


<b>Total net assets</b>	<b>181,04M€</b>	<b>Inception date (unit)</b>	<b>21 janv. 2011</b>	<b>MORNINGSTAR</b>  <b>OVERALL</b> ★ ★ ★ <b>SUSTAINABILITY</b> 	
<b>NAV</b>	<b>1229,69 €</b>	<b>ISIN Code</b>	<b>FR0010990606</b>		
		<b>Bloomberg Code</b>	<b>LAZOIRD</b>		

Country of registration 

## MANAGER(S)



Axel Laroza

## INVESTMENT POLICY

The investment objective is to regularly outperform the EURO STOXX index over the medium term, with lower volatility and a controlled relative risk. The portfolio comprises Euro zone large caps. These companies: (i) satisfy Lazard's requirement for healthy and sustainable profits; and (ii) adopt a sustainable-development approach, focusing particularly on social and environmental criteria.

## FUND MANAGERS COMMENT

After the spectacular decline at the end of 2018, largely unjustified by macroeconomic conditions and the microeconomic outlook, the market rebounded very strongly in January, driven by US indices, which are also recovering. By a mirror effect, it was mainly the stocks that fell at the end of last year that rose the most at the beginning of 2019, particularly among cyclical stocks. The portfolio benefited partially from this trend but was hurt by two profit warnings issued by Henkel and Société Générale, as well as by the underperformance of Deutsche Telekom and the continued rise of Airbus, still not held in the portfolio. The fund therefore underperformed in January with a rise of only 3,86% compared with 6,25% for the benchmark index. Stock picks in industrial goods and personal care proved negative, while those in construction and construction materials and retail made a positive contribution. Looking at the detail, Deutsche Telekom, Orange and Air Liquide underperformed, while Eiffage and Aperam rebounded significantly, as did Carrefour, which benefited from its satisfactory earnings release.

### RISK SCALE\*



Recommended investment period of 5 years

### BENCHMARK INDEX

Eurostoxx Net Return EUR

## FEATURES

Legal Form	SICAV
Legal Domicile	France
UCITS	Yes
AMF Classification	Eurozone equities
Eligibility to PEA (personal equity savings plan)	Yes
Currency	EURO
Subscribers concerned	No restriction
Inception date	01/06/2001
Date of share's first NAV calculation	21/01/2011
Management company	Lazard Frères Gestion SAS
Custodian	Lazard Frères Banque
Valuation agent	CACEIS Fund Admin
Frequency of NAV calculation	Daily
Order execution	On next NAV for orders placed before 11:00 a.m
Subscription terms	D (NAV date) + 2 business day
Settlement of redemptions	D (NAV date) + 2 business day
Share decimalisation	Yes
Minimum investment	1 share
Subscription fees	4% max
Redemption fees	1% max
Management fees	1,30%
Outperformance fees	Nil
Current expenses	1,46%

\*Risk scale : Derived from the historic volatility of the fund over a period of 5 years. The management company reserves the right to adjust the level of risk calculated according to the specific risk of the fund. This risk scale is supplied as a rough guide and may be modified without advance notice. Risk 1 does not mean a risk-free investment. This indicator may change over time.

## CHANGE IN NET ASSET VALUE (NAV)



Past performance is not a guarantee of current or future performance and increases at the end of the recommended investment period.

## HISTORICAL PERFORMANCES

	Cumulative					Annualized	
	1 Month	2019	1 Year	3 Years	5 Years	3 Years	5 Years
Fund	3,86%	3,86%	-12,95%	11,51%	20,63%	3,70%	3,82%
Benchmark index	6,25%	6,25%	-10,20%	16,05%	27,55%	5,09%	4,99%
Difference	-2,39%	-2,39%	-2,75%	-4,55%	-6,92%	-1,39%	-1,16%

## ANNUAL PERFORMANCE

	Fund	Benchmark index
2018	-13,55%	-12,72%
2017	11,73%	12,55%
2016	3,29%	4,15%
2015	9,75%	10,33%
2014	0,89%	4,14%

## RISK RATIOS\*

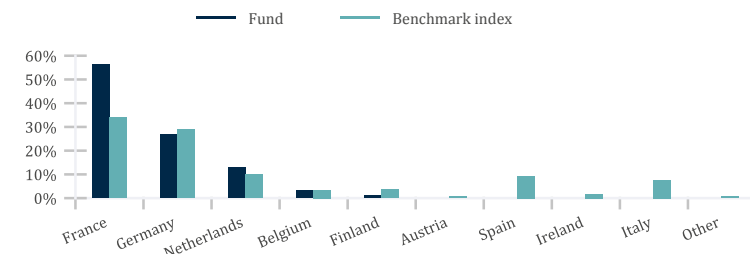
	1 Year	3 Years
<b>Volatility</b>		
Fund	13,84%	16,74%
Benchmark index	15,03%	16,45%
<b>Tracking Error</b>	2,91%	2,87%
<b>Information ratio</b>	-0,79	-0,50
<b>Sharpe ratio</b>	-0,90	0,28
<b>Alpha</b>	-3,64	-1,34
<b>Beta</b>	0,90	1,00

\* Ratios calculated on a weekly basis

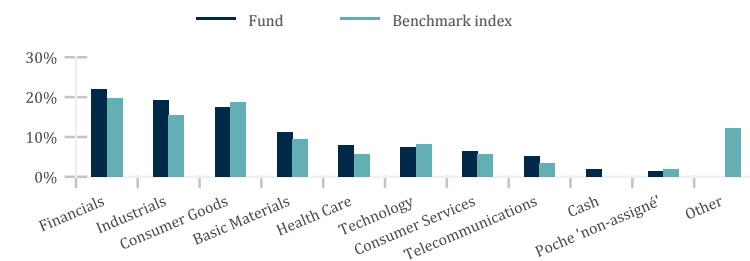
## MAIN HOLDINGS

Holdings	Country	Sector	Weight	
			Fund	Index
SAP SE	Germany	Technology	4,2%	2,5%
SANOFI	France	Health Care	4,0%	2,2%
SIEMENS AG.(N)	Germany	Industrial Goods & Services	4,0%	2,1%
ALLIANZ SE (NOMINATIVE)	Germany	Insurance	3,8%	2,0%
UNILEVER NV (CERT. OF SHS)	Netherlands	Food & Beverage	3,3%	1,8%
AIR LIQUIDE (L')	France	Chemicals	3,3%	1,2%
LVMH(MOET HENNESSY L. VUITTON)	France	Personal & Household Goods	3,3%	1,9%
OREAL (L')	France	Personal & Household Goods	3,0%	1,3%
ING GROEP NV (NEW CERT.)	Netherlands	Insurance	2,9%	1,0%
DEUTSCHE TELEKOM AG. (NOMI.)	Germany	Telecommunications	2,8%	1,2%
Total			34,7%	17,1%

## GEOGRAPHICAL DISTRIBUTION



## SECTOR ALLOCATION



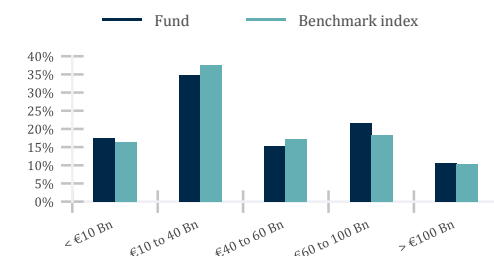
## MAIN TRANSACTIONS

New positions	Positions sold
DAIMLER AG	
Positions increased	Positions reduced
SOCIETE GENERALE -A-	BNP PARIBAS
HEINEKEN NV	IMERYS
MERCK KGAA	ALSTOM

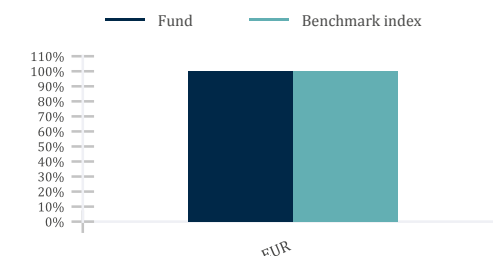
## OVER- AND UNDEREXPOSURE TO THE BENCHMARK INDEX

Overexposures		Underexposures	
CARREFOUR	2,3%	TOTAL	-3,3%
PUBLICIS GROUPE SA	2,3%	LINDE PLC	-2,0%
IMERYS	2,2%	BANCO SANTANDER S.A.	-1,7%
EIFFAGE SA (EX-FOUGEROLLE)	2,2%	BASF SE (NOMINATIVE)	-1,5%

## BREAKDOWN BY CAPITALISATION



## BREAKDOWN BY CURRENCY



## RELATIVE CONTRIBUTORS TO PERFORMANCE

First positive contributors			First negative contributors		
	Absolute perf.	Relative contribution (bp)		Absolute perf.	Relative contribution (bp)
CARREFOUR	15,9%	20	HENKEL AG AND CO KGAA (PFD)	-11,0%	-31
APERAM SA	15,8%	14	DEUTSCHE TELEKOM AG. (NOMI.)	-4,3%	-19
EIFFAGE SA (EX-FOUGEROLLE)	12,3%	12	AIR LIQUIDE (L')	-2,3%	-19
Total		47	Total		-68

## CONTACTS AND ADDITIONAL INFORMATION

Subscription/redemption  
CACEIS Bank / LFB  
01.57.78.14.14

Additional Information:  
+33 1 44 13 01 79

Publications of NAVs:  
[www.lazardfreresgestion.fr](http://www.lazardfreresgestion.fr)

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 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 Frères Gestion.

"The State of the origin of the Fund is France. In Switzerland, the Representative is ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zurich, whilst the Paying agent is Banque Cantonale de Genève, 17 quai de l'Ile, CH-1204 Geneva. The prospectus, the Key Investor Information Documents, the status as well as the annual and semi-annual reports may be obtained free of charge from the Representative. In respect of the units distributed in or from Switzerland, the place of performance and jurisdiction is at the registered office of the Representative. The current document is intended for information purposes only and shall not to be used as an offer to buy and/or sell shares. 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."

## SRI CRITERIA

### Calculation method for the overall portfolio rating\*

As of January 31, 2019, the portfolio comprised 42 Vigeo-rated securities, representing 97,24% of the total assets. The portfolio's overall rating (the average overall rating of the stocks by portfolio weighting) was 1,30.

#### Overall portfolio rating as of January 31, 2019

**1,30**

#### Portfolio exclusion ratio

**30,5%**

**\*Overall rating:** The overall rating is calculated based on the score awarded by Vigeo for the five following domains, using our own weighting (Human Resources 40%; Environment 30%; Human Rights 10%; Community Involvement 10%; Client Supplier Relations 10%).

**\*Scale:** Each domain is rated from -2 to +2 based on the company's score in relation to its peers. The score distribution follows a normal distribution whose median is 0.

**\*Exclusion rate:** The exclusion rate is calculated as follows: (Investment Universe – SRI Investable Universe) / Investment Universe.

### Average rating by field, excluding corporate governance

	UCITS	Investment universe
Human resources	1,3	0,8
Environment	1,3	0,8
Client-supplier relations	1,1	0,8
Social commitment	1,2	0,7
Human Rights	1,3	0,9

### Focus on corporate governance

Since the beginning of the year, changes have been announced in Imerys and Legrand's management bodies. We are monitoring closely possible implications that these changes could have on the two companies' long-term strategies and on their economic profitability. We will be particularly vigilant on executive compensation criteria.

### Ethic Comment - Axel Laroza

Société Générale recently renewed the signature of its agreement with UNI Global Union on labour law. This agreement strengthens the bank's commitment to fight all forms of discrimination and promotes the possibility for employees to join the union of their choice. Société Générale's already high rating in this area has been revised upwards.

## CONTACTS AND ADDITIONAL INFORMATION

#### Subscription/redemption

**CACEIS BANK / LFG**
**01.57.78.14.14**

#### Additional Information:

**01.44.13.01.79**

#### Publications of NAVs:

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

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"The prospectus for Switzerland, the KIID, the articles of incorporation, the annula and semi-annual reports, as well as the list of the buying and selling transactions can be obtained free of charge from the representative of the Fund in Switzerland, ACOLIN Fund Services AG, Affolternstrasse 56, 8050 Zürich, Switzerland. The paying agent is banque Cantonale de Genève, 17 Quai de l'Ile, 1204 Geneva, Switzerland".

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