

International bonds and debt securities	Share classes	ISIN code*	NAV €	Net assets (€ million)	Total net assets (€ million)
	RVC EUR Unit	FR0013306727	118,45	5,69	754,70

* Not all share classes of the relevant sub-fund are registered for marketing in German and Austria

MANAGEMENT

INVESTMENT POLICY

The fund's investment objective is to outperform the Barclays Global Contingent Capital € Hedged index for units PVC EUR, PVD EUR, RVC EUR, RVD EUR, SC EUR and TVD EUR, Barclays Global Contingent Capital Hedged USD for unit PVC H-USD and Barclays Global Contingent Capital Hedged CHF for PVC H-CHF.

To attain this objective, the strategy will rely on an active management of the portfolio mainly invested in subordinated securities (this type of debt is more risky than Senior Unsecured or Securitized debts), or any securities, not considered as common stocks, issued by European financial institutions. The investment process combine both a Top-down approach (strategic and geographical allocation approach which takes into consideration the macro and sectorial environments) and a Bottom-up approach (stock-picking based on fundamental analysis of the issuer and its securities) and then integrating the regulatory environment in which this asset class evolves. The modified duration will be managed in a 0 to 8 range. The fund only invests in bonds or securities issued by companies having their head office in an OECD member country and/or in issues or securities listed in a stock market of one of these countries. The FCP invests only in obligations negotiated in Euro, USD or Sterling.

FUND MANAGER'S COMMENT - François Lavier - Alexis Lautrette

AT1s in OAS tightened by -11 bps to 340 bps according to Bloomberg Barclays Global Index.

The horizon seems to be sustainably brightening for European banks, first of all EBA published its risk dashboard for Q4 2020 with NPL ratio continuing to decline and CET1 capital ratio reaching an all time high. Moratoriums fell -60% since Q2 2020 to 318bn, among expired one NPLs still represent a small portion (3.3%). No funding problem either with 331bn borrowed in the last TLTRO3 operation, which should push excess liquidity beyond the 4000bn mark.

On the issuer side, the end of the month was marked by the setbacks of the Archegos fund and the losses generated for its prime brokers, and in particular Credit Suisse, which was battered after issuing a statement indicating "a significant impact in Q1". CS finally communicated on an impact of CHF4.4bn, but which will translate "only" into a pre-tax loss of CHF900m thanks to an excellent Q1 on the revenue side. CS shares dropped -19% over the last week and AT1s between -2% and -5%. S&P, Fitch and Moody's have placed the bank's rating on negative outlook.

The Greek bank Piraeus has announced its "Sunrise Plan" with an ambitious target of NPL below 10% within 12 months and 3% in the medium term (vs. 35% currently).

On the Legacy side, BNP and Op Corporate Bank called Legacy Tier 1 bonds that were trading well below par while Natwest launched a tender offer for two Legacy Tier 1s (already the target of a buyback offer in September 2020) and four Tier 2s.

The primary market has been active in financial credits, with Alpha Bank, Barclays, Société Générale and Hannover Re, Storebrand and AXA on the insurance side, the last two in green format. On the AT1 side we had HSBC with two bonds in \$, CNP in \$ (RT1), Sabadell in € and Natwest in £.

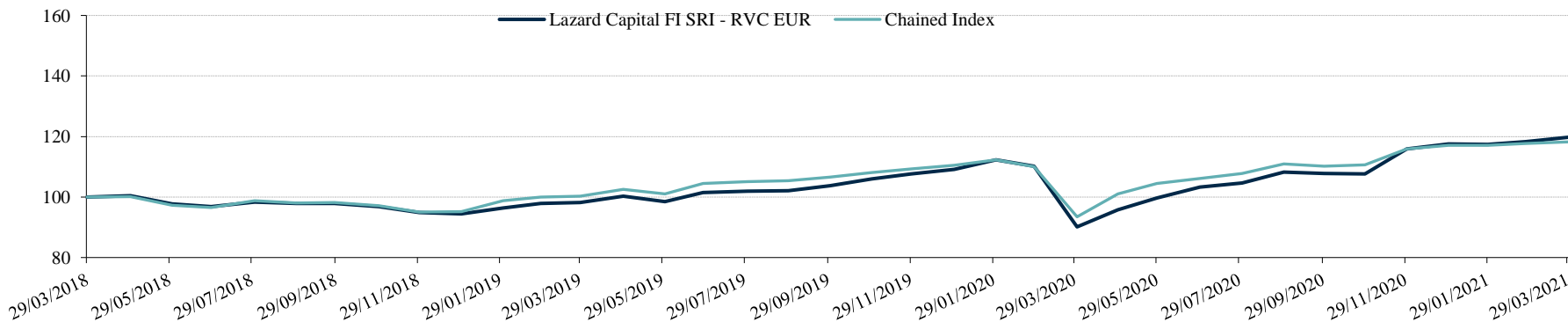
In Lazard Capital Fi, the most important contributors to the performance have been AT1 and RT1 with +1,54%, banks Tier 2 with +0,05% and Legacy with +0,05%. By country, the most important contributions came from Spain (+0,54%), UK (+0,29%), Germany (+0,28%) and Italy (+0,15%). By issuer, CaixaBank SA with +0,16%, Barclays PLC with +0,16% and Deutsche Bank AG with +0,13% are the most important contributions.

Lazard Frères Gestion informs you that the management company has updated the provisions relating to the inclusion of environmental, social and governance (ESG) criteria in the DICI and prospectus of its Funds in accordance with the EU Regulation 2019/2088 on sustainability reporting in the financial services sector and the AMF Position-Recommendation 2020-03 on collective investments integrating extra-financial approaches.

For more information, please consult the relevant fund sheet on our website http://www.lazardfreresgestion.fr/FR/Fonds_71.html or contact your sales representative.

PERFORMANCE

HISTORICAL PERFORMANCE



* Barclays Global Contingent Capital € hedged since 31/12/2015, before JPMorgan Susi Tier 1.
Past performance indications is not a guarantee of current or future performance. The return may increase or decrease as a result of currency fluctuations
The tax treatment depends on the individual circumstances of each investor and may be subject to change in the future

PERFORMANCE

Annual performance*	2020	2019	2018	2017	2016
Lazard Capital FI SRI - RVC EUR	7,68%	15,60%	-	-	-
<i>Chained Index</i>	<i>5,90%</i>	<i>16,18%</i>	-	-	-

Cumulative performance*	Month	YTD	1 year	3 years	5 years
Lazard Capital FI SRI - RVC EUR	1,34%	1,95%	32,93%	-	-
<i>Chained Index</i>	<i>0,52%</i>	<i>1,01%</i>	<i>26,52%</i>	-	-

* The performance quoted represents past performance. Past performance does not guarantee future results.
The performance less than one year is given for illustrative purposes.

Modified duration	3,4	Spread duration	3,9
--------------------------	------------	------------------------	------------

Yield to maturity (Without hedging costs)	5,0%
---	-------------

Yield to call (Without hedging costs)	4,9%
---	-------------

Yield to Worst	4,4%
-----------------------	-------------

Average rating (issuer)¹	BBB
--	------------

Average rating (issues)¹	BB-
--	------------

¹ Average rating for each security

Yield to call (With hedging costs)	4,7%
--	-------------

Spread vs Govt.	508
------------------------	------------

Estimates on yields in different currencies, spreads or sensitivities are based on the best judgment from Lazard Freres Gestion for all the securities included into the portfolio at the mentioned date. LFG does not provide any guarantee on its accuracy or on the methodology used.

SCALE RISK**



**Risk scale calculated from the volatility of the UCITS over a period of 5 years (see detail on the back). Risk 1 does not mean a risk-free investment. This indicator may change over time.

RISK RATIOS

	1 year	3 years
Volatility		
Lazard Capital FI SRI - RVC EUR	10,59%	-
<i>Chained Index</i>	<i>8,70%</i>	-
Tracking error	4,31%	-
Information ratio	1,56	-

Ratios calculated on a weekly basis over 1 year and a monthly basis over 3 years

Gross currency exposure:
71% EUR / 18% USD / 11% GBP

Net currency exposure:
95% EUR / 5% USD

March 2021

Lazard Capital FI SRI - RVC EUR

MAIN HOLDINGS

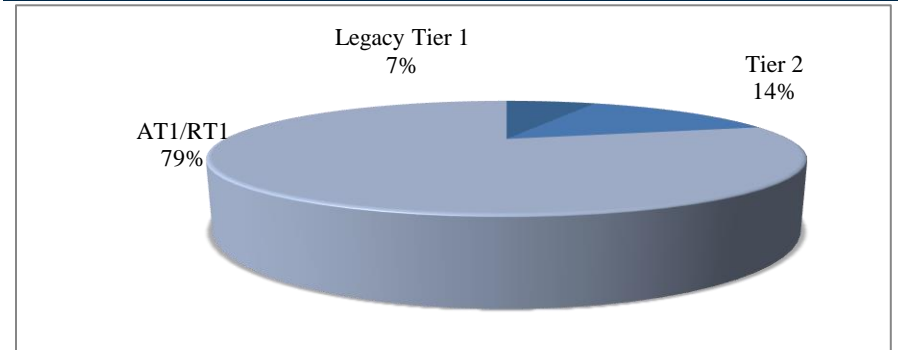
Main holdings

Barclays PLC 5,875% Perp	Banks AT1	4,1%
Credit Suisse AG 6,375% Perp	Banks AT1	3,6%
Commerzbank AG 6,125% Perp	Banks AT1	3,4%
Bankia SA 6% Perp	Banks AT1	3,0%
Caixa Bank 5,25% Perp	Banks AT1	2,8%

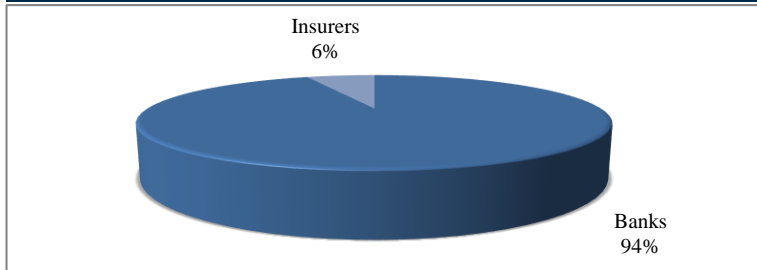
RATING ALLOCATION



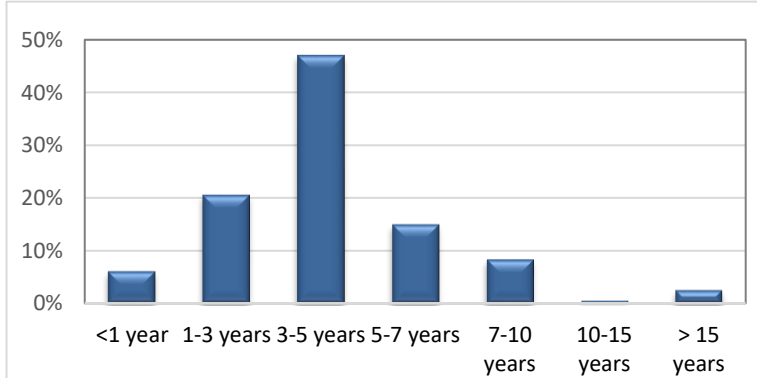
BREAKDOWN BY LEVEL OF SUBORDINATION



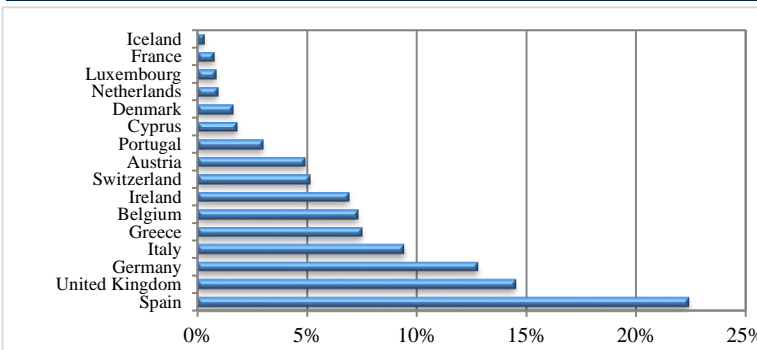
SECTOR ALLOCATION



BREAKDOWN BY MATURITY (AT CALL)



GEOGRAPHICAL DISTRIBUTION



FUND DETAILS

■ ISIN Code		■ Custodian	CACEIS Bank	■ Management fees	
RVC EUR Unit	FR0013306727	■ Management company		RVC EUR : maximum of 1,75% inclusive of taxes	
		■	Lazard Frères Gestion SAS		
		■ Fund Administration			
			Caceis FA		
■ Bloomberg Code	LAZCARC FP				
■ Legal Form	FCP	■ Taxation	Capitalization	■ Subscription fees	Maximum of 4% inclusive of taxes
■ UCITS-Compliant	Yes			■ Redemption fees	None
■ AMF Classification	International bonds	■ Inception date	31/01/2018	■ Outperformance fees	
■ Currency	Euro	■ Subscription terms		15% of the outperformance in excess of each units' respective indexes.	
■ Investment horizon	Minimum 5 years		Each business day by 12 am		
■ Valuation	Daily		Settlement and value date :		
■ Modified duration	0 to 8		Subscription: J (date of the NAV) + 2 business days		
■ Total expense ratio and transaction fees			Redemption: J + 2 business days		
For more information, please check our prospectus on www.lazardfreresgestion.fr					

*** Risk scale : calculated from the historic volatility of the UCITS over a period of 5 years, If the fund is not 5 years old of history, the level of risk is calculated from the target volatility of the strategy. The management company saves itself the possibility of adjusting the level of risk calculated according to the specific risk of the fund. This risk scale supplied as a rough guide and may be modified without advance notice.*

Contacts :
Subscription/Redemption
CACEIS Bank
+33 1.57.78.14.14

**Additional and data
information :**
Commercial service
01.44.13.01.79

Publication of NAVs :
www.lazardfreresgestion.fr

This promotional document is provided for the information of unitholders or shareholders in accordance with applicable regulations and does not constitute investment advice, an invitation or an offer to subscribe for financial instruments. Investors who are considering subscribing must first carefully read the prospectus. Please consider a fund's investment objectives, risks, charges, and expenses carefully before investing. Read the prospectus or summary prospectus carefully before you invest. The prospectus and summary prospectus contain investment objectives, risks, charges, expenses, and other information about the Portfolio(s) and The Lazard Frères Gestion Funds that may not be detailed in this document. Distributed by Lazard Fund Management.

For investors in the United Kingdom: this document has been issued and approved in the United Kingdom by Lazard Asset Management Limited, 50 Stratton Street, London W1J 8LL. Incorporated in England and Wales, registered number 525667. Lazard Asset Management Limited is authorised and regulated by the Financial Conduct Authority. For Italian investors, fund Paying Agents are Société Générale Securities Services, Via Benigno Crespi, 19, 20159 Milano, and BNP Paribas Securities Services, Piazza Lina Bo Bardi, 3, 20124 Milano.

Lazard Frères Gestion SAS, 25 rue de courcelles - 75008 Paris with a capital of € 14,487,500
registered at the Paris RCS under the number SIRET 352 213 599.

Portfolio Management Company approved by "the Autorité des Marchés Financiers" under number GP 04 000068."
www.lazardfreresgestion.fr

United Kingdom, Finland, Ireland, Denmark, Norway and Sweden: The information is approved, on behalf of Lazard Fund Managers (Ireland) Limited, by Lazard Asset Management Limited, 50 Stratton Street, London W1J 8LL. Incorporated in England and Wales, registered number 525667. Lazard Asset Management Limited is authorised and regulated by the Financial Conduct Authority.

Germany and Austria: Lazard Asset Management (Deutschland) GmbH, Neue Mainzer Strasse 75, 60311 Frankfurt am Main is authorized and regulated in Germany by the BaFin. The Paying Agent in Germany is Landesbank Baden-Württemberg, Am Hauptbahnhof 2, 70173 Stuttgart, the Paying Agent in Austria is UniCredit Bank Austria AG, Rothschildplatz 1, 1020 Vienna.

Belgium and Luxembourg: This information is provided by the Belgian Branch of Lazard Fund Managers Ireland Limited, at Blue Tower Louise, Avenue Louise 326, Brussels, 1050 Belgium. The Paying Agent and the Representative in Belgium for the registration and the receipt of requests for issuance or repurchase of units or for switching sub-funds is Societe Generale Private Banking NV, Kortrijksesteenweg 302, 9000 Gent, Belgium.

France: Any person requiring information in relation to the Fund mentioned in this document is required to consult the KIID which is available on request from Lazard Frères Gestion SAS. The information contained in this document has not been independently verified or audited by the statutory auditors of the UCITS(s) concerned

Italy: This information is provided by the Italian branch of Lazard Asset Management (Deutschland) GmbH. Lazard Asset Management (Deutschland) GmbH Milano Office, Via Dell'Orso 2 - 20121 Milan is authorized and regulated in Germany by the BaFin. Not all share classes of the relevant sub-fund are registered for marketing in Italy and target institutional investors only. Subscriptions may only be based on the current prospectus.

Netherlands: This information is provided by the Dutch Branch of Lazard Fund Managers (Ireland) Limited, which is registered in the Dutch register held with the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten).

Spain and Portugal: This information is provided by the Spanish Branch of Lazard Fund Managers Ireland Limited, at Paseo de la Castellana 140, Piso 100, Letra E, 28046 Madrid and registered with the National Securities Market Commission (Comisión Nacional del Mercado de Valores or CNMV) under registration number 18. The [Fund Name] is a Foreign Collective Investment Scheme registered with the CNMV under registration number 18.

Andorra: For Andorran licensed financial entities only. This information is provided by the Spanish Branch of Lazard Fund Managers Ireland Limited, at Paseo de la Castellana 140, Piso 100, Letra E, 28046 Madrid and registered with the National Securities Market Commission (Comisión Nacional del Mercado de Valores or CNMV) under registration number 18. This information is approved by Lazard Asset Management Limited (LAML). LAML and the Fund are not regulated or authorised by or registered in the official registers of the Andorran regulator (AFA) and thus the Shares of the Fund may not be offered or sold in Andorra through active marketing activities. Any orders transmitted by an Andorran licensed financial entity for the acquisition of Shares of the Fund and/or any marketing materials related to the Fund are provided in response to an unsolicited approach from the investor.

Switzerland: This is an advertising document. The state of the origin of the fund is France. In Switzerland, the representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Geneva. The prospectus, the key information documents or the key investor information documents, the fund regulation (for a FCP) or the articles of association (for a SICAV) as well as the annual and semi-annual reports may be obtained free of charge from the representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

Singapore: Issued by Lazard Asset Management (Singapore) Pte. Ltd., 1 Raffles Place, #25-01 One Raffles Place Tower 1, Singapore 048616. Company Registration Number 201135005W. Lazard Asset Management (Singapore) Pte. Ltd. provides services only to "institutional investors" or "accredited investors" as defined under the Securities and Futures Act, Chapter 289 of Singapore.