circumstances. For non-financial bonds, since hybrid debt securities are "deeply subordinated", there is a low recovery rate in the event of issuer default.

- **Risk related to overexposure**

The Sub-fund may use forward financial instruments (derivatives) to generate overexposure and thus bring the Sub-fund's exposure above its net asset value.

Depending on the direction of the transactions, the impact of a decrease (purchase of exposure) or increase (sale of exposure) in the derivative's underlying instrument may be amplified and thus amplify any decrease in the Sub-fund's net asset value.

Because of the hedging strategy applied, shareholders may not benefit from potential upside on certain markets.

- **Equity risk**

Fluctuations in share prices may have a negative impact on the Sub-fund's net asset value. The net asset value may decrease during periods in which equity markets are falling.

- **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 OF THE LAZARD GLOBAL GREEN BOND OPPORTUNITIES SUB-FUND

None.

ELIGIBLE SUBSCRIBERS AND TYPICAL INVESTOR PROFILE OF THE LAZARD GLOBAL GREEN BOND OPPORTUNITIES SUB-FUND

This Sub-fund is aimed at all investors who are aware of the risks associated with investing in the international credit markets. Subscribers are strongly advised to diversify their investments sufficiently to avoid exposure solely to the risks of this Sub-fund.

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 Sub-fund is not registered as an investment vehicle in the United States and its shares 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 Sub-fund 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 Sub-fund 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 Sub-fund may not be suitable for investors planning to withdraw their contributions within three years.

22. CHANGES AFFECTING THE UCI

The LAZARD GLOBAL GREEN BOND OPPORTUNITIES sub-fund of the **LAZARD FUNDS** SICAV (ISIN code: FR001400BVQ9) was created on **September 30th, 2022**

The KIID of the **LAZARD FUNDS** SICAV (for the LAZARD GREEN BOND OPPORTUNITIES sub-fund) (ISIN code: FR001400BVQ9) was converted to the KID PRIIPS (*Key Information Document and Packaged Retail Investment and Insurance-based Products*) on January 1st, 2023, in accordance with the European regulations aimed at standardising pre-contractual information on financial products intended for retail investors.

The following decisions were made in relation to the **LAZARD GLOBAL GREEN BOND** sub-fund (ISIN code: FR001400BVQ9) of the **LAZARD FUNDS** SICAV: a change in the investment strategy following the SRI certification of the sub-fund.

➤ **Effective date: 25/04/2023.**

The Board of Directors of the **LAZARD FUNDS** SICAV (for the LAZARD GLOBAL GREEN BOND OPPORTUNITIES sub-fund) (ISIN code: FR0010230490), on September 25th, 2023, proposed introducing the gates mechanism in the SICAV's prospectus. An Extraordinary Shareholders' Meeting has been called to include the gates mechanism in the articles of association and to amend the Prospectus.

➤ **Effective date: 16/11/2023.**

23. MANAGEMENT REPORT

The UCI's performance over the period was as follows:

EC shares: FR0010230490: -1,62%.

RC shares: FR001400BVT3: -0,88% (launched 07/07/2023).

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

The benchmark's performance over the period was: 0,38%.

ECONOMIC ENVIRONMENT

Despite central banks' efforts to curb activity and inflation, growth showed unexpected resilience in Western countries. US growth was robust, supported by household consumption. Growth in the Eurozone was modest, against a backdrop of deteriorating purchasing power and rapid transmission of the ECB's monetary tightening. However, the economic impacts of the energy crisis were less severe than feared. The collapse of three US regional banks and the disaster takeover of Credit Suisse in March 2023 could also have had a greater impact than feared. Thanks to lower energy prices and the easing of supply tensions, inflation fell sharply in the US and Europe. However, it remained well above central bank targets, fuelled by the services sector and the still tight labour market situation. Against this backdrop, the Fed and the ECB continued to tighten their monetary policy. The Fed raised its key rate to 5,25%-5,50%, its highest level in 22 years. The ECB raised the refinancing rate to 4,50% and the deposit rate to 4,00%, levels never before reached. In China, after a rebound following the lifting of health restrictions, growth lost momentum amid a slowdown in the real estate sector. Against this backdrop, global equity markets rebounded strongly, making up some of the losses recorded in 2022. US and European interest rates alternated between rises and falls before soaring in the summer of 2023 to reach their highest levels for more than ten years.

Economy

In the United States, GDP growth accelerated to +2,4% year-on-year in Q2 2023. Job creation slowed to an average of +266 000 per month. The unemployment rate rose to 3,8%. Annual hourly wage growth slowed to +4,2%. The year-on-year increase in consumer prices slowed to +3,7% and +4,1% excluding energy and food. The Fed raised its key rate by +2,25% to 5,25%-5,50%, in the following sequence: a +0,75% hike in November 2022, +0,50% in December 2022 and three consecutive +0,25% hikes in February, March and May 2023. The Fed took a first break in June 2023, before a further 0,25% hike in July 2023 and a further break in September 2023.

In terms of unconventional measures, in March 2023 the Fed announced the creation of a new liquidity access mechanism ("Bank Term Funding Program") in response to the collapse of Silvergate Bank, Silicon Valley Bank and Signature Bank.

In the U.S. midterm elections on November 8th, 2022, the Democrats retained their majority in the Senate and the Republicans won the House of Representatives.

In the Eurozone, GDP growth slowed to +0,5% year-on-year in Q2 2023, with contrasting trends between countries. GDP fell by -0,2% in Germany, while rising by +1,0% in France, +0,3% in Italy and +2,2% in Spain. PMI surveys improved until the spring of 2023 before deteriorating rapidly in the summer of 2023. The Eurozone unemployment rate fell to 6,4%. The year-on-year increase in consumer prices slowed to +4,3% and +4,5% excluding energy and food.

The ECB raised its key rates by +3,25%, in the following sequence: +0.75% in October 2022, three consecutive increases of +0,50% between December 2022 and March 2023 and four consecutive increases of +0,25% between May and September 2023. The deposit rate was raised from +0,75% to +4,00% and the refinancing rate from +1,25% to +4,50%.

In terms of unconventional measures, in December 2022 the ECB announced a reduction in the size of its APP portfolio from March 2023. In June 2023, the ECB announced that it would end reinvestments under this programme.

In Italy, the right-wing coalition secured a clear victory in the general elections on September 25th, 2022. Giorgia Meloni was elected prime minister on October 22nd, 2022.

In China, GDP growth accelerated to +6,3% year-on-year in Q2 2023. Activity benefited from the complete lifting of health restrictions in December 2022. The real estate sector continued to struggle. The urban unemployment rate fell to 5,2%. Consumer prices remained stable. The Chinese central bank cut its key interest rate from -0,25% to 2,50% and the reserve requirement ratio from -0,75% to 10,50%.

At the conclusion of the 20th CCP Congress in October 2022, Xi Jinping won a third term as General Secretary of the Party and head of the armed forces. Xi Jinping was formally re-elected President of the Republic during the annual session of the National People's Congress in March 2023. On this occasion, the government announced that it was aiming for growth of "around +5,0%" in 2023.

IMF growth forecasts

Real GDP growth (%)	2022	2023	2024
World	3,5	3,0	2,9
Developed countries	2,6	1,5	1,4
Emerging countries	4,1	4,0	4,0
Eurozone	3,3	0,7	1,2
United States	2,1	1,5	1,1
Japan	1,0	2,0	1,0
United Kingdom	4,1	0,5	0,6
China	3,0	5,0	4,2
India	7,2	6,3	6,3
Brazil	2,9	3,1	1,5
Russia	-2,1	2,2	1,1

IMF Economic Outlook, October 2023

* The data and forecasts for India are presented based on the budget year

Markets

The MSCI World All Country index of global equity markets rose by +18,7% year-on-year, wiping out around half of the decline in the first nine months of 2022. The Topix in yen rose by +26,6%, the Euro Stoxx in euro by +20,9%, the S&P 500 in dollar by +19,6% and the MSCI index of emerging equities in dollar by +8,8%.

The unexpected resilience of the global economy was a major support factor for equity markets between the fourth quarter of 2022 and the start of the third quarter of 2023.

The effects of the Eurozone energy crisis were less significant than feared, the Chinese economy reopened faster than expected and US inflation slowed, while the unemployment rate remained low, fuelling the idea of a soft landing for the US economy.

Equity markets also benefited from the sharp rise in tech mega-caps in the United States, linked to the artificial intelligence craze. The uptrend in equity markets reversed from August 2023 onwards, against a backdrop of increasing economic uncertainty in China, poor economic data in Europe and soaring long-term interest rates.

Bond markets alternated between rises and falls between the fourth quarter of 2022 and the start of the third quarter of 2023, with investors switching from one monetary policy scenario to another.

US and European interest rates soared during the summer of 2023 to reach their highest levels for more than ten years, as the resilience of the US economy and the Fed's more restrictive message led investors to anticipate permanently higher key rates. The US 10-year yield rose from 3,83% to 4,57% and the German 10-year yield from 2,11% to 2,84%.

According to ICE Bank of America indices, credit spreads for European corporate issuers fell from 210 to 141 basis points in the Investment Grade segment and from 625 to 445 basis points in the High Yield segment.

The euro appreciated by +7,9% against the dollar and by +11,3% against the yen. It stabilised against the Swiss franc and depreciated by -1,2% against sterling. According to the JPMorgan index, emerging currencies depreciated by an average of -2,9% against the dollar.

The S&P GSCI commodity price index was virtually stable over the year. The price of a barrel of Brent crude oil rose from \$86 to \$92, with a peak of \$100 in early November 2022 and a low point of \$72 in mid-March 2023.

MANAGEMENT POLICY

During the last quarter of 2022, sovereign yields took a breather in October. Supported by good Q3 earnings releases, credit indices, expressed in spreads, tightened across the board.

In November, sovereign yields fell sharply for the second time this year after July, in a reversal of the upward movement that began in January. The tipping point came on November 8th, when the Democrats averted a “red wave” in the US midterm elections. The month had started with another 75bp Fed Funds rate hike, the fourth consecutive one of this magnitude. From November 8th onwards, yields fell back, under the combined influence of rumours of an easing of China’s zero-Covid policy, US earnings releases confirming the resilience of growth and employment, and less clearly hawkish communications from central banks. This environment encouraged a general move back into risky assets, resulting in a general decline in all credit indices.

In December, it seems fairly clear that the influence of central bank rhetoric was a determining factor in the upward trend in interest rates in December. In the middle of the month, the ECB and the Fed raised their key rates again, albeit by less than the previous hikes, 50bp compared with 75, as expected, but with very firm comments, particularly from Christine Lagarde, illustrating their determination to keep their guard up against inflation. The biggest surprise came from Frankfurt, where the ECB President was very incisive and even detailed the start of a programme to reduce the bank’s balance sheet from March 2023, with €15 billion less per month until June. The end result was a widespread rise in the Eurozone, which more than erased the November declines. Credit margins tightened overall. The fund posted a performance of 1,92% over the quarter. At the end of December, the portfolio was 92% invested. Green bonds accounted for 98% of the fund’s investments. Credit accounted for 67% of the portfolio (investments mainly rated IG). Modified duration was actively managed between -1 and +2, ending the month at close to 2,0.

The markets had a very good start to the year and sovereign yields fell across the board in January, generally dominated by the idea that the tightening of central banks’ monetary policies was bearing fruit in terms of controlling inflation, and by the observation that the economy was slowing down. The strength of the labour market and the prospects offered by China’s reopening do not really argue for a rapid disinflation. Ahead of the central banks - ECB, Fed and BoE - all holding their monetary policy meetings in early February, but the market was expecting confirmation of a reduction in the pace of rate hikes. In February, sovereign yields rose steadily throughout the month, more or less cancelling out the decline in January. The theme is fairly simple: inflation is falling but less than expected, and core inflation remains very high. Sovereign bond yields fell in March in a move almost symmetrical to the rise of February, continuing the dithering we have been seeing every month since the beginning of the year. March 2023 was a very volatile month, during which the market began to focus on small US banks with the failure of several of them, the largest being SVB which was placed under the control of the US authorities on March 10th, 2023 after being forced to incur large losses on its bond portfolio to cope with outflows of funds from its clients, mainly tech players. Sentiment towards banks then entered a very negative spiral, which spread to European issuers and in particular Credit Suisse the following week; the latter also suffered very large outflows following comments by one of its main shareholders, and therefore had to be rescued by UBS in a takeover orchestrated by the Swiss authorities. The takeover was a positive signal for global financial stability, but FINMA’s decision to completely eliminate AT1 bondholders (5% of the universe) as opposed to shareholders triggered a major sell-off in the asset class, which nevertheless partially recovered by the end of the month. Over the quarter, risk premiums tightened by -3bp for euro Investment Grade credit and up to -42bp for euro High Yield corporate credit.

The fund posted a performance of 0,41% over the quarter. The interest rate effect contributed positively to the fund’s performance in the first quarter: +14bp, the carry and the change in interest rates offset our positioning on rates (rate overlay). The credit effect also made a positive contribution to performance (+38bp), thanks in particular to the carry and the hedges implemented (CDS). At the end of March, the portfolio was 93% invested. Exposure to credit risk was down to 76%. Modified duration was actively managed between -1 and +2, ending the month at around -0,1.

The second quarter started with a slight rise in government bond yields in the Eurozone (with the exception of Greece) and a moderate fall in the United States in April. Credit, all segments and sectors combined, outperformed sovereign debt with a positive contribution from the spread component which, combined with carry, enabled all asset classes to deliver positive performances above that of the money market.

In May in the United States, the publication of better-than-expected economic, employment and inflation data, combined with statements by central bankers in favour of maintaining restrictive monetary policies, moved yields higher across the board. Credit margins are widening slightly in the less risky segments. However, the positive interest rate effect combined with the carry effect enabled all euro bond asset classes to post positive performances.

The quarter ended in June with central banks still raising rates. They are taking a tougher stance and reaffirming their intention to curb inflation, leading to a rise in all yield curves. The 2-10 year spread is now close to its lows (-106bp in the United States and -80bp in Germany). Credit spreads are tightening across all sectors and segments. With the exception of the least risky segments (government bonds and IG credit), the positive contribution of the spread component combined with carry enabled euro bond asset classes to deliver positive returns.

Over the second quarter of 2023, the fund posted a performance of -2,36%. The interest rate effect made a negative contribution to performance: -273bp, the carry only partly offset the pressure on rates and our long positions in US 2-year and 5-year rates. However, the credit effect made a positive contribution to performance (+49bp).

At end-June, 90% of the portfolio was invested in an environment of rising interest rates and tightening credit spreads. Exposure to credit risk was down to 66%. The weight of HY diversification is 10%, partly hedged by the purchase of protection (CDS Xover), representing 7% of assets. Government bonds or similar securities represent 17% of the portfolio. Green Bonds account for 98% of the fund's investments (excluding cash and money market funds). Modified duration has been raised to 6,1.

Reminder: SRI label obtained with an effective date of April 25th, 2023.

The major central banks remained active in July: the ECB raised its key rates by 25bp, taking the deposit rate to 3,75%, while the Federal Reserve lifted its rates by another 25bp to the 5,25%-5,5% range.

In August, rates remained unchanged. The inflation data published over the month confirmed that core inflation is moderating, but also gave substance to central bank concerns about the speed of the return to the target. The PMI surveys and labour market data pointed to a slow deterioration in activity in the United States and the Eurozone.

In September, the Federal Reserve (Fed) and the European Central Bank (ECB) remained vigilant. Signs of resilience in the US economy enabled the Fed to leave its key rates unchanged (range 5,25%-5,50%), but to change their trajectory over the next three years. Its "high rates for an extended period" guidance was reinforced by the upward revision of its inflation and growth forecasts.

Risk premiums tightened over the quarter, by 12bp for euro Investment Grade credit and 17bp for euro High Yield corporate credit.

In the third quarter 2023, the fund posted a performance of -1,54%. The credit effect made a positive contribution to performance (+54bp), particularly the Senior financials segment (+49bp). The interest rate effect nevertheless made a negative contribution to the fund's performance (-196bp). At the end of September, exposure to credit risk rose slightly, from 66% to 69%. The weight of HY diversification is 13%, partly hedged by the purchase of protection (CDS Xover), representing 7% of assets. Government bonds or similar securities represent 18% of the portfolio. Green Bonds account for 97% of the fund's investments (excluding cash and money market funds). Modified duration has been raised to 7,5.

Main changes in the portfolio during the year

Securities	Changes ("accounting currency")	
	Purchases	Sales
LAZARD EURO SHORT TERM MONEY MARKET	34 298 500,66	34 362 062,81
LAZARD EURO MONEY MARKET	6 114 306,67	4 766 545,83
FRANCE GOVERNMENT BOND OAT 0.1% 25-07-38	3 039 673,82	3 118 557,73
FRANCE GOVERNMENT BOND OAT 1.75% 25-06-39	3 005 218,01	
BUNDSOBLIGATION 0.0% 10-10-25	2 369 350,00	
BNP PAR 7.375% PERP	1 000 264,00	985 662,50
RCI BANQUE 4.75% 06-07-27 EMTN	706 232,08	732 596,03
ERSTE GR BK 4.0% 16-01-31	697 702,10	681 890,90
ENGIE 2 3/8 05/19/26	881 193,74	493 938,05
ROYAL BK SCOTLAND GROUP 2.359% 22-05-24	699 899,17	648 208,17

24. REGULATORY INFORMATION

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

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

- **Exposure through efficient management techniques: None.**
 - Securities lending:
 - Securities borrowing:
 - Repurchase agreements:
 - Reverse repurchase agreements:

- **Underlying exposure through derivative financial instruments: 104 782 953,23**
 - Currency forwards:
 - Futures: 100 782 953,23
 - Options:
 - Swaps: 4 000 000,00

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

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

(*) Excluding listed derivatives.

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

Instrument types	Amount in the currency of the portfolio
<p>Efficient portfolio management techniques</p> <ul style="list-style-type: none"> . Term deposits . Equities . Bonds . UCITS . Cash (*) <p style="text-align: right;">Total</p>	None
<p>Derivative financial instruments</p> <ul style="list-style-type: none"> . Term deposits . Equities . Bonds . UCITS . Cash <p style="text-align: right;">Total</p>	None

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

d) Operating income and expenses related to efficient management techniques

Operating income and expenses	Amount in the currency of the portfolio
<ul style="list-style-type: none"> . Income (*) . Other income <p style="text-align: right;">Total income</p>	None
<ul style="list-style-type: none"> . Direct operating expenses . Indirect operating expenses . Other expenses <p style="text-align: right;">Total expenses</p>	None

(*) Income on securities lending and repurchase agreements

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

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

PROCEDURE FOR SELECTING AND ASSESSING INTERMEDIARIES AND COUNTERPARTIES

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

The information can be consulted on the management company's website: www.lazardfreresgestion.fr

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 9

"Pursuant to Article 58 of the SFDR Level 2 Delegated Regulation, information on the attainment of the sustainable investment objective of the financial product is available in the appendix to this report."

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 calculation method used is the absolute VaR:

Maximum level of VaR per month: 5,164%.

Minimum level of VaR per month: 1,630%.

Average level of VaR per month: 3,356%.

SWING PRICING

In order to protect the UCI's long-term shareholders, 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 shareholders entering and leaving the UCI that would otherwise have been allocated across all shareholders 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 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 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 financial year ended on December 31st, 2022 by the management company to its personnel, in proportion to their investment in the management of the UCITS, excluding the management of AIFs and discretionary mandates, can be obtained on request by post from the legal department of Lazard Frères Gestion, and are 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 risks and 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.

The remuneration policy is reviewed annually.

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 31/12/2022: Fixed-term and permanent contracts of LFG, LFG Luxembourg and LFG Belgique
(therefore excluding interns and apprentices and excluding LFG Courtage)**

Headcount at 31/12/2022 LFG - LFG Belgique - LFG Luxembourg	Fixed annual remuneration in 2022 in €	Variable remuneration for 2022 (cash paid in 2023 and deferred compensation allocated in 2023) in €
205	20 102 615	29 964 115

“Identified employees”

Category	Number of employees	2022 aggregate fixed and variable remuneration (annual salaries and cash and deferred bonuses)
Senior management	3	5 848 796
Other	61	28 469 324
Total	64	34 318 120

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 shareholders to:

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

www.lazardfreresgestion.fr

25. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AS OF 29/09/2023 in euros

ASSETS

	29/09/2023
NET NON-CURRENT ASSETS	
DEPOSITS	
FINANCIAL INSTRUMENTS	56 999 264,57
Equities and similar securities	
Traded on a regulated or equivalent market	
Not traded on a regulated or equivalent market	
Bonds and similar securities	55 104 169,11
Traded on a regulated or equivalent market	55 104 169,11
Not traded on a regulated or equivalent market	
Debt securities	
Traded on a regulated or equivalent market	
Negotiable debt securities	
Other debt securities	
Not traded on a regulated or equivalent market	
Undertakings for collective investment	1 390 638,97
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries	1 390 638,97
Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU	
General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities	
Other funds aimed at professional investors and their equivalent in other Member States of the EU and unlisted securitisation entities	
Other non-European entities	
Temporary securities transactions	
Receivables on securities purchased under repurchase agreements	
Receivables on loaned securities	
Borrowed securities	
Securities sold under repurchase agreements	
Other temporary transactions	
Forward financial instruments	504 456,49
Transactions on a regulated or equivalent market	504 456,49
Other transactions	
Other financial instruments	
RECEIVABLES	1 626 455,64
Currency forward exchange transactions	
Other	1 626 455,64
FINANCIAL ACCOUNTS	991 366,39
Cash and cash equivalents	991 366,39
TOTAL ASSETS	59 617 086,60

LIABILITIES AND SHAREHOLDERS' EQUITY

	29/09/2023
SHAREHOLDERS' EQUITY	
Share capital	58 856 853,64
Undistributed net capital gains and losses recognised in previous years (a)	
Retained earnings (a)	
Net capital gains and losses for the year (a, b)	-1 330 936,32
Net income for the year (a, b)	541 224,92
TOTAL SHAREHOLDERS' EQUITY*	58 067 142,24
<i>* Sum representing the net assets</i>	
FINANCIAL INSTRUMENTS	629 183,34
Sales of financial instruments	
Temporary securities transactions	
Liabilities on securities sold under repurchase agreements	
Liabilities on borrowed securities	
Other temporary transactions	
Forward financial instruments	629 183,34
Transactions on a regulated or equivalent market	504 312,94
Other transactions	124 870,40
LIABILITIES	896 736,95
Currency forward exchange transactions	
Other	896 736,95
FINANCIAL ACCOUNTS	24 024,07
Bank overdrafts	24 024,07
Borrowings	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	59 617 086,60

(a) Including accrued income

(b) Less interim dividends paid for the financial year

OFF-BALANCE SHEET ITEMS AS AT 29/09/2023 in euros

	29/09/2023
HEDGING TRANSACTIONS	
Commitments on regulated or similar markets	
Futures contracts	
EURO BUND 1223	2 572 800,00
TU CBOT UST 2 1223	81 371 568,97
JAP GOVT 10 1223	2 752 545,30
FV CBOT UST 5 1223	9 951 298,70
EC EURUSD 1223	4 134 740,26
Commitments on OTC markets	
Credit Default Swaps	
ITRAXX EUR XOVER S40	4 000 000,00
Other commitments	
OTHER TRANSACTIONS	
Commitments on regulated or similar markets	
Commitments on OTC markets	
Other commitments	

INCOME STATEMENT AT 29/09/2023 in euros

	29/09/2023
Income from financial transactions	
Income from deposits and financial accounts	44 470,57
Income from equities and similar securities	
Income from bonds and similar securities	677 794,45
Income from debt securities	
Income from temporary purchases and sales of securities	1 125,87
Income from forward financial instruments	
Other financial income	
TOTAL (1)	723 390,89
Expenses related to financial transactions	
Expenses related to temporary purchases and sales of securities	
Expenses related to forward financial instruments	
Expenses related to financial liabilities	3 959,31
Other financial charges	
TOTAL (2)	3 959,31
INCOME FROM FINANCIAL TRANSACTIONS (1 - 2)	719 431,58
Other income (3)	
Management fees and depreciation and amortisation (4)	204 035,48
NET INCOME FOR THE FINANCIAL YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	515 396,10
Income adjustment for the financial year (5)	25 828,82
Interim dividends paid on net income for the financial year (6)	
Net income (1 - 2 + 3 - 4 + 5 - 6)	541 224,92

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,
- consistency of accounting methods from one financial year to the next.

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

Purchases and sales of securities are recorded excluding expenses.

The accounting currency of the portfolio is the euro.

The first financial year ending September 29th, 2023 has an exceptional duration of 12 months and 1 days.

Asset valuation rules

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

- o **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).

- o **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 price, for which the shareholders' meeting 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 with a residual maturity of more than three months:**

Negotiable debt securities traded in large volumes are valued at market price.

In the absence of significant trading volumes, these securities are valued using an actuarial method, with a benchmark rate plus, where applicable, a margin representative of the issuer's intrinsic characteristics.

Benchmark rate	
Negotiable debt securities in euros	Negotiable debt securities in other currencies
Euribor, OIS and Bif swaps - 3 - 6 - 9 - 12 months Btan - 18 months, 2 - 3 - 4 - 5 years	Official key rates in the relevant countries

- **Negotiable debt securities with a residual maturity of three months or less:**

Negotiable debt securities with a residual maturity of three months or less are valued using the straight-line method. However, this method would not be applied if any of these securities were particularly sensitive to market movements.

o **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.

o **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.

o **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).

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:

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

This amount is 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.

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

<i>Fees charged to the Sub-fund</i>	<i>Basis</i>	<i>Share</i>	<i>Maximum rate (incl. taxes)</i>	
Financial management fees	Net assets	EC EUR	0,35%	
		PVC EUR	0,35%	
		PC EUR	0,55%	
		RC EUR	1,10%	
		RVC EUR	0,70%	
		PD EUR	0,55%	
		RD EUR	1,10%	
Administrative fees external to the management company	Net assets	Applied to all shares	0,035%	
Indirect charges (management fees and expenses)	NA	Applied to all shares	None	
Turnover commission (0% to 100% received by the management company and 0% to 100% received by the custodian)	Maximum charge on each transaction	Applied to all shares	Bonds, foreign exchange	None
			Futures and other transactions	From €0 to €450 per batch/contract
Performance fee	Net assets	EC EUR, PC EUR, RC EUR, PD EUR, RD EUR	None	
		PVC EUR, RVC EUR	20% of the Fund's outperformance relative to the benchmark index	

Details of the calculation of the performance fee:

The performance fee corresponds to a variable charge and is contingent on the Sub-fund outperforming its benchmark over the observation period. If a provision is recognised at the end of the observation period, it is crystallised, i.e. it is definitively acquired and becomes payable to the Manager.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of each Sub-fund share and that of a notional UCI achieving the performance of its benchmark index and recording the same subscription and redemption pattern as the actual Sub-fund. The outperformance generated by the Sub-fund share on a given date is defined as the positive difference between the assets of the Sub-fund 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 reference indicator, 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 02/10/2023. At the end of each financial year, one of the following two cases may occur:

- The Sub-fund share 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 Sub-fund share 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 20% of the outperformance) when the performance of the Sub-fund share 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 shares redeemed is definitively acquired and charged by the management company.

Swing pricing adjustments to the net asset value (NAV) with a trigger level for the Lazard Global Green Bond Opportunities Sub-fund

In order to protect the Sub-fund's long-term shareholders, a swing factor will be applied to subscriptions and redemptions that have a significant impact on the Sub-fund's outstandings, which may generate costs for shareholders entering and leaving the Sub-fund that would otherwise have been allocated across all shareholders in the Sub-fund. Therefore, if, on a particular NAV calculation date, the total net subscription/redemption orders of investors across all categories of Sub-fund shares exceeds a threshold predetermined by the financial sub-manager on the basis of objective criteria and expressed as a percentage of the net assets in the Sub-fund, 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 share 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 share category in the Sub-fund.

The cost parameters and trigger level shall be determined by the financial sub-manager 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 Sub-fund.

Insofar as this adjustment mechanism is linked to the net balance of subscriptions/redemptions within the Sub-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 financial sub-manager will have to make such adjustments, which shall not exceed 1,50% of the NAV. Investors should be aware that the volatility of the Sub-fund's NAV may not reflect solely that of the securities in the portfolio arising from the application of swing pricing.

Allocation of distributable income

Definition of distributable income:

Distributable income consists of:

Net income:

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

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

Capital gains and losses:

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

Allocation of distributable income:

Share(s)	Allocation of net income	Allocation of net realised capital gains or losses
LAZARD GLOBAL GREEN BOND OPPORTUNITIES EC EUR shares	Accumulation	Accumulation
LAZARD GLOBAL GREEN BOND OPPORTUNITIES RC EUR shares	Accumulation	Accumulation

2. CHANGE IN NET ASSETS AT 29/09/2023 in euros

	29/09/2023
NET ASSETS AT START OF YEAR	
Subscriptions (including subscription fees retained by the Fund)	69 773 619,28
Redemptions (net of redemption fees retained by the Fund)	-10 043 334,67
Realised capital gains on deposits and financial instruments	339 179,07
Realised capital losses on deposits and financial instruments	-144 312,15
Realised capital gains on forward financial instruments	3 920 349,97
Realised capital losses on forward financial instruments	-5 395 226,74
Transaction charges	-26 159,94
Exchange rate differences	-378 031,52
Changes in valuation difference of deposits and financial instruments	114 212,22
<i>Valuation difference for financial year N</i>	114 212,22
<i>Valuation difference for financial year N-1</i>	
Changes in valuation difference of forward financial instruments	-608 549,38
<i>Valuation difference for financial year N</i>	-608 549,38
<i>Valuation difference for financial year N-1</i>	
Distribution of prior year's net capital gains and losses	
Dividends paid in the previous financial year	
Net profit/loss for the financial year prior to income adjustment	515 396,10
Interim dividend(s) paid on net capital gains/losses during the financial year	
Interim dividend(s) paid on net income during the financial year	
Other items	
NET ASSETS AT END OF YEAR	58 067 142,24

3. ADDITIONAL INFORMATION

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC STATUS

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
Fixed-rate bonds traded on a regulated or similar market	55 104 169,11	94,90
TOTAL BONDS AND SIMILAR SECURITIES	55 104 169,11	94,90
DEBT SECURITIES		
TOTAL DEBT SECURITIES		
LIABILITIES AND SHAREHOLDERS' EQUITY		
SALES OF FINANCIAL INSTRUMENTS		
TOTAL SALES OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGING TRANSACTIONS		
Currency	4 134 740,26	7,12
Credit	4 000 000,00	6,89
Interest rate	96 648 212,97	166,44
TOTAL HEDGING TRANSACTIONS	104 782 953,23	180,45
OTHER TRANSACTIONS		
TOTAL OTHER TRANSACTIONS		

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

	Fixed rate	%	Variable rate	%	Revisable rate	%	Other	%
ASSETS								
Deposits								
Bonds and similar securities	55 104 169,11	94,90						
Debt securities								
Temporary securities transactions								
Financial accounts							991 366,39	1,71
LIABILITIES AND SHAREHOLDERS' EQUITY								
Temporary securities transactions								
Financial accounts							24 024,07	0,04
OFF-BALANCE SHEET								
Hedging transactions	96 648 212,97	166,44						
Other transactions								

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

	< 3 months	%	]3 months-1 year]	%	]1 – 3 years]	%	]3 – 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities	998 621,85	1,72	1 097 006,30	1,89	13 153 912,06	22,65	15 631 704,59	26,92	24 222 924,31	41,72
Debt securities										
Temporary securities transactions										
Financial accounts	991 366,39	1,71								
LIABILITIES AND SHAREHOLDERS' EQUITY										
Temporary securities transactions										
Financial accounts	24 024,07	0,04								
OFF-BALANCE SHEET										
Hedging transactions					81 371 568,97	140,13	9 951 298,70	17,14	5 325 345,30	9,17
Other transactions										

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

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

	Currency 1 USD		Currency 2 JPY		Currency 3 CAD		Currency N OTHER(S)	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities								
Bonds and similar securities		4,32						
Debt securities								
UCI								
Temporary securities transactions								
Receivables	1 171 812,68	2,02	30 761,06	0,05				
Financial accounts					14 626,21	0,03	11 204,36	0,02
LIABILITIES AND SHAREHOLDERS' EQUITY								
Sales of financial instruments								
Temporary securities transactions								
Liabilities								
Financial accounts	504,02		23 520,05	0,04				
OFF-BALANCE SHEET								
Hedging transactions	95 457 607,93	164,39	2 752 545,30	4,74				
Other transactions								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Debit/credit item	29/09/2023
RECEIVABLES		
	Deferred settlement sale	444 072,42
	Subscription receivables	19 573,20
	Margin cash deposits	812 810,02
	Collateral	350 000,00
TOTAL RECEIVABLES		1 626 455,64
LIABILITIES		
	Redemptions payable	874 824,16
	Fixed management fees	21 912,79
TOTAL LIABILITIES		896 736,95
TOTAL LIABILITIES AND RECEIVABLES		729 718,69

3.6. SHAREHOLDERS' EQUITY

3.6.1. Number of securities issued or redeemed

	In equity	In amounts
LAZARD GLOBAL GREEN BOND OPPORTUNITIES EC EUR shares		
Shares subscribed during the financial year	69 061,515	69 773 519,28
Shares redeemed during the financial year	-10 037,919	-10 043 334,67
Net balance of subscriptions/redemptions	59 023,596	59 730 184,61
Number of shares outstanding at the end of the financial year	59 023,596	
LAZARD GLOBAL GREEN BOND OPPORTUNITIES RC EUR shares		
Shares subscribed during the financial year	1,000	100,00
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions	1,000	100,00
Number of shares outstanding at the end of the financial year	1,000	

3.6.2. Subscription and/or redemption fees

	In amounts
LAZARD GLOBAL GREEN BOND OPPORTUNITIES EC EUR shares	
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	
LAZARD GLOBAL GREEN BOND OPPORTUNITIES RC EUR shares	
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	

3.7. MANAGEMENT FEES

	29/09/2023
LAZARD GLOBAL GREEN BOND OPPORTUNITIES EC EUR shares	
Guarantee fees	
Fixed management fees	204 035,48
Percentage of fixed management fees	0,38
Retrocessions of management fees	
LAZARD GLOBAL GREEN BOND OPPORTUNITIES RC EUR shares	
Guarantee fees	
Fixed management fees	
Percentage of fixed management fees	
Retrocessions of management fees	

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the Fund:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. OTHER INFORMATION

3.9.1. Present value of financial instruments held temporarily

	29/09/2023
Securities held under repurchase agreements	
Borrowed securities	

3.9.2. Present value of financial instruments representing security deposits

	29/09/2023
Financial instruments given as security and retained under their original classification	
Financial instruments received as security and not recorded on the balance sheet	

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

	ISIN code	Name	29/09/2023
Equities			
Bonds			
Negotiable debt securities			
UCI			1 390 638,97
	FR0010941815	LAZARD EURO MONEY MARKET	1 390 638,97
	FR0011291657	LAZARD EURO SHORT TERM MONEY MARKET	
Forward financial instruments			
Total group securities			1 390 638,97

3.10. APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Table of appropriation of distributable income pertaining to net income

	29/09/2023
Remaining amounts to be allocated	
Retained earnings	
Net income	541 224,92
Interim dividends paid on net income for the financial year	
Total	541 224,92

	29/09/2023
LAZARD GLOBAL GREEN BOND OPPORTUNITIES EC EUR shares	
Appropriation	
Distribution	
Balance brought forward for the financial year	
Accumulation	541 224,57
Total	541 224,57

	29/09/2023
LAZARD GLOBAL GREEN BOND OPPORTUNITIES RC EUR shares	
Appropriation	
Distribution	
Balance brought forward for the financial year	
Accumulation	0,35
Total	0,35

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

	29/09/2023
Remaining amounts to be allocated	
Undistributed net capital gains and losses recognised in previous years	
Net capital gains and losses for the year	-1 330 936,32
Interim dividends paid on net capital gains/losses for the financial year	
Total	-1 330 936,32

	29/09/2023
LAZARD GLOBAL GREEN BOND OPPORTUNITIES EC EUR shares	
Appropriation	
Distribution	
Undistributed net capital gains and losses	
Accumulation	-1 330 934,32
Total	-1 330 934,32

	29/09/2023
LAZARD GLOBAL GREEN BOND OPPORTUNITIES RC EUR shares	
Appropriation	
Distribution	
Undistributed net capital gains and losses	
Accumulation	-2,00
Total	-2,00

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

	29/09/2023
Global net assets in euros	58 067 142,24
LAZARD GLOBAL GREEN BOND OPPORTUNITIES EC EUR shares in EUR	
Net assets	58 067 042,89
Number of shares	59 023,596
Net asset value per share	983,79
Accumulation per share pertaining to net capital gains/losses	-22,54
Accumulation per share pertaining to income	9,16
LAZARD GLOBAL GREEN BOND OPPORTUNITIES RC EUR shares in EUR	
Net assets	99,35
Number of shares	1,000
Net asset value per share	99,35
Accumulation per share pertaining to net capital gains/losses	-2,00
Accumulation per share pertaining to income	0,35

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
Bonds and similar securities				
Bonds and similar securities traded on a regulated or similar market				
GERMANY				
BUNDSOBLIGATION 0.0% 10-10-25	EUR	2 500 000	2 351 000,00	4,05
COMMERZBANK AKTIENGESELLSCHAFT 5.25% 25-03-29	EUR	500 000	499 846,27	0,86
DEUTSCHE BK 3.25% 24-05-28	EUR	900 000	848 894,68	1,46
EEW ENERGY FROM WASTE 0.361% 30-06-26	EUR	700 000	619 249,42	1,06
EON SE 3.875% 12-01-35 EMTN	EUR	400 000	390 848,96	0,68
ZF FINANCE 5.75% 03-08-26 EMTN	EUR	400 000	403 805,33	0,70
TOTAL GERMANY			5 113 644,66	8,81
BELGIUM				
ARGENTA SPAARBANK 5.375% 29-11-27	EUR	500 000	527 205,58	0,91
BELFIUS BANK 0.375% 08-06-27	EUR	500 000	438 671,89	0,76
BELGIUM GOVERNMENT BOND 1.25% 22-04-33	EUR	600 000	500 496,66	0,86
EUROPEAN UNION 2.75% 04-02-33	EUR	500 000	483 941,44	0,83
TOTAL BELGIUM			1 950 315,57	3,36
DENMARK				
DANSKE BK 1.625% 15-03-24 EMTN	EUR	300 000	299 335,07	0,52
DANSKE BK 4.125% 10-01-31	EUR	700 000	709 962,15	1,22
TOTAL DENMARK			1 009 297,22	1,74
SPAIN				
ABANCA CORPORACION BANCARIA 5.25% 14-09-28	EUR	500 000	495 305,20	0,85
BA NCO DE BADELL 2.625% 24-03-26	EUR	300 000	292 637,16	0,51
BANCO DE BADELL 5.125% 10-11-28	EUR	400 000	421 731,75	0,73
BANCO DE CREDITO SOCIAL 7.5% 14-09-29	EUR	500 000	495 729,22	0,85
BANCO NTANDER 1.125% 23-06-27	EUR	700 000	630 276,67	1,08
BANKINTER 0.625% 06-10-27	EUR	500 000	437 121,82	0,75
BBVA 1.0% 21-06-26	EUR	500 000	462 335,77	0,80
BBVA 6.0% PERP	EUR	400 000	384 339,39	0,66
CAIXABANK 0.375% 18-11-26 EMTN	EUR	300 000	274 988,22	0,47
CAIXABANK 5.375% 14-11-30 EMTN	EUR	500 000	532 037,53	0,92
IBERDROLA FINANZAS SAU 3.375% 22-11-32	EUR	500 000	490 643,36	0,84
IBERDROLA FINANZAS SAU 4.875% PERP	EUR	400 000	389 885,51	0,67
KUTXABANK 4.75% 15-06-27	EUR	600 000	603 615,57	1,04
SPAIN GOVERNMENT BOND 1.0% 30-07-42	EUR	1 000 000	577 645,96	1,00
TELEFONICA EMISIONES SAU 1.069% 05-02-24	EUR	800 000	797 671,23	1,37
UNICAJA BAN 4.5% 30-06-25 EMTN	EUR	700 000	706 685,23	1,22
UNICAJA BAN 7.25% 15-11-27	EUR	400 000	434 841,56	0,75
TOTAL SPAIN			8 427 491,15	14,51
UNITED STATES				
AMGEN 3.0% 22/02/2029	USD	500 000	421 247,54	0,73
DANA INCORPORATED 4.25% 01-09-30	USD	400 000	305 028,68	0,52
VERIZON COMMUNICATION 3.875% 08-02-29	USD	500 000	435 667,13	0,75
TOTAL UNITED STATES			1 161 943,35	2,00
FRANCE				
ACAFP 0 3/8 10/21/25	EUR	900 000	838 188,06	1,44
AGENCE FRANCAISE DE DEVELOPPEMEN 0.125% 15-11-23	EUR	500 000	498 168,87	0,86
ALD 4.0% 05-07-27 EMTN	EUR	500 000	494 840,53	0,85

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
AXA 1.375% 07-10-41 EMTN	EUR	500 000	386 942,16	0,67
BFCM BANQUE FEDERATIVE CREDIT MUTUEL 0.25% 29-06-28	EUR	600 000	504 678,44	0,87
BNP PAR 1.675% 30-06-27	USD	500 000	420 777,84	0,72
BPCE 0,125% 04/12/2024	EUR	700 000	670 174,87	1,15
BPCE 0.5% 14-01-28 EMTN	EUR	400 000	352 065,62	0,61
CAISSE NATLE DE REASSU MUT AGRICOLE 0.75% 07-07-28	EUR	500 000	415 701,64	0,71
CNP ASSURANCES 2.0% 27-07-50	EUR	300 000	240 382,75	0,42
CREDIT MUTUEL ARKEA 4.25% 01-12-32	EUR	500 000	507 672,57	0,88
EDF 3.625% 13-10-25	USD	500 000	462 766,50	0,80
ENGIE 2 3/8 05/19/26	EUR	400 000	388 048,01	0,67
ENGIE 3.5% 27-09-29 EMTN	EUR	700 000	679 961,64	1,17
ENGIE 3.625% 11-01-30 EMTN	EUR	600 000	599 342,10	1,03
FAURECIA 2.375% 15-06-29	EUR	500 000	412 172,50	0,71
FRANCE GOVERNMENT BOND OAT 1.75% 25-06-39	EUR	3 500 000	2 728 429,97	4,70
PSA BANQUE FRANCE 3.875% 19-01-26	EUR	500 000	509 179,62	0,87
RCI BANQUE 4.875% 14-06-28	EUR	600 000	610 316,90	1,05
SG 0,875% 22-09-28	EUR	500 000	432 211,49	0,75
SUEZ SACA 5.0% 03- 11-32 EMTN	EUR	500 000	534 944,21	0,92
VINCI 0.0000010% 27-11-28 EMTN	EUR	700 000	581 798,00	1,00
TOTAL FRANCE			13 268 764,29	22,85
GREECE				
EFG EUROBANK 7.0% 26-01-29	EUR	600 000	654 942,12	1,13
NATL BANK OF GREECE 2.75% 08-10-26	EUR	600 000	587 788,97	1,01
PIRAEUS BANK 3.875% 03-11-27	EUR	600 000	578 579,34	1,00
TOTAL GREECE			1 821 310,43	3,14
IRELAND				
ABBOTT IRELAND FINANCING DAC 1.5% 27-09-26	EUR	500 000	469 182,95	0,80
AIB GROUP 4.625% 23-07-29 EMTN	EUR	400 000	397 963,34	0,69
BK IRELAND GROUP 4.875% 16-07-28	EUR	700 000	712 360,28	1,23
IRELAND GOVERNMENT BOND 1.35% 18-03-31	EUR	1 000 000	888 345,16	1,53
SMURFIT KAPPA TREASURY ULC 0.5% 22-09-29	EUR	600 000	484 644,16	0,84
TOTAL IRELAND			2 952 495,89	5,09
ICELAND				
LANDSBANKINN HF 6.375% 12-03-27	EUR	130 000	131 084,56	0,22
TOTAL ICELAND			131 084,56	0,22
ITALY				
AEROPORTI DI ROMA 1.625% 02-02-29	EUR	700 000	615 302,45	1,06
BANCO BPM 4.875% 18-01-27 EMTN	EUR	700 000	719 970,23	1,24
FERROVIE DELLO STATO ITALIANE 3.75% 14-04-27	EUR	400 000	400 205,18	0,69
FERROVIE DELLO STATO ITALIANE 4.125% 23-05-29	EUR	400 000	398 921,90	0,69
INTE 4.0% 19-05-26 EMTN	EUR	450 000	453 373,95	0,79
INTE 5.0% 08-03-28 EMTN	EUR	500 000	513 618,46	0,88
ITALY BUONI POLIENNALI DEL TESORO 4.0% 30-04-35	EUR	1 000 000	945 659,18	1,63
ITALY BUONI POLIENNALI DEL TESORO 4.0% 30-10-31	EUR	1 000 000	983 961,52	1,69
TRASMISSIONE ELETTRICITA RETE NAZIONALE 1.0% 10-04-26	EUR	700 000	657 873,12	1,13
UNICREDIT 5.85% 15-11-27 EMTN	EUR	700 000	751 469,75	1,30
UNIPOL GRUPPO SPA EX UNIPOL SPA CIA 3.25% 23-09-30	EUR	500 000	467 128,99	0,80
TOTAL ITALY			6 907 484,73	11,90

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
LUXEMBOURG				
BANQ EURO DIN 0.5% 15-11-23	EUR	500 000	500 452,98	0,86
TOTAL LUXEMBOURG			500 452,98	0,86
NETHERLANDS				
ABN AMRO BK 2.375% 01-06-27	EUR	500 000	471 500,72	0,81
ABN AMRO BK 4.0% 16-01-28 EMTN	EUR	200 000	202 303,63	0,35
COOPERATIEVE RABOBANK UA 1.106% 24-02-27	USD	550 000	462 326,32	0,80
EDP FIN 0.375% 16-09-26 EMTN	EUR	700 000	630 338,93	1,09
ENEL FINANCE INTL NV 1.5% 21-07-25	EUR	900 000	864 038,51	1,49
IBERDROLA INTL BV 3.25% PERP	EUR	400 000	398 618,63	0,68
ING GROEP NV 2.125% 23-05-26	EUR	500 000	486 163,50	0,84
ING GROEP NV 4.125% 24-08-33	EUR	400 000	379 201,28	0,65
KPN 6.0% PERP	EUR	200 000	212 402,74	0,37
LEASEPLAN CORPORATION NV 0.25% 23-02-26	EUR	700 000	635 789,38	1,09
NATLENERLANDEN BANK NV 0.5% 21-09-28	EUR	500 000	417 321,97	0,71
NN GROUP NV 6.0% 03-11-43 EMTN	EUR	300 000	299 349,21	0,52
OI EUROPEAN GROUP BV 6.25% 15-05-28	EUR	300 000	312 578,17	0,54
STELLANTIS NV 4.375% 14-03-30	EUR	600 000	606 960,43	1,05
TELEFONICA EUROPE BV 6.135% PERP	EUR	400 000	401 565,48	0,69
TENNET HOLDING BV 3.875% 28-10-28	EUR	500 000	523 210,45	0,90
ZF EUROPE FINANCE BV 6.125% 13-03-29	EUR	200 000	201 027,40	0,34
TOTAL NETHERLANDS			7 504 696,75	12,92
POLAND				
MBANK 8.375% 11-09-27	EUR	400 000	408 475,22	0,70
TOTAL POLAND			408 475,22	0,70
PORTUGAL				
CAIXA GEN 5.75% 31-10-28 EMTN	EUR	500 000	543 557,02	0,94
ENERGIAS DE PORTUGAL EDP 5.943% 23-04-83	EUR	400 000	407 674,98	0,70
TOTAL PORTUGAL			951 232,00	1,64
UNITED KINGDOM				
HSBC 1.5% 04-12-24 EMTN	EUR	800 000	806 353,64	1,39
NATL GRID 3.875% 16-01-29 EMTN	EUR	700 000	701 790,42	1,21
UBS AG LONDON 0.01% 29-06-26	EUR	500 000	446 728,11	0,77
VODAFONE GROUP 0.9% 24-11-26	EUR	800 000	736 238,25	1,27
TOTAL UNITED KINGDOM			2 691 110,42	4,64
SWEDEN				
AUTOLIV 4.25% 15-03-28 EMTN	EUR	300 000	304 369,89	0,52
TOTAL SWEDEN			304 369,89	0,52
TOTAL Bonds and similar securities traded on a regulated or similar market			55 104 169,1 1	94,90
TOTAL Bonds and similar securities			55 104 169,1 1	94,90
Undertakings for collective investment				
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries				
FRANCE				
LAZARD EURO MONEY MARKET	EUR	1,336	1 390 638,97	2,39
TOTAL FRANCE			1 390 638,97	2,39
TOTAL general UCITS and general AIFs aimed at non-professionals and their equivalent in other countries			1 390 638,97	2,39
TOTAL Undertakings for collective investment			1 390 638,97	2,39

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
Forward financial instruments				
Futures contracts				
Futures contracts on a regulated or equivalent market				
EC EURUSD 1223	USD	33	-62 532,47	-0,11
EURO BUND 1223	EUR	20	-1 500,00	
FV CBOT UST 5 1223	USD	100	-100 857,14	-0,18
JAP GOVT 10 1223	JPY	-3	10 316,98	0,02
TU CBOT UST 2 1223	USD	425	-329 106,35	-0,56
TOTAL Futures contracts on a regulated or equivalent market			-483 678,98	-0,83
TOTAL Futures contracts			-483 678,98	-0,83
Other forward financial instruments				
Credit Default Swap				
ITRAXX EUR XOVER S40	EUR	-4 000 000	-124 870,40	-0,22
TOTAL Credit Default Swap			-124 870,40	-0,22
TOTAL Other forward financial instruments			-124 870,40	-0,22
TOTAL Forward financial instruments			-608 549,38	-1,05
Margin call				
CACEIS MARGIN CALL	USD	521 582,08	492 639,51	0,85
CACEIS MARGIN CALL	JPY	-1 630 000	-10 316,98	-0,02
CACEIS MARGIN CALL	EUR	1 500	1 500,00	0,01
TOTAL Margin call			483 822,53	0,84
Receivables			1 626 455,64	2,80
Liabilities			-896 736,95	-1,55
Financial accounts			967 342,32	1,67
Net assets			58 067 142,24	100,00

LAZARD GLOBAL GREEN BOND OPPORTUNITIES RC EUR shares	EUR	1,000	99,35	
LAZARD GLOBAL GREEN BOND OPPORTUNITIES RC EUR shares	EUR	59 023,596	983,79	

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 GLOBAL GREEN BOND OPPORTUNITIES

Legal entity identifier: 969500N4VJU9M080K073

Sustainable investment objective

Sustainable investment

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

The **EU taxonomy** is a classification system laid down in Regulation (EU) 2020/852

establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

Yes

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

82,56%

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

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

It made a minimum of **sustainable investments with a social objective**

No

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

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

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

with a social objective

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



To what extent has the sustainable investment objective of this financial product been achieved?

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

As part of its investment strategy, the portfolio has a sustainable investment objective by investing in corporate, public entity, government or supranational bonds issued to finance projects with a positive impact on the environment such as renewable energies, energy efficiency, pollution prevention and control, sustainable waste and water management, biodiversity preservation, sustainable land use, clean transportation, the circular economy, green buildings and adaptation to climate change.

● *How did the sustainability indicators perform?*

The achievement of the sustainable investment objective by this product is measured by sustainability indicators. These indicators are described below.

In terms of the ESG analysis of sustainable bonds:

The ESG analysis specific to green bonds is based on internal analysis tools specific to each issue, based on three pillars:

- The issuer's ESG profile and environmental strategy;
- Compliance with best practices defined in the Green Bond Principles (GBP): use of funds, project selection and assessment process, fund management and reporting;
- The level of opinion provided by the external review of an independent third party (Second Party Opinion, SPO), judging the quality of the green bond.

The ESG analysis of Social Bonds and Sustainability Bonds as defined by the Social Bond Principles (SBP) and the International Capital Market Association's (ICMA) Sustainability Bond Guidelines (SBG) is based on the same internal analysis tools as green bonds.

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 rating 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 integrated into the issuer selection process and in determining their portfolio weighting for bond management.

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

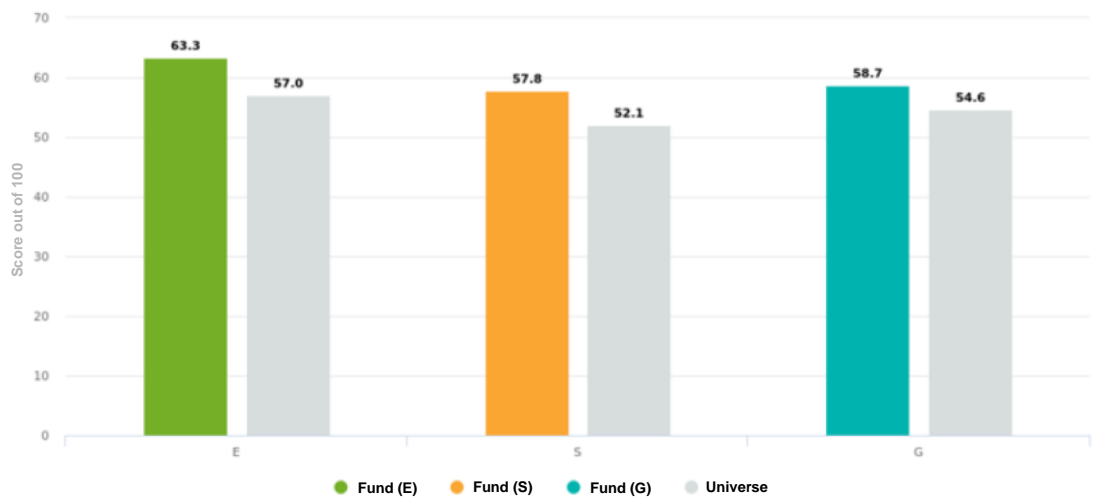
In addition, to confirm the robustness of the internal model, the analysts-managers in charge of management compare the portfolio's average ESG rating to that of its reference ESG universe using Moody's ESG Solutions ratings.

Evolution of the ESG



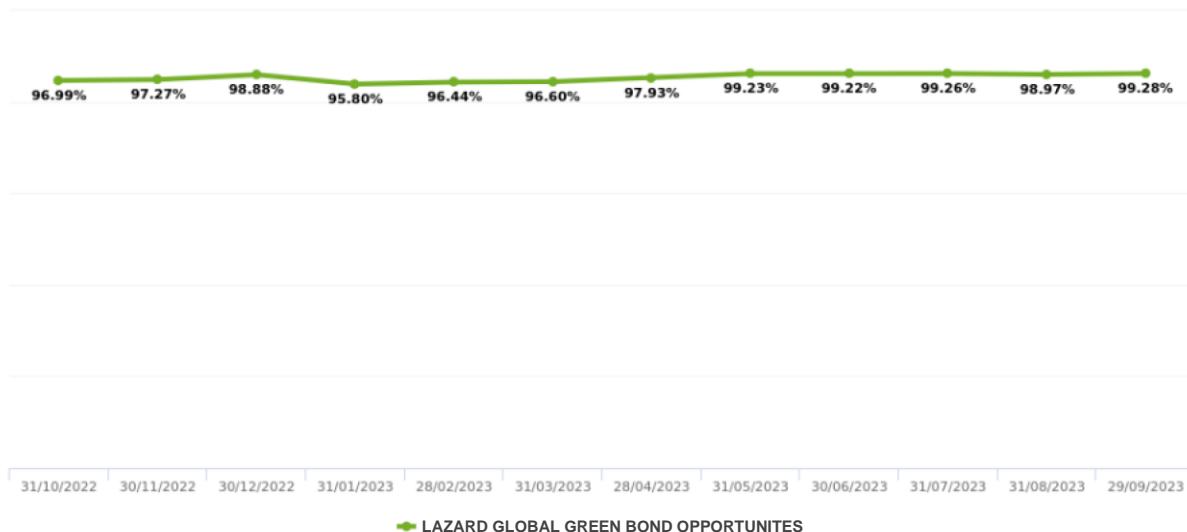
The portfolio's ESG reference universe is:
 90% ICE BofA Green Bond (GREN) + 10% ICE BofA Euro High Yield Index (HE00).

ESG score by pillar



In addition, the portfolio invests in sustainable bonds, with a minimum of 90% in green bonds that are intended to finance the ecological and energy transition.

Change in the green bond rate



● **... and compared to previous periods?**

Not applicable

To what extent did the sustainable investments not cause significant harm to a sustainable investment objective?

The absence of significant harm is assessed on the basis of all the PAI indicators listed in Table 1 of Annex I to Delegated Regulation (EU) 2022/1288 of 6 April 2022. In the event of insufficient coverage of the investment universe for certain indicators, alternative criteria may be used on an exceptional basis (such as for the PAI 12, use of an indicator on management attention to diversity). 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".

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

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.

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.

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.



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?

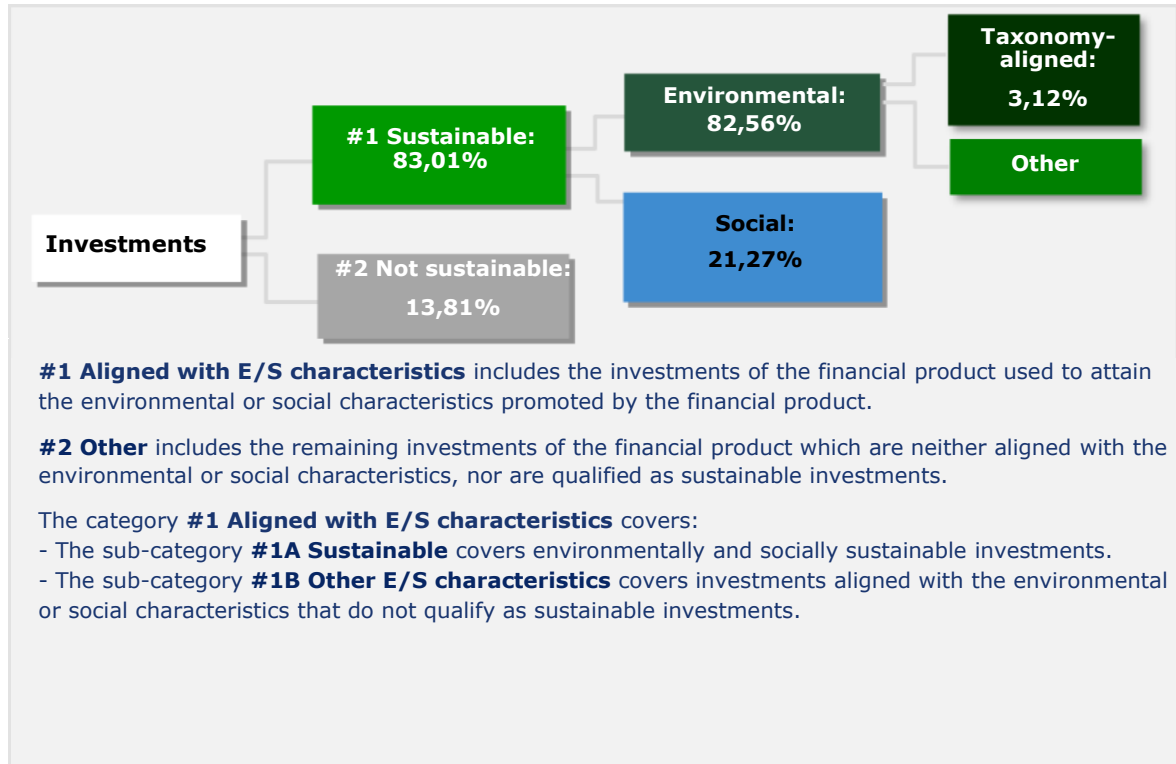
The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 01/10/2022 to 30/09/2023

Largest investments	Sector	Percentage of assets	Country
1. FRANCE GOVERNMENT BOND OAT 1.75% 25-06-39	Public administration	4,60%	France
2. LAZARD EU SHRT TRM MONEY M-C	UCI	3,87%	France
3. BUNDSOBLIGATION 0.0% 10-10-25	Public administration	3,57%	Germany
4. OBJECTIF MONETAIRE EURO-B	UCI	3,52%	France
5. ITALY BUONI POLIENNALI DEL TESORO 4.0% 30-04-35	Public administration	1,70%	Italy
6. FRANCE GOVERNMENT BOND OAT 0.1% 25-07-38	Public administration	1,55%	France
7. DEUTSCHE BK 3.25% 24-05-28	Unknown sector	1,50%	Singapore
8. ACAFP 0 3/8 10/21/25	Financial and insurance activities	1,48%	France
9. TELEFONICA EMISIONES SAU 1.069% 05-02-24	Unknown sector	1,45%	Spain
10. VODAFONE GROUP 0.9% 24-11-26	Information and communication	1,35%	United Kingdom
11. ENEL FIN INTL NV 1.5% 19-21/07/2025	Unknown sector	1,34%	Netherlands
12. UNICAJA BAN 4.5% 30-06-25 EMTN	Financial and insurance activities	1,30%	Spain
13. BPCE 0.125% 04-12-24	Financial and insurance activities	1,22%	France
14. TRASMISSIONE ELETTRICITA RETE NAZIONALE 1.0% 10-04-26	Electricity, gas, steam and air conditioning supply	1,20%	Italy
15. UNICREDIT 5.85% 15-11-27 EMTN	Unknown sector	1,19%	United Kingdom



What was the proportion of sustainability-related investment?

● What was the asset allocation?



Asset allocation describes the share of investments in specific assets.

Details of sustainable investments	
Weight of sustainable investments in the portfolio	83,01%
Of which sustainable investments E	82,56%
Of which sustainable investments S	21,27%

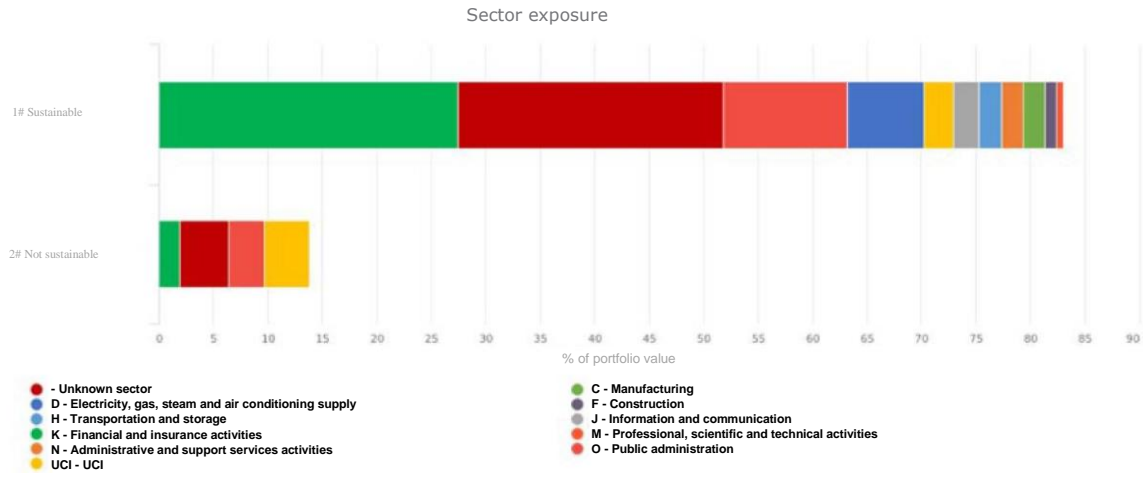
An investment is considered to be sustainable if it complies with at least one of the rules presented above, while not prejudicing any of the negative impact indicators and ensuring good governance criteria. A company can therefore be considered as environmentally and socially sustainable.

In which economic sectors were the investments made?

Exposure to the fossil fuel sector averaged 8,29% over the period.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the "greenness" of investee companies today;
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy;
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.



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?

At the date of production of this document, Lazard Frères Gestion does not have the data needed to identify the share of activities related to Taxonomy aligned fossil fuel and/or nuclear energy sectors.

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



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

● **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



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



What 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 79,69%

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 21,27%

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



What investments were included under “not sustainable”, and were they subject to minimum environmental or social safeguards?

The "not sustainable" category consists mainly of money market UCIs and cash. Over the past period, the "other" segment represented on average 3,19%.



What actions have been taken to achieve the sustainable investment objective during the reference period?

The binding elements used in the context of the investment strategy to attain the sustainable investment objective by this product cover, for directly held securities in the portfolio:

- The proportion of investments in sustainable bonds

The portfolio invests in sustainable bonds, with a minimum of 90% in green bonds that are intended to finance the ecological and energy transition. Green bonds must comply with the principles set out in the International Capital Market Association (ICMA) Green Bond Principles (GBP).

Up to 10% may be diversified into bonds issued by issuers whose economic activity is considered sustainable within the meaning of the SFDR Regulation, Social Bonds whose objective is to finance socially sustainable projects and aiming to provide substantial social benefits, and/or Sustainability Bonds whose funds are used exclusively for environmental and social projects.

Social Bonds must comply with the four principles set out in the ICMA's Social Bond Principles (SBP). Sustainability Bonds must follow the principles of the GBP and the SBP, respectively relevant for environmental and social projects in accordance with the ICMA's Sustainability Bond Guidelines (SBG). Percentages exclude cash and money market funds.

Over the period, green bonds accounted for an average of 97,99% of direct holdings.

- The non-financial analysis rate

The non-financial analysis rate of the product's investments is over 90%.

This rate is expressed as a percentage of total assets.

Over the past period, the non-financial analysis rate was 96,81% 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.

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 on the engagement and voting policy, please refer to the voting and engagement reports available at <https://www.lazardfreresgestion.fr>.



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

Not applicable.

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

- ***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.

**Sub-fund:
LAZARD HUMAN CAPITAL**

27. CHARACTERISTICS OF THE UCI

LEGAL FORM

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

CLASSIFICATION

International equities.

ALLOCATION 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 Sub-fund's portfolio, plus income generated by temporary cash holdings, 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.

PC EUR, EC EUR, RC EUR shares

Distributable income shall be fully accumulated, with the exception of those amounts subject to compulsory distribution by law.

PD EUR, ED EUR shares

Net income is distributed in full and the allocation of net realised capital gains is decided each year at the Shareholders' Meeting. It may pay interim dividends.

Fund of funds

None.

INVESTMENT OBJECTIVE

PC EUR, PD EUR, EC EUR, ED EUR, RC EUR shares

The investment objective of the Sub-fund is to outperform the benchmark index, the MSCI World Index of developed markets, net of fees, over the recommended investment period of 5 years by applying Socially Responsible Investment (SRI) management principles, by investing in companies that provide solutions to sustainable development issues and stand out for the quality of their Human Capital management: i.e. the process implemented by the company to train, transmit knowledge, motivate, retain and recruit its employees according to its needs as part of its development strategy. However, due to the reduction of the investment universe by the manager, the performance of the UCI may diverge from this benchmark index. The management of the Sub-fund ensures that the companies selected do not harm other environmental and social criteria and that they have good governance principles (ESG). The Sub-fund is analysed according to a dual materiality principle: the manager, supported by Lazard Frères Gestion's ESG specialists, analyses the risks linked to poor Human Capital management and seeks to leverage the opportunities generated by the companies with the best social practices on five indicators: the number of training hours per employee per year, the percentage of women in senior management, the annual staff turnover rate, the involvement of management in employee training on diversity-related topics, the extent of the allocation of social benefits. The companies selected are systematically identified as the best on at least one indicator. The non-financial analysis of this Sub-fund promotes the social practices of companies through an engagement policy and a voting policy at general meetings. An internal Human Capital score assesses the overall Human Capital performance of the stocks on a quarterly basis.

BENCHMARK INDEX

PC EUR, PD EUR, EC EUR, ED EUR, RC EUR shares

MSCI World

The MSCI World index measures the overall performance of the equity market in the OECD countries. It is weighted by its constituent companies' market capitalisation.

Data are available at: www.msci.com

Bloomberg code: MSDEWIN Index

INVESTMENT STRATEGY

I. Strategies used by the Lazard Human Capital sub-fund

Integration of Human Capital into investment management

At least 90% of the portfolio's net assets shall be invested in international shares. At least 90% of the portfolio's net assets will be invested in large cap equities (above \$10 billion) listed in developed countries as defined by the MSCI World and a maximum of 10% of the net assets in small and mid cap equities (below \$10 billion) listed in developed countries as defined by the MSCI World.

1. To define a reduced investment universe, we apply the human capital filter based on five criteria and select the best-ranked companies on at least one of the following indicators:

Three quantitative indicators:

- The number of training hours per employee per year: education indicator.

Companies are ranked according to the average number of hours provided per employee. The higher the average number of hours, the better the company is considered to be.

- The percentage of women in senior management: equality indicator.

Companies are ranked according to the percentage of women in senior management positions. The higher the percentage, the better the company is considered to be.

- Annual staff turnover rate: satisfaction indicator.

Companies are ranked according to their staff turnover rate. The lower the rate, the better the company is considered to be.

Two qualitative indicators provided by our extra-financial partner (MSCI ESG Manager):

- Management's involvement in employee training on diversity-related topics: diversity indicator.

Companies are classified into five categories, the most demanding of which corresponds to the strict definition of our external service provider: "Employee training on diversity policy, supported by senior executive or higher level of oversight on diversity performance".

- The extent of the allocation of social benefits: social protection indicator.

Companies are classified into four categories, the most demanding of which corresponds to the strict definition of our external service provider: "Benefits cover all employees".

In accordance with a "Best in Universe" approach, companies are included in the universe only if they are among the top 10% on quantitative indicators or if MSCI ESG Manager awards them the highest level on qualitative indicators, described by a sentence.

2. From this reduced universe, we eliminate the 20% least well-rated securities based on our Internal Human Capital Score to obtain our investment universe.

To calculate this score, we use the gross indicators of the external service provider MSCI, which we supplement and update with data obtained from engagement with companies. These indicators are aggregated into a score between 0 and 10, based on a scale defined by the fund manager and the ESG analysts. The overall Human Capital score is obtained from an equally weighted average of the scores on each indicator.

This score then allows us to reduce the starting universe by 20% to arrive at the Human Capital universe.

3. We compare this Human Capital universe with our sustainable investment universe as defined by the SFDR and established by Lazard Frères Gestion. The final investment universe will therefore be made up of 100% sustainable securities.

We first established a score on each indicator, the overall Human Capital score is obtained from an equally weighted average of the scores on each of the 5 indicators. While a stock enters the investment universe on only one of the indicators, the reduction of the starting universe to the final investable universe is done by taking into account the company's performance on all five indicators. Following this final exclusion stage, we have the final investment universe.

Some portfolio companies may have ESG practices that could be improved and/or be exposed to certain sectors where environmental, social or governance issues remain significant.

However, the extent and manner in which sustainable investment issues and risks are integrated into its strategy vary depending on factors such as the asset class, the geographic area and the financial instruments used.

Incorporation of ESG criteria

We carry out fundamental and financial analysis of companies to select stocks for the portfolio. At this stage, we integrate our internal ESG rating, built from data provided by external providers, into our valuation models. This internal rating is detailed below. Based on the various data provided by our ESG partners (extra-financial analysis agencies), the companies' annual reports, sustainability reports and direct exchanges with them, the analysts responsible for monitoring each stock establish an internal ESG score.

This score is based on quantitative indicators (such as CO2 intensity, staff turnover rate, board independence rate, etc.) and qualitative indicators (such as the existence and solidity of the environmental policy, the existence of an equal opportunity policy, management remuneration policy, etc.).

The analyst-manager assesses these data for each company in absolute and relative terms by comparing it with companies in the same sector and the same geographical area.

Each E, S and G pillar is scored from 1 to 5 (5 being the best score) based on at least ten relevant key indicators per pillar.

1) Environmental pillar:

The analyst-manager:

- Assesses each component of this pillar: Emissions, Energy, Water, Waste, Biodiversity, based on the Lazard Frères Gestion materiality table;
- Analyses the severity of any controversies;
- Takes into account the absolute and relative rating of our external ESG partners in his/her assessment.

Based on his/her fundamental knowledge of the company and in light of the material ESG indicators for its sector, the analyst-manager assigns a score for Pillar E.

2) Social pillar:

The analyst-manager:

- Assesses each component of this pillar: Human Resources, Gender equality, Health and Safety, Relations with external third parties, based on the Lazard Frères Gestion materiality table;
- Analyses the severity of any controversies;
- Takes into account the absolute and relative rating of our external ESG partners in his/her assessment.

Based on his/her fundamental knowledge of the company and in light of the material ESG indicators for its sector, the analyst-manager assigns a score for Pillar S.

3) Governance pillar:

The analyst-manager:

- Assesses each component of this pillar: Shareholder structure, Board independence, Diversity, Roots, Multi-representation, Remuneration, based on the Lazard Frères Gestion materiality table;
- Analyses the severity of any controversies;
- Takes into account the service provider's absolute and relative score in his/her assessment.

Based on his/her fundamental knowledge of the company and in light of the material ESG indicators for its sector, the analyst-manager assigns a score for Pillar G.

The company's overall ESG rating summarises the scores for each pillar according to the following weighting: 30% for Environment, 30% for Social and 40% for Governance.

ESG ratings are directly built into the financial valuation model via the Beta used in the Capital Asset Pricing Model (CAPM) to define the weighted average cost of capital (WACC).

Under Lazard Frères Gestion's proprietary methodology, the Beta of a stock is not the Beta observed over the past year but a Beta calculated according to an assessment grid comprising the following factors:

- The cyclicality of the company's activity (30%);
- Compliance with ESG criteria (20%) quantified by the internal ESG rating;
- Financial leverage (20%);
- Product mix (10%);
- Geographical mix (10%);
- Operating leverage (10%).

This rating system therefore takes into account the risks likely to affect the sustainability of companies, or Sustainability Risks: regulatory, physical and reputational risks. These risks are assessed by monitoring of controversies, as well as by monitoring companies' main negative impacts in terms of sustainability, or Principal Adverse Impacts (carbon emissions, energy consumption, water consumption, waste production), i.e. 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 to or impairment of the value of assets;
- 4) higher cost of capital,
- 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.

The information relating to the Principal Adverse Impacts on sustainability factors is published in the periodic SFDR reports of the UCI, available on the website of the management company.

SRI management

The Sub-fund is managed in accordance with the principles of the SRI label defined by the French Ministry of the Economy and Finance. The consideration of ESG criteria influences the analysis of companies held in the portfolio, stock picking and weighting. The initial universe for Lazard Human Capital is the MSCI World Index of developed markets. In order to meet the SRI label management criteria, the analyst-managers ensure that the fund's average ESG rating is higher than the average ESG rating of the initial investment universe.

This ESG rating is calculated after excluding 20% of the lowest-rated stocks.

For the sake of integrity and objectivity, the ratings used for SRI management are produced by an independent external partner. The proportion of issuers covered by an ESG analysis in the portfolio and the benchmark index/universe must be at least 90%, excluding bonds and other debt securities issued by public or quasi-public issuers and cash held on an ancillary basis, and social impact assets (which are therefore capped at 10% of total assets).

Regulation (EU) 2020/852, the "Taxonomy Regulation"

The European Union Taxonomy aims to identify economic activities that are considered environmentally sustainable. The Taxonomy identifies these activities according to their contribution to six broad environmental objectives:

- Climate change mitigation,
- Climate change adaptation,
- Sustainable use and protection of water and marine resources,
- Transition to the circular economy (waste, prevention and recycling),
- Pollution prevention and control
- Protection of healthy ecosystems.

Currently, Technical Screening Criteria have been developed for a number of economic activities that can contribute substantially to two of these objectives: climate change mitigation and climate change adaptation. These criteria are currently awaiting publication in the Official Journal of the European Union.

The data presented below therefore only reflect alignment with these two objectives, based on the not-yet-finally published criteria as submitted to the European co-legislators. We will update this information in the event of changes to these criteria, the development of new review criteria relating to these two objectives, as well as when the criteria relating to the other four environmental objectives come into effect: sustainable use and protection of aquatic and marine resources; the transition to a circular economy; pollution prevention and reduction; the protection and restoration of biodiversity and ecosystems.

To be considered sustainable, an economic activity must demonstrate that it contributes substantially to the achievement of one of the six objectives, while not harming any of the other five (the so-called DNSH principle, standing for “Do No Significant Harm”). In order for an activity to be considered aligned with the European Taxonomy, it must also respect the human and social rights guaranteed under international law.

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.

The minimum percentage of alignment with the European Union Taxonomy is 0%. Consideration of the alignment of companies' activities is carried out qualitatively in the internal analysis process based on the data published by the companies themselves as well as data made available by our ESG data providers.

Engagement

Through our engagement initiatives with companies and through our votes, and possibly the proposal of resolutions at the general meetings of all portfolio companies, we influence companies to take better account of Human Capital.

Measurability

For efficient measurability, we have defined a proprietary rating that aims to measure the Human Capital performance of each of the portfolio companies and the investment universe on all five company selection indicators provided by our non-financial data provider, on an equally weighted basis. This method allows us to assess corporate practices, to measure the results of our engagement actions and to monitor their progress over time.

Reporting

In order to assess the ESG performance of each issuer with regard to ESG criteria, the following impact indicators are reported on a quarterly basis:

- Environmental performance: carbon intensity of the portfolio, expressed in tonnes of CO2 equivalent per €m of revenue, according to the following formula: (Scope 1 + Scope 2) / Revenue (Trucost). We do not take include Scope 3 emissions.
- Social performance: average number of training hours provided (ESG partner)
- Human rights performance: the percentage of companies that are signatories to the United Nations Global Compact (ESG partner)
- Governance performance: average percentage of independent directors (Proxinvest/ECGS, company reports)

The Sub-Fund's objective is sustainable investment in the social pillar within the meaning of Article 9 of Regulation (EU) 2019/2088, the “SFDR Regulation”.

2. Assets excluding derivatives held in the Lazard Human Capital sub-fund

Equities:

The portfolio is composed of:

- At least 90% of the net assets in equities of large caps listed in developed countries as defined by the MSCI World index.
- A maximum of 10% of the net assets in equities of small and mid caps listed in developed countries as defined by the MSCI World index.

Negotiable debt securities and money-market instruments:

French and US negotiable debt securities with an investment grade rating (rated as such by the rating agencies) or an equivalent rating based on the management company's analysis (up to a maximum of 10% of the net assets).

In the event of a rating downgrade, the management company will conduct its own analysis of the negotiable debt securities without relying exclusively and automatically on the agencies' ratings.

UCIs:

The Sub-fund may invest up to 10% of its assets in units or shares of European UCITS or UCIs meeting the four criteria defined by Article R 214-13 of the French Monetary and Financial Code (COMOFI).

These UCIs may be managed by the management company.

3. Derivatives held in the Lazard Human Capital sub-fund

- Types of markets:

- regulated
- organised
- OTC

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

- equity
- 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
- interest rate
- foreign exchange
- other

options:

- equity and equity indices
- interest rate
- foreign exchange
- other

swaps:

- equity swaps
- interest rate swaps
- currency swaps
- performance swaps

currency forwards

- credit derivatives
- other type

- Derivatives strategies to achieve the investment objective:

- partial or general portfolio hedging
- creating synthetic exposure to assets and risks
- increasing exposure to the market
- maximum permitted and sought
- other strategy

4. Securities with embedded derivatives held in the Lazard Human Capital sub-fund

None.

5. Deposits held in the Lazard Human Capital sub-fund

Up to 10% of the Sub-fund's assets may be held in deposits.

6. Cash borrowings of the Lazard Human Capital sub-fund

The Sub-fund may borrow cash within the limit of 10% of its net assets to meet specific cash requirements related to its operating needs.

7. Temporary purchases and sales of securities of the Lazard Human Capital sub-fund

None.

8. Information on the financial collateral of the Lazard Human Capital sub-fund

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 Sub-fund 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 OF THE LAZARD HUMAN CAPITAL SUB-FUND

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 Sub-fund provides no capital 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 Sub-fund's performance is dependent both on the selection of securities and UCI picked by the manager and the manager's asset allocation. There is therefore a risk that the manager may not select the best-performing securities or choose the optimal asset allocation.

- **Equity risk**

Fluctuations in share prices may have a negative impact on the Sub-fund's net asset value. The net asset value may decrease during periods in which equity markets are falling.

- **Market capitalisation risk**

The volume of small- and mid-cap stocks traded on the stock market is lower than that of large caps, which means they can be more significantly impacted by market movements than large caps. The Sub-fund's NAV may therefore decline rapidly and significantly.

- **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 Sub-fund liquidates, initiates or modifies positions and thus cause a decline in the Sub-fund's net asset value.

- **Foreign exchange risk**

The Sub-fund 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 Sub-fund'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).

- **Derivative financial instrument risk**

The risk arising from the Sub-fund'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 Sub-fund has invested.

- **Counterparty risk**

This is a risk linked to the use of forward financial instruments traded over the counter. These transactions, entered into with one or more counterparties, potentially expose the Sub-fund to a risk of failure of any such counterparty, which may lead to default in payment and cause the Sub-fund's NAV to fall.

- **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 Sub-fund's exposure to issuers either through direct investment or via other UCIs may give rise to a decline in the net asset value. If the Sub-fund is exposed to unrated or speculative/High Yield debt, the credit risk is high and may lead to a decline in the Sub-fund's net asset value.

- **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.

GUARANTEE OR PROTECTION OF THE LAZARD HUMAN CAPITAL SUB-FUND

None.

ELIGIBLE SUBSCRIBERS AND TYPICAL INVESTOR PROFILE OF THE LAZARD HUMAN CAPITAL SUB-FUND

Any subscriber seeking exposure to international equity risk.

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

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 Sub-fund is not registered as an investment vehicle in the United States and its shares 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 Sub-fund 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 Sub-fund 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 Sub-fund 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 Sub-fund may not be suitable for investors planning to withdraw their contributions within five years.

28. CHANGES AFFECTING THE UCI

The LAZARD HUMAN CAPITAL sub-fund (ISIN code: FR0014009F48) of the **LAZARD FUNDS** SICAV was created on **September 30th, 2022**.

The Board of Directors of the **LAZARD FUNDS** SICAV (for the LAZARD HUMAN CAPITAL sub-fund) (ISIN code: FR0014009F48) decided on November 15th, 2022 to implement subscription fees not retained by the UCI as follows:

Sub-fund	Equities	ISIN	Entry fees not retained by the UCI
Lazard Human Capital	PC EUR	FR0014009F48	2%
Lazard Human Capital	PD EUR	FR0014009F55	2%
Lazard Human Capital	EC EUR	FR0014009F63	2%
Lazard Human Capital	ED EUR	FR0014009F71	2%
Lazard Human Capital	RC EUR	FR0014009F89	2%
Lazard Human Capital	PC EUR	FR0014009F48	2%

➤ **Effective date: 25/11/2022.**

The KIID of the **LAZARD FUNDS** SICAV (for the LAZARD HUMAN CAPITAL sub-fund) (ISIN code: FR0014009F48) was converted to the KID PRIIPS (*Key Information Document and Packaged Retail Investment and Insurance-based Products*) on January 1st, 2023, in accordance with the European regulations aimed at standardising pre-contractual information on financial products intended for retail investors.

The following decisions were made in relation to the **LAZARD HUMAN CAPITAL** sub-fund (ISIN code: FR0014009F48) of the **LAZARD FUNDS** SICAV: a change in the investment strategy following the SRI certification of the sub-fund.

➤ **Effective date: 25/04/2023.**

The Board of Directors of the **LAZARD FUNDS** SICAV (for the LAZARD HUMAN CAPITAL sub-fund) (ISIN code: FR0014009F48), on September 25th, 2023, proposed introducing the gates mechanism in the SICAV's prospectus. An Extraordinary Shareholders' Meeting has been called to include the gates mechanism in the articles of association and to amend the Prospectus.

➤ **Effective date: 16/11/2023.**

PERFORMANCE

- The performance of the PC share (FR00I4009F48) over the period was +8,49%.
- The performance of the EC share (FR00I4009F63) over the period was +9,14%.
- The performance of the ED share (FR00I4009F71) over the period was +9,14%.
- The performance of the RC share (FR00I4009F89) over the period was +1,55%.

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

The performance of the benchmark over the period was: +12,84%.

ECONOMIC ENVIRONMENT

Despite central banks' efforts to curb activity and inflation, growth showed unexpected resilience in Western countries. US growth was robust, supported by household consumption. Growth in the Eurozone was modest, against a backdrop of deteriorating purchasing power and rapid transmission of the ECB's monetary tightening.

However, the economic impacts of the energy crisis were less severe than feared. The bankruptcy of three US regional banks and the disastrous takeover of Credit Suisse in March 2023 could also have had more significant impacts. Thanks to lower energy prices and the easing of supply tensions, inflation fell sharply in the US and Europe. However, it remained well above central bank targets, fuelled by the services sector and the still tight labour market situation.

Against this backdrop, the Fed and the ECB continued to tighten their monetary policy. The Fed raised its key rate to 5,25%-5,50%, its highest level in 22 years. The ECB raised the refinancing rate to 4,50% and the deposit rate to 4,00%, levels never before reached. In China, after a rebound following the lifting of health restrictions, growth lost momentum amid a slowdown in the real estate sector.

Against this backdrop, global equity markets rebounded strongly, making up some of the losses recorded in 2022. US and European interest rates alternated between rises and falls before soaring in the summer of 2023 to reach their highest levels for more than ten years.

Economy

In the United States, GDP growth accelerated to +2,4% year-on-year in Q2 2023. Job creation slowed to an average of +266 000 per month. The unemployment rate rose to 3,8%. Annual hourly wage growth slowed to +4,2%. The year-on-year increase in consumer prices slowed to +3,7% and +4,1% excluding energy and food.

The Fed raised its key rate by +2,25% to 5,25%-5,50%, in the following sequence: a +0,75% hike in November 2022, +0,50% in December 2022 and three consecutive +0,25% hikes in February, March and May 2023. The Fed took a first break in June 2023, before a further 0,25% hike in July 2023 and a further break in September 2023.

In terms of unconventional measures, in March 2023 the Fed announced the creation of a new liquidity access mechanism ("Bank Term Funding Program") in response to the collapse of Silvergate Bank, Silicon Valley Bank and Signature Bank.

In the U.S. midterm elections on November 8th, 2022, the Democrats retained their majority in the Senate and the Republicans won the House of Representatives.

In the Eurozone, GDP growth slowed to +0,5% year-on-year in Q2 2023, with contrasting trends between countries. GDP fell by -0,2% in Germany, while rising by +1,0% in France, +0,3% in Italy and +2,2% in Spain. PMI surveys improved until the spring of 2023 before deteriorating rapidly in the summer of 2023. The Eurozone unemployment rate fell to 6,4%. The year-on-year increase in consumer prices slowed to +4,3% and +4,5% excluding energy and food.

The ECB raised its key rates by +3,25%, in the following sequence: +0,75% in October 2022, three consecutive increases of +0,50% between December 2022 and March 2023 and four consecutive increases of +0,25% between May and September 2023. The deposit rate was raised from +0,75% to +4,00% and the refinancing rate from +1,25% to +4,50%.

In terms of unconventional measures, in December 2022 the ECB announced a reduction in the size of its APP portfolio from March 2023. In June 2023, the ECB announced that it would end reinvestments under this programme.

In Italy, the right-wing coalition secured a clear victory in the general elections on September 25th, 2022. Giorgia Meloni was elected prime minister on October 22nd, 2022.

In China, GDP growth accelerated to +6,3% year-on-year in Q2 2023. Activity benefited from the complete lifting of health restrictions in December 2022. The real estate sector continued to struggle. The urban unemployment rate fell to 5,2%. Consumer prices remained stable.

The Chinese central bank cut its key interest rate from -0,25% to 2,50% and the reserve requirement ratio from -0,75% to 10,50%.

At the conclusion of the 20th CCP Congress in October 2022, Xi Jinping won a third term as General Secretary of the Party and head of the armed forces. Xi Jinping was formally re-elected President of the Republic during the annual session of the National People's Congress in March 2023. On this occasion, the government announced that it was aiming for growth of "around +5,0%" in 2023.

Markets

The MSCI World All Country index of global equity markets rose by +18,7% year-on-year, wiping out around half of the decline in the first nine months of 2022. The Topix in yen rose by +26,6%, the Euro Stoxx in euro by +20,9%, the S&P 500 in dollar by +19,6% and the MSCI index of emerging equities in dollar by +8,8%.

The unexpected resilience of the global economy was a major support factor for equity markets between the fourth quarter of 2022 and the start of the third quarter of 2023.

The effects of the Eurozone energy crisis were less significant than feared, the Chinese economy reopened faster than expected and US inflation slowed, while the unemployment rate remained low, fuelling the idea of a soft landing for the US economy.

Equity markets also benefited from the sharp rise in tech mega-caps in the United States, linked to the artificial intelligence craze.

The uptrend in equity markets reversed from August 2023 onwards, against a backdrop of increasing economic uncertainty in China, poor economic data in Europe and soaring long-term interest rates.

Bond markets alternated between rises and falls between the fourth quarter of 2022 and the start of the third quarter of 2023, with investors switching from one monetary policy scenario to another.

US and European interest rates soared during the summer of 2023 to reach their highest levels for more than ten years, as the resilience of the US economy and the Fed's more restrictive message led investors to anticipate permanently higher key rates.

The US 10-year yield rose from 3,83% to 4,57% and the German 10-year yield from 2,11% to 2,84%.

According to ICE Bank of America indices, credit spreads for European corporate issuers fell from 210 to 141 basis points in the Investment Grade segment and from 625 to 445 basis points in the High Yield segment.

The euro appreciated by +7,9% against the dollar and by +11,3% against the yen. It stabilised against the Swiss franc and depreciated by -1,2% against sterling. According to the JPMorgan index, emerging currencies depreciated by an average of -2,9% against the dollar,

The S&P GSCI commodity price index was virtually stable over the year. The price of a barrel of Brent crude oil rose from \$86 to \$92, with a peak of \$100 in early November 2022 and a low point of \$72 in mid-March 2023.

MANAGEMENT POLICY

In the last quarter of 2022, Lazard Human Capital gained 3,11% (PC share), compared with 0,76% for the MSCI World net dividends reinvested (in euros).

October was a particularly volatile month following the 75bp rise in Fed Funds at the end of September and Jerome Powell's comments on the Federal Reserve's determination to fight inflation. The month was also marked by the publication of third-quarter earnings, and in particular the slowdown in growth in the technology sector, with the GAFAMs in particular largely disappointing. The portfolio benefited from the absence of GAFAM, while the absence of oil (an unsustainable investment) weighed on the month's performance. The position in First Republic Bank (-8,7%) also weighed on performance due to the fall in the interest margin, with the cost of deposits rising faster than the cost of loans in the third quarter.

November continued to be a volatile month, with a sharp fall at the start of the month as a result of investors' concerns about the extent of the US Federal Reserve's rate hike, and the Chinese government's policy of repeated lockdowns to combat the Covid-19 pandemic. The publication of a lower-than-expected US inflation figure on November 10th helped the market to recover. Finally, the last trading day of the month saw a particularly strong rebound (+3,1% in USD on the SP500 index) following Jerome Powell's comments. The Federal Reserve Governor stated that the pace of rate hikes would now slow down. On the same day, in the face of protests in many cities, the Chinese authorities indicated that they were relaxing their zero-Covid policy, which was weighing on Chinese economic growth, particularly household demand, but also on global growth. The outperformance over the month was due to our positions in consumer goods exposed to China, which will benefit from the opening-up measures (Estée Lauder +13,1% in euros; L'Oréal +11,5%; Nike +13,4% and Sony +18%). Financial companies also made a significant contribution (Allianz +12,2% or BNP Paribas +12,5%). Conversely, Ecolab in the fine chemicals sector (-8,6%) suffered from its disappointing results due to persistently high raw materials and logistics costs, as did Medtronic in medical equipment (-13,3%). The absence of utilities and real estate companies, which benefited from the fall in rates over the quarter, also weighed on performance, albeit to a lesser extent.

In December, after a tentative recovery in November, the equity markets fell again following the publication of US job creation figures that were still higher than estimated. Comments from Jerome Powell, Governor of the US Federal Reserve, on the central bank's intention to continue raising key interest rates helped to weigh on the markets - as did comments from the President of the European Central Bank. The financial sector weighed on performance, with Bank of America down -15,2% and Morgan Stanley down -12,0%. However, the portfolio's performance was driven by stock-picking in the consumer discretionary sector (absence of Tesla, -39,1% and presence of Nike +3% and Michelin -2,8%), technology (absence of Apple and NVidia) and the absence of energy stocks, a sector that does not fall within the category of sustainable investments as defined by the SFDR.

In the first quarter of 2023, Lazard Human Capital gained 4,37% (PC share), compared with 5,83% for the MSCI World net dividends reinvested (in euros).

After a downward trend towards the end of 2022, investors began the year optimistic about the ability of central banks to raise interest rates and bring inflation down without sending economies into recession. European markets rebounded strongly in January, with the energy crisis seemingly finally over for the winter. The US technology sector, which was badly hit by last year's downturn, was also up strongly (+10,7% in USD for the Nasdaq index, which is heavily weighted in technology stocks). The portfolio benefited from its positions in consumer goods and services (e.g.: L'Oréal +13,3% and Hilton Worldwide 13,2%), banks benefiting from rising interest rates (BNP Paribas +18,1%; First Republic Bank +14,2%; Morgan Stanley +13,8%) and the absence of energy stocks. Conversely, the underweighting of technology stocks weighed on performance, as did our positions in healthcare, a sector which, after a very good performance in 2022, is subject to profit-taking (Merck & Co and Cigna).

February saw interest rates rise from 3,4% to 3,9% on the 10-year US Treasury bond. After January's rally, investors became more cautious and the Federal Reserve became more hawkish about its intention to continue raising interest rates to slow the economy and the pace of inflation. However, the continued rise in technology stocks absent from the portfolio such as Nvidia (+21,7%), Tesla (+21,7%) and Meta Platforms (+20,3%) weighed on performance. Linde (+7,8%), CME Group (+7,5%) and Dassault (+7,4%) performed well following the publication of their results.

March was mainly marked by the banking collapse in both the US and Europe. Central banks' sharp hikes in short rates over the past year, which weighed on the balance sheets of US regional banks, swept away the less cautious banks (Silicon Valley Bank, Signature Bank), while equally imprudent statements by its largest shareholder (Saudi National Commercial Bank) caused the share price of Credit Suisse and its so-called "additional Tier 1" bonds to plummet, forcing Credit Suisse to merge with its rival UBS. The portfolio's performance was hit hard by the fall in the price of our position in First Republic Bank (down 88% over the month), which was sold at a loss. A high-quality regional bank, First Republic is the collateral damage of the collapse of Silicon Valley Bank. Based in San Francisco (the region accounts for 34% of its total lending), a retail bank serving mainly affluent customers, First Republic suffered a flight of deposits, making a rescue procedure by the deposit insurer (FDIC) and 12 Wall Street banks essential. Although the risk was non-existent, customers whose deposits exceeded the threshold insured by the FDIC preferred to transfer them to other banks in the face of uncertainty. The portfolio's positions in healthcare (Coloplast +10,7%, Sanofi +12,8%) and technology (e.g. Adobe Systems +16,1%) made a positive contribution to performance, but was unable to offset the negative impact of First Republic Bank (-148bp).

In the second quarter of 2023, Lazard Human Capital gained 4,54% (PC share), compared with 6,38% for the MSCI World net dividends reinvested (in euros).

April was marked by corporate earnings releases, which were fairly good overall for the first quarter. The underweight position in technology stocks weighed on performance, as did the absence of the GAFAM, which currently fall short on the Human Capital criterion. This was more than offset by the positive contribution of pharmaceuticals (Merck & Co., Zoetis and Roche) and medical equipment (Medtronic and Coloplast). Positions in industrials were reduced with the sale of Komatsu (construction equipment) and by trimming positions in Johnson Control (air conditioning) and Fanuc (factory automation).

In May, global markets navigated between hopes that the Fed would pause its rate hike at its next meeting and concerns about the debt ceiling in the United States and the economic recovery in China, which is not as robust as expected. The portfolio was hurt mainly by its exposure to consumer staples and healthcare, with the falls of Estée Lauder (-22,4%), Coloplast (-9,3%) and Medtronic (-5,6%). The fund was also hurt by the absence of Nvidia (+41,4%) and Apple (+8,5%). On the other hand, it benefited from its lack of exposure to energy, utilities and real estate, and from its stock picks in industry. ASML (+17,1%), KLA (+19,2%), Adobe (+14,7%) and Accenture (+13,2%) were the main positive contributors to relative performance. The absence of Exxon Mobil (-9,7%) also contributed positively.

June was dominated by central bank decisions. As widely expected, the Fed paused its rate hiking cycle but still hinted that it could raise rates twice more this year, with more tightening coming next month. As expected, the ECB raised its key interest rates by a further 25bp. By sector, consumer staples, consumer discretionary and industry weighed on the relative performance. The portfolio was mainly affected by the absence of Tesla (+25,1%) and Apple (+6,6%) as well as by the falls in Reckitt Benckiser (-5,3%), Coloplast (-2,7%) and Deutsche Telekom (-3,7%). On the other hand, it benefited from its lack of exposure to utilities, real estate and energy, and from its stock picks in materials. ASML (+14,0%), Johnson Controls International (+11,8%), Ecolab (+10,5%) and Cigna (+11,0%) were the main positive contributors to relative performance over the month. The absence of Alphabet (-5,1%) also contributed positively.

In the third quarter of 2023, Lazard Human Capital fell by 3,56% (PC share), compared with a 0,52% decline for the MSCI World net dividends reinvested (in euros).

July was marked by the eagerly awaited decisions of the main central banks and the start of the quarterly earnings season. As expected, after a pause in June, the Fed hiked its rates by 25 basis points and showed itself to be even more data-dependent for future decisions. Similarly, the ECB raised its key interest rates by a further 25 basis points, as expected. By sector, communication services, consumer staples and industry weighed in relative terms. The portfolio was mainly affected by the falls of Fanuc (-13%), Interpublic (-12%), Merck & Co (-8,3%), Estée Lauder (-9,1%) and the absence of Nvidia (+9,6%). On the other hand, it benefited from its stock picks in consumer discretionary and information technology, as well as from its non-exposure to real estate and utilities. Adobe (+10,8%), Zoetis (+8,6%), Automatic Data Processing (+11,6%) and Michelin (+10%) were the main positive contributors to relative performance over the month. The absence of Apple (+0,5%) also contributed positively.

August is not known for being a quiet month on the stock markets, and this year was no exception. Despite a rebound at the end of the month, the main equity indices ended August lower due to concerns about interest rates, inflation and figures out of China. The latter exacerbated investors' fears by revealing disappointing growth, still low consumption and a distressed real estate sector. By sector, healthcare, industry and energy weighed on the relative performance. The portfolio was mainly affected by the performances of Johnson Controls (-13,8%) and BMW (-12,4%). It was also impacted by the absence of Nvidia (+7,3%) and Eli Lilly (+24,1%), which benefited from a positive study on a Novo Nordisk anti-obesity drug that could reduce the risk of cardiovascular events. On the other hand, the fund benefited from its stock picks in financial services and materials, as well as from its non-exposure to real estate and utilities. Adobe (+4,0%), Accenture (+3,9%) and Visa (+5,1%) were the main positive contributors to relative performance over the month. The absence of Apple (-2,8%) also contributed positively.

September is usually seen as the worst performing month of the year, and the 2023 edition was no exception to this historic trend. The main stock market indices finished sharply lower, following a decline already seen in August. Statements from central banks, particularly the Fed, played a crucial role this month. As expected, the Fed did not raise interest rates, but was planning a further increase by the end of the year, fewer cuts than initially planned in 2024 and high rates for an extended period, calling into question most of the scenarios envisaged by the market. The US ten-year yield rose by 46 basis points over the month, reaching its highest level since 2007 at 4,57%, while its German counterpart closed at a level not seen since 2011 at 2,84%, an increase of 37 basis points. At the same time, the dollar strengthened by 2,56% against the euro, and oil prices rose by 10% as Saudi Arabia and Russia cut production, exacerbating concerns about future inflation. The risk of a shutdown in the United States and the strike in the automotive industry only added to market instability. By sector, energy, materials and health weighed on the relative performance. The portfolio was mainly affected by the performance of Adobe (-6,6%), Zoetis (-6,4%), KLA (-6,4%) and Interpublic (-9,9%). However, the fund was able to benefit from a stock-picking effect in consumer discretionary, an allocation effect in technology and its lack of exposure to utilities and real estate. In detail, the main contributors to relative performance over the month were Hilton Worldwide (+3,5%), Cigna (+6,6%), Svenska Handelsbanken (+9,8%) and Sanofi (+2,9%), while the absence of Apple (-6,6%) and Nvidia (-9,7%) also proved beneficial.

Main changes in the portfolio during the year

Securities	Changes ("accounting currency")	
	Purchases	Sales
MICROSOFT CORP	1 571 342,92	
BECTON DICKINSON AND CO	674 058,74	610 865,34
AKZO NOBEL N.V.	564 241,41	607 429,45
NIKE INC -CL B	558 192,78	576 918,17
APPLE INC	571 090,88	529 534,48
ATLAS COPCO AB-A SHS	516 534,32	552 335,55
METTLER-TOLEDO INTERNATIONAL	502 760,35	548 518,38
ACCENTURE PLC-CL A	1 003 125,98	
VISA INC-CLASS A SHARES	993 623,75	
TEXAS INSTRUMENTS INC	500 312,01	478 671,37

30. REGULATORY INFORMATION

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

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

- **Exposure through efficient management techniques: None.**

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

- **Underlying exposure through derivative financial instruments: None.**

- Currency forwards:
- Futures:
- Options:
- Swaps:

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

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

(*) Excluding listed derivatives

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

Instrument types	Amount in the currency of the portfolio
<p>Efficient portfolio management techniques</p> <ul style="list-style-type: none"> . Term deposits . Equities . Bonds . UCITS . Cash (*) <p style="text-align: right;">Total</p>	None
<p>Derivative financial instruments</p> <ul style="list-style-type: none"> . Term deposits . Equities . Bonds . UCITS . Cash <p style="text-align: right;">Total</p>	None

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

d) Operating income and expenses related to efficient management techniques

Operating income and expenses	Amount in the currency of the portfolio
<ul style="list-style-type: none"> . Income (*) . Other income <p style="text-align: right;">Total income</p>	None
<ul style="list-style-type: none"> . Direct operating expenses . Indirect operating expenses . Other expenses <p style="text-align: right;">Total expenses</p>	None

(*) Income on securities lending and repurchase agreements

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

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

PROCEDURE FOR SELECTING AND ASSESSING INTERMEDIARIES AND COUNTERPARTIES

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

The information can be consulted on the management company's website: www.lazardfreresgestion.fr

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 9

"Pursuant to Article 58 of the SFDR Level 2 Delegated Regulation, information on the attainment of the sustainable investment objective of the financial product is available in the appendix to this report."

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.

INFORMATION ON DISTRIBUTED INCOME ELIGIBLE FOR THE 40% ALLOWANCE

Pursuant to the provisions of Article 41 sexdecies H of the French General Tax Code, income on distributing shares is subject to an allowance of 40%.

REMUNERATION

The fixed and variable remuneration paid during the financial year ended on December 31st, 2022 by the management company to its personnel, in proportion to their investment in the management of the UCITS, excluding the management of AIFs and discretionary mandates, can be obtained on request by post from the legal department of Lazard Frères Gestion, and are 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 risks and 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.

The remuneration policy is reviewed annually.

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 31/12/2022: Fixed-term and permanent contracts of LFG, LFG Luxembourg and LFG Belgique (therefore excluding interns and apprentices and excluding LFG Courtage)

Headcount at 31/12/2022 LFG - LFG Belgique - LFG Luxembourg	Fixed annual remuneration 2022 in €	Variable remuneration for 2022 (cash paid in 2023 and deferred compensation allocated in 2023) in €
205	20 102 615	29 964 115

"Identified employees"

Category	Number of employees	2022 aggregate fixed and variable remuneration (annual salaries and cash and deferred bonuses)
Senior management	3	5 848 796
Other	61	28 469 324
Total	64	34 318 120

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 shareholders to:

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

www.lazardfreresgestion.fr

31. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AS Of 29/09/2023 in euros

ASSETS

	29/09/2023
NET NON-CURRENT ASSETS	
DEPOSITS	
FINANCIAL INSTRUMENTS	33 802 605,58
Equities and similar securities	33 802 605,58
Traded on a regulated or equivalent market	33 802 605,58
Not traded on a regulated or equivalent market	
Bonds and similar securities	
Traded on a regulated or equivalent market	
Not traded on a regulated or equivalent market	
Debt securities	
Traded on a regulated or equivalent market	
Negotiable debt securities	
Other debt securities	
Not traded on a regulated or equivalent market	
Undertakings for collective investment	
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries	
Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU	
General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities	
Other funds aimed at professional investors and their equivalent in other Member States of the EU and unlisted securitisation entities	
Other non-European entities	
Temporary securities transactions	
Receivables on securities purchased under repurchase agreements	
Receivables on loaned securities	
Borrowed securities	
Securities sold under repurchase agreements	
Other temporary transactions	
Forward financial instruments	
Transactions on a regulated or equivalent market	
Other transactions	
Other financial instruments	
RECEIVABLES	111 253,35
Currency forward exchange transactions	
Other	111 253,35
FINANCIAL ACCOUNTS	3 097 445,11
Cash and cash equivalents	3 097 445,11
TOTAL ASSETS	37 011 304,04

LIABILITIES AND SHAREHOLDERS' EQUITY

	29/09/2023
SHAREHOLDERS' EQUITY	
Share capital	35 696 186,95
Undistributed net capital gains and losses recognised in previous years (a)	
Retained earnings (a)	
Net capital gains and losses for the year (a, b)	-951 572,48
Net income for the year (a,b)	484 943,40
TOTAL SHAREHOLDERS' EQUITY*	35 229 557,87
<i>* Sum representing the net assets</i>	
FINANCIAL INSTRUMENTS	
Sales of financial instruments	
Temporary securities transactions	
Liabilities on securities sold under repurchase agreements	
Liabilities on borrowed securities	
Other temporary transactions	
Forward financial instruments	
Transactions on a regulated or equivalent market	
Other transactions	
LIABILITIES	1 781 746,17
Currency forward exchange transactions	
Other	1 781 746,17
FINANCIAL ACCOUNTS	
Bank overdrafts	
Borrowings	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	37 011 304,04

(a) Including accrued income

(b) Less interim dividends paid for the financial year

OFF-BALANCE SHEET ITEMS AS AT 29/09/2023 in euros

	29/09/2023
HEDGING TRANSACTIONS	
Commitments on regulated or similar markets	
Commitments on OTC markets	
Other commitments	
OTHER TRANSACTIONS	
Commitments on regulated or similar markets	
Commitments on OTC markets	
Other commitments	

INCOME STATEMENT AT 29/09/2023 in euros

	29/09/2023
Income from financial transactions	
Income from deposits and financial accounts	42 808,91
Income from equities and similar securities	521 981,77
Income from bonds and similar securities	
Income from debt securities	
Income from temporary purchases and sales of securities	
Income from forward financial instruments	
Other financial income	
TOTAL (1)	564 790,68
Expenses related to financial transactions	
Expenses related to temporary purchases and sales of securities	
Expenses related to forward financial instruments	
Expenses related to financial liabilities	734,62
Other financial charges	
TOTAL (2)	734,62
INCOME FROM FINANCIAL TRANSACTIONS (1 - 2)	564 056,06
Other income (3)	
Management fees and depreciation and amortisation (4)	178 885,05
NET INCOME FOR THE FINANCIAL YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	385 171,01
Income adjustment for the financial year (5)	99 772,39
Interim dividends paid on net income for the financial year (6)	
Net income (1 - 2 + 3 - 4 + 5 - 6)	484 943,40

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,
- consistency of accounting methods from one financial year to the next.

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

Purchases and sales of securities are recorded excluding expenses.

The accounting currency of the portfolio is the euro.

The first financial year ending September 29th, 2023 has an exceptional duration of 13 months and 1 days.

Asset valuation rules

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

Marketable securities:

- **Equities and similar instruments**

These instruments are valued on the basis of the last known price on their main market.

If applicable, prices are translated into euros using the exchange rate prevailing in Paris on the valuation day (as published by WM Closing).

- **Fixed-income securities**

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

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

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

Financial instruments whose prices have not been determined on the valuation day or whose prices have been adjusted are valued at their probable trading price, for which the shareholders' meeting is responsible.

These 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 SICAV 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 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).

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:

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

This amount is 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.

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

<i>Fees charged to the Sub-fund</i>	<i>Basis</i>	<i>Share</i>	<i>Maximum rate (incl. taxes)</i>	
Financial management fees	Net assets	PC EUR	1,10%	
		PD EUR	1,10%	
		EC EUR	0,50%	
		ED EUR	0,50%	
		RC EUR	2,20%	
Operating and other service fees	Net assets	Applied to all shares	0,035%	
Indirect charges (management fees and expenses)	NA	Applied to all shares	None	
Turnover commission (0% to 100% received by the management company and 0% to 100% received by the custodian)	Maximum charge on each transaction	Applied to all shares	Equities, foreign exchange and other instruments	0% to 0,20%
Performance fee	Net assets	PC EUR, PD EUR, EC EUR, ED EUR, RC EUR	None	

Allocation of distributable income

Definition of distributable income:

Distributable income consists of:

Net income:

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

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

Capital gains and losses:

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

Allocation of distributable income:

<i>Share(s)</i>	<i>Allocation of net income</i>	<i>Allocation of net realised capital gains or losses</i>
LAZARD HUMAN CAPITAL EC EUR shares	Accumulation	Accumulation
LAZARD HUMAN CAPITAL ED EUR shares	Distribution	Accumulation and/or Distribution and/or Retention as decided by the SICAV
LAZARD HUMAN CAPITAL PC EUR shares	Accumulation	Accumulation
LAZARD HUMAN CAPITAL RC EUR shares	Accumulation	Accumulation

2. CHANGE IN NET ASSETS AT 29/09/2023 in euros

	29/09/2023
NET ASSETS AT START OF YEAR	
Subscriptions (including subscription fees retained by the Fund)	35 210 640,06
Redemptions (net of redemption fees retained by the Fund)	-269 534,65
Realised capital gains on deposits and financial instruments	290 264,36
Realised capital losses on deposits and financial instruments	-563 417,34
Realised capital gains on forward financial instruments	
Realised capital losses on forward financial instruments	
Transaction charges	-191 171,59
Exchange rate differences	-774 764,71
Changes in valuation difference of deposits and financial instruments	1 142 370,73
<i>Valuation difference for financial year N</i>	<i>1 142 3 70,73</i>
<i>Valuation difference for financial year N-1</i>	
Changes in valuation difference of forward financial instruments	
<i>Valuation difference for financial year N</i>	
<i>Valuation difference for financial year N-1</i>	
Distribution of prior year's net capital gains and losses	
Dividends paid in the previous financial year	
Net profit/loss for the financial year prior to income adjustment	385 171,01
Interim dividend(s) paid on net capital gains/losses during the financial year	
Interim dividend(s) paid on net income during the financial year	
Other items	
NET ASSETS AT END OF YEAR	35 229 557,87

3. ADDITIONAL INFORMATION

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC STATUS

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

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

	Fixed rate	%	Variable rate	%	Revisable rate	%	Other	%
ASSETS								
Deposits								
Bonds and similar securities								
Debt securities								
Temporary securities transactions								
Financial accounts							3 097 445,11	8,79
LIABILITIES AND SHAREHOLDERS' EQUITY								
Temporary securities transactions								
Financial accounts								
OFF-BALANCE SHEET								
Hedging transactions								
Other transactions								

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

	< 3 months	%	]3 months-1 year]	%	]1 – 3 years]	%	]3 – 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities										
Debt securities										
Temporary securities transactions										
Financial accounts	3 097 445,11	8,79								
LIABILITIES AND SHAREHOLDERS' EQUITY										
Temporary securities transactions										
Financial accounts										
OFF-BALANCE SHEET										
Hedging transactions										
Other transactions										

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

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

	Currency 1 USD		Currency 2 GBP		Currency 3 JPY		Currency N OTHER(S)	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities	20 074 906,66	56,98	1 748 246,26	4,96	1 010 454,01	2,87	2 084 129,39	5,92
Bonds and similar securities								
Debt securities								
UCI								
Temporary securities transactions								
Receivables	18 078,42	0,05	61 510,75	0,17	5 782,46	0,02	25 881,72	0,07
Financial accounts	1 867 394,15	5,30	13 797,42	0,04	6 674,63	0,02	62 430,80	0,18
LIABILITIES AND SHAREHOLDERS' EQUITY								
Sales of financial instruments								
Temporary securities transactions								
Liabilities	876 362,75	2,49					214 589,83	0,61
Financial accounts								
OFF-BALANCE SHEET								
Hedging transactions								
Other transactions								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Debit/credit item	29/09/2023
RECEIVABLES		
	Deferred settlement sale	76 840,24
	Coupons and dividends in cash	34 413,11
TOTAL RECEIVABLES		111 253,35
LIABILITIES		
	Deferred settlement purchase	1 687 767,38
	Redemptions payable	76 131,75
	Fixed management fees	17 847,04
TOTAL LIABILITIES		1 781 746,17
TOTAL LIABILITIES AND RECEIVABLES		-1 670 492,82

3.6. SHAREHOLDERS' EQUITY

3.6.1. Number of securities issued or redeemed

	In equity	In amounts
LAZARD HUMAN CAPITAL EC EUR shares		
Shares subscribed during the financial year	28 584,154	28 729 542,90
Shares redeemed during the financial year	-267,063	-269 503,60
Net balance of subscriptions/redemptions	28 317,091	28 460 039,30
Number of shares outstanding at the end of the financial year	28 317,091	
LAZARD HUMAN CAPITAL ED EUR shares		
Shares subscribed during the financial year	3 441,000	3 441 000,00
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions	3 441,000	3 441 000,00
Number of shares outstanding at the end of the financial year	3 441,000	
LAZARD HUMAN CAPITAL PC EUR shares		
Shares subscribed during the financial year	3 025,391	3 026 191,28
Shares redeemed during the financial year	-0,030	-31,05
Net balance of subscriptions/redemptions	3 025,361	3 026 160,23
Number of shares outstanding at the end of the financial year	3 025,361	
LAZARD HUMAN CAPITAL RC EUR shares		
Shares subscribed during the financial year	133,232	13 905,88
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions	133,232	13 905,88
Number of shares outstanding at the end of the financial year	133,232	

3.6.2. Subscription and/or redemption fees

	In amounts
LAZARD HUMAN CAPITAL EC EUR shares	
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	
LAZARD HUMAN CAPITAL ED EUR shares	
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	
LAZARD HUMAN CAPITAL PC EUR shares	
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	
LAZARD HUMAN CAPITAL RC EUR shares	
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	

3.7. MANAGEMENT FEES

	29/09/2023
LAZARD HUMAN CAPITAL EC EUR shares	
Guarantee fees	
Fixed management fees	122 017,81
Percentage of fixed management fees	0,54
Retrocessions of management fees	
LAZARD HUMAN CAPITAL ED EUR shares	
Guarantee fees	
Fixed management fees	19 499,76
Percentage of fixed management fees	0,53
Retrocessions of management fees	
LAZARD HUMAN CAPITAL PC EUR shares	
Guarantee fees	
Fixed management fees	37 273,97
Percentage of fixed management fees	1,15
Retrocessions of management fees	
LAZARD HUMAN CAPITAL RC EUR shares	
Guarantee fees	
Fixed management fees	93,51
Percentage of fixed management fees	2,19
Retrocessions of management fees	

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the Fund:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. OTHER INFORMATION

3.9.1. Present value of financial instruments held temporarily

	29/09/2023
Securities held under repurchase agreements	
Borrowed securities	

3.9.2. Present value of financial instruments representing security deposits

	29/09/2023
Financial instruments given as security and retained under their original classification	
Financial instruments received as security and not recorded on the balance sheet	

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

	ISIN code	Name	29/09/2023
Equities			
Bonds			
Negotiable debt securities			
UCI			
Forward financial instruments			
Total group securities			

3.10. APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Table of appropriation of distributable income pertaining to net income

	29/09/2023
Remaining amounts to be allocated	
Retained earnings	
Net income	484 943,40
Interim dividends paid on net income for the financial year	
Total	484 943,40

	29/09/2023
LAZARD HUMAN CAPITAL EC EUR shares	
Appropriation	
Distribution	
Balance brought forward for the financial year	
Accumulation	411 625,22
Total	411 625,22

	29/09/2023
LAZARD HUMAN CAPITAL ED EUR shares	
Appropriation	
Distribution	49 378,35
Balance brought forward for the financial year	3,66
Accumulation	
Total	49 382,01
Information on shares with dividend rights	
Number of shares	3 441,000
Dividend per share	14,35
Tax credit	
Tax credit attached to the distribution of earnings	6 800,98

	29/09/2023
LAZARD HUMAN CAPITAL PC EUR shares	
Appropriation	
Distribution	
Balance brought forward for the financial year	
Accumulation	23 867,21
Total	23 867,21

	29/09/2023
LAZARD HUMAN CAPITAL RC EUR shares	
Appropriation	
Distribution	
Balance brought forward for the financial year	
Accumulation	68,96
Total	68,96

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

	29/09/2023
Remaining amounts to be allocated	
Undistributed net capital gains and losses recognised in previous years	
Net capital gains and losses for the year	-951 572,48
Interim dividends paid on net capital gains/losses for the financial year	
Total	-951 572,48

	29/09/2023
LAZARD HUMAN CAPITAL EC EUR shares	
Appropriation	
Distribution	
Undistributed net capital gains and losses	
Accumulation	-787 140,55
Total	-787 140,55

	29/09/2023
LAZARD HUMAN CAPITAL ED EUR shares	
Appropriation	
Distribution	
Undistributed net capital gains and losses	
Accumulation	-80 568,99
Total	-80 568,99

	29/09/2023
LAZARD HUMAN CAPITAL PC EUR shares	
Appropriation	
Distribution	
Undistributed net capital gains and losses	
Accumulation	-83 880,63
Total	-83 880,63

	29/09/2023
LAZARD HUMAN CAPITAL RC EUR shares	
Appropriation	
Distribution	
Undistributed net capital gains and losses	
Accumulation	17,69
Total	17,69

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

	29/09/2023
Global net assets in euros	35 229 557,87
LAZARD HUMAN CAPITAL EC EUR shares in EUR	
Net assets	28 702 740,49
Number of shares	28 317,091
Net asset value per share	1 013,61
Accumulation per share pertaining to net capital gains/losses	-27,79
Accumulation per share pertaining to income	14,53
LAZARD HUMAN CAPITAL ED EUR shares in EUR	
Net assets	3 466 832,24
Number of shares	3 441,000
Net asset value per share	1 007,50
Accumulation per share pertaining to net capital gains/losses	-23,41
Distribution of income per share:	14,35
Tax credit per share	(*)
LAZARD HUMAN CAPITAL PC EUR shares in EUR	
Net assets	3 046 453,74
Number of shares	3 025,361
Net asset value per share	1 006,97
Accumulation per share pertaining to net capital gains/losses	-27,72
Accumulation per share pertaining to income	7,88
LAZARD HUMAN CAPITAL RC EUR shares in EUR	
Net assets	13 531,40
Number of shares	133,232
Net asset value per share	101,56
Accumulation per share pertaining to net capital gains/losses	0,13
Accumulation per share pertaining to income	0,51

* Tax credit per share will only be calculated on the distribution date, in accordance with applicable tax regulations.

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
Equities and similar securities				
Equities and similar securities traded on a regulated or similar market				
GERMANY				
ALLIANZ SE-REG	EUR	4 035	910 699,50	2,59
BAYERISCHE MOTOREN WERKE AG	EUR	5 520	532 017,60	1,51
DEUTSCHE BOERSE AG	EUR	4 330	708 821,00	2,01
DEUTSCHE TELEKOM AG-REG	EUR	40 020	795 117,36	2,26
MUENCHENER RUECKVER AG-REG	EUR	1 450	535 195,00	1,51
TOTAL GERMANY			3 481 850,46	9,88
DENMARK				
COLOPLAST B	DKK	6 660	667 696,93	1,90
TOTAL DENMARK			667 696,93	1,90
UNITED STATES				
ADOBE INC	USD	2 235	1 076 388,67	3,06
AMAZON.COM INC	USD	7 320	878 883,97	2,49
AUTOMATIC DATA PROCESSING	USD	3 490	793 033,48	2,25
BANK OF AMERICA CORP	USD	21 455	554 840,99	1,57
CME GROUP INC	USD	4 395	831 137,57	2,36
COLGATE-PALMOLIVE CO	USD	9 110	611 865,03	1,74
ECOLAB INC	USD	5 530	884 800,00	2,51
ESTEE LAUDER COMPANIES-CL A	USD	3 865	527 684,30	1,49
HILTON WORLDWIDE HOLDINGS IN	USD	5 680	805 688,22	2,29
INTERPUBLIC GROUP OF COS INC	USD	18 740	507 285,38	1,44
KLA CORP	USD	2 155	933 565,34	2,65
MERCK & CO. INC.	USD	9 740	947 091,38	2,69
MICROSOFT CORP	USD	6 040	1 801 303,42	5,12
MORGAN STANLEY	USD	7 960	614 019,55	1,75
OTIS WORLDWIDE CORP	USD	8 185	620 861,72	1,76
ROSS STORES INC	USD	5 805	619 291,38	1,75
S&P GLOBAL INC	USD	2 285	788 629,85	2,24
THE CIGNA GROUP	USD	2 306	623 071,94	1,77
VISA INC-CLASS A SHARES	USD	4 865	1 056 905,45	3,00
ZOETIS INC	USD	6 160	1 012 247,27	2,87
TOTAL UNITED STATES			16 488 594,91	46,80
FRANCE				
BNP PARIBAS	EUR	8 830	533 596,90	1,51
ESSILORLUXOTTICA	EUR	4 390	725 052,40	2,06
L'OREAL	EUR	2 240	880 768,00	2,50
MICHELIN (CGDE)	EUR	22 590	656 691,30	1,86
SANOFI	EUR	6 840	694 123,20	1,97
SCHNEIDER ELECTRIC SE	EUR	4 505	707 194,90	2,01
TOTAL FRANCE			4 197 426,70	11,91
IRELAND				
ACCENTURE PLC-CL A	USD	3 608	1 046 567,06	2,97
JOHNSON CONTROLS INTERNATIONAL PLC	USD	13 665	686 767,08	1,95
MEDTRONIC PLC	USD	11 755	870 008,78	2,47
TOTAL IRELAND			2 603 342,92	7,39

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
JAPAN				
FANUC	JPY	21 200	522 378,51	1,48
SONY GROUP CORP	JPY	6 300	488 075,50	1,39
TOTAL JAPAN			1 010 454,01	2,87
NETHERLANDS				
ASML HOLDING NV	EUR	1 045	584 259,50	1,66
TOTAL NETHERLANDS			584 259,50	1,66
UNITED KINGDOM				
ASTRAZENECA PLC	GBP	2 600	332 778,42	0,94
DIAGEO PLC	GBP	20 215	707 082,20	2,01
LINDE PLC	USD	2 795	982 968,83	2,80
RECKITT BENCKISER GROUP PLC	GBP	10 605	708 385,64	2,01
TOTAL UNITED KINGDOM			2 731 215,09	7,76
SWEDEN				
ATLAS COPCO AB	SEK	40 000	445 816,13	1,26
SVENSKA HANDELSBANKEN-A SHS	SEK	42 030	356 483,09	1,01
TOTAL SWEDEN			802 299,22	2,27
SWITZERLAND				
ROCHE HOLDING AG-GENUSSCHEIN	CHF	2 375	614 133,24	1,74
STMICROELECTRONICS NV	EUR	15 160	621 332,60	1,77
TOTAL SWITZERLAND			1 235 465,84	3,51
TOTAL Equities and similar securities traded on a regulated or similar market			33 802 605,58	95,95
TOTAL Equities and similar securities			33 802 605,58	95,95
Receivables			III 253,35	0,32
Liabilities			-1 781 746,17	-5,06
Financial accounts			3 097 445,11	8,79
Net assets			35 229 557,87	100,00

LAZARD HUMAN CAPITAL ED EUR shares	EUR	3 441,000	1 007,50	
LAZARD HUMAN CAPITAL RC EUR shares	EUR	133,232	101,56	
LAZARD HUMAN CAPITAL EC EUR shares	EUR	28 317,091	1 013,61	
LAZARD HUMAN CAPITAL PC EUR shares	EUR	3 025,361	1 006,97	

ADDITIONAL INFORMATION ON THE TAX REGIME APPLICABLE TO INTEREST PAYMENTS

Breakdown of interest: LAZARD HUMAN CAPITAL ED EUR shares

	NET OVERALL	CURRENCY	NET PER SHARE	CURRENCY
Revenue subject to non-definitive withholding tax				
Equities eligible for a tax allowance and subject to non-definitive withholding tax	49 378,35	EUR	14,35	EUR
Other income not eligible for a tax allowance and subject to non-definitive withholding tax				
Non-declarable and non-taxable income				
Amounts paid out in relation to capital gains and losses				
TOTAL	49 378,35	EUR	14,35	EUR

32. APPENDIX(ES)

Periodic disclosure for the financial products referred to in Article 9(1) to (4a), of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: LAZARD HUMAN CAPITAL

Legal entity identifier: 969500CI17UH0905KA36

Sustainable investment objective

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

The **EU taxonomy** is a classification system laid down in Regulation (EU) 2020/852 establishing a list of **environmentally sustainable economic activities**.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

Yes

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

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

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

It made a minimum of **sustainable investments with a social objective: 91,62%**

No

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

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

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

with a social objective

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



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

To what extent has the sustainable investment objective of this financial product been achieved?

As part of its impact management, Lazard Impact Human Capital measured the contribution of companies to its social sustainable objective on the following five indicators:

Three quantitative indicators:

- **The number of training hours per employee per year:** education indicator.
- **The percentage of women in senior management:** equality indicator.
- **Annual staff turnover rate:** satisfaction indicator.

Two qualitative indicators provided by our non-financial partner:

- **Management's involvement in employee training on diversity-related topics (diversity indicator):** diversity indicator.
- **The extent of the allocation of social benefits:** social protection indicator.

● *How did the sustainability indicators perform?*

The performance of the sustainability indicators for the Lazard Human Capital fund is:

Indicators	Fund:	ESG universe
Human Capital rating	5,78 /10	4,58 /10
% staff turnover	11,06%	10,88%
% of women in senior management	26,61%	23,44%
Average number of training hours	29,47	26,48
% of companies providing benefits to all employees	16.06%	10.01%
% of companies with the highest level of diversity integration	76.31%	54.49%

The portfolio's ESG reference universe is:
MSCI WORLD Net Return EUR.

● **... and compared to previous periods?**

Not applicable

● **To what extent did the sustainable investments not cause significant harm to a 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 to Delegated Regulation (EU) 2022/1288 of 6 April 2022. In the event of insufficient coverage of the investment universe for certain indicators, alternative criteria may be used on an exceptional basis (such as for the PAI 12, use of an indicator on management attention to diversity). 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".

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

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.

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

1. Firstly, they are integrated into the internal analysis of each security monitored, carried out by our analyst-managers in the internal ESG analysis grids.
2. In addition, they are used to assess the proportion of sustainable investments: the Lazard Human Capital fund holds 100% of directly held securities that qualify as "Sustainable Investment". These companies are considered as such because they validate at least a substantial contribution and do not breach any of the 14 main adverse impacts.

For more information, please refer to Lazard Frères Gestion's Sustainable Investment methodology on the website.

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.



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.

The Lazard Human Capital fund holds 100% of directly held securities qualified as "Sustainable Investment". These companies are considered as such because they validate at least a substantial contribution and do not breach any of the 14 main adverse impacts.



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is:
01/10/2022 to 30/09/2023

Largest investments	Sector	Percentage of assets	Country
1. MICROSOFT CORP	Information and communication	4,99%	United States
2. MERCKAND	Manufacturing	2,93%	United States
3. ZOETIS INC	Manufacturing	2,91%	United States
4. VISA INC CLASS A	Financial and insurance activities	2,77%	United States
5. ACCENTUREPLC-CLA	Information and communication	2,68%	Ireland
6. ADOBEINC	Information and communication	2,62%	United States
7. ALLIANZ SE-REG	Financial and insurance activities	2,58%	Germany
8. LOREAL	Manufacturing	2,50%	France
9. MEDTRONICPLC	Manufacturing	2,43%	Ireland
10. HILTON WORLDWIDE	Accommodation and food service activities	2,35%	United States
11. ECOLAB	Construction	2,23%	United States
12. DEUTSCHE TELEKOM AG	Information and communication	2,22%	Germany
13. JOHNSON CONTROLS INTERNATIONAL PLC	Manufacturing	2,22%	Ireland
14. COLOPLASTB	Manufacturing	2,14%	Denmark
15. ESSILORLUXOTTICA	Manufacturing	2,08%	France



What was the proportion of sustainability-related investment?

● What was the asset allocation?



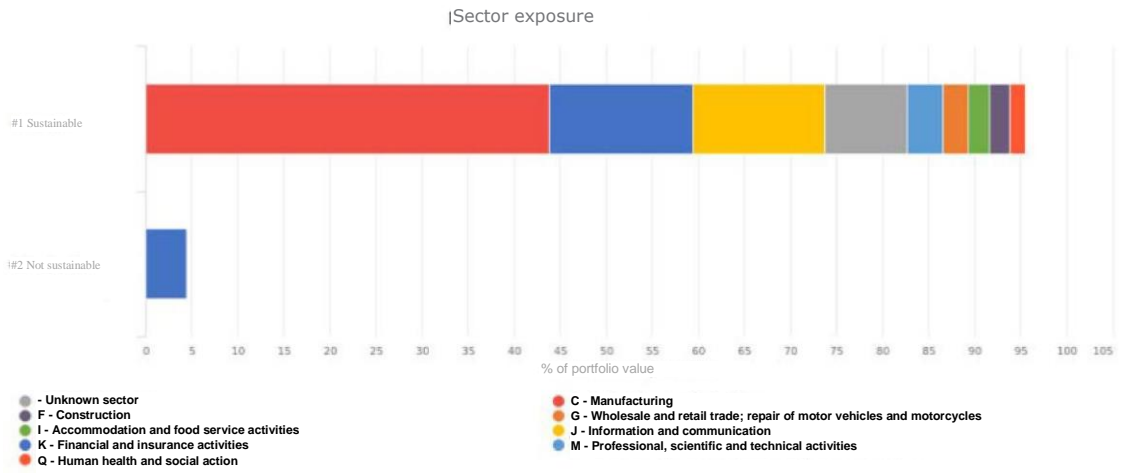
Asset allocation

describes the share of investments in specific assets.

Details of sustainable investments	
Weight of sustainable investments in the portfolio	95,53%
Of which sustainable investments E	89,41%
Of which sustainable investments S	91,62%

An investment is considered to be sustainable if it complies with at least one of the rules presented above, while not prejudicing any of the negative impact indicators and ensuring good governance criteria. A company can therefore be considered as environmentally and socially sustainable.

● **In which economic sectors were the investments made?**



Exposure to the fossil fuel sector averaged 2,23% over the period.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflects the “greenness” of investee companies today;
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy;
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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 in line with the EU Taxonomy?**

Yes

In fossil gas

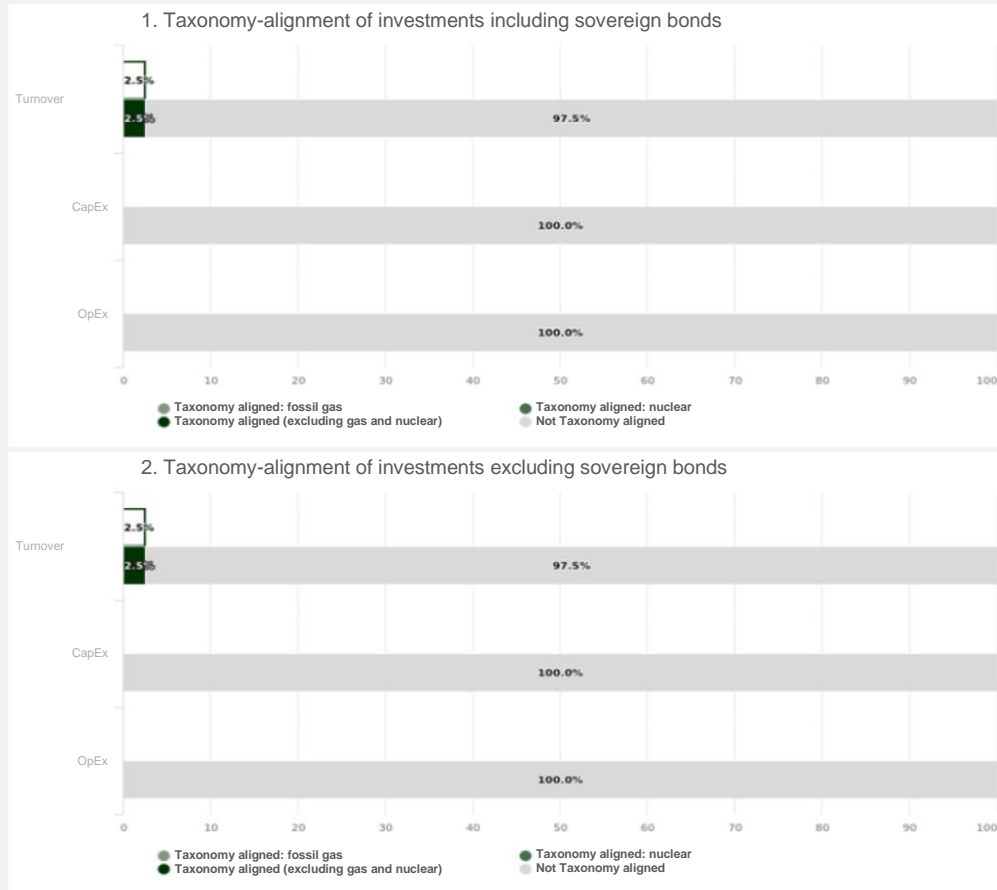
In nuclear energy

No

At the date of production of this document, Lazard Frères Gestion does not have the data needed to identify the share of activities related to Taxonomy aligned fossil fuel and/or nuclear energy sectors.

¹ Fossil gas and/or nuclear related activities only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

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



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

● **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



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



What 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 86,90%

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 91,62%.

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



What investments were included under “Not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

The "Not sustainable" category consists mainly of money market UCIs and cash. Over the past period, the "Not sustainable" segment represented on average 4,47%.



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

To achieve the sustainable investment objective, the following have been respected:

- The sustainable investment portion of the portfolio averaged 95,53% of net assets over the period, corresponding to 100.00% directly held securities.
- The exclusion rate from the investment universe averaged 49,78% over the period.

The following are excluded:

- o Companies that are not in the top 10% on at least one of the three quantitative indicators OR if they do not validate the highest level on at least one of the qualitative indicators;
- o Companies with an internal Human Capital score in the bottom 20% of the ranking



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

Not applicable.

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

- ***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.