


Total net assets	186,38M€	Inception date (unit)	1 août 2017	MORNINGSTAR SUSTAINABILITY 
NAV	9689,05 €	ISIN Code	FR0013204179	
		Bloomberg Code		

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

Months come and go, but each month is different. March's worries had been followed by optimism in April. Whereas in May, panic prevailed. Disappointed by no sign of an imminent agreement between China and the United States, and concerned by the political shambles in the UK reawakening the spectre of a no-deal Brexit, the markets slumped. The Euro Stoxx shed 5,7% during the month, hit by the collapse in long-term US interest rates, with the 10-year Treasury note losing nearly 40bp to drop from 2,50% to 2,10%, a long way from the 3,25% achieved at the end of November 2018. Every cloud has a silver lining, and there was also a sharp fall in the price of a barrel of oil, from \$72 to \$62. The fund held up fairly well, losing 5,14%, an outperformance of 56 basis points. There was very little in the way of individual company news during May, and prices were essentially driven by thematic movements. The fund was hurt by its underexposure to utilities and its overexposure to commodities, while it benefited from the stock-picking effect in banks, chemicals and technology. It was adversely affected by the falls of Aperam, Rexel and Imerys, but benefited from the good performances of Alstom, Coface, Deutsche Boerse and Deutsche Telekom.

RISK SCALE*

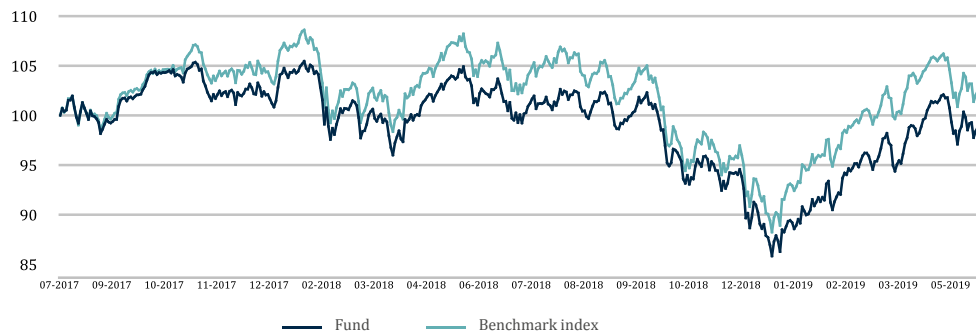


Recommended investment period of 5 years

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	01/08/2017
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	0,85%
Performance fees	Nil
Current expenses	1,01%

*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	2019	1 Year	Inception
Fund	-5,10%	10,24%	-4,12%	-3,78%
Benchmark index	-5,70%	11,02%	-3,62%	-0,59%
Difference	0,60%	-0,78%	-0,50%	-3,19%

CALENDAR PERFORMANCES

	Fund	Benchmark index
2018	-13,16%	-12,72%

TRAILING 1Y PERFORMANCES

2019 05 31	-4,12%	-3,62%
------------	--------	--------

RISK RATIOS**

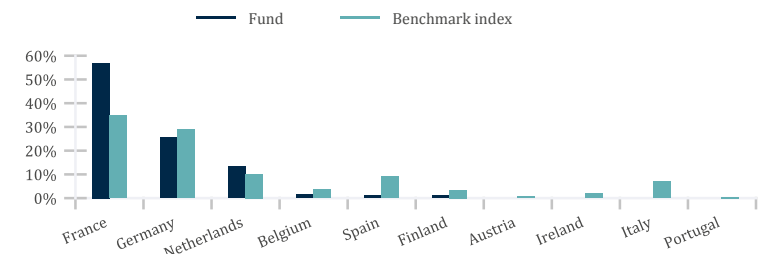
	1 Year
Volatility	
Fund	13,26%
Benchmark index	13,56%
Tracking Error	2,46%
Information ratio	-0,29
Sharpe ratio	-0,46
Alpha	-0,98
Beta	0,96

**Ratios calculated on a weekly basis

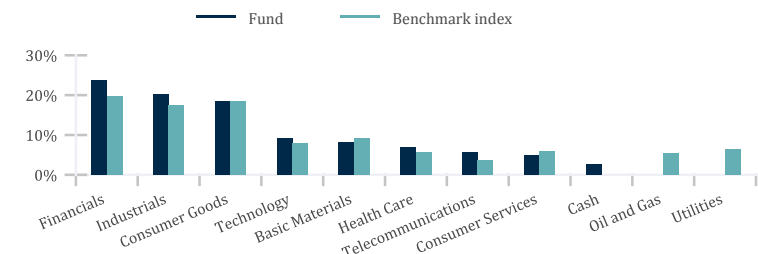
MAIN HOLDINGS

Holdings	Country	Sector	Weight	
			Fund	Index
SAP SE	Germany	Technology	4,6%	3,0%
SIEMENS AG.(N)	Germany	Industrial Goods & Services	3,9%	2,0%
ALLIANZ SE (NOMINATIVE)	Germany	Insurance	3,9%	2,1%
LVMH(MOET HENNESSY L. VUITTON)	France	Personal & Household Goods	3,6%	2,2%
UNILEVER NV (CERT. OF SHS)	Netherlands	Food & Beverage	3,4%	2,0%
SANOFI	France	Health Care	3,2%	2,0%
OREAL (L')	France	Personal & Household Goods	3,1%	1,5%
DEUTSCHE TELEKOM AG. (NOMI.)	Germany	Telecommunications	3,0%	1,2%
HEINEKEN HOLDING N.V.	Netherlands	Food & Beverage	2,8%	0,8%
BNP PARIBAS	France	Banks	2,8%	1,2%
Total			34,4%	17,9%

GEOGRAPHICAL BREAKDOWN



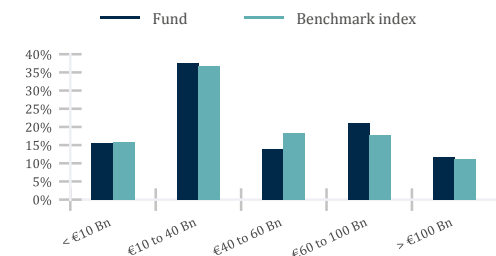
SECTOR BREAKDOWN



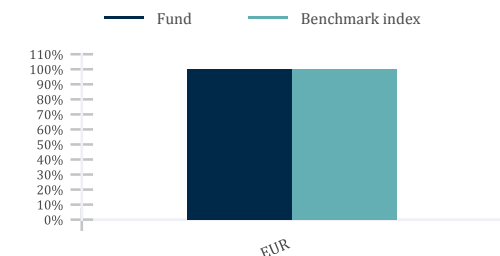
MAIN TRANSACTIONS

New positions	Positions sold
BANCO SANTANDER S.A.	WORLDLINE SA
Positions increased	Positions reduced
ASML HOLDING N.V.	SIEMENS AG.(N)
IMERYS	ESSILORLUXOTTICA SA
SOCIETE GENERALE -A-	ALSTOM

CAPITALIZATION BREAKDOWN



CURRENCY BREAKDOWN



OVER- AND UNDEREXPOSURE TO THE BENCHMARK INDEX

Overexposures		Underexposures	
CARREFOUR	2,3%	TOTAL	-3,1%
SAINT-GOBAIN (CIE DE)	2,2%	LINDE PLC	-2,2%
IMERYS	2,1%	AIRBUS SE	-1,6%
HEINEKEN HOLDING N.V.	2,0%	ANHEUSER-BUSCH INBEV	-1,5%

RELATIVE CONTRIBUTORS TO PERFORMANCE

First positive contributors			First negative contributors		
	Absolute perf.	Relative contribution (bp)		Absolute perf.	Relative contribution (bp)
ALSTOM	4,1%	18	REXEL	-19,4%	-25
COFACE SA	5,9%	15	APERAM SA	-21,8%	-23
DEUTSCHE TELEKOM AG. (NOMI.)	1,3%	12	IMERYS	-14,4%	-16
Total		45	Total		-64

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

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, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is Banque Cantonale de Genève, 17, quai de l'Ile, CH-1204 Genva. 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 CRITERIA

Overall portfolio rating*

As of May 31, 2019, the portfolio comprised 45 Vigeo-rated securities, representing 98,1% 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 May 31, 2019

1,30

Portfolio exclusion ratio

29,7%

***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	1,3	0,9
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

L'Oréal, despite usually being exemplary in terms of corporate governance, has recently come under criticism for its lack of transparency. An article published in DataNews highlights the fact that L'Oréal only discloses vague data on its objective of becoming carbon neutral. Although this event does not call into question our positive assessment of L'Oréal's governance, it does incite us to be more vigilant.

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 Geneva. 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