

Total net assets	186,82M€	Inception date (unit)	21 janv. 2011	MORNINGSTAR OVERALL ★ ★ ★ ★ SUSTAINABILITY
NAV	1401,07 €	ISIN Code	FR0010990606	
		Bloomberg Code	LAZOIRD	

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

In October, the prospect of a no-deal Brexit almost faded away while a trade agreement between the United States and China appeared to be moving forward. Investors' risk appetite therefore increased. In Europe, long-term interest rates tightened to some extent despite Mario Draghi's last stand at his last meeting as ECB president, while equity markets were on the rise. The Bund's yield rose from -0,60% to -0,40% and the Eurostoxx gained 1,25% to end the month very close to its highest level of the year, despite having been hurt on October 30th by Banco Santander's earnings release, which raised concerns over the ongoing changes in European banking regulations, still as hostile, dilutive and harmful. On that day, the fund lost a large part of the outperformance achieved during the month but still ended the month of October at 17 small basis points above the index, at +1,43% (share class C), driven by industrial goods and technology as well as by the absence of oil and utilities. It was negatively affected by the underperformances of Publicis, Heineken, Imerys and Carrefour, but benefited from the good performances of SAP, Rexel and UCB as well as from the absence of Nokia.

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
Fund administration	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%
Performance 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	1,43%	18,33%	9,51%	23,28%	36,29%	7,22%	6,39%
Benchmark index	1,25%	21,21%	12,98%	27,00%	39,88%	8,29%	6,94%
Difference	0,19%	-2,87%	-3,47%	-3,73%	-3,60%	-1,07%	-0,56%

CALENDAR PERFORMANCES

	Fund	Benchmark index
2018	-13,55%	-12,72%
2017	11,73%	12,55%
2016	3,29%	4,15%
2015	11,17%	10,33%
2014	2,44%	4,14%

TRAILING 1Y PERFORMANCES

2019 10 31	9,51%	12,98%
2018 10 31	-9,95%	-9,13%
2017 10 31	25,01%	23,71%
2016 10 31	-6,55%	-5,06%
2015 10 31	18,30%	16,01%

RISK RATIOS**

	1 Year	3 Years
Volatility		
Fund	14,88%	12,36%
Benchmark index	14,51%	12,41%
Tracking Error	2,47%	2,60%
Information ratio	-1,41	-0,39
Sharpe ratio	0,67	0,60
Alpha	-3,18	-0,74
Beta	1,01	0,97

**Ratios calculated on a weekly basis

SRI CRITERIA

Overall portfolio rating*

As of October 30, 2019, the portfolio comprised 41 Vigeo-rated securities, representing 95,3% of the total assets. The portfolio's overall rating (the average overall rating of the stocks by portfolio weighting) was 1,34.

Overall portfolio rating as of October 30, 2019

1,34

Portfolio exclusion ratio

24,0%

***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 criteria, excluding corporate governance

	UCITS	Investment universe
Human resources	1,3	0,8
Environment	1,4	0,9
Client-supplier relations	1,2	0,9
Social commitment	1,3	0,8
Human Rights	1,4	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

Imerys recently announced a change in its general management team. Patrick Kron has been appointed interim CEO, taking over from Conrad Keijzer. This change is a reflection of how the Board of Directors has taken in hand the Group's transformation plan. This reorganisation is to be carried out with the group's employees and not against them – reading between the lines, that is the message that Patrick Kron wants to send. This positive development in Imerys's governance is just one step towards greater visibility of the group's long-term strategy and capital allocation.

CONTACTS AND ADDITIONAL INFORMATION

Subscription/redemption

CACEIS BANK / LFG
01.57.78.14.14

Additional & data information:

01.44.13.01.79

Publications of NAVs:

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 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, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is Banque Cantonale de Genève, 17, quai de l'Île, CH-1204 Genve. The prospectus, the Key Investor Information Documents, the articles of association 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. 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 Label awarded by the French Ministry of Finance and Public Accounts. Any reference to a ranking, award, rating of the UCI and/or of a fund manager is no guarantee of future performance.

LAZARD FRÈRES GESTION

SAS au capital de 14 487 500 € – 352 213 599 RCS Paris – 25 rue de Courcelles 75008 Paris

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: The domicile of the Fund is Ireland and/or France, the representative in Switzerland 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 Genva. Information is available from our website, the Swiss Representative or from www.fundinfo.com. The Prospectus, the Articles of Association (SICAV) or the Fund Regulations (FCP), the Key Investor Information Document (KIID) as well as the semi-annual and annual reports may be obtained free of charge at the registered office of the Swiss Representative. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units. The current document is intended for information purposes only and shall not to be used as an offer to buy and/or sell shares.