TRANSPARENCY CODE

AFG-FIR

Equity Funds

LAZARD
FRERES GESTION

LAST UPDATE - NOVEMBER 2023

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1. FUNDS COVERED BY THIS TRANSPARENCY CODE

Fund name: Lazard Equity SRI

Dominant and complementary strategies	Main asset class	Exclusions applied by the fund	Fund AUM as of 12/30/2022	Labels	Links to fund documents
• Best In Class • Exclusion • Stewardship	• Eurozone equities	• Weapons • Tobacco • Thermal coal	€410 million	• SRI Label	http://www.lazardfreresgestion.fr/EN/Fiche-fonds_93.html?idFond=EQ1 - KIID + Prospectus - Impact indicator Report - Monthly Report - Semi-annual Report - Annual Report - NAV history - NAV RSS feeds

Fund name: Norden SRI

Dominant and complementary strategies	Main asset class	Exclusions applied by the fund	Fund AUM as of 12/30/2022	Labels	Links to fund documents
• Best In Universe • Exclusion • Stewardship	• International equities	• Weapons • Tobacco • Thermal coal	€447 million	• SRI Label	http://www.lazardfreresgestion.fr/EN/Fiche-fonds_93.html?idFond=NOR - KIID + Prospectus - Carbon footprint Report - Impact indicator Report - Monthly Report - Semi-annual Report - Annual Report - NAV history - NAV RSS feeds

Fund name: Lazard Small Caps Euro SRI

Dominant and complementary strategies	Main asset class	Exclusions applied by the fund	Fund AUM as of 12/30/2022	Labels	Links to fund documents
• Best In Universe • Exclusion • Stewardship	• Eurozone equities	• Weapons • Tobacco • Thermal coal	€476 million	• SRI Label • France Relance Label	http://www.lazardfreresgestion.fr/EN/Fiche-fonds_93.html?idFond=SEA - KIID + Prospectus - Carbon footprint Report - Impact indicator Report - Monthly Report - Semi-annual Report - Annual Report - NAV history - NAV RSS feeds

Fund name: Lazard Dividend LowVol SRI

Dominant and complementary strategies	Main asset class	Exclusions applied by the fund	Fund AUM as of 12/30/2022	Labels	Links to fund documents
• Best In Universe • Exclusion • Stewardship	• Eurozone equities	• Weapons • Tobacco • Thermal coal	€69 million	• SRI Label	http://www.lazardfreresgestion.fr/EN/Fiche-fonds_93.html?idFond=DIC - KIID + Prospectus - Carbon footprint Report - Impact indicator Report - Monthly Report - Semi-annual Report - Annual Report - NAV history - NAV RSS feeds

Fund name: Lazard Alpha Euro SRI

Dominant and complementary strategies	Main asset class	Exclusions applied by the fund	Fund AUM as of 12/30/2022	Labels	Links to fund documents
• Best In Universe • Exclusion • Stewardship	• Eurozone equities	• Weapons • Tobacco • Thermal coal	€790 million	• SRI Label	http://www.lazardfreresgestion.fr/EN/Fiche-fonds_93.html?idFond=ALA - KIID + Prospectus - Carbon footprint Report - Impact indicator Report - Monthly Report - Semi-annual Report - Annual Report - NAV history - NAV RSS feeds

Fund name: Lazard Equity Inflation SRI

Dominant and complementary strategies	Main asset class	Exclusions applied by the fund	Fund AUM as of 12/30/2022	Labels	Links to fund documents
• Best In Universe • Exclusion • Stewardship	• Equities from Eurozone countries	• Weapons • Tobacco • Theraml coal	€63 millions	• SRI Label	https://www.lazardfreresgestion.fr/FR/Fiche-fonds_93.html?idFond=LEA - KIID + Prospectus - Impact indicator reporting - Monthly Reporting - Semi-annual Report - Annual Report - NAV history - RSS feed of VLs

Fund name: Lazard Human Capital

Dominant and complementary strategies	Main asset class	Exclusions applied by the fund	Fund AUM as of 12/30/2022	Labels	Links to fund documents
• Best In Class • Exclusion • Stewardship	• International equities	• Weapons •Tobacco • Thermal coal •Unconventional and conventional oil & gas	€24 million	• SRI Label	https://www.lazardfreresgestion.fr/FR/Fiche-fonds_93.html?idFond=LH1 - KIID + Prospectus - Impact indicator reporting - Article 9 Reporting - Monthly Reporting - Semi-annual Report - Annual Report - NAV history - RSS feed of VLs

2. GENERAL DATA ON THE INVESTMENT MANAGER

2.1 Name of Investment Manager in charge of the funds to which this Code applies

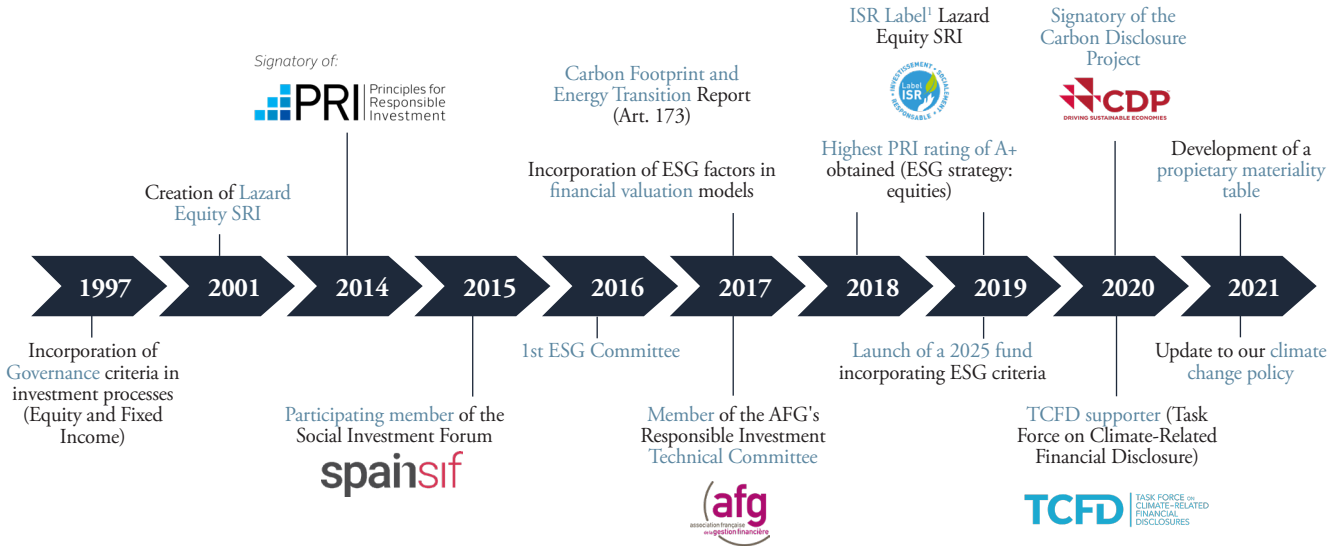
LAZARD FRÈRES GESTION
25, rue de Courcelles
75008 – PARIS
www.lazardfreresgestion.fr

Founded on October 1, 1995, Lazard Frères Gestion SAS obtained AMF authorization to operate as a Portfolio Management Company under number GP 97-105 on October 31, 1997. On July 23, 2014, Lazard Frères Gestion obtained its notification of authorization as a portfolio management company from the AMF under Directive 2011/61/EU (AIFM). This authorization does not affect the scope of Lazard Frères Gestion's previously authorized program as a portfolio management company.

2.2 What are the history and principles of the Investment Manager's responsible investor approach?

Lazard Frères Gestion has long been involved in Socially Responsible Investment, with the 2001 launch of an open-ended SRI fund (systematic inclusion of ESG indicators: Environmental, Social and Governance), one of the first in France to apply "Best in Class" portfolio management.

Our aim is to provide our clients with products offering every guarantee of expertise, credibility and transparency in their management rules.



2.3 How has the Investment Manager formalized its responsible investor approach?

Lazard Frères Gestion has formalized its responsible investor approach through the following documents presented below:

- ESG policy
- Climate change policy
- Stewardship policy
- Voting policy

These policies are available on our website at: https://www.lazardfreresgestion.fr/EN/ESG-ISR/Notre-approche_147.html#section05

2.4 How does the Investment Manager assess ESG risks / opportunities, including those related to climate change?

Lazard Frères Gestion firmly believes that issuers should take environmental, social and governance (ESG) criteria into account to ensure the sustainability of their economic performance. The long-term performance of investments calls for a comprehensive understanding of the decisive factors driving the successful operation of a business, including the company's interaction with its social, economic and financial environment.

Integration of ESG criteria is therefore part of a natural approach included in our investment process.

Our overall approach can be summed up as follows:

Our highly extensive financial analysis of each company covers the quality of its assets, financial strength, cash flow predictability and reinvestment, profit momentum and sustainability, and quality of the Management team.

This sustainability is reinforced by the consideration of non-financial criteria:
- Environmental criteria: by preventing all environmental risks and identifying investment opportunities
- Social criteria : by enhancing human capital, observing international human rights standards and taking all stakeholders into account
- Governance criteria: by observing the balance between managerial and shareholder structures in order to prevent potential conflicts of interest and ensure that the interests of minority shareholders are respected

The majority of physical risks and transition risks are assessed as environmental criteria. Our goal is to make sure the company practices responsible environmental management and factors these risks into its business model.

2.5 Which of our teams are involved in the Investment Manager's responsible investment activity?

The Equity, Fixed Income, Multi-Asset, Systematic and Private Banking teams in charge of investment and divestment decisions are primarily involved in the company's responsible investment activity.

A team of six ESG specialists, assisted by three interns, helps the portfolio management teams conduct business with service providers, recommends changes for ESG analysis and integration, oversees and applies appropriate regulatory documentation, monitors best practices and contributes to marketplace ESG initiatives.

The sales, consultant relations, risk, reporting, marketing, compliance and IT teams also contribute to the implementation of the responsible investment activity.

An ESG committee, chaired by François-Marc Durand, CEO of Lazard Frères Gestion, meets on a bimonthly basis. It is comprised by the company's key decision-makers and the members of the ESG team to validate new product offerings and ensure ESG decision-making.

A monthly ESG meeting is also held to coordinate the implementation of the ESG policy within the company. It brings together members of the Portfolio Management, Marketing, Reporting, Risk Control, Compliance, Sales, Consultant Relations and Management teams. Its role is to guarantee a consistent approach for all cross-business ESG issues relevant to the company's business :
- Definition and implementation of the management company's ESG policy
- Monitoring regulations, particularly Article 29 of the French Energy and Climate Law, voted on November 8th, 2019.
- Monitoring market developemnts and investor expectations
- Monitoring external partnerships.

The ESG risks committe is composed of the ESG, Risk and Compliance teams. The purpose of this committee is to validate ESG parameters and methodologies, and to ensure follow-up with IT tools and external service providers.

In addition, the Executive Committee of Lazard Frères Gestion includes a review of ESG developments on the agenda of each meeting. At the request of the ESG committee, it can give its opinion on specific ESG-related topics.

2.6 How many SRI analysts and SRI portfolio managers are employed by the Investment Manager?

The people involved are:
-The entire Private Banking team, composed of 15 private portfolios managers
-The entire Equity team, consisting of 12 analyst-portfolio managers
-The entire Fixed Income team, consisting of a money market portfolio manager and 11 analyst-portfolio managers
-The entire Diversified Strategies team, consisting of 4 analyst-portfolio managers
-The entire Systematic Strrategies team, consisting of 2 analyst-portfolio managers
-The entire ESG team, consisting of the ESG director, 5 ESG specialists and 3 ESG analysts interns. The number of people dedicated to ESG in full-time equivalent (excluding interns) is 10.5.interns

ORGANIZATION OF THE EQUITY TEAM

12
analysts-managers
2 ESG specialists
3 management assistants

19
average years of experience in the profession

12
years of average seniority at Lazard Frères Gestion

2.7 Which SRI initiatives is the investment Manager involved in ?

General initiatives	Environmental initiatives	Social initiatives	Governance initiatives
• PRI - Principles For Responsible Investment • AFG Responsible Investment Technical Committee • SIFs - Social Investment Forum (Spainsif)	• CDP – Carbon Disclosure Project (signatory) • TCFD – Taskforce on Climate-related Financial Disclosure (supporter) •Finance for Biodiversity Pledge (signatory)		

2.8 What are the total SRI assets of the management company?

Total SRI or exclusionary assets outstanding as of 12/30/2022: 6.6 billion euros
Total ESG assets outstanding as of 12/30/2022: 32.9 billion euros

2.9 What is the percentage of the management company's SRI assets relative to total assets under management?

SRI or exclusion type assets as a percentage of total assets as of 12/30/2022: 20%

ESG assets as a percentage of total assets as of 12/30/2022: 100%

2.10 Which public SRI funds are managed by the management company?

As of 12/30/2022, the SRI funds open to the public are :

EQUITY

-Lazard Equity SRI
-Norden SRI
-Lazard Small Caps Euro SRI
-Lazard Dividend LowVol SRI
-Lazard Alpha Euro SRI
-Lazard Equity Inflation SRI
-Lazard Human Capital

FIXED INCOME

-Lazard Credit Fi SRI
-Lazard Capital Fi SRI
-Lazard Euro Short Duration High Yield SRI
-Lazard Sustainable Credit 2025*
-Lazard Euro Credit SRI
-Lazard Euro Short Duration SRI
-Lazard Global Green Bond Opportunities

MULTI-ASSET

-Lazard Patrimoine SRI
-Lazard Patrimoine Opportunities SRI

SYSTEMATIC MANAGEMENT

-Lazard Gestion Flexible*
-Lazard Gestion Flexible Obligataire*

** These funds do not have the SRI label but are managed in accordance with its principles.*

EQUITY (PRIVATE MANAGEMENT)

-Lazard Patrimoine Actions SRI

3. GENERAL DATA ON THE SRI FUNDS PRESENTED IN THIS TRANSPARENCY CODE

3.1 What are the objectives of taking ESG criteria into account in funds?

By applying a rigorous discipline of SRI analysis and selection, the management of these funds aims to build a portfolio that favors the best ESG practices and the highest rated companies. Our goal is therefore to ensure that companies :

-Responsible management of the environment
-The development of human resources
-Respect for fundamental human rights
-The quality of their governance

3.2 What internal and external means are used for the ESG assessment of the issuers in the funds' investment universe?

Internally, the 12-person team of equity analysts is in charge of the ESG evaluation of issuers, assisted by two ESG specialists and an ESG analyst intern.
To carry out this evaluation, the analyst-manager team relies on various external resources:

-Moody's ESG Solutions (Extra-financial rating and ESG indicators)
-S&P Global (ex. Trucost)
-Carbon Delta (temperature and carbon trajectory)
-Gaïa Rating (extra-financial rating Small Caps and ETI)
-MSCI (extra-financial rating and ESG indicators)
-ISS-Ethix, Urgewald (exclusions)
-Proxinvest/Glass Lewis (voting advisory agency)
-Direct exchanges with companies
-Press
-Brokers

3.3 Which ESG criteria are taken into account by the funds ?

ENVIRONMENT

Objective: to value companies that adopt environmentally friendly behaviors, control their polluting emissions, participate in the sustainable management of natural resources and implement innovations in energy and environmental matters.

Our analysis seeks to understand how environmental risks are understood and managed by the company. Indeed, insufficient consideration of environmental risks (pollution, biodiversity, resources and local communities) can lead to reputational risk and jeopardize a company's activity and growth.

The environmental criteria relate to the direct or indirect impact of the company's activities on the environment (waste management, energy consumption and polluting emissions) and are assessed taking into account the sector of activity.

The Environment criterion is verified by :

Funds	Impact Indicator	Unit of measure	Source
Lazard Equity SRI	Carbon footprint	Tons of CO2eq/M€ EVIC	S&P Global
Norden SRI	Carbon footprint	Tons of CO2eq/M€ EVIC	S&P Global
Lazard Small Caps Euro SRI	Carbon footprint	Tons of CO2eq/M€ EVIC	S&P Global
Lazard Dividend LowVol SRI	Carbon footprint	Tons of CO2eq/M€ EVIC	S&P Global
Lazard Alpha Euro SRI	Carbon footprint	Tons of CO2eq/M€ EVIC	S&P Global
Lazard Equity Inflation SRI	Carbon footprint	Tonnes CO2eq/M€ EVIC	S&P Global
Lazard Human Capital*	Carbon footprint	Tonnes CO2eq/M€ EVIC	S&P Global

SOCIAL

• Development of human resources

Objective: to value companies that promote the development of human capital by guaranteeing satisfactory working conditions through an appropriate human resources policy, fair compensation, the development of employees' skills, the promotion of diversity and gender equality, as well as good management of social issues in the event of restructuring.

"Human capital" is, along with financial capital, one of the two driving forces of a company. Neglecting it could lead to a loss of productivity, adaptability, operational profitability or an increase in costs linked to the volatility of the wage bill.

The social criteria take into account accident prevention, staff training, respect for employees' rights, protection against the risk of discrimination, ethics in the supply chain and social dialogue.

The Human Resources criterion is verified by :

Funds	Impact Indicator	Unit of measure	Source
Lazard Equity SRI	Staff turnover	%	MSCI
Norden SRI	Companies with high or critical human resources controversies	%	Moody's ESG Solutions
Lazard Small Caps Euro SRI	Companies committed to social dialogue	%	Gaïa Rating
Lazard Dividend LowVol SRI	Companies with high or critical human resources controversies	%	Moody's ESG Solutions
Lazard Alpha Euro SRI	Companies that track employee satisfaction	%	MSCI
Lazard Equity Inflation SRI	Companies that track employee satisfaction	%	MSCI
Lazard Human Capital*	Share of women in senior management	%	MSCI

HUMAN RIGHTS

• Respect for fundamental human rights

Objective : to promote companies that are committed to respecting universal principles in the areas of human rights, labor, the environment and the fight against corruption.

Lazard Frères Gestion believes that ensuring respect for fundamental human rights is primarily the responsibility of public authorities and governments. However, by developing a culture of integrity in their strategies and operations, companies not only contribute to their commitment to citizens and the planet, but also strengthen the foundations of their medium- and long-term sustainability.

The fundamental human rights criterion is verified by :

Funds	Impact Indicator	Unit of measure	Source
Lazard Equity SRI	Companies that have signed the UN Global Compact	%	Moody's ESG Solutions
Norden SRI	Companies with high or critical human rights controversies	%	Moody's ESG Solutions
Lazard Small Caps Euro SRI	Companies that have signed the UN Global Compact	%	Gaïa Rating
Lazard Dividend LowVol SRI	Companies that have signed the UN Global Compact	%	Moody's ESG Solutions
Lazard Alpha Euro SRI	Companies that have signed the UN Global Compact	%	Moody's ESG Solutions
Lazard Equity Inflation SRI	Companies that have signed the UN Global Compact	%	Moody's ESG Solutions
Lazard Human Capital	Companies that have signed the UN Global Compact	%	Moody's ESG Solutions

GOVERNANCE

• Governance quality

Objective: to promote good governance practices, in particular the prevention of conflicts of interest and the fair treatment of shareholders.

The quality of governance has always been a determining factor in our investment policy. Satisfactory corporate governance is a guarantee of transparency and balance of power, as well as a shareholder counterweight.

Lazard Frères Gestion believes that good corporate governance practices help control risk, promote long-term value creation, and contribute to the overall alignment of the interests of all stakeholders.

The analysts-managers are interested in many elements of good corporate governance and monitor, among other things, the composition of the governing bodies, the independence of the board of directors, the quality and diversity of management, the quality of financial communication and the policy of executive compensation.

The Governance criterion is verified by :

Funds	Impact Indicator	Unit of measure	Source
Lazard Equity SRI	Independent administrators	%	MSCI
Norden SRI	Independent administrators	%	Corporate Reports
Lazard Small Caps Euro SRI	Formalization of a business conduct and anti-corruption policy	%	Gaïa Rating
Lazard Dividend LowVol SRI	Independent administrators	%	Corporate Reports
Lazard Alpha Euro SRI	Independent administrators	%	MSCI
Lazard Equity Inflation SRI	Independent administrators	%	MSCI
Lazard Human Capital	Independent administrators	%	MSCI

Other criteria taken into account

All the criteria in the internal ESG analysis grid (see section 3.5.) are taken into account in the allocation of E, S and G ratings by the analysts/managers. These scores reflect both a qualitative and quantitative assessment of the various criteria and are used to integrate ESG criteria into the Beta calculation (see section 4.1.).

3.4 What climate change principles and criteria are addressed by the funds?

In terms of climate change, the way in which issuers take into account physical and transition risks in their development model is analyzed through the Environment criterion in the framework provided by the analyses of our service providers Moody's ESG Solutions and MSCI. The managers' direct exchanges with the companies complete the information available in the event of more detailed questions on this subject.

Physical risk assessment

The assessment focuses on the level of control of these risks by the issuers, and identifies :

• Whether companies have identified and quantified the physical climate-related risks to which they may be exposed
• The measures taken to prevent, adapt and mitigate these risks
• Indicators reflecting the outcome of its efforts to anticipate and mitigate the consequences that the physical impacts of climate change could have on its activities :
- Impacts on the company's assets (damage, destruction of buildings or production equipment, early retirement of existing assets, etc.)
- Supply chain impacts (reduced availability/increased costs of raw materials, components or equipment, etc.)
- Impact costs (insurance costs, capital costs, operating costs, etc.)
- Impacts on the company's ability to conduct business and operations (reduced or disrupted production capacity, impacts on workforce management and planning, etc.).

Transition risk assessment

3 transition risks are identified:

• The risk related to changes in energy prices:
Are measured the engagements of issuers in reducing their energy consumption and associated emissions or how companies are changing their energy mix.
• Technology risk:
This risk corresponds to the exposure of companies to the risks of obsolescence linked to the lack of technological innovation, the substitution of existing products and services by others with lower emissions.
The efforts made by companies to develop and market products and services with a reduced impact on the climate and their involvement in R&D activities for environmentally friendly products and services are monitored.
• Regulatory risk:
This amounts to measuring how companies anticipate regulatory changes:
- Carbon footprint / carbon price: a measure of carbon footprint allows us to identify the sectors and companies that emit the most greenhouse gases (GHGs) and are therefore the most exposed to climate regulations
- Stranded asset risk / Impairment: identifying issuers whose revenues are derived from fossil fuels and those with fossil fuel reserves to identify those most exposed to the risk of impairment of their assets
- Compliance with 2°C scenarios: a measure of the level of engagement of issuers to the energy transition of their business model. Assess the level of engagement and the effectiveness of measures implemented to reduce their GHG emissions, to change their energy mix and to reduce their energy consumption.

Temperature and compliance with engagements under the Paris Agreement

In addition, since January 2020, Lazard Frères Gestion has had access to the MSCI database, which covers more than 10,000 companies to which it assigns a "temperature" by 2030. The temperature of a company reflects its ability to meet the objectives of the Paris Agreement, which aims to limit global warming to 2°C by 2100.

The lower the temperature, the closer to the 2°C objective. For all sectors, temperatures range from a minimum of 1.3°C1 to a maximum of 10°C.

1 The minimum temperature increase expected for 2100 is 1.3°C. IPCC studies show that human activities have led to an increase in atmospheric temperature of 1.1°C between 1850 and 2019.

METHODOLOGY

1. Background

At COP 21 on December 12, 2015, the 196 Parties to the United Nations Framework Convention on Climate Change adopted the Paris Agreement. This agreement aims to contain the rise in global temperature between 1.5°C and 2°C by 2100 compared to pre-industrial levels (1850-1900). To achieve these long-term goals, the work of the Intergovernmental Panel on Climate Change (IPCC) has shown that cumulative greenhouse gas (GHG) emissions will need to be limited to 3,670 $GtCO_2$, since the pre-industrial era, leaving 1,170 $GtCO_2$ to be emitted1 after 2020. Taking into account other greenhouse gases with a similar rate of decline, the remaining budget retained for MSCI's temperature calculation is 1,551 $GtCO_2e$1 after January 1, 2020. Anything emitted beyond this cumulative budget will contribute to exceeding the 2°C warming threshold.

Based on climate modeling, the IPCC has determined that each Giga ton of CO_2 emitted results in a temperature rise of 0.00054496°C. MSCI's methodology therefore sets the CERT at 0.000545°C/GtCO2e.

2. Calculation at the issuer level

First, MSCI determines an emissions trajectory by country and by sector in order not to exceed the level of emissions corresponding to a 2°C warming scenario. This trajectory is then broken down by scope 1, 2 and 3, then by sector for each scope. The 2°C scope 1 carbon budget for each company is allocated on the basis of the national and sectoral budgets, using the distribution of sales as a proxy for the fair share of allowances. The national and sectoral budgets are based on countries' Nationally Determined Contributions (NDCs)2 . In addition, each company's 2°C Scope 2 carbon budget is allocated according to the sectoral budget (based on GICS®3 or equivalent) and using turnover as an indicator of the fair share of allowances. Finally, each company's 2°C Scope 3 carbon budget is allocated on the basis of a global budget and using turnover as a proxy for the fair share of allowances.

In accordance with the IPCC's special report on 1.5°C1 , it is assumed that emissions will have to be zero by 2070. The Implied Temperature Rise (ITR) is thus the difference between the company's projected emissions by 2070 and the emissions budget allocated to its sector under the engagements made by each State Party.

3. Aggregation

The same general approach to calculating Implied Temperature Rise applies to both issuers and portfolios. The calculation is based on the investor's share of EVIC (Enterprise Value Including Cash).

1 https://www.ipcc.ch/site/assets/uploads/sites/2/2019/02/SR15_Chapter2_Low_Res.pdf
2 Nationally Determined Contributions (NDCs) embody each country's efforts to reduce its national emissions and adapt to the effects of climate change. The Paris Agreement requires each country to describe and communicate its post-2020 climate actions, which are referred to as NDCs.
3 Global Industry Classification Standard (GICS) is a global industry classification standard developed jointly by MSCI and Standard & Poor's.

Exclusion of values related to thermal coal

In accordance with Lazard Frères Gestion's climate policy the fund does not invest in companies whose :
- More than 25% of their revenues come from thermal coal activities
- More than 25% of the energy mix (per MWh generated) is based on coal
- Annual thermal coal production exceeds 20MT per year
- Installed coal-fired capacity exceeds 10 GW
- Projects involve the development of thermal coal mines or coal-fired power plants

In order to be consistent with our approach to supporting and accompanying companies, this scope does not apply to green bonds, which are eligible regardless of the investor.

The exclusion thresholds defined above will be revised each year, in accordance with the recommendations of the AFG, in order to contribute to the achievement of the 2030 coal phase-out target for 2030 for European countries and 2040 for other countries.

3.5 What is your issuer ESG analysis and assessment methodology (construction, rating scale, etc.)?

In 2019, a proprietary ESG analysis process was developed by the Lazard Frères Gestion Equity analysis team in the form of an internal ESG grid. This grid centralizes the quantitative and qualitative information that we consider the most relevant in terms of environmental, social and governance and governance and allows for a synthetic monitoring of of each issuer.

The analysts responsible for monitoring each stock draw up an internal ESG rating based on both a quantitative (energy intensity, employee turnover rate, board independence rate, etc.) and qualitative (environmental policy, employment strategy, directors' skills, etc.) approach. It takes into account companies' Principal Adverse Impacts (carbon emissions, energy consumption, water consumption, waste production) and the risks likely to affect their own sustainability or Sustainability Risks (regulatory and physical risks, reputational risk through, among other factors, the monitoring of controversies).

Based on the various data provided by our ESG partners (Moody's ESG Solutions, Gaïa Rating, S&P Global (ex. Trucost), MSCI), Bloomberg, each company's annual and CSR reports, Moody's ESG Solutions' controversy tracking tool and direct exchanges, the sector analysts responsible for monitoring each stock establish an internal ESG rating based on both a quantitative and qualitative approach.

Each pillar is rated out of 5 on the basis of some fifteen key indicators per dimension and the company's overall ESG rating summarizes the E, S and G scores according to the following weighting
The overall ESG score of the company summarizes the E, S and G scores according to the following weighting: 30% for the Environment and Social and 40% for Governance, which we believe best reflects the in-depth knowledge and experience of our managers with regard to the companies. This last element has always been an essential criterion in our analysis, a primary source our analysis, a primary source of our value-added of our value-added in selecting issuers and a source of and a source of distinctive expertise.

Always keen to bring tangible added value in the selection of securities in the portfolio, our analysts-managers are committed to consult these grids regularly as part of their management, dialogue and stewardship process. ESG ratings are directly integrated into the valuation models used by the equity teams through the use of Beta (see section 4.1.).
The following is an example of an analysis grid Anonymized internal ESG :

Environnement [/5]

Emissions

	N-2	N-1	N	Tendance	Source
Emissions CO_2 (t CO_2 eq.) scope 1+2+3					Trucost

	N-2	N-1	N	*Moyenne secteur/geo*	Source
Intensité CO_2 (t CO_2 eq./mCA USD) scope 1+2					Trucost
Intensité CO_2 (t CO_2 eq./mCA USD) scope 1+2+3					Trucost
Température (°C)					MSCI

	N	Source
Performance émissions carbone vs pairs		MSCI
Objectifs chiffrés de réduction des émissions carbone, d'amélioration de l'efficacité énergétique		MSCI
Brevets		MSCI
Brevets Low Carbon		MSCI
% Brevets Low Carbon		MSCI
Exposition de l'entreprise aux activités liées aux énergies fossiles		MSCI

Energie

	N-2	N-1	N	Tendance	Source
Intensité énergétique (MWh/mCA)					MSCI
Utilisation d'énergie renouvelables					MSCI
% de consommation et production d'énergie non-renouvelable					MSCI

Eau

	N-2	N-1	N	Tendance	Source
Intensité de consommation d'eau (m3/mCA USD)					MSCI
Intensité de consommation d'eau (m3/mCA USD) - Moyenne secteur/geo					*MSCI*
Pollution rejetée dans la mer (t)					MSCI
Politique de réduction de la consommation d'eau					MSCI

Déchets

	N-2	N-1	N	Tendance	Source
Intensité de génération de déchets (t/mCA USD)			-		BBG
Déchets dangereux (t)					MSCI
Déchets dangereux (t) - Moyenne secteur/geo					*MSCI*

Biodiversité

	N-2	N-1	N	Tendance	Source
Sévérité des controverses liées à la gestion des ressources naturelles (nature et biodiversité)					MSCI

	Score	Source
Note absolue Biodiversité - Moody's ESG		Moody's
Note absolue Biodiversité - Moody's ESG - Moyenne secteur/geo		*Moody's*

Scores

	Absolue	Relative	Tendance	Source
Note Environnement - Moody's ESG				Moody's
Note Environnement - MSCI				MSCI

Social [/5]

RH

	N-2	N-1	N	Tendance	Source
Nombre d'employés					MSCI
Rotation du personnel (%)					MSCI
Rotation du personnel (%) - Moyenne secteur/geo					*MSCI*
Licenciements majeurs sur 3 ans (> 1000 ou >10%)					MSCI
% d'employés couverts par des conventions collectives					MSCI
Enquêtes de satisfaction des employés					MSCI
Politique anti-corruption en accord avec la convention de l'ONU					MSCI
Politique de protection des lanceurs d'alerte					MSCI
Nb d'heures de formation /employé					MSCI
Nb d'heures de formation /employé - Moyenne secteur/geo					*MSCI*

Parité F-H

	N-2	N-1	N	Tendance	Source
% de femmes salariées					MSCI
% de femmes au ComEx					MSCI
Ratio : femmes au ComEx/femmes salariées					MSCI
Écart de rémunération femmes/hommes					MSCI

Santé et sécurité

	N-2	N-1	N	Tendance	Source
Lost-time incident rate					BBG
Lost-time incident rate /mh travaillées					BBG
Politique de prévention des accidents du travail					MSCI

Relations avec les fournisseurs

	N-2	N-1	N	Tendance	Source
% de fournisseurs audités					BBG
% de fournisseurs non-compliant					BBG
Politique des droits de l'Homme					MSCI
Politique contre le travail des enfants					MSCI
Exposition aux activités liées aux armes					MSCI

Droits de l'Homme

	N	Source
Signataires UN Global Compact		Moody's
Mécanisme interne de contrôle du respect de l'UNGC		MSCI
Sévérité des controverses liées aux principes UNGP/OCDE		MSCI
Politique de vigilance sur le respect interne du droit du Travail		MSCI

Scores

	Note absolue	Note relative	Tendance	Source
Comportement commercial				Moody's
Droits humains				Moody's
Engagement sociétal				Moody's
Ressources humaines				Moody's
Note S - MSCI				MSCI

Gouvernance [/5]

Actionnariat

N	Nom	% du capital	Conflit ?	Source
Actionnaire principal				
Autre (activiste, etc)				

	N	Source
Flottant		
Droits de vote multiples		BBG

Indépendance

	N	Source
Cumul des rôles CEO/Chairman (0=No;1=Yes)		MSCI
Taille du Board		MSCI
% d'indépendants au board		MSCI
Chairman indépendant		MSCI
% de membres non exécutifs au Board		BBG
Ancien CEO au Board (Y/N)		BBG

Diversité

	N	Source
Age moyen du Board		BBG
Age du CEO		MSCI

Enracinement

	N	Source
Participation aux Board meetings (%)		BBG
Durée moyenne d'un mandat au Board (années)		BBG
Mandats au Board > 10 ans		MSCI
Chairman depuis (date)		MSCI
CEO depuis (date)		MSCI

Multi représentation

	N	Source
Nombre de Board positions du CEO		BBG

Rémunération

	N	Source
Rémunération totale du CEO (USD)		MSCI
Attribution d'actions		BBG

Scores

	Absolue	Relative	Tendance	Source
Note Gouvernance d'entreprise - Moody's ESG				Moody's
Note G - MSCI				MSCI

3.6 How often ESG assessment of issuers revised? How are controversies managed?

Proprietary ESG analysis charts are updated annually. However, qualitative criteria can be reassessed or quantitative data corrected as often as needed.

Lazard Frères Gestion continuously keeps track of controversies involving the companies in its investment universe, using a variety of external data sources. As of January 2020, we also receive the analysis of ESG controversies carried out by Moody's ESG solutions, which sheds light on any events liable to impact a company's reputation, legal and economic security, and financial value. It is an important component of the ESG risk analysis that is incorporated in Lazard Frères Gestion's proprietary ESG analysis chart.

On a daily basis, the information provided by the media and brokers also alert analyst/portfolio managers to any controversies affecting companies in their investment universe.

Controversies deemed particularly relevant and impactful by the analyst-portfolio manager are subject to in-depth individual analysis. If deemed necessary, the analyst-portfolio manager reviews the issuer's E, S or G rating in the aftermath of the controversy. The impacts of the controversy are thus directly included in the assessment of the company's instruments.

By assessing each controversy according to its severity, frequency and the company's responsiveness, Moody's ESG solutions informs analyst-portfolio managers of how well issuers are able to manage controversies. The data provided are used as a decision-making tool and as a basis for raising the alert.

Companies affected by frequent high-severity controversies without providing appropriate responses are blacklisted. Analyst-portfolio managers watch these companies closely and prioritize them for engagement initiatives.

In the event of a controversy deemed particularly critical, analyst-portfolio managers may decide to exclude the company in question from the fund, after consulting with the portfolio management team.

4. INVESTMENT PROCESS

4.1 How are the results of ESG research incorporated in portfolio construction?

To transition from an **ESG investment universe** to a final **SRI portfolio**, we first apply non-financial screening specific to each fund, followed by quantitative and finally financial screening. Both screening tests must be passed. Neither can offset the other.

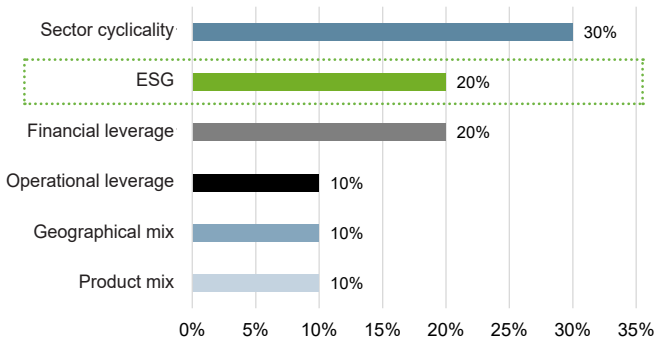
1 Financial screening applied to all Equity funds

Financial screening is based on the following three pillars: **profitability, growth and valuation.**

We express a company's profitability and growth criteria by determining its "fair value" (DCF, past multiples, valuation of financial productivity). The preferred multiples and valuation method are the Enterprise Value/Operating Income ratio and the DCF method. Under the DCF method, cash flows are discounted using the Weighted Average Cost of Capital (WACC).

This cost consists of the **cost of equity** and the **cost of debt**. The cost of equity depends on the company's profile, and in particular its specific risk measured via Beta. This specific risk includes, among other things, the cyclicality of the company's business, geographic location, and compliance with **ESG criteria** that can also impact the financial assessment of the company if they are not sufficiently taken into account.

We thus include ESG criteria in WACC via Beta, which measures the company's specific risk relative to the market. Beta is calculated internally using a proprietary methodology that weights the factors such as:



The ESG criteria included in the definition of Beta are derived from the proprietary analysis model developed by Lazard Frères Gestion (see section 3.5.).

The valuation, and thus the determination of the upside potential for each of the previously selected securities, is used to determine the weight of each security in the portfolio. The portfolio manager ensures compliance with the portfolio's risk constraints, such as maximum overexposure to a given security or sector.

2 Non-financial filter

In addition to incorporating ESG criteria in the assessment of issuers, Lazard Frères Gestion applies more restrictive non-financial screening to its SRI funds.

Screening is specific to each SRI fund:

Lazard Equity SRI

SRI investment universe :

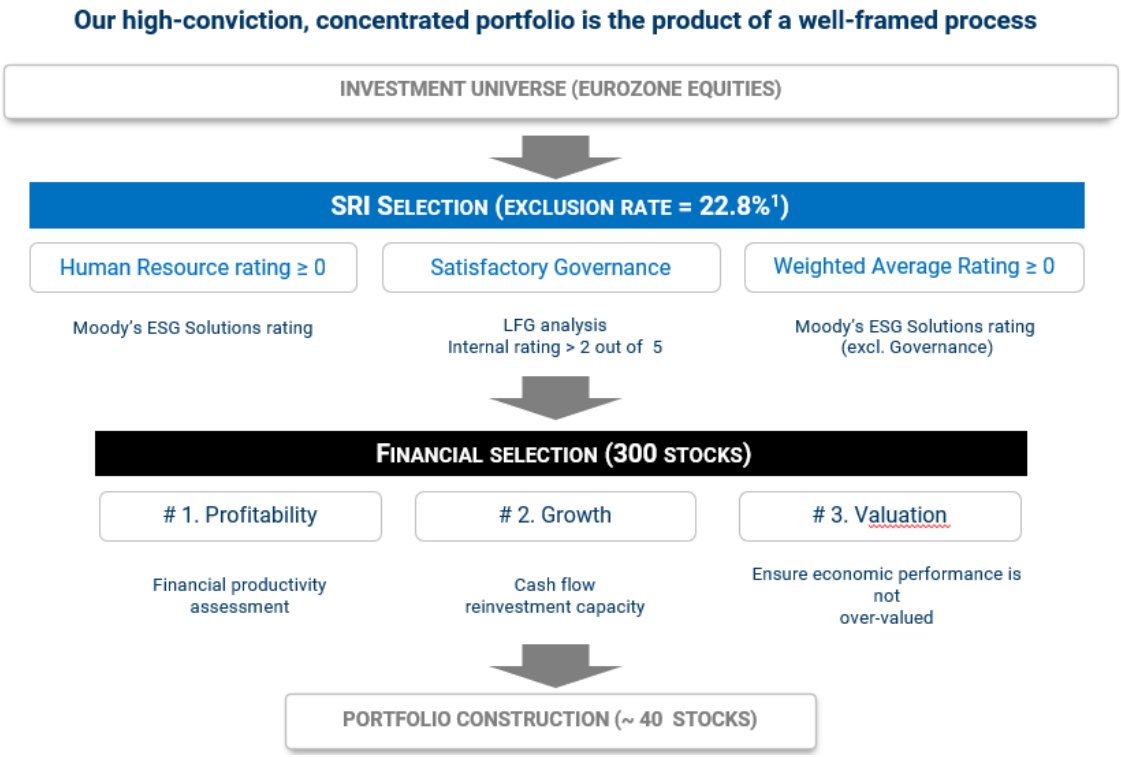
Our extra-financial filter applies to all large listed companies in the euro zone.

For conditions 1 and 2, we use five main areas (environmental and social), defined in partnership with Moody's ESG Solutions. The Moody's ESG Solutions rating for each area is performed in relation to each sector on a scale of five levels (from --, "not concerned companies" to ++, "pioneer companies"). For condition 3, we use our own corporate governance rating. This rating is directly integrated into the general stock selection process (see section 3.5), whether it is SRI or not.

The following conditions must be met:

- **Condition 1 :** have a score of at least "=" in Human Resources: the financial performance of a company can be affected by the neglect of human capital. The quality of general working conditions, the continuous improvement of social relations and the development of jobs and skills are the main points studied.
- **Condition 2 :** have a weighted average score of at least "=": Lazard Frères Gestion imposes a specific weighting for each of the five areas of extra-financial analysis it has selected, according to their importance:
  - Human Resources (40%): Management of the human capital of companies: training, safety, redeployment measures during redundancy plans, remuneration policy.
  - Environment (30%): Management of the impact of the company's activities, products or services on the environment and climate. Level of information available for this criterion.
  - Customer-supplier relations (10%): Management of suppliers, and identification of their compliance with certain practices (prohibition of child labor, etc.).
  - Human rights (10%): Prevention of risks, particularly discrimination.
  - Societal commitment (10%): Integration of the company in its civil environment. Participation in development in general and in certain activities in particular, e.g. aid for education in a given area.
- **Condition 3 :** have an internal governance rating of more than 2 out of 5: the company must have a governance system which, according to the management company, ensures fair treatment of minority shareholders and prevents conflicts of interest.
- **Condition 4 :** outperform the index on both impact indicators.

The combination of these three extra-financial filters leads to the elimination of more than 20% of the lowest rated securities from the initial investment universe, as required by the SRI label.



Norden SRI

SRI investment universe :

Our extra-financial filter is applied to all stocks in the Nordic region with a market capitalization of more than €250m that are rated by Moody's ESG Solutions. The rating of each pillar E, S and G is carried out on an absolute scale of 0 to 100 (common to all sectors) using the ratings of the 6 main areas defined by Moody's ESG Solutions
as follows:

Reorganization of the 6 Moody's ESG Solutions areas:

- Environment pillar :
  - Environment (100%): Management of the impact of the company's activities, products or services on the environment and climate. Level of information available for this criterion.
- Social pillar :
  - Human Resources (25%): Management of the human capital of companies: training, safety, redeployment measures during redundancy plans, remuneration policy.
  - Customer-Supplier Relations (25%): Management of suppliers and identification of their compliance with certain practices (ban on child labor, etc.).
  - Human Rights (25%): Prevention of risks, particularly discrimination.
  - Societal commitment (25%): Integration of the company in its civil environment. Participation in development in general and in certain activities in particular.
- Governance pillar :
  - Corporate governance (100%) : Incorporation of good governance practices in the company, transparency level and existence of a shareholder counter-power.

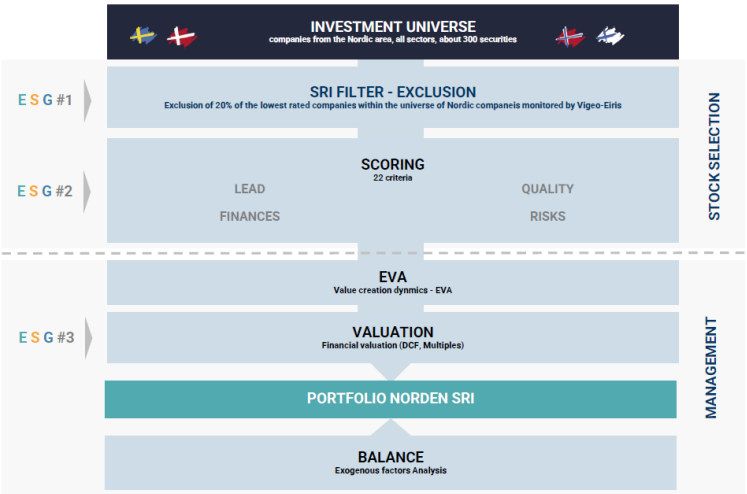
Final score out of 100: Equal weighted average of E, S and G pillars

Based on this rating, and in accordance with the requirements of the SRI label, Lazard Frères Gestion excludes 20% of the lowest rated securities to obtain the SRI investment universe of the fund. Given the contraints imposed by the SRI label in terms of exclusion rates and coverage of companies by ESG analysis (see section 4.3), 90% of the fund must therefore be composed of 80% of the stocks with the highest rating by Moody's ESG solutions, with the remaining 10% allowed to be invested in companies not covered by Moody's ESG Solutions.

Additional ESG integration process:

A scoring system, integrated into Lazard Frères Gestion's proprietary model, has also been developed by the management analysts to structure the qualitative and financial analysis of companies. This scoring results in an overall rating for each company, of which approximately one quarter is determined by ESG criteria.
This score is used as a selection and portfolio construction tool:

- It summarizes the financial and extra-financial analysis carried out by the analysts/managers;
- It has a direct impact on the determination of the maximum weight allocated to a security.



Abstract :

The Norden SRI portfolio construction process can be summarized as follows:

Norden SRI integrates ESG criteria in three different ways within its analysis and selection process: via Beta, the scoring system and exclusion.

Lazard Small Caps Euro SRI

SRI investment universe :

Our extra-financial filter is applied to all Eurozone stocks rated by Gaïa Rating and whose market capitalization is between €100m and €2bn.
The final rating of each company is carried out on an absolute scale of 0 to 100 (common to all sectors) and is broken down into 4 pillars: E, S, G and External Stakeholders (ESP).

Lazard Frères Gestion applies its own weightings to the scores comprising the 4 pillars:

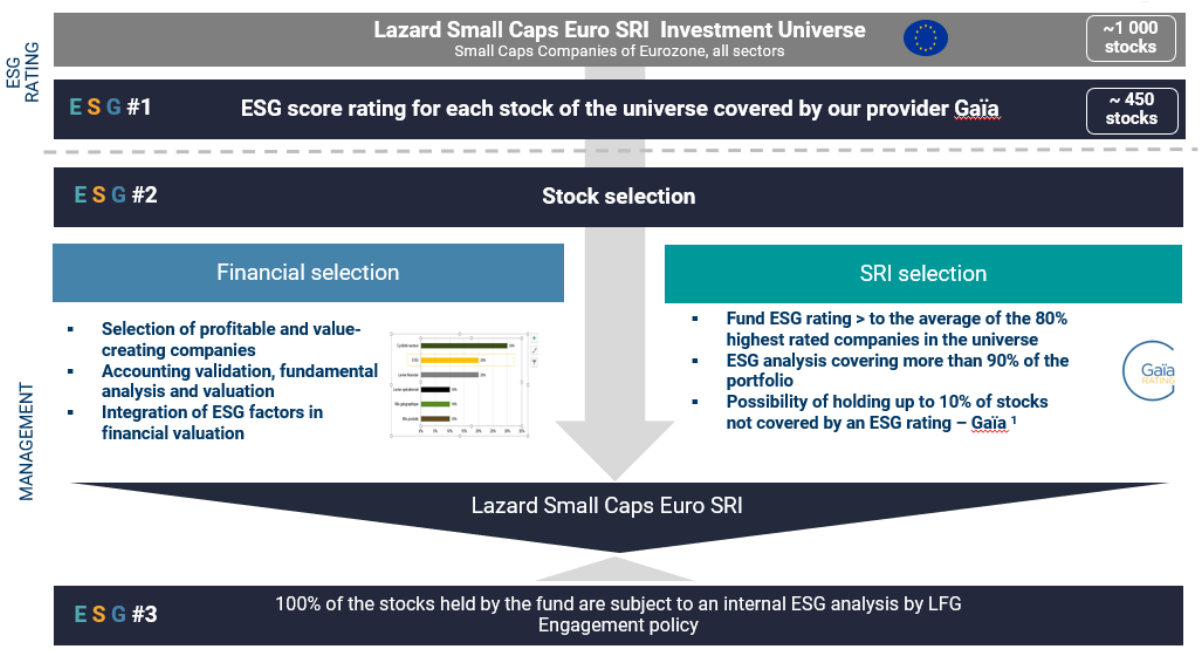
- Environmental pillar:
  - Environmental policy and management system (100%)
- Social pillar:
  - Working conditions (50%)
  - Health and safety (50%)
- Governance pillar :
  - Composition of governance bodies (40%)
  - Operation of governance bodies (50%)
  - CSR policy, non-financial issues and implementation of the DPEF (10%)
- External Stakeholders Pillar:
  - Relationship with suppliers (50%)
  - Relationship with customers, civil society and product liability (50%)

Final score out of 100: Equal weighted average of Pillars E, S, G and PPE

As part of the SRI management of Lazard Small Caps Euro SRI, the managing analysts ensure that an ESG rating is maintained above the average rating of the top 80% of the fund's SRI investment universe (rating improvement approach, according to the AMF categorization).

Abstract :

The construction process of the Lazard Small Caps Euro SRI portfolio can be summarized as follows:



Lazard Dividend LowVol SRI

SRI investment universe :

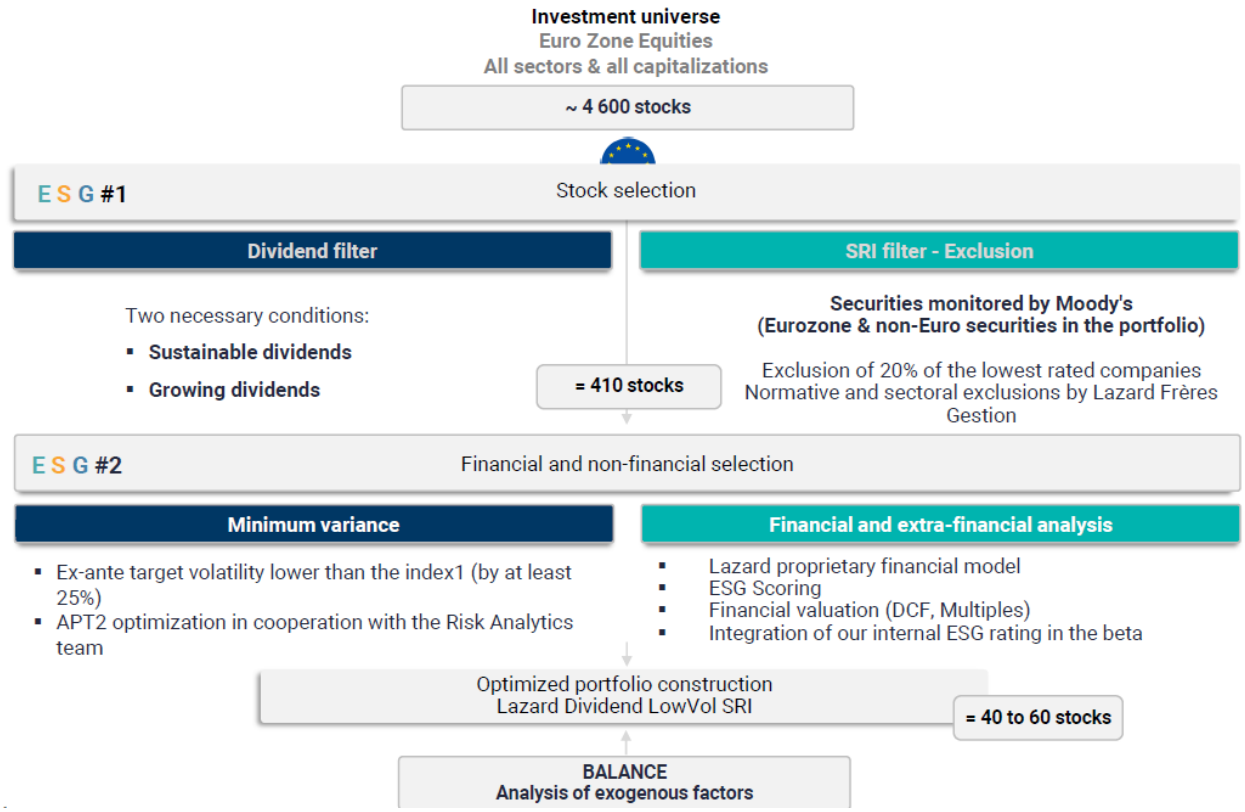
Our extra-financial filter is applied to all stocks in the Eurozone that are rated by Moody's ESG Solutions[1].

Each company is rated on an absolute scale of 0 to 100 (common to all sectors) using the scores and weights of the 3 pillars Environment, Social and Governance defined by Moody's ESG Solutions.

Based on this rating, and in accordance with the requirements of the SRI label, Lazard Frères Gestion excludes 20% of the lowest rated securities to obtain the SRI investment universe of the fund. Given the constraints imposed by the SRI label in terms of exclusion rates and coverage of companies by ESG analysis (see section 4.3.), 90% of the fund must therefore be composed of 80% of the stocks with the highest rating by Moody's ESG Solutions, with the remaining 10% allowed to be invested in companies not covered by Moody's ESG Solutions.

Abstract :

The process of constructing the Lazard Equity Inflation SRI portfolio can be summarised as follows:



Lazard Alpha Euro SRI

SRI investment universe :

Our extra-financial filter applies to all stocks in the Eurozone and Europe that are rated by Moody's ESG Solutions.

Each company is rated on an absolute scale of 0 to 100 (common to all sectors) using the scores and weights of the criteria defined by Moody's ESG Solutions.

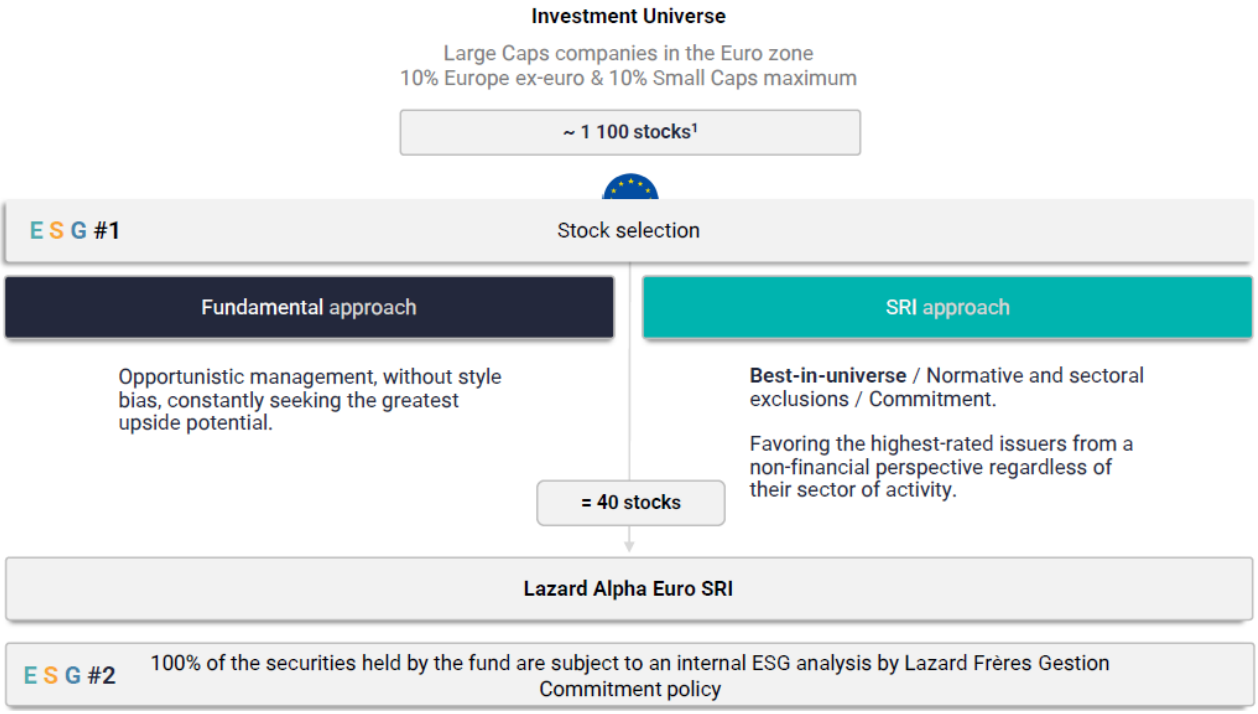
As part of the SRI management of Lazard Alpha Euro SRI, the managing analysts ensure that an ESG rating is maintained above the average rating of the top 80% of the fund's SRI investment universe (rating improvement approach, according to the AMF categorization).

The rating of the SRI investment universe is composed of 80% of the ESG rating of companies in the Euro zone, 10% of the ESG rating of companies in the ex-euro zone and 10% of the ESG rating of small-cap companies.

This rating is calculated after excluding 20% of the lowest rated stocks in each zone (Euro, ex-Euro Europe and small caps).

Abstract :

The process of constructing the Lazard Equity Inflation SRI portfolio can be summarised as follows:



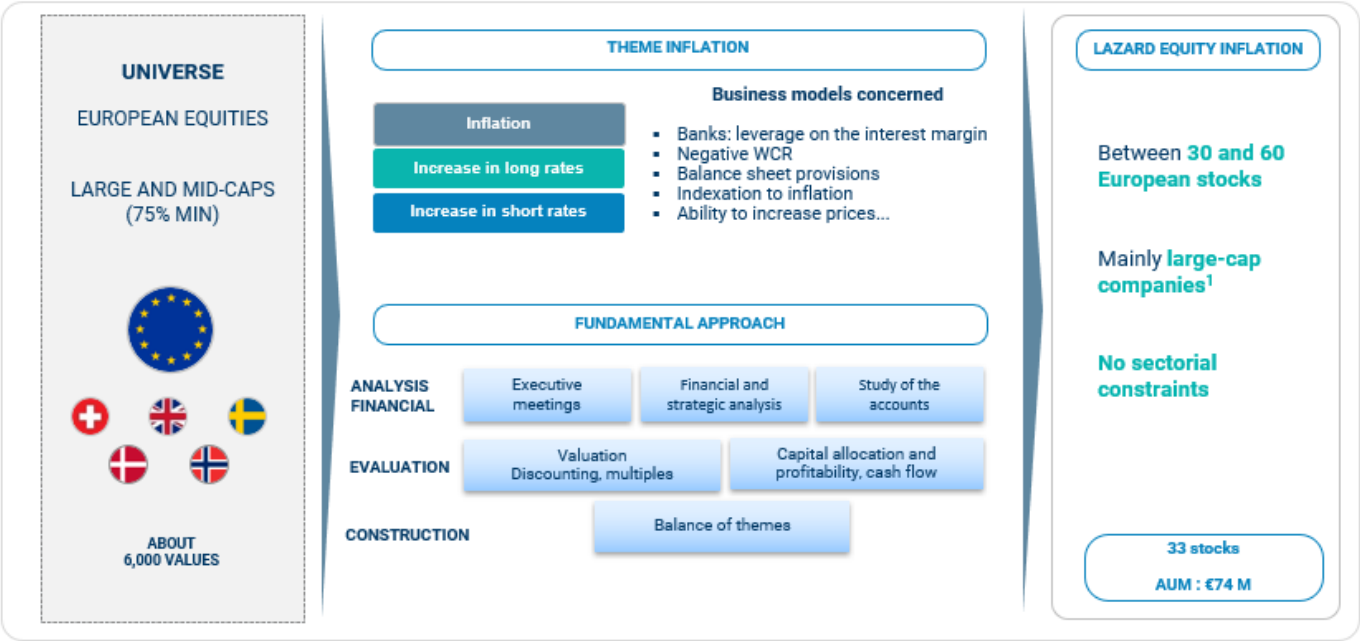
Lazard Equity Inflation SRI

SRI investment universe :

Our extra-financial filter applies to all Eurozone and European stocks rated by Moody's ESG Solutions. Each company is rated on an absolute scale of 0 to 100 (common to all sectors) using the scores and weights of the criteria defined by Moody's ESG Solutions. In the context of Lazard Equity Inflation SRI management, the managing analysts ensure that an ESG rating is maintained above the average rating of the top 80% of the fund's SRI investment universe (rating improvement approach, according to the AMF categorisation). The SRI investment universe is identical to its financial benchmark, the Stoxx Europe 600.

Abstract :

The process of constructing the Lazard Equity Inflation SRI portfolio can be summarised as follows:



Lazard Human Capital

SRI investment universe :

Our SRI filter can be applied to all the values of MSCI World.

Each company is rated on a sector-specific scale (0-10) using the scores and weights of the criteria defined by MSCI ESG Manager.

The Lazard Human Capital's SRI Framework includes the following: the analysts-managers ensure that the ESG rating of the fund is continuously maintained at a level that is well above the average rating of the top 80% identified by MSCI World (approach includes rating improvement as per the AMF categorization).

Specific Exclusions :

As part of the fund's sustainable approach, certain activities are subject to specific constraints:

Weapons
Complementary to the exclusion of controversial weapons applied at the level of the management company, companies engaged in the following activities will be excluded from the fund's investment universe: inert munitions; armor containing depleted uranium or any other industrial uranium; weapons containing white phosphorus; and nuclear weapons.
Furthermore, any company deriving more than 5% of its revenues from the production of conventional weapons or their components, or companies deriving more than 25% from providing support systems to the wepaons industry, would be excluded.

Energy
The fund does not invest in companies invovled in the production of conventional or unconventional oil & gas (oil sands, shale oil, shale gas and Arctic drilling) ; in companies involved in the exploration or extraction of hydrocarbons ; or in companies providing any equipment and services to support these activities.

Power Generation
An exception is made for companies whose main activity is the production, transmission, or distribution of electricity, only when meeting certain criteria that are defined in the LFG sustainable investment methodology. The methodology can be found through the following link : https://www.lazardfreresgestion.fr/EN/ESG-ISR/Notre-approche_147.html#section05

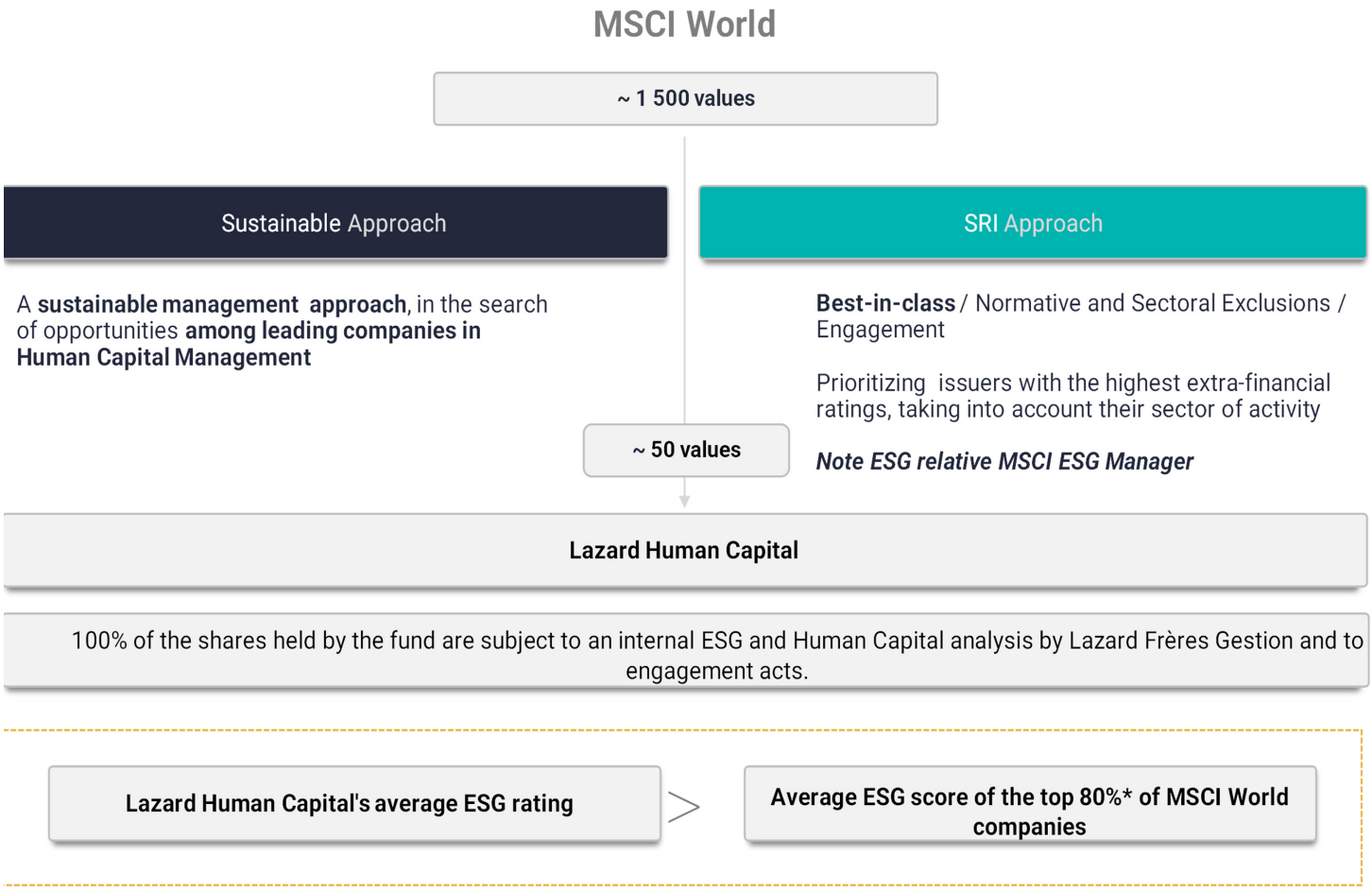
In addition, we ensure that companies' carbon intensity is well below the annual thresholds presented in the table below and that they do not incrementally increase their capacity to generate electricity from non-conventional oil & gas or coal:

	2019	2020	2021	2022	2023	2024	2025
Max. gCO_2/kWh	429	408	393	374	354	335	315

Tobacco
Complementary to the exclusions that we apply to tobacco producers, the fund does not invest in companies that derive more than 25% of their revenues from secondary tobacco products/services or the distribution of tobacco products.

Summary :

Lazard Human Capital's SRI process can be summarized as follows:



4.2 How are climate change related criteria taken into account?

Climate change criteria are included:

- In the Environment criterion component:
  This component measures the level of commitments to the energy transition through the company's business model, and the effectiveness of measures implemented to reduce GHG emissions, change the energy mix and reduce energy consumption.
- In the ESG risks included in our valuation models via cost of capital. They impact our price targets and thus directly influence the portfolio manager's decision.

As ESG analysis is incorporated in our fundamental analysis, it directly impacts investment decisions.

4.3 How are portfolio issuers that are not subject to ESG analysis (excluding mutual funds) taken into account?

In accordance with SRI certification requirements, at least 90% of issuers present in funds covered by this transparency code are subject to ESG analysis.

Portfolio managers can initiate dialog with non-rated or low-rated companies to ask them to improve their ESG transparency.

4.4 Has the ESG assessment process and/or portfolio management process changed in the last twelve months?

A new ESG analysis process was defined in 2019 by the Equity team's ESG working group. This led to the implementation of the mentioned ESG analysis charts (Section 3.4.), which have covered a growing number of issuers since the beginning of 2020. The portfolio management teams set a goal of covering 100% of the Equity portfolios and the main companies followed by the end of 2020.

4.5 Is a portion of fund assets invested in solidarity-oriented organizations?

None of the funds covered by this transparency code invests a portion of its assets in solidarity-oriented organizations.

4.6 Do the funds carry out securities borrowing/lending transactions?

None of the funds covered by this transparency code carry out borrowing/lending transactions.

4.7 Do the funds use derivatives?

None of the funds covered by this transparency code uses derivatives, even if permitted in order to hedge against equity or forex risk.

4.8 Do the funds invest in other funds?

The funds covered by this transparency code may invest in money market funds for cash management purposes (max 10% of net assets) and in equity funds.

5. ESG CONTROLS

5.1 What are the internal and/or external control procedures in place to ensure that portfolios comply with the ESG rules established for fund management?

1 Level 1 controls

All funds managed by Lazard Frères Gestion are subject to pre-trade controls to ensure that they comply with the normative and sector exclusion rules set out in our ESG policy. The Risk team directly incorporates the list of excluded issuers in the investment constraints engine of our portfolio management software tool. Any attempt to buy a security on the exclusion list is thus automatically blocked.
Systematic controls are also carried out by portfolio management assistants in the event of activity in SRI portfolios:

- Buy-side activity: verification that the stock is included in the investment universe
- Sell-side activity: in the event a company's rating is downgraded due to a controversy or is updated

2 Level 2 controls

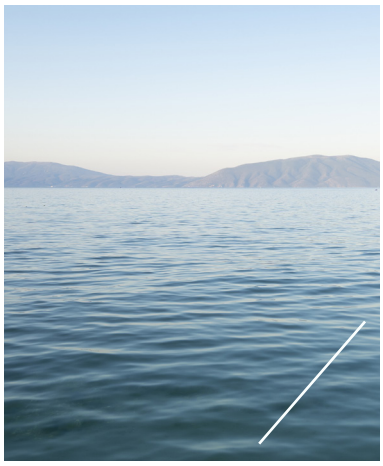
The Risk team ensures that more than 90% of each fund is covered by the Moody's ESG Solutions or Gaïa Rating analysis.
According to the methodology used by the fund, the Risk team also verifies that well above 20% of the lowest-rated companies on the index or in the investment universe are excluded from the fund, and that the fund's ESG score is well above that of the 80% highest-rated companies on the index or in the investment universe. The results of this control are regularly audited by the Compliance team.

In the event of an operational anomaly, the incident is placed on the agenda of the Institutional Strategies - Operational Risk Committee, which meets monthly and comprises the Head of Institutional Strategies, the COO, the RCCI, the Risk Manager and the operational staff in charge of Level 1 controls.

For open-ended mutual funds (SICAVs) covered by this transparency code:

- The Board of Directors meets at least once a year and verifies the SRI analysis methodology;
- At the end of each fiscal year, the statutory auditor checks that fund investments comply with the SRI criteria set out in the prospectus.

Lastly, SRI certification body EY verifies once a year that the principles and implementation of fund management comply with the SRI criteria set out in the specifications for certification.



6. IMPACT MEASUREMENTS AND ESG REPORTING

6.1 How is the ESG quality of funds assessed?

The ESG quality of the portfolios is measured monthly using the four impact indicators defined in section 3.3.

In addition, the monthly reporting specifies the average E, S, and G ratings for each fund calculated as the weighted average of the portfolio holdings of Moody's ESG Solutions synthetic ratings. An overall ESG score is also calculated using the same weightings as those used by managers in their SRI management (see section 4.1.).

The Moody's ESG Solutions rating scale is as follows:

MOODY'S ESG SOLUTIONS ESG performance	Ranking Scale
Advanced	**60-100**
Robust	**50-59**
Limited	**30-49**
Weak	**0-29**

A quarterly Article 29 report of the French Climate and Energy Law also provides an opportunity to assess the "Environmental" quality of portfolios with more than €500 million in assets compared to their benchmarks.

6.2 What ESG impact indicators are used by the funds?

In line with the ESG criteria set out in section 3.3, Lazard Frères Gestion SRI funds use the following impact indicators:

The Environment criterion is verified by :

Funds	Impact Indicator	Unit of measure	Source
Lazard Equity SRI*	Carbon footprint	Tons of CO2eq/EVIC	S&P Global
Norden SRI	Carbon footprint	Tons of CO2eq/EVIC	S&P Global
Lazard Small Caps Euro SRI	Carbon footprint	Tons of CO2eq/EVIC	S&P Global
Lazard Dividend LowVol SRI	Carbon footprint	Tons of CO2eq/EVIC	S&P Global
Lazard Alpha Euro SRI*	Carbon footprint	Tons of CO2eq/EVIC	S&P Global
Lazard Equity Inflation SRI*	Carbon footprint	Tons of CO2eq/EVIC	S&P Global
Lazard Human Capital*	Carbon footprint	Tons of CO2eq/EVIC	S&P Global

The Human Resources criterion is verified by :

Funds	Impact Indicator	Unit of measure	Source
Lazard Equity SRI*	Staff turnover	%	MSCI
Norden SRI	Companies with high or critical human resources controversies	%	Moody's ESG Solutions
Lazard Small Caps Euro SRI	Companies committed to social dialogue	%	Gaïa Rating
Lazard Dividend LowVol SRI	Companies with high or critical human resources controversies	%	Moody's ESG Solutions
Lazard Alpha Euro SRI*	Companies tracking employee satisfaction	%	MSCI
Lazard Equity Inflation SRI*	Companies tracking employee satisfaction	%	MSCI
Lazard Human Capital*	Share of women in senior management	%	MSCI

The fundamental human rights criterion is verified by :

Funds	Impact Indicator	Unit of measure	Source
Lazard Equity SRI*	Companies that have signed the UN Global Compact	%	Moody's ESG Solutions
Norden SRI	Companies with high or critical human rights controversies	%	Moody's ESG Solutions
Lazard Small Caps Euro SRI	Companies that have signed the UN Global Compact	%	Gaïa Rating
Lazard Dividend LowVol SRI	Companies that have signed the UN Global Compact	%	Moody's ESG Solutions
Lazard Alpha Euro SRI*	Companies that have signed the UN Global Compact	%	Moody's ESG Solutions
Lazard Equity Inflation SRI*	Companies that have signed the UN Global Compact	%	Moody's ESG Solutions
Lazard Human Capital	Companies that have signed the UN Global Compact	%	Moody's ESG Solutions

The Governance criterion is verified by :

Funds	Impact Indicator	Unit of measure	Source
Lazard Equity SRI*	Independent administrators	%	MSCI
Norden SRI	Independent administrators	%	Company reports
Lazard Small Caps Euro SRI	Formalization of a business conduct and anti-corruption policy	%	Gaïa Rating
Lazard Dividend LowVol SRI	Independent administrators	%	Company reports
Lazard Alpha Euro SRI*	Independent administrators	%	MSCI
Lazard Equity Inflation SRI*	Independent administrators	%	MSCI
Lazard Human Capital	Independent administrators	%	MSCI

These indicators are published quarterly in an ad hoc document entitled "ESG Reporting", available on the website.

6.3 What media are used to inform investors about the SRI management of funds?

- The website on which are available:

-The fund transparency code
-ESG policy documents
-Monthly fund reports
-Impact Indicator Reporting" documents
-Article 29 reports of the French Energy and Climate Law (for funds with net assets of more than €500 million)
-The annual report

- Social networks

6.4 Does the management company publish the results of its voting policy and its commitment policy?

- Lazard Frères Gestion publishes a commitment report listing the various initiatives undertaken and their results. This information is the result of various meetings held by the analysts with the management of the companies.
- The voting policy, the voting rights exercise report, the engagement policy and the engagement report are published and available at the following address: http://www.lazardfreresgestion.fr/FR/ESG-ISR_112.html