

Bonds and other euro-denominated debt securities	Share Class	ISIN Code	NAV €	Net assets (€ million)	Total net assets (€ million)
	RD H-EUR	FR0013444932	101,53	2,62	<b>62,05</b>

## MANAGEMENT

### INVESTMENT POLICY

The investment strategy will be based mainly on a ‘carry’ type management (purchase of securities to hold them in the portfolio until their maturity) until the early redemption date at the option of the issuer or the holder). The portfolio manager can actively manage the strategy by selling a security, buying a new security. Investment Grade Corporate Bonds, High Yield Corporate Bonds and Financial Institutions Bonds. The strategy invests only in securities issued by issuers whose headquarters are in an OECD member country and/or in securities listed on a stock exchange in one of these countries. Achieve a gross yield between 2.2% and 2.7% (including the potential impact of default<sup>2</sup>) by investing mainly in fixed Income instruments issued by companies and financial institutions. These investments are made without any financial rating constraints, denominated in euro and/or US dollar and/or pound sterling.

### FUND MANAGER'S COMMENT - Benjamin Le Roux

The start of the year was marked by renewed volatility in the riskiest asset classes over concerns about the severity and possible length of new lockdowns and other restrictive measures to combat the virus resurgence. These concerns overshadowed the first corporate quarterly earnings releases, which, on average, came out above consensus expectations. Against this backdrop, central banks reaffirmed their support for the economy without, however, increasing it.

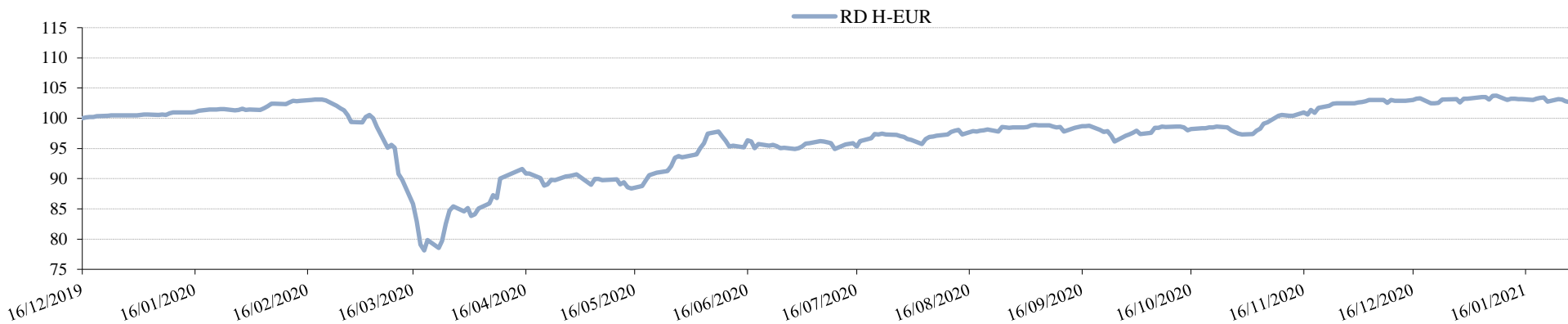
The German government bond yield curve steepened during the month, with the 10-year yield up 5bp to -0,52%, the 5-year yield up 1bp to -0,73%, and the 2-year yield down 2bp to -0,73%. Failing a positive contribution from the interest rate effect (Bund tightening by 5bp), all bond asset classes, including sovereign bonds, fell in January with the exception of those posting the highest yields and therefore the highest carry (Corporate HY and AT1 Financial Sub). Credit spreads against government bonds tightened by 1bp for senior corporate credit to 86bp but widened by 1bp for senior financial credit to 79bp, by 6bp for subordinated financials to 157bp and by 7bp for IG corporate hybrids to 212bp (ICE BofAML indices).

The primary market started 2021 on a strong note. Despite a weakening of supply at the end of the month, corporate issuance volumes increased by 11% compared with January 2020 to €23bn. ESG formats were very popular in 2020 and continue to be attractive, with in particular Tesco’s maiden issue of a Sustainability-Linked Bond (SLB), which was very well received with spectacular demand (6,4x). The hybrid segment reopened with issues by Total, Aroundtown and EDP. Financial issuance amounted to €32bn. The trend in the property sector remains positive (Icade, Covivio, Mercialis, Unibail), as well as in the automotive sector. By contrast, pandemic-related concerns (new health restrictions + vaccine availability) as well as Easyjet’s release (trading update) weighed on airline spreads due to fears the recovery would once again be pushed back. Issuers in the energy sector (BP, Total, Shell, Exxon Mobil) were severely affected by S&P downgrading its view of the whole oil and gas industry to “moderately high risk” (due notably to the energy transition).

The portfolio’s structure remains unchanged against a backdrop of relatively stable benchmark rates and credit spreads. The portfolio’s ESG profile also remains unchanged.

## PERFORMANCE

### HISTORICAL PERFORMANCE



Past performance indications is not a guarantee of current or future performance.

### PERFORMANCE

Cumulative performance*	1 month	YTD	1 year	3 years	5 years	Since inception**
<b>Lazard Sustainable Credit 2025 RD H-EUR</b>	<b>-0,86%</b>	<b>-0,86%</b>	<b>0,92%</b>	-	-	<b>2,36%</b>

Annual performance	2020	2019
<b>Lazard Sustainable Credit 2025 RD H-EUR</b>	-	-

Annualized performance	1 year	3 years	5 years
<b>Lazard Sustainable Credit 2025 RD H-EUR</b>	<b>0,92%</b>	-	-

\* Performances, net of fees and reinvested net coupons, given for information purposes only and based on the recommended investment horizon.

\*\* Inception date 10th december 2019

Modified duration <sup>1</sup>	3,1	Spread	3,3
--------------------------------	-----	--------	-----

<sup>1</sup> Calculation on call date

Average rating (issuer) <sup>2</sup>	BBB-
--------------------------------------	------

Yield to call <sup>3</sup>	2,8	Yield to maturity <sup>3</sup>	3,6
----------------------------	-----	--------------------------------	-----

<sup>3</sup> Gross yield

Average rating (issues) <sup>2</sup>	BB
--------------------------------------	----

<sup>2</sup> Average rating for each security

### 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

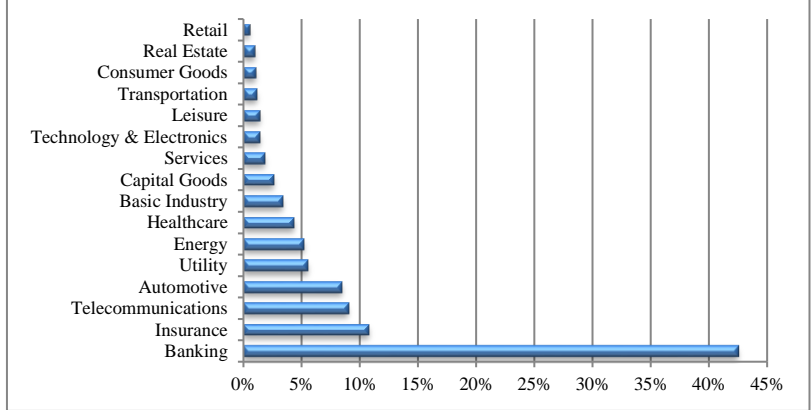
Indicators	1 year	3 years
<b>Volatility</b>		
Lazard Sustainable Credit 2025 RD H-EUR	19,64%	-
<b>Tracking error</b>	19,64%	-
<b>Information Ratio</b>	-0,06	-

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

MAIN HOLDINGS

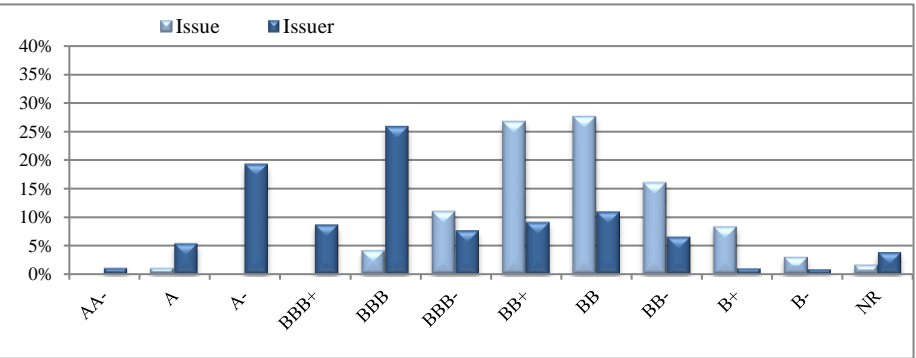
Main holdings		Poids
UNICREDIT SPA 5,375% 06/2025	Banks AT1	2,7%
BCO SANTANDER 4,75% 03/2025	Banks AT1	2,6%
ERSTE GROUP 6,5% 04/2024	Banks AT1	2,6%
BBVA 6% 03/2024	Banks AT1	2,4%
LB BADEN-WUERTT 4% 04/2025	Banks AT1	2,3%

SECTOR ALLOCATION



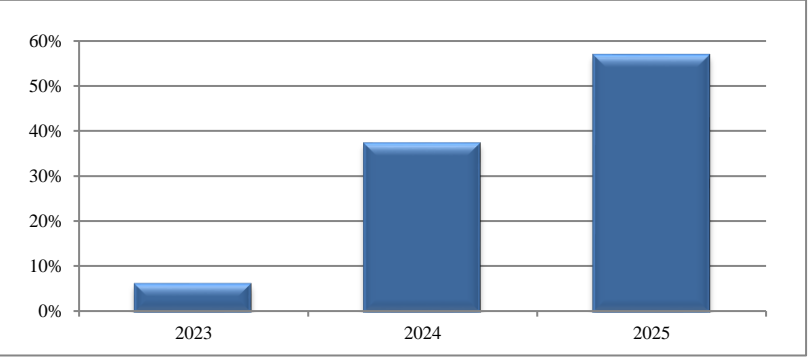
RATING ALLOCATION

(Average rating between SP, Moody et Fitch)

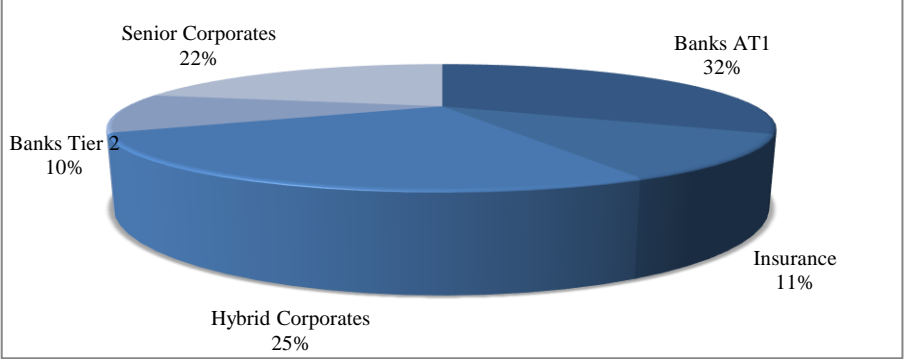


MATURITY BREAKDOWN

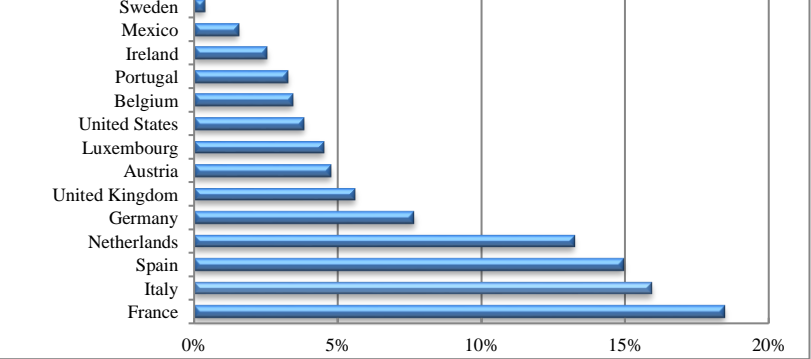
(CALL DATE)



BREAKDOWN BY SUBRODINATION



GEOGRAPHICAL DISTRIBUTION



FUND DETAILS

■ ISIN Code	RD H-EUR	FR0013444932	■ Custodian	CACEIS Bank	■ Management fees	RD H-EUR	FR0013444932	1,20% TTC
			■ Management company	Lazard Frères Gestion SAS				
			■ Fund Administration	CACEIS FA				
			■ Taxation	Parts PD H-EUR, RD H-EUR and ED H-EUR				
				Capitalization, Distribution or Report				
				Parts PC H-EUR, RC H-EUR and EC H-EUR				
				Capitalization				
■ Legal Form		FCP			■ Subscription fees			1% TTC
■ UCITS-Compliant		Yes	■ Inception date	10/12/2019	■ Redemption fees			None
■ AMF Classification			■ Subscription terms		■ Outperformance fees			None
		International Bonds		Each business day by 12 am	■ Total expense ratio and transaction cost			
■ Currency		Euro		Settlement and value date :				
■ Investment horizon		Minimum 3 years		Subscription: J (date of the NAV) + 2 business days				For more information, please check our prospectus
■ Valuation		Daily		Redemption: J + 2 business days				

\*\* 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](http://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.

**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.

**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.

**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'Ile, 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.