LAZARD EQUITY SRI

LAZARD FRÈRES GESTION

04 / 2020 | Unit D/Eurozone equities

Total net assets	163,75M€	**Inception date (unit)**	21 janv. 2011	**MORNINGSTAR**	
NAV	1144,87 €	**ISIN Code**	FR0010990606	**OVERALL**	★ ★ ★
		Bloomberg Code	LAZOIRD	**SUSTAINABILITY**	

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 collapse in March, equity markets recovered strongly on the whole in April, despite the first earnings releases often accompanied by the jettisoning of objectives for the year and the historic event on 20 April, which saw US oil, the WTI, trade at a negative price, reflecting the depth of the imbalance between supply and demand. Brent also lost 30% over the period. The Fed's announcements of generous measures, however, and a more dovish approach by the ECB, as well as the favourable evolution of the epidemic in Western countries, outweighed investor psychology. The Euro Stoxx rebounded by 6,53% in April and the fund outperformed by 68 basis points to end the month at +7,21%, boosted by commodities, healthcare and the absence of oil and gas. On an individual stock basis, Carrefour and Air Liquide were subjected to profit-taking and fell after their good start to the year, while the most sensitive stocks such as Santander and Société Générale continued to fall. Industrial goods made a positive contribution with Siemens, Rexel, and the absence of Airbus.

RISK SCALE*

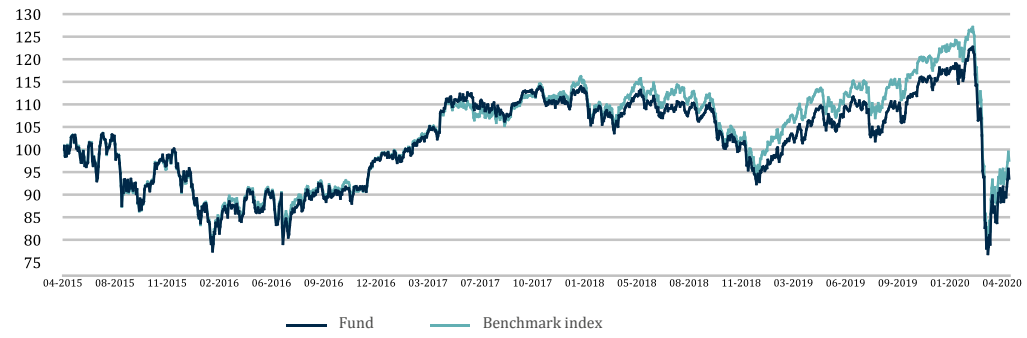
– 1 2 3 4 5 **6** 7 +

Recommended investment period of 5 years

BENCHMARK INDEX

Eurostoxx Net Return EUR

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.

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**
Subscritption 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.

HISTORICAL PERFORMANCES

Cumulative					Annualized	
	1 Month	**2020**	**1 Year**	**3 Years**	**5 Years**	**3 Years**	**5 Years**
Fund	7,21%	-19,71%	-14,67%	-13,63%	-6,40%	-4,77%	-1,32%
Benchmark index	6,53%	-19,83%	-14,12%	-9,36%	-2,43%	-3,22%	-0,49%
Difference	0,68%	0,13%	-0,55%	-4,27%	-3,97%	-1,54%	-0,82%

CALENDAR PERFORMANCES

	Fund	**Benchmark index**
2019	23,27%	26,11%
2018	-13,55%	-12,72%
2017	11,73%	12,55%
2016	3,29%	4,15%
2015	11,17%	10,33%

TRAILING 1Y PERFORMANCES

2020 04 30	-14,67%	-14,12%
2019 04 30	-1,01%	0,67%
2018 04 30	2,25%	4,84%
2017 04 30	22,65%	20,77%
2016 04 30	-11,64%	-10,86%

RISK RATIOS**

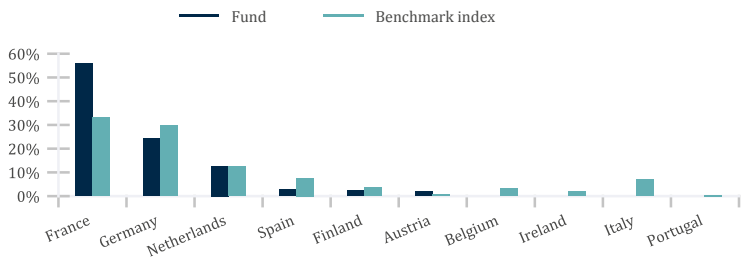
	1 Year	**3 Years**
Volatility		
Fund	33,67%	21,64%
Benchmark index	33,80%	21,92%
Tracking Error	4,64%	3,37%
Information ratio	-0,10	-0,46
Sharpe ratio	-0,40	-0,20
Alpha	-0,74	-1,70
Beta	0,99	0,98

**Ratios calculated on a weekly basis

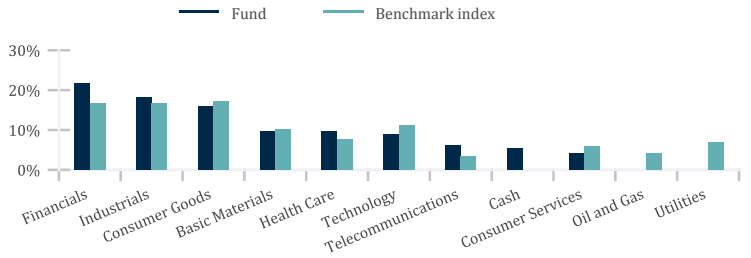
MAIN HOLDINGS

Holdings	Country	Sector	Weight	
			Fund	Index
SAP	Germany	Technology	5,1%	3,2%
SANOFI	France	Health Care	4,2%	2,8%
ALLIANZ	Germany	Insurance	3,8%	1,9%
LVMH MOET HENNESSY	France	Consumer Products & Services	3,7%	2,6%
UNILEVER NV (CERT. OF SHS)	Netherlands	Consumer Products & Services	3,5%	1,7%
DEUTSCHE TELEKOM	Germany	Telecommunications	3,5%	1,2%
AIR LIQUIDE	France	Chemicals	3,3%	1,5%
ESSILORLUXOTTICA	France	Health Care	3,1%	0,9%
L'OREAL	France	Consumer Products & Services	3,0%	1,8%
AXA	France	Insurance	2,8%	0,9%
		Total	36,1%	18,4%

GEOGRAPHICAL BREAKDOWN



SECTOR BREAKDOWN

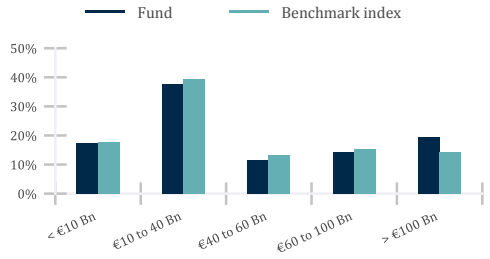


MAIN TRANSACTIONS

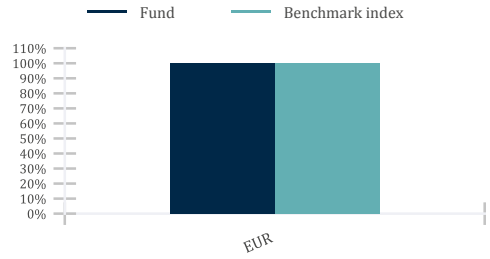
New positions	Positions sold
	SAFRAN
	KBC GRP

Positions increased	Positions reduced
ERSTE GROUP BANK	SIEMENS
GRP SOCIETE GENERALE	REXEL
BNP PARIBAS	LVMH MOET HENNESSY

CAPITALIZATION BREAKDOWN



CURRENCY BREAKDOWN



OVER- AND UNDEREXPOSURE TO THE BENCHMARK INDEX

Overexposures		Underexposures	
IMERYS ORD SHS	2,3%	LINDE	-2,5%
DEUTSCHE TELEKOM	2,3%	TOTAL	-2,3%
SAINT GOBAIN	2,2%	BAYER AG.	-1,6%
ESSILORLUXOTTICA	2,2%	IBERDROLA	-1,5%

RELATIVE CONTRIBUTORS TO PERFORMANCE

First positive contributors	Absolute perf.	Relative contribution (bp)
IMERYS ORD SHS	24,5%	38
SIEMENS	17,7%	26
REXEL	23,4%	26
	Total	90

First negative contributors	Absolute perf.	Relative contribution (bp)
AIR LIQUIDE	-6,8%	-37
GRP SOCIETE GENERALE	-7,7%	-29
CARREFOUR	-6,6%	-27
	Total	-93

CONTACTS AND ADDITIONAL INFORMATION

Subscription/redemption
CACEIS Bank / LFB
01.57.78.14.14

Additional Information & datas:
Client servicing
+33 1 44 13 01 79

Publications of NAVs:
www.lazardfreresgestion.fr

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SRI CRITERIA

Overall portofolio rating*

As of April 30, 2020, the portfolio comprised 40 Vigeo-rated securities, respresenting 95,85% of the total assets. The portfolio's overall rating (the average overall rating of the stocks by portfolio weighting) was 1,45.

Overall portfolio rating as of April 30, 2020	Portfolio exclusion ratio
1,45	20,6%

***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	1,4	0,8
Environment	1,6	0,9
Client-suplier relations	1,3	0,9
Social commitment	1,5	0,8
Human Rights	1,4	0,9

Ethic Comment - Axel Laroza

In March, the Australian think tank ASPI (Australian Strategic Policy Institute) published a study according to which, in China, nearly 80,000 people had been transferred to factories under conditions that closely resemble forced labour. These transfers reportedly impacted the supply chains of 83 international companies, including Carrefour, Siemens and BMW, which are held in the portfolio. This alert prompts us to be vigilant even though it does not imply any rating change at this stage.

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

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