

French open-end investment fund (FCP)

LAZARD EURO CORP HIGH YIELD

ANNUAL REPORT

as at September 29th, 2023

Management company: Lazard Frères Gestion SAS
Custodian: Caceis Bank
Statutory auditor: Pricewaterhousecoopers Audit

Lazard Frères Gestion SAS - 25 rue de Courcelles - 75008 - Paris - France

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1. CHARACTERISTICS OF THE UCI

LEGAL FORM

French open-end investment fund (Fonds Commun de Placement - FCP)

CLASSIFICATION

Bonds and other euro-denominated debt securities.

Fund of Fund

None.

ALLOCATION OF DISTRIBUTABLE INCOME

Distributable income consists of:

- 1) net income plus retained earnings, plus or minus the balance of the revenue adjustment account. Net income for the financial year is equal to the amount of interest, arrears, dividends, bonuses and prizes, remuneration and all income generated by the securities that make up the UCI's portfolio, plus income generated by temporary cash holdings and minus management fees and borrowing costs.
- 2) Realised capital gains, net of charges, minus realised capital losses, net of charges, recognised for the financial year, plus any net capital gains of the same kind recognised over previous years that have not been distributed or accumulated, plus or minus the balance of the capital gains adjustment account.

The amounts referred to in 1) and 2) may be accumulated and/or distributed and/or retained independently of each other, in whole or in part.

RC EUR, RC H-CHF, PVC EUR, PVC H-CHF, PC EUR, RVC EUR shares

Distributable income shall be fully accumulated, with the exception of those amounts subject to compulsory distribution by law.

RD EUR, PVD EUR

Net income is distributed in full and the allocation of net realised capital gains is decided each year by the management company. It may pay interim dividends.

INVESTMENT OBJECTIVE

RC EUR, RD EUR, PVC EUR, PVD EUR, PC EUR, RVC EUR shares

The investment objective is to outperform, over the recommended investment period of three years and net of charges, the following benchmark index: ICE BofAML Euro BB-B Euro High Yield non Financial fixed & Floating rate constrained Index.

The benchmark index is expressed in EUR. Net dividends or coupons are reinvested.

RC H-CHF, PVC H-CHF shares

The investment objective is to outperform, over the recommended investment period of three years and net of charges, the following benchmark index: ICE BofAML Euro BB-B Euro High Yield non Financial fixed & Floating rate constrained Hedged CHF Index.

The benchmark index is expressed in CHF.

The benchmark is hedged against currency risk with the reference currency being the CHF. Net dividends or coupons are reinvested.

BENCHMARK INDEX

RC EUR, RD EUR, PVC EUR, PVD EUR, PC EUR, RVC EUR shares

ICE BofAML Euro BB-B Euro High Yield non Financial fixed & Floating rate constrained Index

The ICE BofAML Euro BB-B Euro High Yield non Financial fixed & Floating rate constrained Index represents a section of the European High Yield Investment universe. All issuance included in this index is rated speculative grade, its issues are rated between BB+ and B- by Standard & Poor's and between Ba1 and B3 by Moody's.

Transaction fees are included.
 Data are available at: www.indices.theice.com
 Bloomberg code: HEAG Index.

RC H-CHF, PVC H-CHF shares

ICE BofAML Euro BB-B Euro High Yield non Financial fixed & Floating rate constrained Hedged CHF Index.
 The ICE BofAML Euro BB-B Euro High Yield non Financial fixed & Floating rate constrained Hedged CHF Index represents a section of the European High Yield Investment universe. All issuance included in this index is rated speculative grade, Its issues are rated between BB+ and B- by Standard & Poor's and between Ba1 and B3 by Moody's. Transaction fees are included.
 The data are available on: www.indices.theice.com Bloomberg code: HEAG Index.

BENCHMARK ESG INVESTMENT UNIVERSE

The benchmark ESG investment universe corresponds to that of the benchmark index.

As at the date of this prospectus, the benchmark index administrator, namely [ICE Benchmark Administration Limited], is listed on ESMA's register of administrators and benchmark indices.
 Additional information on the benchmark index can be found on the administrator's website [<https://www.theice.com/iba>]
 The management company will ensure that this link is still valid in future updates of the UCI's prospectus.

INVESTMENT STRATEGY

1. Strategies used

The Fund aims to outperform, net of expenses, the index:
 > ICE BofAML BB-B Euro High Yield Non-Financial Fixed & Floating Rate Constrained Index, expressed in euros, for the PC EUR, PD EUR, RC EUR and RD EUR shares,
 > ICE BofAML BB-B Euro High Yield Non-Financial Fixed & Floating Rate Constrained Index, expressed in Swiss francs 100% hedged for PC H-CHF and RC H-CHF shares, through dynamic management of interest rate risk, credit risk and the risk of fluctuations in the underlying assets of debt indexed to one or more equities. Investment will essentially be in risky debt issued by governments, companies, financial institutions and financial structures that offer a higher return than risk-free debt.

The portfolio manager conducts his own credit assessment for selection purposes, both at the time of purchase and during the life of the securities. He does not rely solely on ratings issued by rating agencies and develops credit risk analysis and the necessary procedures to make purchase decisions or buy or hold decisions in the event of a downgrade. Nor does he automatically use agency ratings but gives precedence to his own analysis to assess the credit quality of said assets and decide on possible downgrades.

Outperformance in relation to the index is achieved in two ways: additional yield offered by risky debt, corporate and government debt in particular, and dynamic portfolio rotation when there is a decline in this surplus yield. The Fund may invest in the securities of any type of issuer whose registered office is located in an OECD member country and/or in euro-denominated securities listed on a stock exchange of an OECD member country, without any restriction in terms of credit quality. The Fund may not invest in bonds of issuers included on the FATF blacklist.

As an exception to the 5%-10%-40% ratios, the management team may invest more than 35% of the UCI's net assets in securities guaranteed by an EEA Member State or the United States.

Information on the Fund's sensitivity range is shown in the table below:

Interest rate sensitivity range within which the Fund is managed	Geographical area of issuers	Range of exposure to this zone
0-8	OECD zone	between 75% and a maximum of 100% of the net assets
	Other regions	between 0 and a maximum of 25% of the net assets

The Fund may not invest in bonds denominated in currencies other than the euro.

Non-financial criteria

The UCI falls under Article 8 of Regulation (EU) 2019/2088, the Sustainable Finance Disclosure Regulation (SFDR). All ESG information is provided in the appendix to this prospectus.

The inclusion of Environmental, Social and Governance (ESG) criteria influences the analysis of companies held in the portfolio without being a determining factor in decision-making.

Analysis of investments in directly held bonds

The ESG analysis of live securities is based on a proprietary model that relies on an internal ESG grid.

Based on the various data provided by our ESG partners (non-financial analysis agencies, external service providers, etc.), the annual reports of the companies and direct exchanges with them, the analysts responsible for monitoring each stock draw up an internal ESG score. This score is based on both a quantitative (energy intensity, staff turnover rate, board independence rate, etc.) and qualitative approach (solidity of environmental policy, employment strategy, competence of directors, etc.). It takes into account the risks likely to affect companies' sustainability, or Sustainability Risks (regulatory and physical risks, reputational risk thanks to, among other factors, the monitoring of controversies) as well as companies' main negative impacts in terms of sustainability, or Principal Adverse Impacts (carbon emissions, energy consumption, water consumption, waste production), i.e. any event or situation in the environmental, social or governance field which, if it occurs, could have an actual or potential negative impact on the value of the investment.

Specifically, the negative effects of sustainability risks can affect issuers via a range of mechanisms, including:

- 1) lower revenues;
- 2) higher costs;
- 3) damage to or impairment of the value of assets;
- 4) higher cost of capital; and
- 5) fines or regulatory risks.

Due to the nature of sustainability risks and specific issues such as climate change, the likelihood of sustainability risks impacting returns on financial products is likely to increase in the longer term.

These internal ESG ratings are integrated into the issuer selection process and in determining their weight in the portfolio.

Conditions enabling reduced disclosure regarding the inclusion of non-financial criteria:

The rate of non-financial analysis of the UCI's investments is, depending on the UCI's investment categories, higher than:

- 90% of the UCIs net assets for bonds issued by large capitalisation companies with their registered office in "developed" countries, debt securities and money market instruments with an investment grade credit rating, sovereign debt issued by developed countries;
- 75% of the UCIs net assets for equities issued by large capitalisation companies with their registered office in "emerging" countries, equities issued by small and mid caps, debt securities and money market instruments with a high yield credit rating and sovereign debt issued by "emerging" countries.

In the event of investment in several categories, the above rates shall apply transparently to each category.

The portfolio's overall Lazard Frères Gestion ESG rating will be higher than that of the benchmark.

Regulation (EU) 2020/852, known as the "Taxonomy Regulation"

The European Union Taxonomy aims to identify economic activities that are considered environmentally sustainable. The Taxonomy identifies these activities according to their contribution to six broad environmental objectives:

- Climate change mitigation,
- Climate change adaptation,
- Sustainable use and protection of water and marine resources,

- Transition to the circular economy (waste, prevention and recycling),
- Pollution prevention and control,
- Protection of healthy ecosystems.

To be considered sustainable, an economic activity must demonstrate that it contributes substantially to the achievement of one of the six objectives, while not harming any of the other five (the so-called DNSH principle, standing for “Do No Significant Harm”). In order for an activity to be considered aligned with the European Taxonomy, it must also respect the human and social rights guaranteed under international law.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

The minimum percentage of alignment with the European Union Taxonomy is 0%.

2. Assets (excluding derivatives)

Equities:

- A maximum of 10% in preference shares insofar as they may be considered deeply subordinated instruments with the following characteristics: rated investment grade by a ratings agency or an equivalent rating by the management company; a fixed dividend comparable to accrued interest; perpetual debt likely to be called in by the issuer under specified conditions; sensitive to interest rates.

- A maximum of 5% in ordinary shares. The Fund will not invest actively in equities but may hold equities if they derive from a debt restructuring, typically following an exchange of shares for debt. The fund manager will do his best to sell the shares received as soon as possible depending on market conditions with a view to optimising the exit price for the holders.

Debt securities and money market instruments:

- A maximum of 100% in euro-denominated bonds and negotiable debt securities issued by companies and financial institutions, without any credit restrictions.

- A maximum of 100% in euro-denominated debt issued by OECD member states.

- A maximum of 20% in convertible or similar bonds.

- Specific euro-denominated instruments:

- A maximum of 20% in securities issued as part of a EMTN programme whose issuer is not the same as the issuer of the underlying security, insofar as the performance of these securities is index-linked to changes in interest rate or credit spread risk.
- Up to 10% in securities issued by securitisation vehicles (special purpose vehicles, ABS, MBS, CDO, etc.) investing solely in physical assets as opposed to synthetic debt.

The Fund may not invest in subordinated debt issued by banks or insurance companies.

UCIs:

Up to a maximum 10% of the net assets in money market UCITS and AIF, short-term money market funds or French-governed bond funds provided that less than 10% of these funds' assets are invested in other UCIs.

These UCIs may be managed by the management company.

3. Derivatives

- Types of markets:

regulated

organised

OTC

- The manager intends to seek exposure to:
 - equities
 - interest rates
 - foreign exchange
 - credit
 - other risks

- Transaction types - all transactions must be limited to achieving the investment objective:
 - hedging
 - exposure
 - arbitrage
 - other

- Types of instruments used:
 - futures:
 - equity and equity indices
 - interest rate
 - foreign exchange
 - other
 - options:
 - equity and equity indices
 - interest rate
 - foreign exchange
 - other
 - swaps:
 - equity swaps
 - interest rate swaps
 - currency swaps
 - performance swaps
 - currency forwards
 - credit derivatives: CDS are limited to a maximum of 40% of the net assets)
 - other

- Derivatives strategy to achieve the investment objective:
 - partial or general hedging of the portfolio, some risks and securities
 - creating synthetic exposure to assets and risks
 - increasing exposure to the market
 - maximum permitted and sought
 - other strategy

4. Securities with embedded derivatives

The manager may invest in securities with embedded derivatives (convertible bonds, callable and puttable bonds, warrants, etc.) traded on regulated, organised or OTC markets.

Within this framework, the manager may take positions with a view to hedging the portfolio against and/or exposing it to particular business sectors, geographic regions, shares (all capitalisation types), stocks and similar securities in order to achieve the investment objective.

In all cases, total investments in securities with embedded derivatives may not exceed 100% of net assets.

5. Deposits:

Up to 10% of the UCI's assets may be held in deposits.

6. Cash borrowings:

The UCI may borrow cash within the limit of 10% of its net assets to meet specific cash requirements related to its operating needs.

7. Temporary purchases and sales of securities:

None.

8. Information on financial guarantees:

In connection with over-the-counter derivative transactions, and in accordance with Position paper 2013-06 issued by the French financial markets regulator (Autorité des Marchés Financiers - AMF), the SICAV may receive collateral in the form of securities (such as bonds or other securities issued or guaranteed by a State or issued by international financing agencies and bonds or securities issued by high quality corporate issuers), or cash. Any cash collateral received is reinvested in accordance with the applicable rules. All such assets must be from high-quality issuers that are not an entity of the counterparty or its group, and must be liquid and diversified with low volatility. Discounts may be applied to the collateral received; they take into account the quality of credit and the price volatility of the securities.

RISK PROFILE

Notice

Your money will be mainly invested in financial instruments selected by the management company. These instruments will be exposed to market trends and fluctuations.

- **Risk of capital loss**

There is no guarantee of the UCI's performance or protection of capital. As such, the investor may not get back the full amount of the initial investment during redemption.

- **Risk associated with discretionary management**

Discretionary management is based on anticipating market trends. The UCI's performance depends on both the securities and UCIs that the portfolio manager chooses and on the portfolio manager's allocation of assets. There is therefore a risk that the manager may not select the best-performing securities or choose the optimal asset allocation.

- **Credit risk**

The risk of a deterioration in the credit quality of or default by a public or private issuer. The UCI's exposure to issuers either through direct investment or via other UCI may give rise to a decline in the net asset value. If the UCI is exposed to unrated or speculative/high yield debt, the credit risk is high and may lead to a decline in the UCI's net asset value.

- **Interest rate risk**

The risk of a decline in debt instruments as a result of changes in interest rates. This risk is measured by the level of sensitivity. For instance, bond prices tend to move in the opposite direction to interest rates. The net asset value may decline during periods when there is an increase (positive sensitivity) or decrease (negative sensitivity) in interest rates.

- **Derivative financial instrument risk**

The risk arising from the UCI's use of forward financial instruments (derivatives), which may lead to a bigger decrease in the net asset value than on the markets or in the underlying assets in which the UCI has invested.

- **Counterparty risk:**

The risk linked to the use of forward financial instruments traded over the counter. A transaction of this type with one or more counterparties potentially exposes the UCI to a risk of insolvency of one or more of these counterparties, which could lead to default on payment and cause a decrease in the UCI's net asset value.

- **Emerging country risk**

The operational and supervisory standards applicable to emerging markets may differ from those on international markets, as a result there is a risk that this may affect the UCI's net asset value.

- **Risk related to securitisation assets**

Securitisation assets entail credit risk mainly linked to the quality of the underlying assets, which vary by nature (bank receivables, debt securities, etc.). These instruments are complex structures that can entail legal risks and specific risks related to the characteristics of the underlying assets. If these risks materialise, they can cause a decrease in the UCI's net asset value.

- **Sustainability risk**

Any environmental, social or governance event or situation that, if it occurs, could have an actual or potential negative impact on the value of the investment. Specifically, the negative effects of sustainability risks can affect issuers via a range of mechanisms, including: 1) lower revenues; 2) higher costs; 3) damage or impairment of asset value; 4) higher cost of capital; and 5) fines or regulatory risks. Due to the nature of sustainability risks and specific issues such as climate change, the likelihood of sustainability risks impacting returns on financial products is likely to increase in the longer term.

- **ESG investment risk and methodological limitations**

Non-financial criteria can be integrated into the investment process using data provided by external providers or directly reported by our analysts, notably in our proprietary ESG analysis grid. Data may be incomplete or inaccurate due to the lack of international standards or systematic verification by external third parties. It can be difficult to compare data because issuers do not necessarily publish the same indicators. The unavailability of data may also force management not to include an issuer in the portfolio. The management company may therefore exclude securities of certain issuers for non-financial reasons, regardless of market opportunities.

- **Equity risk**

Share price fluctuations may have a negative impact on the UCI's net asset value. The UCI's net asset value may decrease during periods in which the equity markets are falling.

GUARANTEE OR PROTECTION

None.

ELIGIBLE SUBSCRIBERS AND TYPICAL INVESTOR PROFILE

This Fund is aimed at investors who are aware of the risks associated with investing in the international credit markets.

Subscribers are strongly advised to diversify their investments sufficiently to avoid exposure solely to the risks of this UCI.

Information on Russian and Belarusian investors

In accordance with the provisions of EU Regulation No. 833/2014 as amended by EU Regulation No. 2022/328 and EC Regulation No. 765/2006 as amended by Regulation (EU) No. 2022/398, the subscription of units or shares in this UCI is prohibited to any Russian or Belarusian national, any natural person residing in Russia or Belarus or any legal person, entity or body established in Russia or Belarus. This prohibition does not apply to nationals of a Member State and to natural persons holding a temporary or permanent residence permit in a Member State of the European Union. This prohibition shall remain in effect for as long as the Regulations are in force.

Information on US investors

The UCI is not registered as an investment vehicle in the United States and its shares are not and will not be registered under the Securities Act of 1933 and, therefore, they may not be offered or sold in the United States to Restricted Persons, as defined hereafter.

A Restricted Person is (i) any person or entity located in the United States (including US residents), (ii) any corporation or any other entity subject to the laws of the United States or any state thereof, (iii) any US military personnel or any employee of a US government department or agency located outside the United States, or (iv) any other person that would be considered a US Person under Regulation S of the Securities Act of 1933, as amended.

FATCA

Pursuant to the provisions of the Foreign Account Tax Compliance Act ("FATCA") applicable as of July 1st, 2014, if the UCI invests directly or indirectly in US assets, the capital and income arising from such investments may be subject to withholding tax of 30%.

To avoid paying the 30% withholding tax, France and the United States have entered into an intergovernmental agreement under which non-US financial institutions ("foreign financial institutions") agree to institute procedures for identifying direct or indirect investors who qualify as US taxpayers and to provide certain information about these investors to the French tax authorities, which will disclose said information to the US tax authority, the Internal Revenue Service.

As a foreign financial institution, the UCI undertakes to comply with the FATCA and to take all appropriate measures pursuant to the aforementioned intergovernmental agreement.

The amount that it is reasonable to invest in this UCI depends on each investor's personal circumstances.

To determine this, investors should take account of their personal financial situation, current needs and the recommended investment period, and should also consider their ability to assume risk or whether they prefer instead to opt for a more cautious investment.

This Fund may not be suitable for investors planning to withdraw their investment within three years.

2. CHANGES AFFECTING THE UCI

The **LAZARD EURO CORP HIGH YIELD** Fund's KIID (ISIN code: FR0010505313) was converted to the KID PRIIPS (Key Information Document and Packaged Retail Investment and Insurance-based Products) on January 1st, 2023, in accordance with the European regulations aimed at standardising pre-contractual information on financial products intended for retail investors.

The Chairman of the management company Lazard Frères Gestion SAS made the following decisions in relation to the fund **LAZARD EURO CORP HIGH YIELD** (ISIN: FR0010505313), the abolition of transaction fees

➤ **Effective date: 06/02/2023.**

The Chairman of the management company Lazard Frères Gestion SAS made the following decisions in relation to the fund **LAZARD EURO CORP HIGH YIELD** (ISIN: FR0010505313), the change of name of the following shares:

ISIN code	Former name	New name
FR0010597138	PD EUR	PVD EUR
FR0010505313	PC EUR	PVC EUR
FR0013444056	PC H-CHF	PVC H-CHF

➤ **Effective date: 24/02/2023.**

The Chairman of the management company Lazard Frères Gestion SAS made the following decisions in relation to the fund **LAZARD EURO CORP HIGH YIELD** (ISIN: FR0010505313), the creation of two new shares:

- "PC EUR" ISIN Code: FR001400H3H5.
- "RVC EUR" ISIN Code: FR001400H3I3.

➤ **Effective date: 21/04/2023.**

The Chairman of the management company Lazard Frères Gestion SAS made the following decisions in relation to the fund **LAZARD EURO CORP HIGH YIELD** (ISIN: FR0010505313), the change in financial management fees for the following shares:

Shares	Financial management fees applicable until 23/05/2023 (maximum incl. taxes)	Financial management fees applicable from 24/05/2023 (maximum incl. taxes)
PVC EUR (FR0010505313)	0,715%	0,60%
PVD EUR (FR0010597138)	0,715%	0,60%
RC EUR (FR0013444072)	1,40%	1,50%
RD EUR (FR0013444080)	1,40%	1,50%

➤ **Effective date: 24/05/2023.**

The Chairman of the management company Lazard Frères Gestion SAS made the following decisions in relation to the fund **LAZARD EURO CORP HIGH YIELD** (ISIN code: FR0010505313) the implementation of the temporary redemption cap mechanism ("Gates").

➤ **Effective date: 18/08/2023.**

3. MANAGEMENT REPORT

PERFORMANCE

RC EUR shares = 11,38%,
PC EUR shares = 2,98 % (from 21/04/2023 to 29/09/2023),
PVC EUR shares = 12,11%,
PVD EUR shares = 12,11%,
RVC EUR shares = 3,20% (from 21/04/2023 to 29/09/2023).

Performance over the year of the ICE BofAML Euro BB-B Euro High Yield non Financial fixed & Floating rate constrained Index: 10,18 %.

RC H CHF shares = 9,28%,
PVC H-CHF shares = 1,48% (from 10/02/2023 to 29/09/2023).

Performance over the year of the ICE BofAML Euro BB-B Euro High Yield non Financial fixed & Floating rate constrained Hedged CHF Index: 11,72 %.

Performances vary over time and past performance is no guarantee of the UCI's future results.

ECONOMIC ENVIRONMENT

Introduction

Despite central banks' efforts to curb activity and inflation, growth showed unexpected resilience in Western countries. US growth was robust, underpinned by household consumption. Growth in the Eurozone was modest, against a backdrop of deteriorating purchasing power and rapid transmission of the ECB's monetary tightening. However, the economic impacts of the energy crisis were less severe than feared. The collapse of three US regional banks and the disaster takeover of Credit Suisse in March 2023 could also have had a greater impact. Thanks to lower energy prices and the easing of supply tensions, inflation fell sharply in the US and Europe. However, it remained well above central bank targets, fuelled by the services sector and the still tight labour market situation. Against this backdrop, the Fed and the ECB continued to tighten their monetary policy. The Fed raised its key rate to 5,25%-5,50%, a 22-year high. The ECB raised the refinancing rate to 4,50% and the deposit rate to 4,00%, levels never before reached. In China, after a rebound following the lifting of health restrictions, growth lost momentum amid a slowdown in the real estate sector. Against this backdrop, global equity markets rebounded strongly, making up some of the losses recorded in 2022. US and European interest rates alternated between rises and falls before soaring in the summer of 2023 to reach their highest levels for more than ten years.

Economy

In the United States, GDP growth accelerated to +2,4% year-on-year in Q2 2023. Job creation slowed to an average of +266 000 per month. The unemployment rate rose to 3,8%. Annual hourly wage growth slowed to +4,2%. The year-on-year increase in consumer prices slowed to +3,7% and +4,1% excluding energy and food.

The Fed raised its key rate by +2,25% to 5,25%-5,50%, in the following sequence: a +0,75% hike in November 2022, +0,50% in December 2022 and three consecutive +0,25% hikes in February, March and May 2023. The Fed took a first pause in June 2023, before a further 0,25% hike in July 2023 and a further pause in September 2023.

In terms of unconventional measures, in March 2023 the Fed announced the creation of a new liquidity access mechanism ("Bank Term Funding Program") in response to the collapse of Silvergate Bank, Silicon Valley Bank and Signature Bank.

In the U.S. midterm elections on November 8th, 2022, the Democrats retained their majority in the Senate and the Republicans won the House of Representatives.

In the Eurozone, GDP growth slowed to +0,5% year-on-year in Q2 2023, with contrasting trends between countries. GDP fell by -0,2% in Germany, while rising by +1,0% in France, +0,3% in Italy and +2,2% in Spain. PMI surveys improved until the spring of 2023 before deteriorating rapidly in the summer of 2023. The Eurozone unemployment rate fell to 6,4%. The year-on-year increase in consumer prices slowed to +4,3% and +4,5% excluding energy and food.

The ECB raised its key rates by +3,25%, in the following sequence: +0,75% in October 2022, three consecutive hikes of +0,50% between December 2022 and March 2023 and four consecutive hikes of +0,25% between May and September 2023. The deposit rate was raised from +0,75% to +4,00% and the refinancing rate from +1,25% to +4,50%.

In terms of unconventional measures, in December 2022 the ECB announced a reduction in the size of its APP portfolio from March 2023. In June 2023, the ECB announced that it would end reinvestments under this programme.

In Italy, the right-wing coalition secured a clear victory in the general elections on September 25th, 2022. Giorgia Meloni was elected prime minister on October 22nd, 2022.

In China, GDP growth accelerated to +6,3% year-on-year in Q2 2023. Activity benefited from the complete lifting of health restrictions in December 2022. The real estate sector continued to struggle. The urban unemployment rate fell to 5,2%. Consumer prices remained stable.

China's central bank cut its key rate by 0,25% to 2,50% and the reserve requirement ratio by 0,75% to 10,50%.

At the conclusion of the 20th CCP Congress in October 2022, Xi Jinping won a third term as General Secretary of the Party and head of the armed forces. Xi Jinping was formally re-elected President of the Republic during the annual session of the National People's Congress in March 2023. On this occasion, the government announced that it was aiming for growth of "around +5,0%" in 2023.

Markets

The MSCI World All Country index of global equity markets rose by +18,7% year-on-year, wiping out around half of the decline in the first nine months of 2022. The Topix in yen rose by +26,6%, the Euro Stoxx in euros by +20,9%, the S&P 500 in dollars by +19,6% and the MSCI emerging equities index in dollars by +8,8%.

The unexpected resilience of the global economy was a major support factor for equity markets between the fourth quarter of 2022 and the start of the third quarter of 2023.

The effects of the Eurozone energy crisis were less significant than feared, the Chinese economy reopened faster than expected and US inflation slowed, while the unemployment rate remained low, fuelling the idea of a soft landing for the US economy.

Equity markets also benefited from the sharp rise in tech mega-caps in the United States, linked to the artificial intelligence craze.

The uptrend in equity markets reversed from August 2023 onwards, against a backdrop of increasing economic uncertainty in China, poor economic data in Europe and soaring long-term interest rates.

Bond markets alternated between rises and falls between the fourth quarter of 2022 and the start of the third quarter of 2023, with investors switching from one monetary policy scenario to another.

US and European interest rates soared during the summer of 2023 to reach their highest levels for more than ten years, as the resilience of the US economy and the Fed's more restrictive message led investors to anticipate permanently higher key rates.

The US 10-year yield rose from 3,83% to 4,57% and the German 10-year yield from 2,11% to 2,84%.

According to ICE Bank of America indices, credit spreads for European corporate issuers fell from 210 to 141 basis points in the Investment Grade segment and from 625 to 445 basis points in the High Yield segment.

The euro appreciated by +7,9% against the dollar and by +11,3% against the yen. It stabilised against the Swiss franc and depreciated by -1,2% against sterling. According to the JPMorgan index, emerging currencies depreciated by an average of -2,9% against the dollar,

The S&P GSCI commodity price index was virtually stable over the year. The price of a barrel of Brent crude oil rose from \$86 to \$92, with a peak of \$100 in early November 2022 and a low point of \$72 in mid-March 2023.

MANAGEMENT POLICY

October 2022

The asset class started the last quarter with a positive performance of 1,73% in October thanks to a tightening of spreads (-56bp) and yields that remained stable despite the volatility observed during the month (+4bp for the German 5-year yield). After a sharp widening at the end of September, risk premiums retraced some of the movement to end the month at 602bp. This recovery is explained by the downward revision of expectations concerning policy rate hikes (favourable to risky assets), the stabilisation of the UK markets with the arrival of a new government and the fall in the price of natural gas in Europe. The primary market was active, with €1,4bn in new deals by two issuers.

In this environment, the better the ratings, the better the performance. The CCC sub-fund was the only one to decline due to a spread widening.

By sector, all sectors were in positive territory except consumer goods (Upfield, Philips) and real estate (SBB, Heimstaden). On the other hand, the automotive sector (Faurecia, Jaguar), energy (Saipem, Pemex) and transport (IAG, Lufthansa) recorded the strongest gains.

The portfolio was up 2,16% over the month, outperforming the HEAG index by 16bp.

November 2022

The asset class continued its rebound with a gain of +3,84% in November, the second best monthly performance of the year.

This was attributable to a strong tightening of spreads of -84bp and, to a lesser extent, to an easing of sovereign yields (-7bp for the German 5-year and -21bp for the 10-year). The renewed appetite for the asset class was driven by a bearish interest rate environment due to lower than expected inflation figures, offering a glimpse of a less restrictive monetary policy, hopes of an easing of China's zero-Covid policy and, lastly, upbeat earnings releases. With supply contracting due to early repayments and rising stars (Autostrade at the end of the month), the upward pressure on prices was therefore significant, especially as the primary market remained very quiet. Only a few issuers with good ratings (BB) and known to investors took advantage of the positive momentum to refinance for a total amount of €3,2bn, benefiting from strong demand and limited issue premiums.

In this context favourable to risky assets, the weakest ratings posted the best performances, driven by a sharp compression of risk premiums. By sector, all sectors rose during the month with consumer goods (Upfield, Philips Domestic Appliances), real estate (SBB, Adler) and utilities (EDF, Contour Global) recording the strongest gains.

The portfolio posted a performance of 3,55%, underperforming the HEAG benchmark index by 16bp due to the portfolio's more defensive positioning in terms of rating.

December 2022

The asset class ended the year with a negative performance of -0,89%, which is entirely attributable to the rising yields (+64bp for the German 5-year) following more restrictive statements by central banks. Spreads remained virtually stable over the month (-6bp). The primary market was active to the tune of €1,5bn spread between three issuers present in the segment.

In this context, single Bs, which are less sensitive to rate increases, performed better, while CCCs were hurt by a spread widening.

By sector, all sectors are in negative territory with the exception of basic industry (Italmatch, Metinvest BV) and consumer goods (Spectrum Brands, Dometic). Conversely, real estate (Heimstaden, Adler Group), media (United Group, Tele Columbus) and the automotive sector (Grupo Antolin, TI Automotive) underperformed the most.

The portfolio posted a performance of -0,54% in December and -7,80% YTD, outperforming the HEAG benchmark index by 27bp and 310bp respectively.

January 2023

The asset class started the year with a strong performance of +3,24% (HEAE index) in January thanks to a strong tightening of risk premiums (-66bp) and a positive contribution from the easing of sovereign yields (-26bp for the German 5-year). Risky assets were supported by figures reflecting better-than-expected economic activity in the Eurozone, lower energy prices and the reopening of the Chinese economy.

In addition, inflation figures, although high, point to a deceleration, which has led to a general decrease in rates and boosted the widespread optimism. Spreads therefore fell by 66bp, ending the month at 464bp.

The primary market benefited from this positive environment and has seen record activity since December 2021, with total issuance exceeding €6,7bn.

Against this backdrop, the lowest-rated issues outperformed the most.

By sector, performances were positive across the board, with energy (CGG, Wintershall DEA), real estate (Signa, Adler Group) and media (United Group, Tele Columbus) recording the strongest gains.

The portfolio posted a performance of +2,72% over the month, underperforming the HEAG benchmark index by 38bp.

February 2023

The asset class was down slightly in February and posted a performance of -0,11%, impacted by a sharp rise in sovereign yields (+43bp on the German 5-year) following statements by central bankers in favour of an acceleration in the pace of rate hikes given the persistently high inflation figures and a resilient economic momentum. The negative interest rate effect was virtually cancelled out by the carry and the tightening of risk premiums (-25bp), which benefited from encouraging earnings releases and technical factors that remained favourable. Inflows persisted in the asset class while the primary market remained quiet with only €3,26bn of new issues, all of which were refinancings.

Against this backdrop, the lowest ratings outperformed while BB-rated issuers were in the red, impacted by the rise in rates.

By sector, the real estate sector recorded the strongest rise (Heimstaden, SBB, Castellum), followed by leisure (Gamenet, Edreams) and basic industries (Ideal Standard, Consolis). In contrast, energy (Kondor and Pemex), technology (Cellnex, Infrastrutture Wireless Italiane) and utilities (EP Infrastructure and EDP) were down.

The portfolio posted a performance of -0,09%, outperforming the HEAG benchmark index (0,16%) by 7bp.

March 2023

The asset class posted a virtually stable performance (-0,07%) in March despite concerns about the banking sector following the SVB bankruptcy in the United States and UBS's takeover of Credit Suisse in Europe. After hitting a low of 429bp at the beginning of the month, risk premiums soared to 575bp before falling back towards 500bp (+49bp widening over the month). The negative effect of spreads was largely offset by the easing of sovereign yields (-43bp on the German 5-year) thanks to a flight to quality. The deceleration in inflation figures also underpinned the fall in interest rates. Unsurprisingly, primary market activity remained sluggish with €2,6bn of issues used for refinancing purposes.

In this risk-averse environment, CCC ratings suffered the most, while BB and single B-rated issuers performed equally well. By sector, the real estate sector posted the worst performances (Heimstaden, CPI Property), followed by retail (Casino, Ceconomy) and media (United Group, Tele Columbus). By contrast, technology (Infrastrutture Wireless Italiane SpA, Cellnex), telecommunications (Telecom Italia, Virgin Media) and automotive (Pasubio, IHO Verwaltungs/Schaeffler) were the best performers.

The portfolio posted a performance of 0,53%, outperforming the HEAG benchmark index (0,22% in March) by 31bp. Over the quarter, the fund's performance was 3,16% compared with 3,15% for the HEAG.

April 2023

The asset class posted a positive performance in April (+0,46%) entirely due to carry, with the markets going through a lull. Spreads remained stable, ending the month at 497bp despite a 26bp tightening until April 19th, which was subsequently erased under the impact of a resurgence of primary market activity (€4,9bn spread over 10 issuers, mainly to refinance 2024/2025 maturities). The interest rate effect was also neutral (-1bp on the German 5-year yield).

Against this backdrop, the top ratings turned in the best performances, while CCCs underperformed. By sector, media (United Group, Adevinta), leisure (Lottomatica, 888) and energy (CGG, Wintershall Dea) were the best performers. On the other hand, telecoms (Altice and Ziggo), healthcare (Catalent and Biogroup) and consumer goods (Energize and Nomad Foods) were in the red. The portfolio posted a positive performance of +0,45% over the month, almost in line with the HEAG benchmark (+0,46%).

May 2023

The asset class posted a positive performance in May (+0,57%) thanks to carry and to a slight tightening of credit spreads (-12bp) despite the slight volatility observed during the month. The month began with spreads continuing to widen (due to banking stress, uncertainties over the US debt ceiling and global growth). This trend reversed from the second week, with a tightening to 477bp, before widening again over the last three days of the month. The interest rate effect was limited over the month (-2bp on the German 5-year) because, after rising for the first three weeks following the tightening of monetary policies, interest rates fell back in the final week of the month as inflationary pressures eased.

The primary market finally picked up again with €7,3bn of new issues from 13 issuers, mainly for refinancing purposes, which were well absorbed by the market as the supply continued to shrink.

In this environment, we saw the lowest ratings outperform, driven by a spread tightening.

By sector, retail (HSE, Rakuten), consumer goods (Philips Domestic Appliances, Upfield) and leisure (Carnival, Cirsa) were the strongest performers. By contrast, the only sectors in the red were real estate (SBB, CPI Property), telecoms (Altice, Ziggo) and technology (ams-OSRAM, Atos).

The portfolio posted a performance of 0,66%, outperforming the HEAG benchmark index by 9bp.

June 2023

The asset class rose by 0,63% in June, thanks to a 43bp tightening in spreads and a carry trade, which more than offset the negative impact of rising interest rates (+27bp on the German 5-year). The month unfolded in two stages: first, risk premia tightened sharply by 60bp until June 19th, before diverging over the last ten or so months on concerns about growth.

Technical factors were favourable in June, with moderate activity on the primary market (€2,4bn issues spread over five issuers) and inflows to the asset class during the first part of the month.

Against this backdrop, the lowest ratings outperformed, underpinned by tightening spreads.

In sector terms, energy (Kondor, Pemex), leisure (Carnival, David Lloyd) and media (WMG, United Group) rose the most. At the other end of the scale, retail (Casino, Rakuten Group) and real estate (Heimstaden, SBB) were in the red.

The portfolio posted a positive performance of +0,63% over the month, slightly underperforming the HEAG benchmark index (+0,66%). Year-to-date performance is +4,97%, 6bp higher than the HEAG index.

July 2023

The asset class has been delivering positive performances month after month, recording its second-best monthly performance since the beginning of the year with a gain of +0,96% in July thanks to spread tightening (-15bp) and carry, while yields remained stable over the month (-1bp for the German 5-year). Risk premiums were buoyed by the publication of fairly satisfactory third quarter results and encouraging macroeconomic data releases. The fact that flows continued to be invested in the asset class also helped in a context where the primary market remained relatively calm (€3,35bn).

BB ratings slightly outperformed the B segment, while the lowest credit ratings fell due to a sharp spread decompression.

By sector, all sectors were in positive territory with the exception of real estate, which remains affected by the rise in interest rates (Heimstaden, Adler Group, DIC Asset). By contrast, the automotive sector (Jaguar Land Rover, Goodyear), utilities (Contour Global, EDF) and capital goods (Titan Holdings, IMA) recorded the strongest gains. The portfolio posted a performance of +1,26% over the month, outperforming the HEAG benchmark index (+1.13%) by 13bp.”

August 2023

The asset class proved resilient in a more turbulent macro environment, with high interest rate volatility and further problems in the Chinese real estate sector. Against this backdrop, the High Yield segment posted a performance of +0,29% thanks to a rise in the last two weeks of the month. The spread widening (+12bp) was offset by a slight fall in the German 5-year yield (-6bp) and by a still high carry (7,7% on the HEAE - with CCC; 7,0% on HEAG - without CCC). The instability in interest rates did not benefit BB-rated issuers, which underperformed in August, whereas CCC-rated issuers were in the limelight, buoyed by their consistently good quarterly results. The fall in volumes in the industrial and retail sectors has been offset by high inflation, while pressure on supply chains and commodities is easing, benefiting margins. By sector, telecoms (Altice, Telecom Italia), media (United Group, Tele Columbus), basic industries (Olympus Water, Nobian) and retail (Rakuten, Casino) posted the strongest gains. In contrast, real estate (SBB, Heimstaden) and the automotive and energy sectors (Pemex) recorded negative performances.

As usual, the primary market went through a summer lull, with only one new issue at the end of the month (€750m issued by Telefonica via a green hybrid bond to refinance an existing hybrid issue). We expect the market to be active in September.

The portfolio posted a performance of +0,19% over the month, underperforming the HEAG benchmark index (+0,21%) by 2pb.

September 2023

The asset class posted a positive performance over the month (+0,39% for the HEAE index) for the 6th time in a row, thanks to the high carry (7,8%) and the tightening of spreads (-14bp), which more than offset the negative effect of rising rates (+30bp on the German 5-year). Spreads moved in two phases: they tightened sharply by 42bp in the first three weeks or so days. After bottoming out at 431bp, they started to rise again, ending the month at 459bp. Several companies took advantage of this buoyant environment to issue in the primary market, which, although active (€6,4bn raised by 13 issuers), remained disappointing compared with the historic level recorded in September. In this environment, BB ratings underperformed, suffering from the pressure on interest rates, while the lowest ratings outperformed.

In terms of sectors, the sectors that rose the most were real estate (SBB, Adler Group), energy (Kondor, CGG), telecommunications and retail (Rakuten, Douglas), while healthcare (Cerba, Organon), the automotive sector (Grupo Antolin, Jaguar) and leisure (Carnival, 888) were down. The portfolio remained stable over the month (+0,06%), underperforming the HEAG benchmark index (+0,15%) by 9bp.

The portfolio gained 1,51% over the quarter (versus 1,49% for the benchmark), bringing its performance since the beginning of the year to 6,56%.

Bonds suffered. Dividends reinvested, the S&P 500 in dollars fell by -4,8%, the Euro Stoxx in euros by -3,1% and the MSCI index of emerging countries in dollars by -2,6%. The Topix in yen rose by +0,5%. The ICE BofA index of Eurozone government bonds fell by -2,6% and the iBoxx investment grade corporate bond index by -0,9%, while the iBoxx financial subordinated bonds index was down by -0,5%. The iBoxx high yield bond index rose by +0,2%. The euro depreciated by -2,5% against the dollar and appreciated by +0,1% against the yen.

The fund suffered from the fall in equities and bonds and from its sensitivity to US interest rates.

In Japan, historically high inflation and buoyant activity could justify a change in the central bank's monetary policy. We created a long position in yen against dollar for 3,75% of assets, despite the yen having depreciated sharply since the start of the year. We increased our modified duration by 0,75 points (German 10-year yield at 2,73%) as long-term yields continued to rise despite the deterioration in economic data in the Eurozone. At the end of the month, we adjusted euro equities by -0,4% (CAC 40 at 7135).

Main changes in the portfolio during the year

Securities	Changes ("accounting currency")	
	Purchases	Sales
LAZARD EU SHRT TRM MONEY M-C	84 752 179,31	75 174 583,78
ILIAD 5.375% 14-06-27	3 006 030,05	898 778,14
CATALENT PHARMA SOLUTIONS 2.375% 01-03-28	1 668 397,69	865 647,51
MASARIA INVESTMENTS SAU E3R+7.5% 31-03-28	1 619 017,78	890 526,62
QPARK HOLDING I BV 1.5% 01-03-25	752 666,67	1 503 906,67
EDF 7.5% PERP EMTN	2 237 434,30	
NETFLIX INC 4.625% 15-05-29	1 425 842,34	727 285,42
FORD MO 6.125 05-28	1 300 000,00	842 610,82
FORVIA 7.25% 15/06/2026	2 063 253,34	
SUPERIOR INDUSTRIES INTL 6.0% 15-06-25	647 640,33	1 323 816,67

4. REGULATORY INFORMATION

EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES AND DERIVATIVE FINANCIAL INSTRUMENTS (ESMA) IN EUROS

a) Exposure through efficient portfolio management techniques and derivative financial instruments

- **Exposure through efficient management techniques: None.**

- o Securities lending:
- o Securities borrowing:
- o Repurchase agreements:
- o Reverse repurchase agreements:

- **Underlying exposure through derivative financial instruments: 9 795 699,65**

- o Currency forwards: 795 699,65
- o Futures:
- o Options:
- o Swaps: 9 000 000,00

b) Identity of the counterparty or counterparties for efficient portfolio management techniques and derivative financial instruments

Efficient portfolio management techniques	Derivative financial instruments (*)
	CACEIS BANK LUXEMBOURG

(*) Excluding listed derivatives.

c) Financial guarantees received by the UCITS to reduce counterparty risk

Instrument type	Amount in the currency of the portfolio
Efficient portfolio management techniques <ul style="list-style-type: none"> . Term deposits . Equities . Bonds . UCITS . Cash (*) <p style="text-align: right;">Total</p>	None
Derivative financial instruments <ul style="list-style-type: none"> . Term deposits . Equities . Bonds . UCITS . Cash <p style="text-align: right;">Total</p>	None

(*) The Cash account also includes liquidity from reverse repurchase agreements.

d) Operating income and expenses related to efficient management techniques

Operating income and expenses	Amount in the currency of the portfolio
. Income (*)	3 716,54
. Other income	
Total income	3 716,54
. Direct operating expenses	
. Indirect operating expenses	
. Other expenses	
Total expenses	

(*) Income on securities lending and repurchase agreements

TRANSPARENCY OF SECURITIES FINANCING TRANSACTIONS AND THE REUSE OF FINANCIAL INSTRUMENTS - SFTR - IN THE ACCOUNTING CURRENCY OF THE UCI (€)

The UCI carried out no transactions during the year in the context of the SFTR.

PROCEDURE FOR SELECTING AND ASSESSING INTERMEDIARIES AND COUNTERPARTIES

The brokers used by the management company are selected on the basis of various evaluation criteria, covering research, quality of order execution and processing and the range of services offered. The management company's "Broker Committee" validates any updates to the list of authorised brokers. Each investment division (fixed income and equities) reports to the Broker Committee at least twice a year on the evaluation of the services provided by the various brokers and the breakdown of the volume of transactions handled.

The information can be consulted on the management company's website: www.lazardfreresgestion.fr

BROKERAGE FEES

Information about brokerage fees is available on the website: www.lazardfreresgestion.fr.

EXERCISING VOTING RIGHTS

The scope and procedures for Lazard Frères Gestion SAS' exercise of the voting rights attached to the securities held in the UCIs managed by it are set out in the guidelines it has drawn up on its voting policy. This document can be consulted on the management company's website: www.lazardfreresgestion.fr.

DISCLOSURE OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) CRITERIA

Lazard Frères Gestion firmly believes that the integration of environmental, social and governance (ESG) criteria in the management of assets provides an additional guarantee in terms of a durable economic performance.

The long-term performance of investments is not limited solely to the consideration of the financial strategy, but must also take into account the company's interactions with its social, economic and financial environment.

The incorporation of ESG criteria therefore is a natural component of our investment process.

Our overall approach can be summarised as follows:

- ✓ Rigorous financial analysis of the company covering the quality of assets, financial soundness, projected cash flows and their reinvestment by the company, the strength of economic profits, profit durability, and quality of management.
- ✓ This durability is strengthened by incorporating non-financial criteria:
 - Social criteria: through the development of human capital.
 - Environmental criteria: through the prevention of all environmental risks.
 - Governance criteria: by respecting the balance between the managerial and shareholder structures so as to prevent potential conflicts of interest and safeguard the interests of minority shareholders.

The intensity and methods by which we incorporate ESG criteria may vary depending on the asset class and investment process involved, but the common objective is to ensure better apprehension of ESG risks that are likely to have a strong impact on the value of a company or sovereign asset.

Information on ESG criteria is available on the website: www.lazardfreresgestion.fr.

SFDR AND TAXONOMY

Article 8

Pursuant to Article 50 of the SFDR Level 2 Delegated Regulation, information on the attainment of the environmental or social characteristics promoted by the financial product is available in the appendix to this report.

USE OF FINANCIAL INSTRUMENTS MANAGED BY THE MANAGEMENT COMPANY OR AN AFFILIATED COMPANY

The table of financial instruments managed by the management company or an affiliated company can be found in the notes to the UCI's annual financial statements.

METHOD USED TO CALCULATE GLOBAL RISK

The Fund uses the commitment method to calculate its global risk on financial contracts.

SWING PRICING

In order to protect the UCI's long-term shareholders, a swing factor will be applied to subscriptions and redemptions that have a significant impact on the UCI's outstandings, which may generate costs for shareholders entering and leaving the UCI that would otherwise have been allocated across all shareholders in the UCI. Therefore, if, on a particular NAV calculation date, the total net subscription/redemption orders of investors across all categories of UCI units or shares exceeds a threshold predetermined by the management company on the basis of objective criteria and expressed as a percentage of the net assets in the UCI, the NAV may be adjusted upwards or downwards to take account of the readjustment costs attributable to the net subscription/redemption orders. The NAV of each unit or share category shall be calculated separately, but any adjustment shall have an identical impact, expressed as a percentage, on all of the NAV calculations of each unit or share category in the UCI.

The cost parameters and trigger level shall be determined by the management company and shall be reviewed periodically, and at least every six months. These costs shall be estimated by the management company based on transaction fees, bid/offer spreads and tax charges applicable to the UCI.

Insofar as this adjustment mechanism is linked to the net balance of subscriptions/redemptions within the UCI, it is not possible to accurately predict a given time in the future at which swing pricing will be applied. Consequently, neither is it possible to predict the precise frequency at which the management company will have to make such adjustments, which shall not exceed 1% of the NAV (see prospectus). Investors should be aware that the volatility of the UCI's NAV may not reflect solely that of the securities in the portfolio arising from the application of swing pricing.

INFORMATION ON DISTRIBUTED INCOME ELIGIBLE FOR THE 40% ALLOWANCE

Pursuant to the provisions of Article 41 sexdecies H of the French General Tax Code, income on distributing shares is subject to an allowance of 40%.

REMUNERATION

The fixed and variable remuneration paid during the financial year ended on December 31st, 2022 by the management company to its personnel, in proportion to their investment in the management of the UCITS, excluding the management of the AIFs and discretionary mandates, can be obtained on request by post from the legal department of Lazard Frères Gestion, and are included in the company's annual report.

The total variable remuneration is set by the Lazard Group based on different criteria, including the Lazard Group's financial performance over the past year, taking into account the results of Lazard Frères Gestion.

The total amount of variable compensation should not hinder the ability of the Lazard Group and Lazard Frères Gestion to strengthen their capital base as needed.

The General Management decides on the total remuneration amount that will be split between the fixed and variable components, complying with the policy to maintain a complete separation between the fixed and variable components.

All risks and conflicts of interest are incorporated into the calculation of the variable remuneration.

It is then individualised and determined partly based on the performance of each identified member of staff.

The remuneration policy is reviewed annually.

Each year, Lazard Frères Gestion's Remuneration Policy Compliance Monitoring Committee, which also has two members independent from the management company, is responsible for issuing an opinion on the proper application of the remuneration policy and its compliance with applicable regulations.

Population at 31/12/2022: Fixed-term and permanent contracts at LFG, LFG Luxembourg and LFG Belgique (i.e. excluding interns and trainees and excluding LFG Courtage)

Headcount at 31-12-2022 LFG - LFG Belgique - LFG Luxembourg	Fixed annual remuneration in 2022 in €	Variable remuneration for 2022 (cash paid in 2023 and deferred compensation allocated in 2023) in €
205	20 102 615	29 964 115

“Identified employees”

Category	Number of employees	2022 aggregate fixed and variable remuneration (annual salaries and cash and deferred bonuses)
Senior management	3	5 848 796
Other	61	28 469 324
Total	64	34 318 120

Note: the amounts are stated excluding charges

OTHER INFORMATION

The UCI’s full prospectus and the most recent annual and interim reports will be sent out within one week of request in writing by shareholders to:

LAZARD FRERES GESTION SAS
25, Rue de Courcelles - 75008 Paris, France

www.lazardfreresgestion.fr

5. CERTIFICATION BY THE STATUTORY AUDITOR



**STATUTORY AUDITOR'S REPORT
ON THE ANNUAL FINANCIAL STATEMENTS
Financial year ended September 29th, 2023**

LAZARD EURO CORP HIGH YIELD
UCITS ORGANISED AS A FRENCH OPEN-END INVESTMENT FUND
Governed by the French Monetary and Financial Code (*Code monétaire et financier*)

Management company
LAZARD FRERES GESTION SAS
25 rue de Courcelles
75008 Paris, France

Opinion

In accordance with the terms of our appointment by the management company, we conducted our audit of the accompanying annual financial statements of LAZARD EURO CORP HIGH YIELD, as a French open-end investment fund, for the financial year ended September 29th, 2023.

We certify that the annual financial statements provide a true and fair view of the results of operations for the financial year under review and of the financial position and assets and liabilities of the UCITS at the end of said financial year, in accordance with the accounting rules and principles generally accepted in France.

Basis of our opinion

Audit standards

We conducted our audit in accordance with the professional standards applicable in France. We believe that our audit has provided us with sufficient relevant information on which to base our opinion. Our responsibilities under these standards are set out in the section entitled "*Statutory auditor's responsibilities concerning the audit of the annual financial statements*" in this report.

Independence

We conducted our audit in accordance with the rules of independence set out in the French Commercial Code and the code of ethics for statutory auditors, for the period from 30/09/2022 to the date of issue of our report.

*PricewaterhouseCoopers Audit, 63 rue de Villiers, 92208 Neuilly-sur-Seine Cedex, France
T: +33 (0) 1 56 57 58 59, F: +33 (0) 1 56 57 58 60, www.pwc.fr*

Accounting firm registered with the Order of Chartered Accountants of the Paris Ile-de-France region. Member firm of the regional institute of statutory auditors of Versailles (Compagnie régionale de Versailles). French simplified joint stock company (Société par Actions Simplifiée) with capital of €2 510 460. Registered office: 63 rue de Villiers, 92200 Neuilly-sur-Seine, France. Nanterre Trade and Companies Register: 672 006 483 VAT No. FR 76 672 006 483. Siret 672 006 483 00362. APE code 6920 Z. Offices: Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Nice, Paris, Poitiers, Rennes, Rouen, Strasbourg and Toulouse.



LAZARD EURO CORP HIGH YIELD

Basis of our opinions

In accordance with the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we would like to bring to your attention the assessments, which, in our professional judgement, were the most significant for the audit of the annual financial statements.

The assessments we have made are part of our audit of the annual financial statements as a whole and the opinion expressed above. We express no opinion on the elements of the annual financial statements taken in isolation.

1. Portfolio financial securities issued by companies with a high credit risk:

Portfolio financial securities issued by companies with a high credit risk and with a low or non-existent rating are valued using the methods described in the note on accounting rules and principles. These financial instruments are measured using listed prices or prices supplied by financial services providers. We have investigated price input procedures and tested the consistency of these prices with an external database. Based on elements resulting in the calculation of the values adopted, we have assessed the approach implemented by the management company.

2. Other portfolio financial instruments:

Our assessments focused on the suitability of the accounting principles applied and the reasonable nature of significant accounting estimates made.

Specific verifications

We have also performed, in accordance with applicable professional standards in France, the specific verifications required by the laws and regulations.

We have no matters to report regarding the true and fair presentation of the information provided in the management report prepared by the management company, or its consistency with the annual financial statements.

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LAZARD EURO CORP HIGH YIELD

Responsibilities of the management company concerning the annual financial statements

It is the management company's role to draw up annual financial statements that give a fair and true picture in accordance with French accounting rules and principles and to implement the necessary internal control to be able to provide reasonable assurance that they are free from material misstatement, whether due to fraud or error.

As part of the preparation of the annual financial statements, the management company is responsible for assessing the Fund's capacity to continue operating as a going concern, to present in its financial statements, where necessary, information concerning business continuity, and to apply the accounting conventions of a going concern, unless it is planned to liquidate the fund or terminate its activity.

The management company has prepared the annual financial statements.

Statutory auditor's responsibilities concerning the audit of the annual financial statements

Audit purpose and process

Our role is to prepare a report on the annual financial statements and to obtain reasonable assurance that the annual financial statements as a whole are free of material misstatements. Reasonable assurance means a high but not absolute level of assurance that an audit performed in accordance with professional standards is free of material misstatement. Anomalies may stem from fraud or errors and are considered material when it can reasonably be expected that, taken individually or together, they could influence the economic decisions of users of the financial statements.

As stipulated in Article L.823-10-1 of the French Commercial Code, our audit assignment does not consist in guaranteeing the viability or quality of the management of the fund.

In the context of an audit performed in accordance with professional standards applicable in France, the statutory auditor must exercise its judgement throughout the course of the audit. Moreover:

- it identifies and assess the risks that the annual financial statements may contain material misstatements, whether from fraud or error, defines and implements audit procedures to resolve these risks, and collects all elements deemed necessary and appropriate in order to give its opinion. The risk of failure to detect a material misstatement resulting from fraud is higher than that resulting from an error because fraud may involve collusion, falsification, deliberate omissions, false statements or by-passing of internal controls;

*PricewaterhouseCoopers Audit, 63 rue de Villiers, 92208 Neuilly-sur-Seine Cedex, France
T: +33 (0) 1 56 57 58 59, F: +33 (0) 1 56 57 58 60, www.pwc.fr*

Accounting firm registered with the Order of Chartered Accountants of the Paris Ile-de-France region. Member firm of the regional institute of statutory auditors of Versailles (Compagnie régionale de Versailles). French simplified joint stock company (Société par Actions Simplifiée) with capital of €2 510 460. Registered office: 63 rue de Villiers, 92200 Neuilly-sur-Seine, France. Nanterre Trade and Companies Register: 672 006 483 VAT No. FR 76 672 006 483. Siret 672 006 483 00362. APE code 6920 Z. Offices: Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Nice, Paris, Poitiers, Rennes, Rouen, Strasbourg and Toulouse.



LAZARD EURO CORP HIGH YIELD

- it takes due note of the internal control relevant to the audit in order to define audit procedures that are appropriate to the circumstances, and not with a view to expressing an opinion on the efficiency of the internal control;
- it assesses the appropriateness of the accounting methods used and the reasonable nature of the accounting estimates made by the management company, and the related information provided in the annual financial statements;
- it assesses the appropriateness of the management company's application of the accounting policy for a going concern and, based on the information collected, whether there is a significant uncertainty linked to events or circumstances that is likely to call into question the fund's capacity to continue operating as a going concern. This assessment is based on the information collected up to the date of the report, bearing in mind nevertheless that subsequent circumstances or events could jeopardise the continuity of operation. If the statutory auditor observes the existence of a material uncertainty, it shall draw the attention of the readers of its report to the information provided in the annual financial statements on the subject of this uncertainty, or if this information has not been provided or is not relevant, it shall attach reservations to its certification or shall refuse to certify the accounts;
- it assesses the overall presentation of the annual financial statements and whether they provide a true picture of the underlying operations and events.

Neuilly-sur-Seine, date of electronic signature

Document authenticated by electronic
The statutory auditor
PricewaterhouseCoopers Audit
Raphaëlle Alezra-Cabessa

2024.01.15 15:32:47 +0100

A handwritten signature in blue ink, appearing to be 'R. Alezra-Cabessa', written over a light blue circular stamp or watermark.

6. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AS AT 29/09/2023 in EUR

ASSETS

	29/09/2023	30/09/2022
NET NON-CURRENT ASSETS		
DEPOSITS		
FINANCIAL INSTRUMENTS	223 273 234,44	109 227 538,54
Equities and similar securities		
Traded on a regulated or equivalent market		
Not traded on a regulated or equivalent market		
Bonds and similar securities	202 887 710,05	98 540 433,40
Traded on a regulated or equivalent market	202 887 710,05	98 540 433,40
Not traded on a regulated or equivalent market		
Debt securities		
Traded on a regulated or equivalent market		
Negotiable debt securities		
Other debt securities		
Not traded on a regulated or equivalent market		
Undertakings for collective investment	20 385 524,39	10 532 495,61
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries	20 385 524,39	10 532 495,61
Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU		
General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities		
Other funds aimed at professional investors and their equivalent in other Member States of the EU and unlisted securitisation entities		
Other non-European entities		
Temporary securities transactions		
Receivables on securities purchased under repurchase agreements		
Receivables on loaned securities		
Borrowed securities		
Securities sold under repurchase agreements		
Other temporary transactions		
Forward financial instruments		154 609,53
Transactions on a regulated or equivalent market		
Other transactions		154 609,53
Other financial instruments		
RECEIVABLES	1 398 744,02	196 741,69
Currency forward exchange transactions	795 699,65	124 933,43
Other	603 044,37	71 808,26
FINANCIAL ACCOUNTS	6 143 898,01	1 249 195,81
Cash and cash equivalents	6 143 898,01	1 249 195,81
TOTAL ASSETS	230 815 876,47	110 673 476,04

LIABILITIES AND SHAREHOLDERS' EQUITY

	29/09/2023	30/09/2022
SHAREHOLDERS' EQUITY		
Share capital	217 123 674,77	110 196 376,66
Undistributed net capital gains and losses recognised in previous years (a)		
Retained earnings (a)	109,18	34,32
Net capital gains and losses for the year (a, b)	-853 122,82	-3 307 774,81
Net income for the year (a, b)	6 186 880,95	3 036 083,56
TOTAL SHAREHOLDERS' EQUITY*	222 457 542,08	109 924 719,73
<i>* Sum representing the net assets</i>		
FINANCIAL INSTRUMENTS	280 958,40	
Sales of financial instruments		
Temporary securities transactions		
Liabilities on securities sold under repurchase agreements		
Liabilities on borrowed securities		
Other temporary transactions		
Forward financial instruments	280 958,40	
Transactions on a regulated or equivalent market		
Other transactions	280 958,40	
LIABILITIES	8 077 370,96	748 751,59
Currency forward exchange transactions	804 609,46	125 153,09
Other	7 272 761,50	623 598,50
FINANCIAL ACCOUNTS	5,03	4,72
Bank overdrafts	5,03	4,72
Borrowings		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	230 815 876,47	110 673 476,04

(a) Including accrued income

(b) Less interim dividends paid for the financial year

OFF-BALANCE SHEET ITEMS AS OF 29/09/2023 in euros

	29/09/2023	30/09/2022
HEDGING TRANSACTIONS		
Commitments on regulated or similar markets		
Commitments on OTC markets		
Credit Default Swaps		
ITRAXX EUR XOVER S38		3 000 000,00
ITRAXX EUR XOVER S40	9 000 000,00	
Other commitments		
OTHER TRANSACTIONS		
Commitments on regulated or similar markets		
Commitments on OTC markets		
Other commitments		

INCOME STATEMENT AS OF 29/09/2023 in euros

	29/09/2023	30/09/2022
Income from financial transactions		
Income from deposits and financial accounts	27 773,36	2 179,96
Income from equities and similar securities		
Income from bonds and similar securities	6 249 851,20	3 877 256,38
Income from debt securities		
Income from temporary purchases and sales of securities	3 716,54	
Income from forward financial instruments		
Other financial income		
TOTAL (1)	6 281 341,10	3 879 436,34
Expenses related to financial transactions		
Expenses related to temporary purchases and sales of securities		
Expenses related to forward financial instruments		
Expenses related to financial liabilities	0,32	0,13
Other financial charges		
TOTAL (2)	0,32	0,13
INCOME FROM FINANCIAL TRANSACTIONS (1 - 2)	6 281 340,78	3 879 436,21
Other income (3)		
Management fees and depreciation and amortisation (4)	1 223 000,95	1 300 009,06
NET INCOME FOR THE FINANCIAL YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	5 058 339,83	2 579 427,15
Income adjustment for the financial year (5)	1 128 541,12	456 656,41
Interim dividends paid on net income for the financial year (6)		
Net income (1 - 2 + 3 - 4 + 5 - 6)	6 186 880,95	3 036 083,56

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING RULES AND PRINCIPLES

The annual financial statements are presented in accordance with regulation 2014-01, as amended, of the French accounting standards body (Autorité des Normes Comptables - ANC).

The general accounting principles apply:

- true and fair view, comparability, business continuity,
- regularity, sincerity,
- prudence,
- consistency of accounting methods from one financial year to the next.

Income from fixed-income securities is recorded on the basis of accrued interest.

Purchases and sales of securities are recorded excluding expenses.

The accounting currency of the portfolio is the euro.

The financial year comprises 12 months.

Asset valuation rules

Financial instruments and securities traded on a regulated market are valued at their market price.

○ **Shares and similar securities** are valued on the basis of the last known price on their main market. If applicable, prices are translated into euros using the exchange rate prevailing in Paris on the valuation day (as published by WM Closing).

○ **Fixed-income securities:**

Fixed-income securities are for the most part marked to market based on either Bloomberg prices (BGN)[®] derived from averages of contributed prices, or on those of direct contributors.

There may be a discrepancy between the carrying amounts, valued as indicated above, and the actual disposal prices that would be obtained if a portion of these portfolio assets were to be sold.

○ **Bonds and similar instruments** are valued on the basis of the average of the closing prices gathered from several contributors.

Financial instruments whose prices have not been determined on the valuation day or whose prices have been adjusted are valued at their probable trading price under the responsibility of the management company. These estimates and their supporting documentation will be provided to the statutory auditor during audits.

However, the following instruments are valued using the following specific methods:

○ **Negotiable debt securities:**

- **Negotiable debt securities with a residual maturity of more than three months:**

Negotiable debt securities traded in large volumes are valued at market price.

In the absence of significant trading volumes, these securities are valued using an actuarial method, with a benchmark rate plus, where applicable, a margin representative of the issuer's intrinsic features.

Benchmark rate	
Negotiable debt securities in euros	Negotiable debt securities in other currencies
Euribor, OISs and BTFs - 3 - 6 - 9 - 12 months BTANs - 18 months, 2 - 3 - 4 - 5 years	Official key rates in the relevant countries

- **Negotiable debt securities with a residual maturity of three months or less:**

Negotiable debt securities with a residual maturity of three months or less are valued using the straight-line method. However, this method would not be applied if any of these securities were particularly sensitive to market movements.

o **UCIs:**

Units or shares of UCIs are valued at the last known net asset value.

Units or shares of UCIs for which NAVs are published monthly may be valued on the basis of interim NAVs calculated from estimated prices.

o **Temporary purchases and sales of securities:**

Securities purchased under repurchase agreements are valued at their contract price using an actuarial method with a benchmark rate (€STR, one- or two-week interbank rates, one- to 12-month EURIBOR) corresponding to the term of the contract.

Securities sold under repurchase agreements continue to be valued at their market price. Liabilities on securities sold under repurchase agreements are calculated using the same method as that used for securities purchased under repurchase agreements.

o **Futures and options:**

Futures and options are valued on the basis of intraday trading prices the timing of which is based on that of the valuation of the underlying assets.

Positions taken on the futures or options markets and over the counter are valued at their market price or at the value of the equivalent underlying asset.

➤ **Financial instruments and securities not traded on a regulated market**

Financial instruments that are not traded on a regulated market are valued at their foreseeable sale price under the management company's responsibility.

➤ **Valuation methods for off-balance sheet commitments**

Off-balance sheet transactions are valued at the commitment value.

The commitment value for futures contracts is equal to the price (in the Fund's currency) multiplied by the number of contracts multiplied by the face value.

The commitment value for options is equal to the price of the underlying security (in the Fund's currency) multiplied by the number of contracts multiplied by the delta multiplied by the face value of the underlying security.

The commitment value for swaps is equal to the face value of the contract (in the Fund's currency).

Management fees

Management fees are calculated on each valuation day.

The annual management fee rate is applied to gross assets (equal to net assets before deduction of the day's management fees) less UCIs managed by Lazard Frères Gestion SAS using the following formula:

$$\begin{aligned} & \text{Net assets excluding UCIs managed by Lazard Frères Gestion} \\ & \quad \times \text{operating and management fees rate} \\ & \times \frac{\text{no. of days between the calculated NAV and the previous NAV}}{365 \text{ (or 366 in a leap year)}} \end{aligned}$$

This amount is then recorded in the Fund's income statement and paid in full to the management company.

The management company pays the Fund's operating fees including for:

- . financial management;
- . administration and accounting;
- . custody services;
- other operating fees:
 - . statutory auditors' fees;
 - . legal notices (Balo, Petites Affiches, etc.) if applicable.

These fees do not include transaction charges.

The fees break down as follows, as set out in the regulations:

<i>Fees charged to the UCI</i>	<i>Basis</i>	<i>Shares</i>	<i>Maximum rate (incl. taxes)</i>
Financial management fees	Net assets excluding UCIs managed by Lazard Frères Gestion	RC EUR	1,50%
		RD EUR	1,50%
		RC H-CHF	1,450%
		PVC EUR	0,60%
		PVD EUR	0,60%
		PVC H-CHF	0,765%
		PC EUR	0,75%
		RVC EUR	1,20%
Operating and other service fees	Net assets	Applied to all shares	0,035%
Indirect charges (management fees and expenses)	NA	Applied to all shares	None
Turnover commission (0% to 100% received by the management company and 0% to 100% received by the custodian)	Maximum charge on each transaction	Applied to all shares	None
Performance fee	Net assets	RC EUR, RD EUR, RC H-CHF, PC EUR	None
		PVC EUR, PVD EUR, PVC H-CHF, RVC EUR	15% of the Fund's outperformance in relation to the benchmark up to a maximum of 2% of the net assets.

Details of the calculation of the performance fee:

The performance fee corresponds to a variable charge and is contingent on the Fund outperforming its benchmark over the observation period.

If a provision is recognised at the end of the observation period, it is crystallised, i.e. it is definitively acquired and becomes payable to the Manager.

Calculation method

The calculation of the amount of the performance fee is based on a comparison between the performance of each share of the UCI and that of a notional UCI achieving the performance of its benchmark index and recording the same subscription and redemption pattern as the actual UCI. The outperformance generated by the UCI share on a given date is defined as the positive difference between the assets of the UCI share and the assets of the notional UCI on the same date. If this difference is negative, this amount constitutes an underperformance that will have to be made up in the following years before a new provision can be made for the performance fee.

Negative performance recovery and reference period

As stated in the ESMA guidelines on performance fees, the reference period is “the time horizon over which the performance is measured and compared with that of the reference indicator, at the end of which the mechanism for the compensation for past underperformance (or negative performance) can be reset. This period is set at 5 years. This means that after 5 consecutive years without crystallisation, uncompensated underperformances prior to five years will no longer be taken into account in the calculation of the performance fee.

Observation period

The first observation period will start with a period of twelve months starting on 01/10/2021. At the end of each financial year, one of the following two cases may occur:

- The UCI share underperformed over the observation period. In this case, no fee is charged and the observation period is extended by one year, up to a maximum of 5 years (reference period).
- The UCI share underperformed over the observation period. In this case, the management company receives the provisioned fees (crystallisation), the calculation is reset, and a new twelve-month observation period begins.

Provisioning

Each time the net asset value (NAV) is established, the performance fee is subject to a provision (of 15% of the outperformance) when the performance of the UCI share is higher than that of the notional UCI over the observation period, or to a reversal of the provision limited to the existing allocation in case of underperformance. In case of redemptions during the period, the proportion of the provision corresponding to the number of shares redeemed is definitively acquired and charged by the management company. This performance fee will be capped at 2% of the net assets of the UCI share.

Crystallisation

The crystallisation period, i.e. the frequency at which the provisioned performance fee, if any, must be paid to the management company, is twelve months.

The first crystallisation period will end on the last day of the financial year ending on 30/09/2022.

The performance fee is deducted even in the event of a negative performance of the UCI.

Swing Pricing

In order to protect the interests of the shareholders of these sub-funds, the management company has introduced a method of adjusting the net asset value, known as swing pricing, with a trigger level. In the event of a significant movement in a sub-fund's liabilities, this mechanism consists of the cost of the transactions generated by these subscriptions/redemptions being borne by all the sub-fund's shareholders (incoming or outgoing). If, on any net asset value calculation day, the net amount of subscription and redemption orders from investors for all share categories of a sub-fund exceeds a threshold predetermined by the Management Company, expressed as a percentage of the sub-fund's net assets (known as the trigger level), the net asset value may be adjusted upwards or downwards to take into account the readjustment costs attributable to net subscription and redemption orders. The net asset value of each share class shall be calculated separately, but any adjustment shall have an identical percentage impact on the total net asset values of all the sub-fund's share classes. The cost parameters and trigger level shall be determined by the management company and are reviewed periodically. These costs shall be estimated by the management company based on transaction fees, bid/offer spreads and any taxes applicable to the sub-fund."

Allocation of distributable income

Definition of distributable income:

Distributable income consists of:

Net income:

net income plus retained earnings, plus or minus the balance of the revenue adjustment account.

Net income for the financial year is equal to the amount of interest, arrears, dividends, bonuses and prizes, remuneration and all income generated by the securities that make up the UCI's portfolio, plus income generated by temporary cash holdings and minus management fees and borrowing costs.

Capital gains and losses:

Realised capital gains, net of expenses, less realised capital losses, net of expenses, recognised for the financial year, plus any net capital gains of the same kind recognised over previous years that have not been distributed or accumulated, plus or minus the balance of the capital gains adjustment account.

Allocation of distributable income:

<i>share(s)</i>	<i>Allocation of net income</i>	<i>Allocation of net realised capital gains or losses</i>
LAZARD EURO CORP HIGH YIELD PC EUR shares	Accumulation	Accumulation
LAZARD EURO CORP HIGH YIELD PVC EUR shares	Accumulation	Accumulation

<i>share(s)</i>	<i>Allocation of net income</i>	<i>Allocation of net realised capital gains or losses</i>
LAZARD EURO CORP HIGH YIELD PVC H-CHF shares	Accumulation	Accumulation
LAZARD EURO CORP HIGH YIELD PVD EUR shares	Distribution	Accumulation and/or Distribution and/or Retention as decided by the management company
LAZARD EURO CORP HIGH YIELD RC EUR shares	Accumulation	Accumulation
LAZARD EURO CORP HIGH YIELD RC H-CHF shares	Accumulation	Accumulation
LAZARD EURO CORP HIGH YIELD RVC EUR shares	Accumulation	Accumulation

2. CHANGE IN NET ASSETS AT 29/09/2023 in euros

	29/09/2023	30/09/2022
NET ASSETS AT START OF YEAR	109 924 719,73	103 856 263,44
Subscriptions (including subscription fees retained by the Fund)	140 067 861,41	38 445 101,30
Redemptions (net of redemption fees retained by the Fund)	-43 137 734,87	-18 771 269,62
Realised capital gains on deposits and financial instruments	2 185 265,30	1 086 775,07
Realised capital losses on deposits and financial instruments	-2 796 092,62	-3 806 511,01
Realised capital gains on forward financial instruments	927 278,38	322 134,64
Realised capital losses on forward financial instruments	-803 700,49	-444 730,21
Transaction charges	-7 710,76	-17 096,19
Exchange rate differences	-20 144,08	-1 940,15
Changes in valuation difference of deposits and financial instruments	11 897 617,86	-13 103 737,15
<i>Valuation difference for financial year N</i>	2 132 737,43	-9 764 880,43
<i>Valuation difference for financial year N-1</i>	9 764 880,43	-3 338 856,72
Changes in valuation difference of forward financial instruments	-435 567,93	154 609,53
<i>Valuation difference for financial year N</i>	-280 958,40	154 609,53
<i>Valuation difference for financial year N-1</i>	-154 609,53	
Distribution of prior year's net capital gains and losses		
Dividends paid in the previous financial year	-402 589,68	-374 307,07
Net profit/loss for the financial year prior to income adjustment	5 058 339,83	2 579 427,15
Interim dividend(s) paid on net capital gains/losses during the financial year		
Interim dividend(s) paid on net income during the financial year		
Other items		
NET ASSETS AT END OF YEAR	222 457 542,08	109 924 719,73

3. ADDITIONAL INFORMATION

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC STATUS

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
Bonds and similar securities traded on a regulated or similar market	19 194 592,81	8,63
Fixed-rate bonds traded on a regulated or similar market	174 396 805,59	78,39
Fixed-rate bonds traded on a regulated or similar market	9 296 311,65	4,18
TOTAL BONDS AND SIMILAR SECURITIES	202 887 710,05	91,20
DEBT SECURITIES		
TOTAL DEBT SECURITIES		
LIABILITIES AND SHAREHOLDERS' EQUITY		
SALES OF FINANCIAL INSTRUMENTS		
TOTAL SALES OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGING TRANSACTIONS		
Credit	9 000 000,00	4,05
TOTAL HEDGING TRANSACTIONS	9 000 000,00	4,05
OTHER TRANSACTIONS		
TOTAL OTHER TRANSACTIONS		

3.2. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS BY INTEREST RATE TYPE

	Fixed rate	%	Variable rate	%	Revisable rate	%	Other	%
ASSETS								
Deposits								
Bonds and similar securities	193 591 398,40	87,02			9 296 311,65	4,18		
Debt securities								
Temporary securities transactions								
Financial accounts							6 143 898,01	2,76
LIABILITIES AND SHAREHOLDERS' EQUITY								
Temporary securities transactions								
Financial accounts							5,03	
OFF-BALANCE SHEET								
Hedging transactions								
Other transactions								

3.3. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS BY RESIDUAL MATURITY^(*)

	< 3 months	%]3 months - 1 year]	%]1 - 3 years]	%]3 - 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities			3 916 505,99	1,76	52 109 228,58	23,42	79 547 482,84	35,76	67 314 492,64	30,26
Debt securities										
Temporary securities transactions										
Financial accounts	6 143 898,01	2,76								
LIABILITIES AND SHAREHOLDERS' EQUITY										
Temporary securities transactions										
Financial accounts	5,03									
OFF-BALANCE SHEET										
Hedging transactions										
Other transactions										

(*) Forward interest rate positions are presented according to the maturity of the underlying.

3.4. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS BY LISTING OR VALUATION CURRENCY (EXCLUDING EUR)

	Currency 1 CHF		Currency 2		Currency 3		Currency N OTHER(S)	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities								
Bonds and similar securities								
Debt securities								
UCI								
Temporary securities transactions								
Receivables	795 699,65	0,36						
Financial accounts								
LIABILITIES AND SHAREHOLDERS' EQUITY								
Sales of financial instruments								
Temporary securities transactions								
Liabilities								
Financial accounts	5,03							
OFF-BALANCE SHEET								
Hedging transactions								
Other transactions								

3.5.RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Debit/credit item	29/09/2023
RECEIVABLES		
	Forward currency purchases	795 699,65
	Subscription receivables	53 711,77
	Coupons and dividends in cash	219 332,60
	Collateral	330 000,00
TOTAL RECEIVABLES		1 398 744,02
LIABILITIES		
	Payables on forward currency purchases	804 609,46
	Deferred settlement purchase	7 046 043,22
	Redemptions payable	12 964,91
	Fixed management fees	114 467,94
	Variable management fees	99 285,43
TOTAL LIABILITIES		8 077 370,96
TOTAL LIABILITIES AND RECEIVABLES		-6 678 626,94

3.6.SHAREHOLDERS' EQUITY

3.6.1. Number of securities issued or redeemed

	In shares	In amounts
LAZARD EURO CORP HIGH YIELD PC EUR shares		
Shares subscribed during the financial year	29 847,010	30 100 999,54
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions	29 847,010	30 100 999,54
Number of outstanding shares at end of financial year	29 847,010	
LAZARD EURO CORP HIGH YIELD PVC EUR shares		
Shares subscribed during the financial year	39 794,156	71 846 844,81
Shares redeemed during the financial year	-6 963,598	-12 560 629,54
Net balance of subscriptions/redemptions	32 830,558	59 286 215,27
Number of outstanding shares at end of financial year	90 771,448	
LAZARD EURO CORP HIGH YIELD PVC H-CHF shares		
Shares subscribed during the financial year	260,000	263 531,32
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions	260,000	263 531,32
Number of outstanding shares at end of financial year	260,000	
LAZARD EURO CORP HIGH YIELD PVD EUR shares		
Shares subscribed during the financial year	3 294,972	3 115 453,94
Shares redeemed during the financial year	-313,524	-300 972,85
Net balance of subscriptions/redemptions	2 981,448	2 814 481,09
Number of outstanding shares at end of financial year	18 259,258	
LAZARD EURO CORP HIGH YIELD RC EUR shares		
Shares subscribed during the financial year	353 212,631	34 345 101,47
Shares redeemed during the financial year	-309 705,382	-30 276 132,48
Net balance of subscriptions/redemptions	43 507,249	4 068 968,99
Number of outstanding shares at end of financial year	43 972,249	
LAZARD EURO CORP HIGH YIELD RC H-CHF shares		
Shares subscribed during the financial year	3 987,000	395 830,33
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions	3 987,000	395 830,33
Number of outstanding shares at end of financial year	5 217,000	
LAZARD EURO CORP HIGH YIELD RVC EUR shares		
Shares subscribed during the financial year	1,000	100,00
Shares redeemed during the financial year		
Net balance of subscriptions/redemptions	1,000	100,00
Number of outstanding shares at end of financial year	1,000	

3.6.2. Subscription and/or redemption fees

	In amounts
LAZARD EURO CORP HIGH YIELD PC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD EURO CORP HIGH YIELD PVC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD EURO CORP HIGH YIELD PVC H-CHF shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD EURO CORP HIGH YIELD PVD EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD EURO CORP HIGH YIELD RC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD EURO CORP HIGH YIELD RC H-CHF shares Total fees acquired Subscription fees acquired Redemption fees acquired	
LAZARD EURO CORP HIGH YIELD RVC EUR shares Total fees acquired Subscription fees acquired Redemption fees acquired	

3.7.MANAGEMENT FEES

	29/09/2023
LAZARD EURO CORP HIGH YIELD PC EUR shares Guarantee fees Fixed management fees Percentage of fixed management fees Provisioned variable management fees Percentage of variable management fees provisioned Variable management fees earned Percentage of variable management fees earned Retrocessions of management fees	 79 442,71 0,73
LAZARD EURO CORP HIGH YIELD PVC EUR shares Guarantee fees Fixed management fees Percentage of fixed management fees Provisioned variable management fees Percentage of variable management fees provisioned Variable management fees earned Percentage of variable management fees earned Retrocessions of management fees	 858 788,13 0,66 83 566,65 0,06 4 953,61
LAZARD EURO CORP HIGH YIELD PVC H-CHF shares Guarantee fees Fixed management fees Percentage of fixed management fees Provisioned variable management fees Percentage of variable management fees provisioned Variable management fees earned Percentage of variable management fees earned Retrocessions of management fees	 1 261,40 0,75 -0,06
LAZARD EURO CORP HIGH YIELD PVD EUR shares Guarantee fees Fixed management fees Percentage of fixed management fees Provisioned variable management fees Percentage of variable management fees provisioned Variable management fees earned Percentage of variable management fees earned Retrocessions of management fees	 111 125,71 0,67 10 650,12 0,06 114,99

“The amount of variable management fees shown above corresponds to the sum of the provisions and reversals of provisions that impacted the net assets during the period under review.”

	29/09/2023
LAZARD EURO CORP HIGH YIELD RC EUR shares	
Guarantee fees	
Fixed management fees	67 937,95
Percentage of fixed management fees	1,35
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
LAZARD EURO CORP HIGH YIELD RC H-CHF shares	
Guarantee fees	
Fixed management fees	5 159,68
Percentage of fixed management fees	1,39
Provisioned variable management fees	
Percentage of variable management fees provisioned	
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	
LAZARD EURO CORP HIGH YIELD RVC EUR shares	
Guarantee fees	
Fixed management fees	
Percentage of fixed management fees	
Provisioned variable management fees	0,06
Percentage of variable management fees provisioned	0,06
Variable management fees earned	
Percentage of variable management fees earned	
Retrocessions of management fees	

“The amount of variable management fees shown above corresponds to the sum of the provisions and reversals of provisions that impacted the net assets during the period under review.”

3.8.COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the Fund:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. OTHER INFORMATION

3.9.1. Present value of financial instruments held temporarily

	29/09/2023
Securities held under repurchase agreements Borrowed securities	

3.9.2. Present value of financial instruments representing security deposits

	29/09/2023
Financial instruments given as security and retained under their original classification Financial instruments received as security and not recorded on the balance sheet	

3.9.3. Financial instruments held, issued and/or managed by the Group

	ISIN code	Name	29/09/2023
Equities			
Bonds			
Negotiable debt securities			
UCI			20 385 524,39
Forward financial instruments	FR0011291657	LAZARD EU SHRT TRM MONEY M-C	20 385 524,39
Total group securities			20 385 524,39

3.10. APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Table of appropriation of distributable income pertaining to net income

	29/09/2023	30/09/2022
Remaining amounts to be allocated		
Retained earnings	109,18	34,32
Net income	6 186 880,95	3 036 083,56
Interim dividends paid on net income for the financial year		
Total	6 186 990,13	3 036 117,88

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD PC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	439 384,50	
Total	439 384,50	

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD PVC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	5 077 693,97	2 649 040,92
Total	5 077 693,97	2 649 040,92

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD PVC H-CHF shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	5 414,12	
Total	5 414,12	

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD PVD EUR shares		
Appropriation		
Distribution	546 864,78	383 167,47
Balance brought forward for the financial year	79,20	91,54
Accumulation		
Total	546 943,98	383 259,01
Information on shares with dividend rights		
Number of shares	18 259,258	15 277,810
Dividend per share	29,95	25,08
Tax credit		
Tax credit attached to the distribution of earnings		

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD RC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	104 900,43	1 074,46
Total	104 900,43	1 074,46

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD RC H-CHF shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	12 651,46	2 743,49
Total	12 651,46	2 743,49

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD RVC EUR shares		
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	1,67	
Total	1,67	

Table of appropriation of distributable amounts pertaining to net capital gains and losses

	29/09/2023	30/09/2022
Remaining amounts to be allocated		
Undistributed net capital gains and losses recognised in previous years		
Net capital gains and losses for the year	-853 122,82	-3 307 774,81
Interim dividends paid on net capital gains/losses for the financial year		
Total	-853 122,82	-3 307 774,81

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD PC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	54 959,94	
Total	54 959,94	

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD PVC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-791 709,31	-2 907 595,76
Total	-791 709,31	-2 907 595,76

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD PVC H-CHF shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	5 688,01	
Total	5 688,01	

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD PVD EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-87 569,61	-418 426,32
Total	-87 569,61	-418 426,32

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD RC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-20 717,66	-1 260,05
Total	-20 717,66	-1 260,05

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD RC H-CHF shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-13 774,33	19 507,32
Total	-13 774,33	19 507,32

	29/09/2023	30/09/2022
LAZARD EURO CORP HIGH YIELD RVC EUR shares		
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	0,14	
Total	0,14	

3.11. TABLE OF THE ENTITY'S INCOME AND OTHER SIGNIFICANT ITEMS OVER THE PAST FIVE FINANCIAL YEARS

	30/09/2019	30/09/2020	30/09/2021	30/09/2022	29/09/2023
Global net assets in euros	103 076 052,17	107 799 225,96	103 856 263,44	109 924 719,73	222 457 542,08
LAZARD EURO CORP HIGH YIELD PC EUR shares in EUR					
Net assets					30 737 287,79
Number of shares					29 847,010
Net asset value per share					1 029,82
Accumulation per share pertaining to net capital gains/losses					1,84
Accumulation per share pertaining to income					14,72
LAZARD EURO CORP HIGH YIELD PVC EUR shares in EUR					
Net assets	90 719 274,60	95 878 699,64	91 036 777,36	95 924 815,69	168 474 790,52
Number of shares	52 672,000	55 351,000	48 177,619	57 940,890	90 771,448
Net asset value per share	1 722,34	1 732,19	1 889,60	1 655,56	1 856,03
Accumulation per share pertaining to net capital gains/losses	-10,55	-34,56	75,13	-50,18	-8,72
Accumulation per share pertaining to income	49,58	46,74	51,02	45,71	55,93
LAZARD EURO CORP HIGH YIELD PVC H-CHF shares in CHF					
Net assets in CHF					261 894,94
Number of shares					260,000
Net asset value per share in CHF					1 007,28
Accumulation per share pertaining to net capital gains/losses in euros					21,87
Accumulation per share pertaining to income in euros					20,82

	30/09/2019	30/09/2020	30/09/2021	30/09/2022	29/09/2023
Global net assets in euros	103 076 052,17	107 799 225,96	103 856 263,44	109 924 719,73	222 457 542,08
LAZARD EURO CORP HIGH YIELD PVD EUR shares in EUR					
Net assets	12 356 777,57	11 920 526,32	12 517 716,80	13 842 965,78	18 064 251,97
Number of shares	12 066,000	11 912,000	11 773,000	15 277,810	18 259,258
Net asset value per share	1 024,09	1 000,71	1 063,25	906,08	989,32
Accumulation per share pertaining to net capital gains/losses	-6,37	-19,94	42,42	-27,38	-4,79
Distribution of income per share	29,79	27,46	28,94	25,08	29,95
Tax credit per share					
LAZARD EURO CORP HIGH YIELD RC EUR shares in EUR					
Net assets			37 303,32	41 572,09	4 378 414,96
Number of shares			365,000	465,000	43 972,249
Net asset value per share			102,20	89,40	99,57
Accumulation per share pertaining to net capital gains/losses			2,09	-2,70	-0,47
Accumulation per share pertaining to income			1,31	2,31	2,38
LAZARD EURO CORP HIGH YIELD RC H-CHF shares in CHF					
Net assets in CHF			285 914,15	111 236,06	515 553,98
Number of shares			2 760,000	1 230,000	5 217,000
Net asset value per share in CHF			103,59	90,43	98,82
Accumulation per share pertaining to net capital gains/losses in euros			3,68	15,85	-2,64
Accumulation per share pertaining to income in euros			1,14	2,23	2,42

	30/09/2019	30/09/2020	30/09/2021	30/09/2022	29/09/2023
Global net assets in euros	103 076 052,17	107 799 225,96	103 856 263,44	109 924 719,73	222 457 542,08
LAZARD EURO CORP HIGH YIELD RVC EUR shares in EUR					
Net assets					103,20
Number of shares					1,000
Net asset value per share					103,20
Accumulation per share pertaining to net capital gains/losses					0,14
Accumulation per share pertaining to income					1,67

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
Bonds and similar securities				
Bonds and similar securities traded on a regulated or similar market				
GERMANY				
BAYER 2.375% 12-11-79	EUR	1 000 000	956 854,26	0,43
BAYER 3.125% 12-11-79	EUR	700 000	630 668,74	0,28
BAYER 5,375% 25/03/1982	EUR	500 000	460 909,93	0,21
BAYER AUTRE V 25-03-82	EUR	600 000	563 330,16	0,25
CHEPLAPHARM ARZNEIMITTEL 4.375% 15-01-28	EUR	200 000	184 778,83	0,08
CHEPLAPHARM ARZNEIMITTEL 7.5% 15-05-30	EUR	1 200 000	1 239 860,79	0,56
CHEPLAPHARM ARZNEIMITTEL GMBH 3.5% 11-02-27	EUR	1 100 000	1 010 016,33	0,46
DEUT LU 2.875 02-25	EUR	1 400 000	1 379 450,11	0,62
DEUT LU 2.875 05-27	EUR	500 000	461 786,13	0,21
DEUTSCHE LUFTHANSA AG	EUR	1 300 000	1 235 480,79	0,55
DEUTSCHE LUFTHANSA AG AUTRE R+0.0% 12-08-75	EUR	1 000 000	966 457,77	0,43
DOUGLAS 6.0% 08-04-26	EUR	1 700 000	1 701 126,74	0,77
GRUENENTHAL 6.75% 15-05-30	EUR	800 000	836 776,00	0,37
HP PELZER 9.5% 01-04-27	EUR	1 000 000	934 104,13	0,42
INFI TE 2.875 PERP	EUR	1 300 000	1 261 451,23	0,57
INFI TE 3.625 PERP	EUR	500 000	469 906,54	0,21
NIDDA HEALTHCARE HOLDING AG 7.5% 21-08-26	EUR	2 000 000	2 082 380,00	0,94
NOVE SH 3.375 04-29	EUR	600 000	529 020,00	0,23
PRESTIGEBID E3R+6.0% 15-07-27	EUR	1 200 000	1 240 756,00	0,56
REBECCA BID 5.75% 15-07-25	EUR	800 000	806 618,67	0,36
SCHAEFFLER AG 3.375% 12-10-28	EUR	1 300 000	1 220 807,65	0,55
THYSSENKRUPP AG 2.875% 22-02-24	EUR	700 000	707 413,05	0,32
ZF FINANCE 3.75% 21-09-28 EMTN	EUR	1 700 000	1 532 982,66	0,69
ZF FINANCE 5.75% 03-08-26 EMTN	EUR	700 000	706 659,33	0,32
ZF FINANCE GMBH	EUR	1 000 000	905 832,90	0,41
TOTAL GERMANY			24 025 428,74	10,80
AUSTRIA				
BENTELER INTL 9.375% 15-05-28	EUR	800 000	842 800,41	0,38
TOTAL AUSTRIA			842 800,41	0,38
BELGIUM				
SARENS FINANCE COMPANY NV 5.75% 21-02-27	EUR	1 000 000	885 798,33	0,40
SOLVAY 2.5% PERP	EUR	1 400 000	1 320 600,11	0,59
TOTAL BELGIUM			2 206 398,44	0,99
SPAIN				
CELL FI 1.25 01-29	EUR	1 100 000	929 360,69	0,42
CELL FI 2.25 04-26	EUR	1 000 000	955 686,72	0,43
CELLNEX FINANCE 1.0% 15-09-27	EUR	1 700 000	1 475 518,07	0,66
CELLNEX FINANCE 1.5% 08-06-28	EUR	1 000 000	869 790,08	0,39
CELL TE 1.75 10-30	EUR	1 500 000	1 245 684,14	0,56
CELL TE 1.875 06-29	EUR	1 200 000	1 026 464,07	0,46
EDREAMS ODIGEO 5.5% 15-07-27	EUR	800 000	761 193,33	0,34
GRIFOLS 1.625% 15-02-25	EUR	1 300 000	1 259 663,17	0,57
GRIFOLS 3.2% 01-05-25	EUR	1 000 000	978 336,11	0,44
GRIFOLS ESCROW ISSUER 3.875% 15-10-28	EUR	1 600 000	1 390 573,33	0,63
LORC TE 4.0 09-27	EUR	2 000 000	1 867 430,00	0,84
MASARIA INVESTMENTS SAU E3R+7.5% 31-03-28	EUR	700 000	727 353,20	0,32
TOTAL SPAIN			13 487 052,91	6,06

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR (continued)

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
UNITED STATES				
ARDA ME 2.0 09-28	EUR	1 400 000	1 176 450,33	0,53
AVAN FU 3.875 07-28	EUR	1 400 000	1 302 365,17	0,59
BALL 0,875% 15/03/2024	EUR	500 000	492 742,53	0,22
BELDEN CDT 3.375% 15-07-27	EUR	1 000 000	940 202,50	0,42
BELDEN CDT 3.875% 15-03-28	EUR	1 000 000	934 252,50	0,42
CARNIVAL CORPORATION 7.625% 01-03-26	EUR	800 000	795 186,22	0,36
CATALENT PHARMA SOLUTIONS 2.375% 01-03-28	EUR	1 000 000	840 681,11	0,37
COTY 3,875% 15/04/2026	EUR	1 100 000	1 095 763,17	0,50
COTY 5.75% 15/09/2028	EUR	800 000	807 539,56	0,37
FORD MO 1.744 07-24	EUR	900 000	880 750,28	0,40
FORD MO 3.021 03-24	EUR	400 000	403 958,46	0,18
FORD MO 6.125 05-28	EUR	500 000	526 793,16	0,24
FORD MOTOR CREDIT 3.25% 15-09-25	EUR	500 000	483 336,68	0,21
GRAP PA 2.625 02-29	EUR	800 000	702 236,67	0,32
HUNT INTL LLC 4.25% 01-04-25	EUR	600 000	595 080,67	0,27
INTL GA 3.5 06-26	EUR	1 700 000	1 645 064,50	0,74
IQVIA 1.75% 15/03/2026	EUR	500 000	467 165,00	0,21
LEVI STRAUSS CO 3.375% 15-03-27	EUR	600 000	566 524,50	0,25
NETFLIX INC 4.625% 15-05-29	EUR	700 000	719 774,42	0,33
ORGA CO 2.875 04-28	EUR	2 300 000	2 013 026,13	0,90
QUINTILES IMS 2.25% 15-01-28	EUR	1 700 000	1 504 372,50	0,68
QUINTILES IMS 2.875% 15-06-28	EUR	1 300 000	1 173 796,00	0,52
SCIL IV LLC SCIL USA HOLDINGS LLC 9.5% 15-07-28	EUR	1 100 000	1 150 234,56	0,52
SILGAN 2.25% 01/06/2028	EUR	1 500 000	1 286 062,50	0,57
SPEC BRAN 4.0% 01-10-26	EUR	800 000	772 174,86	0,34
WMG ACQ 2.75 07-28	EUR	500 000	454 019,17	0,21
WMG ACQUISITION 2.25% 15-08-31	EUR	1 200 000	938 601,96	0,42
TOTAL UNITED STATES			24 668 155,11	11,09
FINLAND				
CASTELLUM HELSINKI FINANCE 0.875% 17-09-29	EUR	1 300 000	939 779,77	0,43
TOTAL FINLAND			939 779,77	0,43
FRANCE				
ACCOR 2.375% 29-11-28	EUR	1 500 000	1 374 541,64	0,62
ACCOR 4.375% PERP	EUR	600 000	607 438,52	0,27
ACCOR SA 2.625% PERP	EUR	800 000	770 206,82	0,35
AIR FR KLM 1.875% 16-01-25	EUR	800 000	773 652,93	0,35
AIR FR KLM 8.125% 31-05-28	EUR	1 200 000	1 286 429,18	0,58
ALTICE FRANCE 2.125% 15-02-25	EUR	500 000	474 149,74	0,21
ALTICE FRANCE 2.5% 15-01-25	EUR	1 200 000	1 153 634,00	0,52
ATOS SE 1.0% 12-11-29	EUR	400 000	236 773,64	0,10
ATOS SE 1.75% 07-05-25	EUR	900 000	756 678,89	0,34
BANI GR 6.5 03-26	EUR	600 000	598 390,67	0,27
BURGER KING FRANCE SAS E3R+4.75% 01-11-26	EUR	1 200 000	1 222 081,50	0,55
COMPAGNIE GLE DE GEOPHYSIQUE 7.75% 01-04-27	EUR	900 000	839 989,50	0,38
CROW EURO HOL 2.625% 30-09-24	EUR	500 000	490 671,88	0,22
CROW EURO HOL 3.375% 15-05-25	EUR	500 000	495 221,25	0,22
CROWN EU HLD 5.0% 15-05-28	EUR	1 000 000	1 016 485,00	0,46

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR (continued)

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
EDF 4.0% PERP	EUR	1 000 000	1 015 590,41	0,46
EDF 5% 31/12/2099	EUR	1 500 000	1 489 611,78	0,67
EDF 7.5% PERP EMTN	EUR	2 200 000	2 380 255,49	1,07
ELEC DE FRAN 5.375% PERP EMTN	EUR	1 200 000	1 216 857,95	0,54
ELIS EX 1.0 04-25	EUR	700 000	666 050,00	0,30
ELIS EX 4.125 05-27	EUR	1 000 000	995 892,05	0,45
ELIS EX HOLDELIS 2.875% 15-02-26	EUR	500 000	485 060,72	0,22
FAURECIA 3.125% 15-06-26	EUR	300 000	286 405,50	0,13
FORVIA 2,625% 15/06/2025	EUR	400 000	389 770,00	0,18
FORVIA 2.75% 15/02/2027	EUR	300 000	273 447,00	0,12
FORVIA 3.75% 15/06/2028	EUR	1 500 000	1 367 145,00	0,61
FORVIA 7.25% 15/06/2026	EUR	2 000 000	2 111 480,00	0,95
GETLINK 3.5% 30-10-25	EUR	1 300 000	1 280 073,17	0,58
ILIAD 1,875% 25/04/2025	EUR	900 000	867 080,66	0,39
ILIAD 2,375% 17/06/2026	EUR	900 000	838 478,88	0,37
ILIAD 5.375% 14-06-27	EUR	2 100 000	2 082 194,58	0,93
ILIAD HOLDING SAS 5.625% 15-10-28	EUR	700 000	671 265,00	0,30
IM GROUP SAS 8.0% 01-03-28	EUR	900 000	740 281,50	0,34
LOXAM SAS 2.875% 15-04-26	EUR	1 000 000	934 955,00	0,42
LOXAM SAS 3.25% 14-01-25	EUR	500 000	492 730,00	0,22
NEXANS 5.5% 05/04/2028	EUR	800 000	838 591,56	0,38
ORANO 5.375% 15-05-27 EMTN	EUR	700 000	723 888,88	0,32
PARTS EUROPE 6.5% 16-07-25	EUR	350 000	355 051,67	0,16
RENAULT 1.25% 24-06-25 EMTN	EUR	500 000	471 364,73	0,21
RENAULT 2.5% 01-04-28 EMTN	EUR	1 000 000	907 566,61	0,41
RENAULT 2.5% 02-06-27 EMTN	EUR	1 500 000	1 373 942,46	0,62
RENAULT SA	EUR	1 000 000	936 880,68	0,42
REXEL 2,125% 15/06/2028	EUR	1 000 000	887 360,00	0,40
REXEL 5.25% 15/09/2030	EUR	1 500 000	1 489 847,50	0,67
SFR GROUP 5.875% 01-02-27	EUR	600 000	524 464,83	0,24
SPCM 2.625% 01-02-29	EUR	1 400 000	1 248 456,08	0,56
TERE FI 7.25 04-28	EUR	1 300 000	1 371 589,30	0,62
TERE FI 7.5 10-25	EUR	1 300 000	1 365 604,50	0,61
VALEO 1.0% 03-08-28 EMTN	EUR	1 900 000	1 566 600,67	0,70
VALEO 5.375% 28-05-27 EMTN	EUR	500 000	509 986,41	0,23
VALLOUREC 8.5% 30-06-26	EUR	2 700 000	2 813 364,00	1,26
TOTAL FRANCE			50 065 529,73	22,50
IRELAND				
ARDAGH PACKAGING FIN PLC ARDAGH HLDGS 2.125% 15-08-26	EUR	700 000	628 740,58	0,29
TOTAL IRELAND			628 740,58	0,29
ISLE OF MAN				
PLAYTECH 5.875% 28-06-28	EUR	1 300 000	1 305 635,96	0,58
TOTAL ISLE OF MAN			1 305 635,96	0,58
ITALY				
ALMAVIVA THE ITALIAN INNOVATION 4.875% 30-10-26	EUR	800 000	792 611,00	0,36
ATLA EX 1.625% 03-02-25 EMTN	EUR	800 000	777 295,18	0,35
ATLANTIA EX AUTOSTRADE 1.875% 12-02-28	EUR	300 000	263 570,75	0,12
ATLANTIA EX AUTOSTRADE 1.875% 13-07-27	EUR	500 000	450 777,91	0,20
AUTO PE 1.625 01-28	EUR	900 000	803 699,69	0,36

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR (continued)

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
AUTOSTRADE PER L ITALIA 1.875% 26-09-29	EUR	500 000	423 264,30	0,19
ENEL 6.375% PERP EMTN	EUR	600 000	615 609,15	0,27
FIBER BID 11.0% 25-10-27	EUR	1 000 000	1 071 521,67	0,48
GAMENET GROUP E3R+4.125% 01-06-28	EUR	500 000	509 361,06	0,23
LEATHER 2 E3R+4.5% 30-09-28	EUR	800 000	778 135,95	0,35
LOTTOMATICA 9.75% 30-09-27	EUR	1 000 000	1 101 470,00	0,50
PAGANINI BID E3RJ+4.25% 30-10-28	EUR	1 200 000	1 218 413,33	0,55
TELECOM ITALIA SPA EX OLIVETTI 1.625% 18-01-29	EUR	1 200 000	956 539,56	0,43
TELECOM ITALIA SPA EX OLIVETTI 7.875% 31-07-28	EUR	1 000 000	1 054 113,61	0,47
TELE IT 2.75 04-25	EUR	2 200 000	2 134 777,39	0,96
TELE IT 4.0 04-24	EUR	547 000	554 650,17	0,25
TELE IT 6.875 02-28	EUR	1 708 000	1 737 811,79	0,78
TIM SPA 2.875% 28-01-26 EMTN	EUR	500 000	477 349,62	0,21
TOTAL ITALY			15 720 972,13	7,06
LUXEMBOURG				
ALTICE FINANCING 2.25% 15-01-25	EUR	700 000	693 395,50	0,31
ALTICE FINANCING 3.0% 15-01-28	EUR	500 000	425 625,00	0,19
ARENA LUXEMBOURG FINANCE SARL 1.875% 01-02-28	EUR	1 410 000	1 174 416,03	0,53
CIDRON AIDA FINCO SARL 5.0% 01-04-28	EUR	700 000	636 217,94	0,29
CIRSA FINANCE INTL SARL 10.375% 30-11-27	EUR	800 000	867 834,00	0,39
DANA FI 3.0 07-29	EUR	1 000 000	788 066,74	0,35
DANA FINANCING LUX SARL 8.5% 15-07-31	EUR	500 000	523 344,17	0,24
EUROFINS SCIENTIFIC 3.25% PERP	EUR	1 146 000	1 090 590,12	0,49
EURO SC 4.75 09-30	EUR	550 000	547 351,25	0,24
EURO SC 6.75 PERP.	EUR	950 000	956 796,55	0,43
GOLDEN GOOSE E3R+4.875% 14-05-27	EUR	800 000	810 853,42	0,36
HSE FINANCE SARL 5.625% 15-10-26	EUR	1 300 000	715 687,53	0,32
HT TROPLAST 9.375% 15-07-28	EUR	700 000	721 158,15	0,32
INPOST 2.25% 15/07/2027	EUR	1 200 000	1 050 426,00	0,47
MATT TE 3.125 09-26	EUR	1 200 000	1 121 847,00	0,51
ROSSINI SARL 6.75% 30-10-25	EUR	600 000	618 874,50	0,28
SES 3.5% 14-01-29 EMTN	EUR	1 500 000	1 438 999,93	0,65
TUI CRUISES 6.5% 15-05-26	EUR	1 000 000	972 476,67	0,44
TOTAL LUXEMBOURG			15 153 960,50	6,81
NORWAY				
ADEVINTA A 3.0% 15-11-27	EUR	1 000 000	990 350,00	0,44
TOTAL NORWAY			990 350,00	0,44
NETHERLANDS				
ABER FI 3.248 PERP	EUR	1 900 000	1 779 380,35	0,80
DUFYR ONE BV 2.0% 15-02-27	EUR	2 600 000	2 309 961,33	1,04
ENERGIZER GAMMA ACQ 3.5% 30-06-29	EUR	1 200 000	975 698,00	0,44
GAS NATU FENOSA 3.375% 29-12-99	EUR	900 000	898 198,67	0,40
GOOD DU 2.75 08-28	EUR	600 000	500 374,00	0,22
HEIMSTADEN BOSTAD AB 1.375% 03-03-27	EUR	400 000	326 047,85	0,15
HEIMSTADEN BOSTAD TREASURY BV 0.75% 06-09-29	EUR	700 000	460 861,30	0,20
IPD 3 BV 8.0% 15-06-28	EUR	1 000 000	1 036 448,72	0,47
KPN 6.0% PERP	EUR	500 000	531 006,85	0,24
NATURGY FINANCE BV 2.374% PERP	EUR	1 000 000	900 339,12	0,41
OI EURO 6.25 05-28	EUR	700 000	729 349,06	0,33

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR (continued)

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
OI EUROPEAN GROUP BV 2.875% 15-02-25	EUR	400 000	391 749,33	0,18
PPF ARENA 2.125% 31-01-25 EMTN	EUR	900 000	882 759,33	0,39
REPS IN 2.5 PERP	EUR	600 000	538 373,80	0,24
REPS IN 3.75 PERP	EUR	400 000	381 298,13	0,17
REPSOL INTERNATIONAL FINANCE BV 4.5% 25-03-75	EUR	500 000	504 248,28	0,23
SM MTH AUTO GRP 1.8% 06-07-24	EUR	900 000	876 991,50	0,40
SUDZUCKER AKTIENGESELLSCHAFT 5.125% 31-10-27	EUR	800 000	855 898,79	0,39
TELE EU 2.88 PERP	EUR	500 000	432 670,94	0,19
TELE EU 3.875 PERP	EUR	1 900 000	1 770 352,77	0,79
TELE EU 4.375 PERP	EUR	1 000 000	1 005 790,71	0,45
TELEFONICA EUROPE BV 2.502% PERP	EUR	500 000	442 641,23	0,20
TELEFONICA EUROPE BV 7.125% PERP	EUR	1 800 000	1 963 421,14	0,89
TEVA PH 3.75 05-27	EUR	1 300 000	1 200 257,50	0,54
TEVA PH 4.375 05-30	EUR	500 000	437 595,00	0,20
TEVA PH 6.0 01-25	EUR	900 000	915 435,00	0,41
TEVA PH 7.375 09-29	EUR	1 800 000	1 841 440,50	0,82
TEVA PHAR FIN 1.875% 31-03-27	EUR	500 000	433 261,84	0,20
TEVA PHARMACEUTICAL FINANCE II BV 4.25% 01-03-25	EUR	300 000	296 787,31	0,13
UNITED GROUP BV 4.0% 15-11-27	EUR	900 000	801 358,50	0,36
UPC HOLDING BV 3.875% 15-06-29	EUR	1 000 000	836 491,67	0,38
WINT DE 2.499 PERP	EUR	700 000	615 635,91	0,28
WINTERSHALL DEA FINANCE BV 3.5% PERP	EUR	900 000	742 599,99	0,33
ZF EURO 6.125 03-29	EUR	800 000	804 109,60	0,36
ZF EUROPE FINANCE BV 2.0% 23-02-26	EUR	1 000 000	930 104,38	0,42
ZIGGO BOND COMPANY BV 3.375% 28-02-30	EUR	2 300 000	1 717 588,25	0,77
TOTAL NETHERLANDS			32 066 526,65	14,42
POLAND				
CANPACK SA EASTERN PA LAND INVEST HLDG 2.375% 01-11-27	EUR	1 300 000	1 135 755,11	0,51
TOTAL POLAND			1 135 755,11	0,51
PORTUGAL				
ENER DE 5.943 04-83	EUR	900 000	917 268,71	0,41
ENERGIAS DE PORTUGAL EDP 1.7% 20-07-80	EUR	900 000	836 161,75	0,38
ENERGIAS DE PORTUGAL EDP 4.496% 30-04-79	EUR	1 800 000	1 826 690,90	0,82
TOTAL PORTUGAL			3 580 121,36	1,61
UNITED KINGDOM				
ICELAND BOND E3R+5.5% 15-12-27	EUR	1 000 000	1 005 467,78	0,46
INEOS QUATTRO FINANCE 1 3.75% 15-07-26	EUR	500 000	451 182,50	0,21
INTL CO 2.75 03-25	EUR	1 100 000	1 076 626,35	0,48
INTL CO 3.75 03-29	EUR	800 000	711 973,70	0,33
JAGU LA 5.875 11-24	EUR	800 000	819 696,67	0,36
JAGU LA 6.875 11-26	EUR	1 300 000	1 343 626,92	0,61
NOMA FO 2.5 06-28	EUR	1 700 000	1 492 568,83	0,67
ROLLS ROYCE 4.625% 16-02-26	EUR	1 400 000	1 393 816,47	0,62
VMED O2 3.25 01-31	EUR	500 000	415 033,33	0,19
VODAFONE GROUP 4.2% 03-10-78	EUR	500 000	461 745,00	0,20
VODAFONE GROUP 6.5% 30-08-84	EUR	1 400 000	1 422 943,55	0,64
VODA GR 2.625 08-80	EUR	1 000 000	916 563,69	0,41
YULE CATTO AND 3.875% 01-07-25	EUR	1 100 000	1 065 012,06	0,48
TOTAL UNITED KINGDOM			12 576 256,85	5,66

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR (continued)

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
SWEDEN				
APOLLO SWEDISH BIDCO AB E3R+5.0% 05-07-29	EUR	800 000	817 431,64	0,37
DOME GR 3.0 05-26	EUR	1 300 000	1 237 555,99	0,56
VERI HO 9.25 10-27	EUR	1 300 000	1 439 258,17	0,64
TOTAL SWEDEN			3 494 245,80	1,57
TOTAL Bonds and similar securities traded on a regulated or similar market			202 887 710,05	91,20
TOTAL Bonds and similar securities			202 887 710,05	91,20
Undertakings for collective investment				
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries				
FRANCE				
LAZARD EU SHRT TRM MONEY M-C	EUR	10 087	20 385 524,39	9,17
TOTAL FRANCE			20 385 524,39	9,17
TOTAL general UCITS and general AIFs aimed at non-professionals and their equivalent in other countries			20 385 524,39	9,17
TOTAL Undertakings for collective investment			20 385 524,39	9,17
Forward financial instruments				
Other forward financial instruments				
Credit Default Swap				
ITRAXX EUR XOVER S40	EUR	-9 000 000	-280 958,40	-0,13
TOTAL Credit Default Swap			-280 958,40	-0,13
TOTAL Other forward financial instruments			-280 958,40	-0,13
TOTAL Forward financial instruments			-280 958,40	-0,13
Receivables			1 398 744,02	0,63
Liabilities			-8 077 370,96	-3,63
Financial accounts			6 143 892,98	2,76
Net assets			222 457 542,08	100,00

LAZARD EURO CORP HIGH YIELD PVD EUR shares	EUR	18 259,258	989,32
LAZARD EURO CORP HIGH YIELD RC H-CHF shares	CHF	5 217,000	98,82
LAZARD EURO CORP HIGH YIELD RC EUR shares	EUR	43 972,249	99,57
LAZARD EURO CORP HIGH YIELD PVC H-CHF shares	CHF	260,000	1 007,28
LAZARD EURO CORP HIGH YIELD PVC EUR shares	EUR	90 771,448	1 856,03
LAZARD EURO CORP HIGH YIELD PC EUR shares	EUR	29 847,010	1 029,82
LAZARD EURO CORP HIGH YIELD RVC EUR shares	EUR	1,000	103,20

ADDITIONAL INFORMATION ON THE TAX REGIME APPLICABLE TO INTEREST PAYMENTS

Breakdown of interest: LAZARD EURO CORP HIGH YIELD PVD EUR shares

	NET OVERALL	CURRENCY	NET PER SHARE	CURRENCY
Revenue subject to non-definitive withholding tax	546 864,78	EUR	29,95	EUR
Equities eligible for a tax allowance and subject to non-definitive withholding tax				
Other income not eligible for a tax allowance and subject to non-definitive withholding tax				
Non-declarable and non-taxable income				
Amounts paid out in relation to capital gains and losses				
TOTAL	546 864,78	EUR	29,95	EUR

7. APPENDIX(ES)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: LAZARD EURO CORP HIGH YIELD

Legal entity identifier: 969500XN3075778CSU79

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

Yes

- It made **sustainable investments with an environmental objective**:
 - in economic activities that qualify as environmentally sustainable under the EU Taxonomy
 - in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- It made a minimum of **sustainable investments with a social objective**

No

- It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 31,64% of sustainable investments
 - with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
 - with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
 - with a social objective
- It promoted E/S characteristics, but **did not make any sustainable investments**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent was the sustainable investment objective of this financial product met?

In implementing its investment strategy, security analysis, and ESG integration process described below, the portfolio promotes the following environmental characteristics:

Environmental policy:

- Integration by companies of environmental factors appropriate to the sector, geographic location and any other relevant material factor
- Development of an environmental management strategy and system
- Development of a climate strategy

Controlling environmental impacts:

- Limiting and adapting to global warming
- Responsible water and waste management
- Preservation of biodiversity

Managing the environmental impact of products and services:

- Ecodesign of products and services
- Environmental innovation

Moreover, the portfolio promotes the following social characteristics:

Respect for human rights:

- Prevention of situations of human rights violations
- Respect for the right to safety and security of persons
- Privacy and data protection

Human resources management:

- Constructive social dialogue
- Training and career management conducive to human development
- Promoting diversity
- Health, safety and well-being at work

Value chain management:

- Responsible supply chain management
- Product quality, safety and traceability

This product does not use a specific index to determine its alignment with the environmental and social characteristics it promotes.

● ***How did the sustainability indicators perform?***

The achievement of the environmental and social characteristics promoted by this product is measured by sustainability indicators at several levels:

In terms of valuation in the internal analysis model:

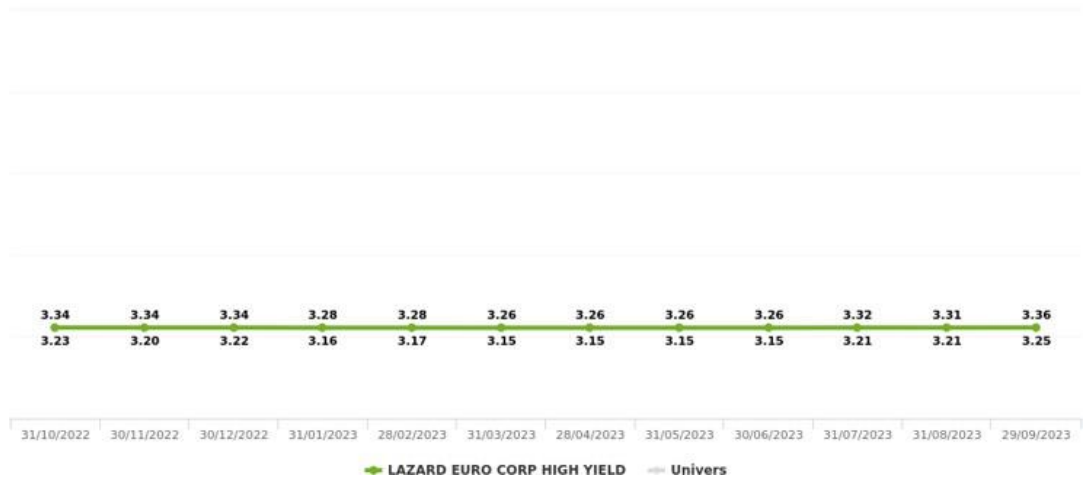
The ESG analysis of directly held securities is based on a proprietary model that relies on an internal ESG grid. Based on the various data provided by our ESG partners (non-financial analysis agencies, external service providers, etc.), the annual reports of the companies and direct exchanges with them, the analysts responsible for monitoring each stock draw up an internal ESG rating.

This rating is based on both a quantitative (energy intensity, staff turnover rate, board independence rate, etc.) and qualitative approach (solidity of environmental policy, employment strategy, competence of directors, etc.).

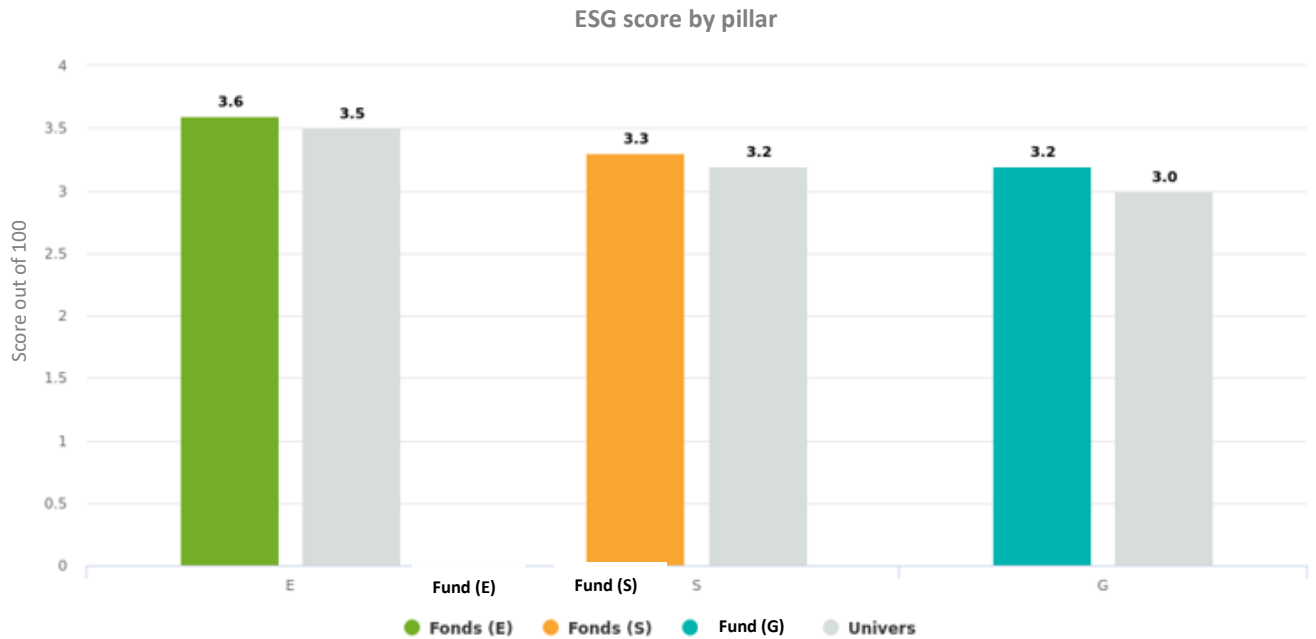
Each E, S and G pillar is rated from 1 to 5 based on a minimum of ten relevant key indicators per dimension.

These internal ESG ratings are built into the valuation models through the Beta used to define the weighted average cost of capital (WACC) for equity management and to the issuer selection process and the determination of issuers' weight in the portfolio for bond management.

Evolution of the ESG score



The portfolio's reference ESG universe is:
The portfolio's reference benchmark.



● **...and compared to previous periods?**

Not applicable

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

The definition of sustainable investment within the meaning of the SFDR is based on the selection of indicators that show a substantial contribution to one or more environmental and social objectives, which do not prejudice any of the adverse impact indicators and ensures good governance principles.

The environmental indicators used are as follows:

- Carbon footprint (PAI 2)
- Carbon intensity (PAI 3)
- Implied temperature rise (ITR)
- Number of "low-carbon" patents held

The social indicators used are as follows:

- % of women in executive management
- Number of hours of training for employees
- Benefits coverage
- Diversity policies by management

A sustainable investment objective is attained if the substantial contribution of the corresponding indicator is validated, the other indicators are not prejudiced, and good governance principles are complied with. Substantial contribution is measured by the application of thresholds for each of the above indicators.

The table below presents the rules (targets) set for each indicator as well as the result obtained over the past period. The result is the average share of the portfolio invested in companies meeting these criteria, calculated on a quarterly basis. The average share is calculated according to the average positions observed over the past period, coupled with the non-financial data at the end of the period.

	Rule	Average share of the portfolio
Carbon footprint in €m	Included in the lowest 20% of the sector	22,93%
GHG intensity	Included in the lowest 20% of the sector	3,02%
Implied temperature rise in 2100	≤2°C	12,78%
Number of low-carbon patents	Included in the top 20% of the universe	11,53%
% of women in executive management	Included in the top 20% of the universe	6,18%
Number of hours of training for employees	Included in the top 20% of the universe	3,13%
Benefits coverage	See sustainable investment presentation www.lazardfreresgestion.fr	9,27%
Diversity policies by management	See presentation www.lazardfreresgestion.fr	2,97%

● ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

The absence of significant harm is assessed on the basis of all the PAI indicators listed in Table 1 of Annex I to Delegated Regulation (EU) 2022/1288 of 6 April 2022. In the event of insufficient coverage of the investment universe for certain indicators, substitution criteria will be applied

may be used in exceptional cases (such as the PAI 12, which uses an indicator relating to management attention to diversity). Using alternative criteria is subject to the independent control of the Risks and Compliance department. Alternative indicators are also presented on the Lazard Frères Gestion website under the heading "Sustainable investment methodology".

How have the indicators for adverse impacts on sustainability factors been taken into account?

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

Indicators of the principal adverse sustainability impacts (PAI) are considered at two levels.

Firstly, they are integrated into the internal analysis of each security monitored, carried out by our analyst-managers in the internal ESG analysis grids.

In addition, they are used to assess the share of sustainable investments.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

Compliance with minimum labour and human rights safeguards (OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights) and the eight fundamental conventions of the International Labour Organization is a key indicator for verifying that companies in which investments are made apply good governance practices.

We therefore check whether the company applies a labour rights due diligence policy in accordance with the eight fundamental conventions of the International Labour Organization (PAI 10) as part of our DNSH process. We also ensure that the investments made apply good governance practices, by monitoring a governance rating from a data provider and the internal rating on the Governance pillar.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



How did this financial product consider principal adverse impacts on sustainability factors?

The proprietary model for ESG analysis of portfolio companies takes into account all indicators related to companies’ principal adverse sustainability impacts (PAI).

These indicators are integrated into the internal grids used to establish a security’s ESG rating, which is taken into account in the valuation models through the Beta used to define the weighted average cost of capital for equity management and in the process of selecting issuers and determining their portfolio weight for bond management.

In addition, as stated above, all of the PAI indicators listed in Table 1 of Annex I of the Regulatory Technical Standards of the SFDR are taken into account in the definition of sustainable investment.



What were the top investments of this financial product?

Largest investments	Sector	Percentage of assets	Country
1. LAZARD EU SHRT TRM MONEY M-C	UCI	6,18%	France
2. VALLOUREC 8.5% 30-06-26	Manufacturing	1,23%	France

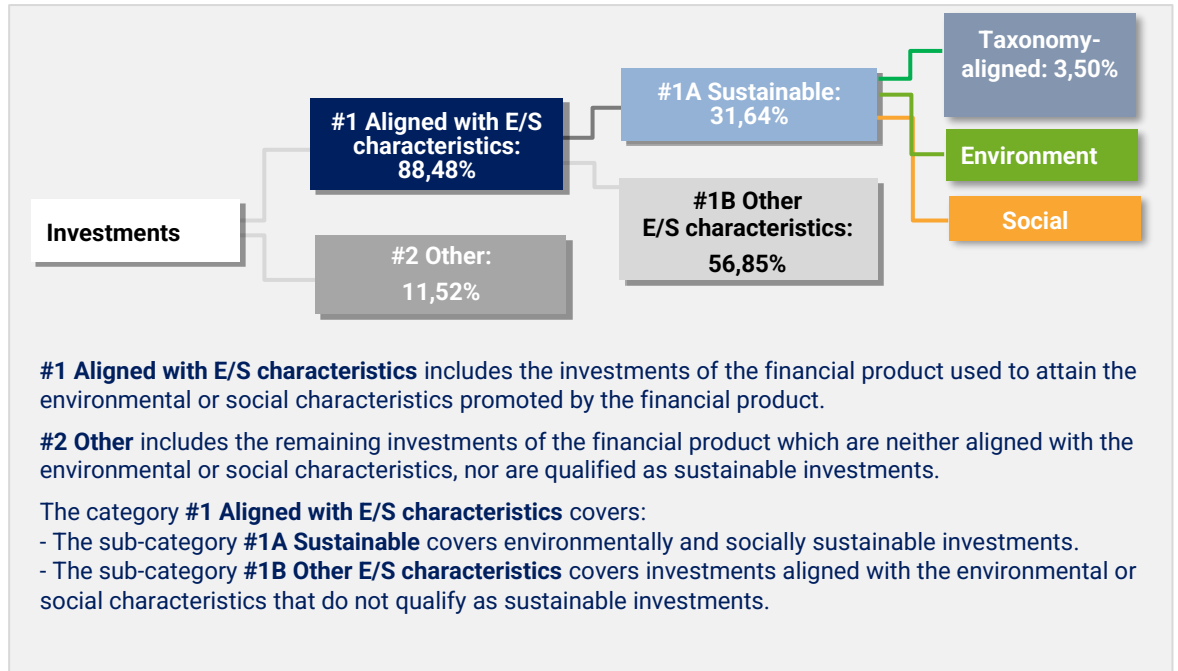
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:
01/10/2022 to
30/09/2023

Largest investments	Sector	Percentage of assets	Country
3. ENERGIAS DE PORTUGAL EDP 4.496% 30-04-79	Electricity, gas, steam and air conditioning supply	1,06%	Portugal
4. DUFYR ONE BV 2.0% 15-02-27	Unknown sector	1,03%	Netherlands
5. FAURECIA 7.25% 15-06-26	Manufacturing	1,02%	France
6. LORCA TELECOM BONDCO SAU 4.0% 18-09-27	Unknown sector	0,97%	Spain
7. TELECOM ITALIA SPA EX OLIVETTI 2.75% 26-03-22	Information and communication	0,90%	Italy
8. EDF 7.5% PERP EMTN	Electricity, gas, steam and air conditioning supply	0,90%	France
9. ABERTIS FINANCE BV 3.248% PERP	Unknown sector	0,87%	Netherlands
10. DOUGLAS 6.0% 08-04-26	Wholesale and retail trade; repair of motor vehicles and motorcycles	0,82%	Germany
11. NIDDA HEALTHCARE HOLDING AG 7.5% 21-08-26	Unknown sector	0,80%	Germany
12. VALEO 1.0% 03-08-28 EMTN	Manufacturing	0,78%	France
13. CELLNEX FINANCE 1.0% 15-09-27	Unknown sector	0,78%	Spain
14. GRIFOLS 1.625% 15-02-25	Manufacturing	0,77%	Spain
15. DEUTSCHE LUFTHANSA AG 2.875% 11-02-25	Transportation and storage	0,76%	Germany



What was the proportion of sustainability-related investment?

● What was the asset allocation?



Asset allocation describes the share of investments in specific assets.

#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

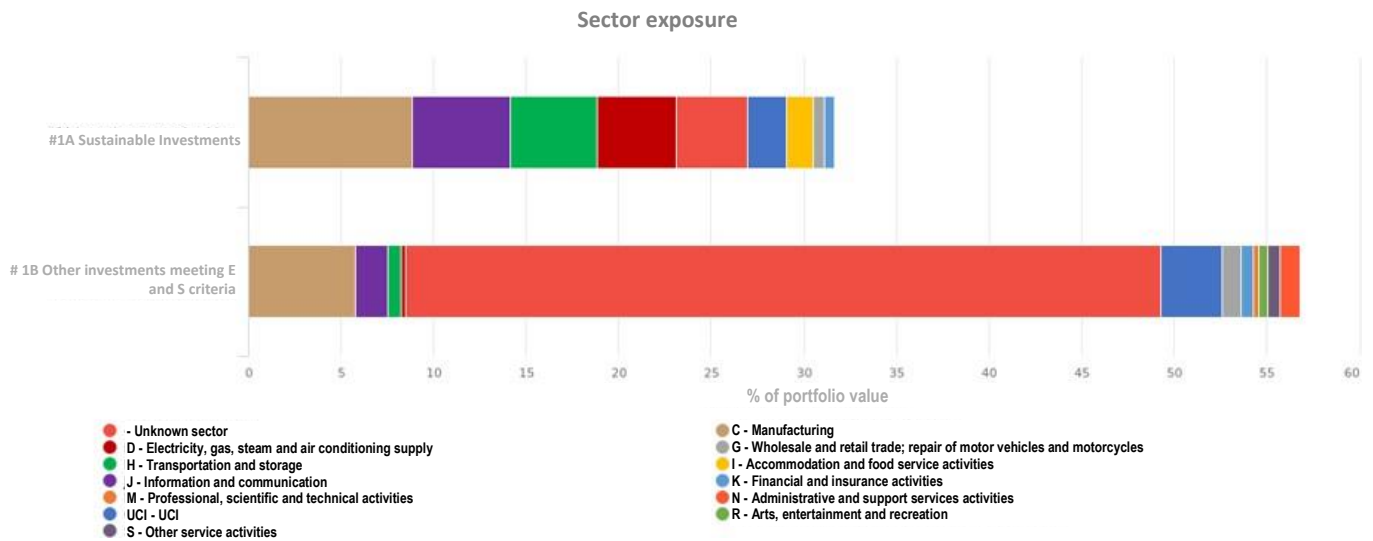
The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Details of sustainable investments	
Weight of sustainable investments in the portfolio	31,64%
Of which sustainable investments E	30,37%
Of which sustainable investments S	22,16%

An investment is considered sustainable if it complies with at least one of the rules presented above, while not harming any of the adverse impact indicators and ensuring good governance criteria. A company can therefore be considered as environmentally and socially sustainable.

● **In which economic sectors were the investments made?**



Exposure to the fossil fuel sector was 5,11% on average over the period.

Taxonomy-aligned activities are expressed as a share of:

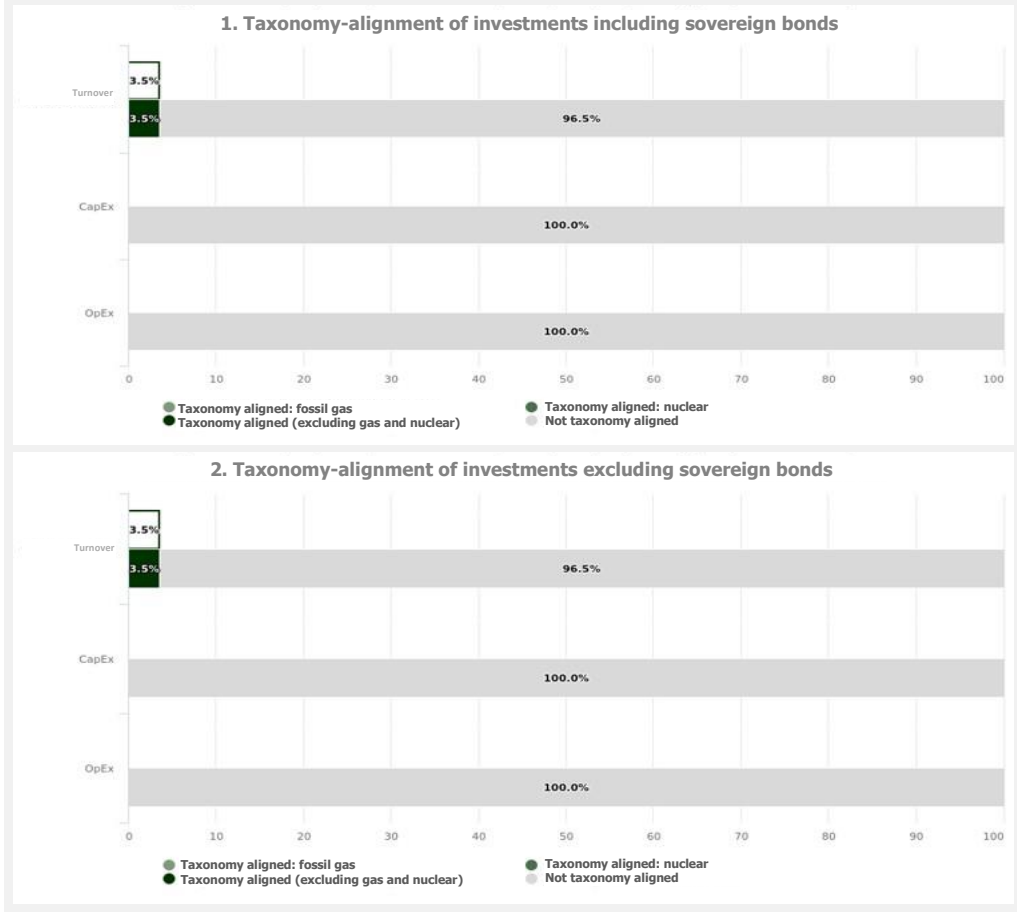
- **turnover** reflects the “greenness” of investee companies today;
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy;
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

● **Did the financial product invest in Taxonomy aligned fossil fuel and/or nuclear energy activities?**

At the date of production of this document, Lazard Frères Gestion does not have the data needed to identify the share of activities related to Taxonomy aligned fossil fuel and/or nuclear energy sectors.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The calculation of investment percentages aligned with the EU Taxonomy is based on estimated data.

- **What was the share of investments made in transitional and enabling activities?**
At the date of production of this document, Lazard Frères Gestion does not have the data needed to identify the share of transitional or enabling activities.
- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**
Not applicable



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy is 28,47%.

It corresponds to all activities not aligned with the Taxonomy but respecting the environmental objectives of sustainable investment mentioned above.



What was the share of socially sustainable investments?

The share of socially sustainable investments is 22,16%

It corresponds to all activities that achieve one or more of the social objectives of sustainable investment mentioned above.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The "other" category consists mainly of money market UCIs and cash. Over the past period, the "other" segment represented on average 11,52%.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

To promote environmental and social characteristics, the following elements have been respected:

- The non-financial analysis rate

The rate of non-financial analysis of the product's investments is, according to the product's investment categories, higher than:

- 90% for equities issued by large capitalisation companies with their headquarters in "developed" countries, debt securities and money market instruments with an investment grade credit rating, sovereign debt issued by developed countries;
- 75% for equities issued by large capitalisation companies with their headquarters in "emerging" countries, equities issued by small and mid caps, debt securities and money market instruments with a high yield credit rating and sovereign debt issued by "emerging" countries.

These rates are expressed as a percentage of total assets.
Over the past period, the non-financial analysis rate was 88,48% on average.

- The portfolio's average ESG rating

The analysts-managers ensure that the portfolio's weighted average ESG rating is higher than the average of the reference universe by using Lazard Frères Gestion's internal non-financial rating benchmark.

In addition, the management company makes exclusions prior to investments:

- Normative exclusions related to controversial weapons (cluster munitions, anti-personnel mines, biological and chemical weapons) and violations of the UN Global Compact.
- Sector exclusions (tobacco and thermal coal).
- Geographical exclusions (tax havens on the FATF list).

For more information on the engagement and voting policy, please refer to the voting and engagement reports available at <https://www.lazardfreresgestion.fr>.



How did this financial product perform compared to the reference benchmark?

Not applicable.

Benchmark indices

are indices used to measure whether the financial product has the environmental or social characteristics it promotes.

- ***How does the reference benchmark differ from a broad market index?***

Not applicable.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

Not applicable.

- ***How did this financial product perform compared with the reference benchmark?***

Not applicable.

- ***How did this financial product perform compared with the broad market index?***

Not applicable.