

Total net assets	2644.08 M€	Inception date	Jan 30, 2018	MORNINGSTAR	
NAV	261.55 €	ISIN Code	FR0013305935	OVERALL	★★★★★
		Bloomberg Code	LAZCRTC		
Country of registration					

MANAGER(S)



INVESTMENT POLICY

The financial management objective aims to achieve, by applying a Socially Responsible Investment (SRI) management approach over the recommended investment period of 3 years, a net performance higher than that of the following composite benchmark, whose components are hedged in the reference currency of the share, with net dividends reinvested and rebalanced monthly: 40% ICE BofA Euro Subordinated Financial Index ; 40% ICE BofA Euro Financial High Yield Index ; 20% ICE BofA Contingent Capital Index.

RISK SCALE\*\*



Recommended investment period of 3 years

BENCHMARK INDEX

40% ICE BofA Euro Subordinated Financial Index ; 40% ICE BofA Euro Financial High Yield Index ; 20% ICE BofA Contingent Capital Index

Fund Information

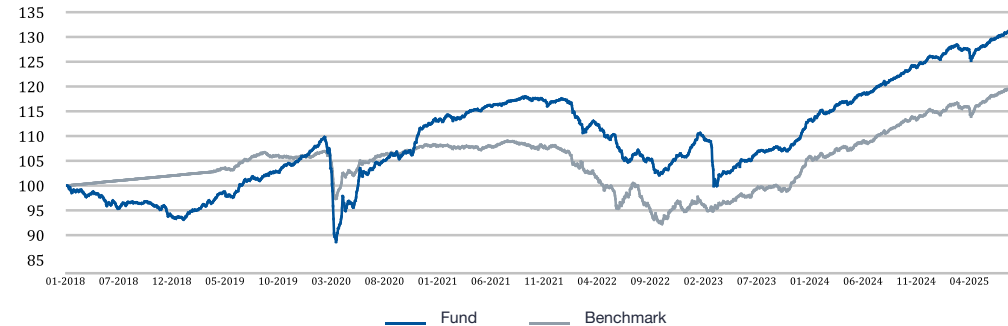
Legal Form	FCP
Legal Domicile	France
UCITS	Yes
SFDR Classification	Article 8
AMF Classification	International bonds
Eligibility to PEA (personal equity savings plan)	No
Currency	EURO
Subscribers concerned	
Inception date	30/01/2018
Date of share's first NAV calculation	30/01/2018
Management company	Lazard Frères Gestion SAS
Custodian	GACEIS Bank
Fund administration	GACEIS Fund Admin
Frequency of NAV calculation	Daily
Order execution	For orders placed before 12:00 pm subscriptions and redemptions on next NAV
Subscription terms	D (NAV date) + 2 business day
Settlement of redemptions	D (NAV date) + 2 business day
Share decimalisation	Yes
Minimum investment	1 share
Subscription fees	4% max.
Redemption fees	Nil
Management fees (max)	0.67% max
Performance fees (1)	Nil
Current expenses (PRIIPS KID)	0.69%

\*\*Risk scale : For the SRI methodology, please refer to Art. 14(c) , Art. 3 and Annexes II and III PRIIPs RTS

(1) Please refer to the Prospectus for more details about the performance fees

(3) Ratios calculated on a weekly basis

HISTORICAL NET ASSET VALUE (10 YEARS OR SINCE INCEPTION)



Past performance is no guarantee of future performance and is assessed at the end of the recommended investment period.

HISTORICAL PERFORMANCE

	Cumulative					Annualized		
	1 Month	YTD	1 Year	3 Years	5 Years	Inception	3 Years	5 Years
Fund	0.96%	4.14%	8.54%	23.65%	25.83%	31.17%	7.33%	4.70%
Benchmark	0.96%	4.03%	7.75%	19.22%	12.82%	19.52%	6.03%	2.44%
Difference	-0.01%	0.11%	0.80%	4.44%	13.01%	11.65%	1.30%	2.26%

PERFORMANCE BY CALENDAR YEAR

	2024	2023	2022	2021	2020	2019
Fund	11.17%	7.08%	-9.81%	3.98%	6.45%	13.25%
Benchmark	8.59%	11.62%	-11.80%	-0.61%	2.22%	3.50%

TRAILING 1Y PERFORMANCE

	Fund	Benchmark
2025 07 31	8.54%	7.75%
2024 07 31	13.02%	11.24%
2023 07 31	0.79%	-0.53%
2022 07 31	-9.07%	-7.92%
2021 07 31	11.91%	2.77%
2020 07 31	2.71%	-0.04%
2019 07 31	5.10%	4.73%

RISK RATIOS\*\*\*

	1 Year	3 Years
Volatility		
Fund	2.24%	4.45%
Benchmark	2.44%	3.88%
Tracking Error	0.66%	4.28%
Information ratio	1.17	0.33
Sharpe ratio	2.65	1.02
Alpha	1.62	4.13
Beta	0.88	0.55

PORTFOLIO CHARACTERISTICS

	Yield to worst	Yield to call	Yield to maturity	Spread vs Govies (bps)	Modified Duration	Credit Sensitivity
Gross (% AUM)	4.1%	4.1%	5.1%	196	3.5	3.6
Net (% Expo)	4.1%	4.1%	5.1%	196	3.5	3.6

Estimates of these data are based on LFG's best judgement for all securities (bonds, forward foreign exchange, CDS and futures) at the date mentioned. These figures exclude cash. LFG does not provide any guarantee.

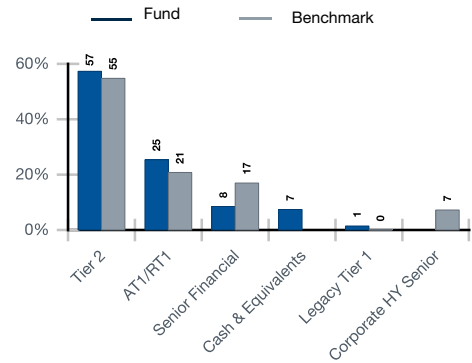
AVERAGE RATING

Issues Rating*	Issuers Rating*
BB+	BBB+
*Average rating	

MAIN HOLDINGS

Holdings	Weight
BANQUE POSTALE TV 19-20NO--S	2.3%
BANCA MDPS 101/2% 19-23JY29A	1.7%
ROT.LIF.7,019%(EMTN)24-10DE34A	1.7%
MBH BANK TV (EMTN) 25-29JA30A	1.6%
ASR NEDERLAND NV TV 22-07DE43A	1.6%

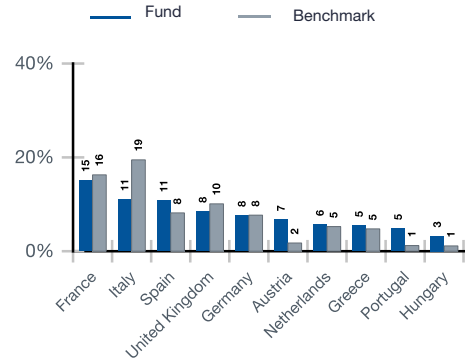
SUBORDINATION BREAKDOWN (%)



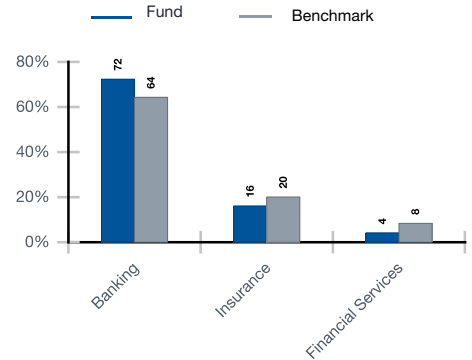
CURRENCY BREAKDOWN (%)

Currencies	Net weight	Gross weight
EUR	99.5%	83.0%
USD	0.0%	9.1%
GBP	0.1%	7.6%
Others	0.4%	0.4%
*Net exposure of FX hedges.		

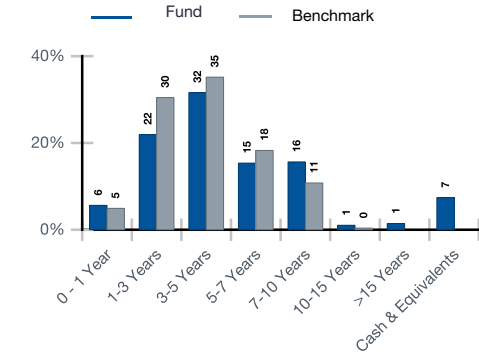
GEOGRAPHICAL BREAKDOWN % (Top Ten)



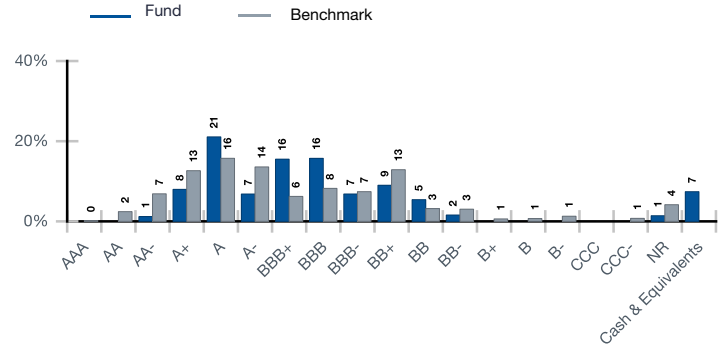
SECTOR BREAKDOWN % (Top Ten)



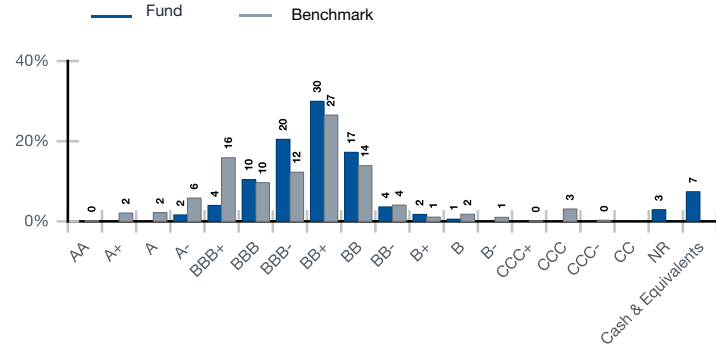
MATURITY BREAKDOWN % (Next call Date)



ISSUER RATING BREAKDOWN (%)



ISSUE RATING BREAKDOWN (%)



## FUND MANAGERS COMMENT

The month of July was positive for financial debt, with spreads narrowing over the month: -10 bps on Seniors, -19 bps on Tier 2, and -39 bps on AT1 (-37 bps AT1 euros). For insurers, we saw a tightening of -8 bps on Seniors and -15 bps on Subordinated debt.

On rates, the ECB and Fed meetings did not reverse the upward and flattening trend seen across all curves, with average rise between 8 bps and 12 bps on the € curves, and between 24 bps and 18 bps on the \$, with the 2- and 5-year tenors showing the most significant moves.

Performance was positive across the entire capital structure, with an increase of +0.3% for Seniors, +0.7% for Tier 2, +1.3% for AT1 (+1.6% for AT1 in euros), and respectively +0.3% and +1.1% for Seniors and Subordinated insurance debt.

Activity in the primary market was relatively quiet, partly due to the start of quarterly results season. We saw Sogecap, the insurance subsidiary of Société Générale, and Chesnara with inaugural RT1s, UBS with a dual-tranche AT1, and Gamalife and Alpha Bank issuing Tier 2.

The second quarter earnings season confirmed the resilience of the European banking sector. Spanish, Portuguese, and Polish banks particularly stood out, posting record or near-record results. In Spain, Santander reported a net profit of €6.8 billion, supported by stable loan growth, an improvement in asset quality, and overall robust profitability. CaixaBank posted a profit of €2.9 billion, while confirming that the trough of net interest income was reached in Q2, paving the way for a recovery in the second half. Similarly, Novo Banco in Portugal reported a RoTE of 22.2%. In Poland, banks such as Millennium and mBank also posted outstanding performances, driven by growth in net interest income and a significant rebound in lending volumes.

Despite overall strong results, some Nordic institutions delivered more mixed performances. While SEB and Swedbank beat expectations, others such as DNB and Handelsbanken posted results below forecasts. In the insurance sector, companies also delivered more heterogeneous reports, with Tryg and Storebrand publishing lower results due to an exceptionally strong comparison base last year.

On the ratings front, Monte dei Paschi returned to Investment Grade at Fitch, at BBB-. Commerzbank also saw an upgrade, reclassified to A1 by Moody's, while Fidelidade, the Portuguese insurer, was assigned a new A rating by S&P, with a stable outlook.

In terms of mergers and acquisitions, the month was rich in announcements and strategic developments. Santander confirmed the acquisition of TSB, the British subsidiary of Sabadell, for £2.65 billion. In addition, BBVA confirmed its intention to continue the acquisition of Banco Sabadell, subject to meeting Spanish government requirements, including maintaining the independence of the two entities for at least three years. BNP Paribas Cardif completed the acquisition of AXA IM, thereby strengthening its position in asset management, with more than €1,500 billion in assets under management. In Italy, BPER's bid for Sondrio was approved by the majority of shareholders. In the UK, Athora announced the acquisition of Pension Insurance Corporation for £5.7 billion, significantly reinforcing Athora's assets under management (+78% versus end-2024), and Brookfield announced an offer to acquire Just Group, with a premium of +75% on the share. versus end-2024), and Brookfield announced an offer to acquire Just Group, with a premium of +75% on the share.

In Lazard Credit Fi, the most important contributors to the performance have been :

- By subordination, banks Tier 2 (+0,48%) and AT1 and RT1 (+0,36%)
- By country, Germany (+0,19%) and France (+0,19%)
- By issuer, Aareal (+0,07%) and Banca Monte dei Paschi di Sien (+0,05%)

## CONTACTS AND ADDITIONAL INFORMATION

## Glossary :

Alpha represents the return of a portfolio that is attributable to the manager's investment decisions.  
Beta measures a fund's sensitivity to movements in the overall market.  
Information ratio represents the value added by the manager (excess return) divided by the tracking error.  
Sharpe ratio measures return in excess of the risk free rate for every unit of risk taken.  
Tracking error measures the volatility of the difference between a portfolio's performance and the benchmark.  
Volatility is a measure of the fund's returns in relation to its historic average.  
Yield to Maturity indicates the rate of return generated if a security is held to its maturity date.  
Coupon Yield is the annual coupon value divided by the price of the bond.  
Average Credit Spread is the credit spread of a bond over LIBOR, taking into account the value of the embedded option.

Average Rating is the weighted average credit rating of bonds held by the Fund.

Modified Duration is the percentage change in the value of a bond resulting from a 1% interest rate change.

Average Maturity is the average time to maturity of all bonds held by the Fund.

Spread Duration is the sensitivity of a bond price to a change in spreads.

Yield is the internal rate of return of a bond if held to maturity, but not accounting for conversion features of a convertible bond.

Delta represents the sensitivity of convertible bonds held by the Fund to a change in the underlying security price.

## France

Lazard Frères Gestion, S.A.S. 25 rue de Courcelles, 75008 Paris  
Telephone : +33 1 44 13 01 79

Belgium and Luxembourg  
Lazard Fund Managers (Ireland) Limited, Belgium Branch  
326 Avenue Louise, 1050 Brussels, Belgium  
Telephone: +32 2 626 15 30/ +32 2 626 15 31  
Email: lfm\_belgium@lazard.com

Germany and Austria  
Lazard Asset Management (Deutschland) GmbH  
Neue Mainzer Str. 75, 60311 Frankfurt am Main  
Telephone: +49 69 / 50 60 60  
Email: fondsinformationen@lazard.com

Italy  
Lazard Asset Management (Deutschland) GmbH  
Via Dell'Orso 2, 20121 Milan  
Telephone: + 39-02-8699-8611  
Email: fondi@lazard.com

Spain, Andorra and Portugal  
Lazard Fund Managers (Ireland) Limited, Sucursal en España  
Paseo de la Castellana 140, Piso 10<sup>o</sup>, Letra E, 28046 Madrid  
Telephone : + 34 91 419 77 61  
Email: contact.es@lazard.com

United Kingdom, Finland, Ireland, Denmark, Norway and Sweden  
Lazard Asset Management Limited, 20 Manchester Square, London, W1U 3PZ  
Telephone : 0800 374 810  
Email: contactuk@lazard.com

Switzerland and Liechtenstein  
Lazard Asset Management Schweiz AG Uraniastr. 12, CH-8001 Zürich  
Telephone : +41 43 / 888 64 80  
Email: lfm.ch@lazard.com

Netherlands  
Lazard Fund Managers (Ireland) Limited.  
Amstelplein 54, 26th floor 1096BC Amsterdam  
Telephone: +31 / 20 709 3651  
Email: contact.NL@lazard.com

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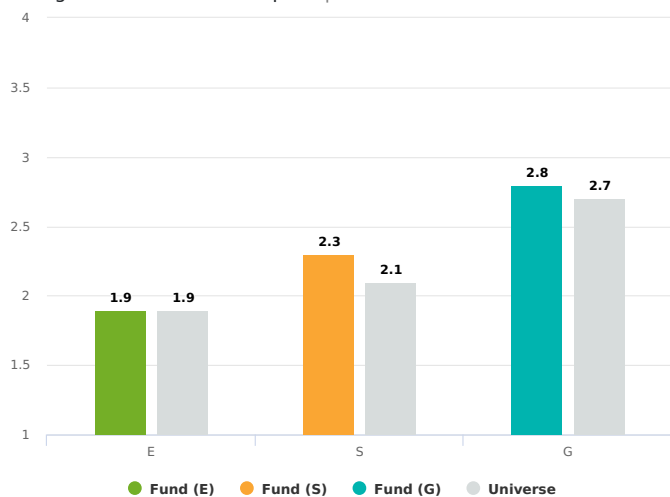
**LAZARD FRÈRES GESTION**  
**SAS au capital de 14 487 500 € – 352 213 599 RCS Paris – 25 rue de Courcelles 75008 Paris**  
**[www.lazardfreresgestion.fr](http://www.lazardfreresgestion.fr)**

ESG rating - Lazard Credit Fi SRI  
46.68

ESG rating Universe\*  
42.16

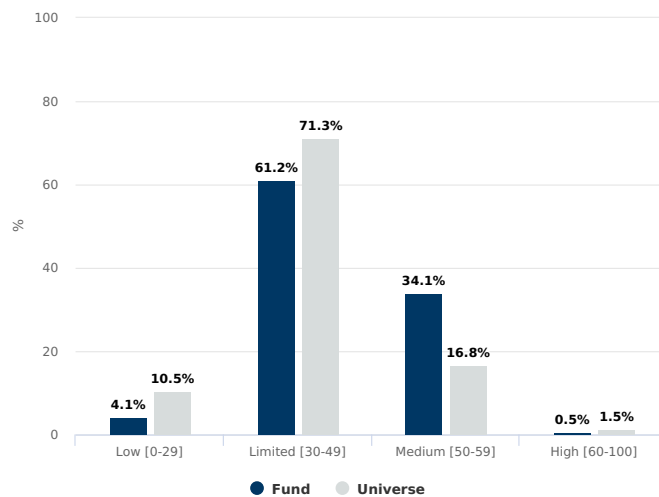
Minimum label SRI rating  
46.23

Average score on each ESG pillar | Score out of 4



Source: ISS ESG, SFJ Technologies. Fund coverage rate: 97.9%. Universe coverage rate: 99.0%  
\*Universe: Financial debt universe

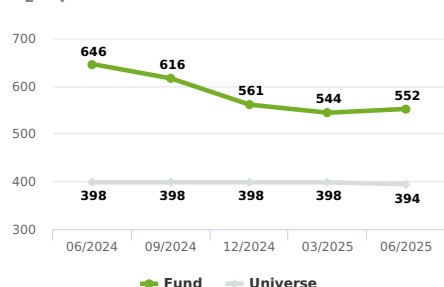
ESG score distribution in %



## ESG performance indicators

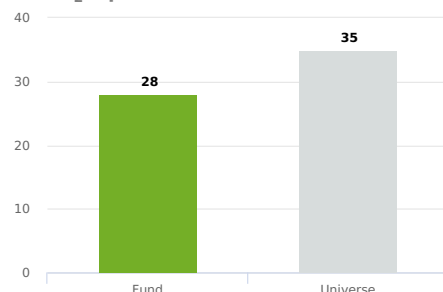
### Environmental

#### Carbon intensity Tons CO<sub>2</sub> eq./M€ of Sales

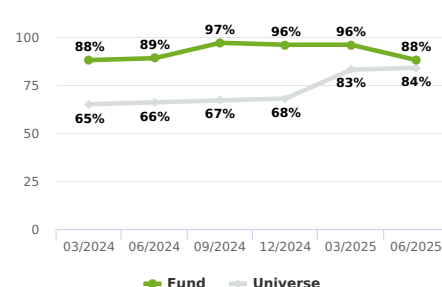


Universe: Financial debt universe  
Source: MSCI - scopes 1, 2 and 3. Fund coverage rate: 96.3% ; universe: 97.8%

#### Carbon footprint Tons CO<sub>2</sub> eq./M€ of Total assets



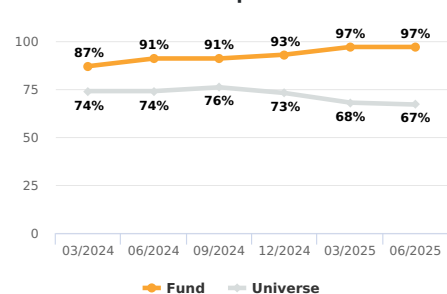
#### % Carbon reduction initiatives



Source: MSCI  
Fund coverage rate: 85.6%  
Universe coverage rate: 77.5%

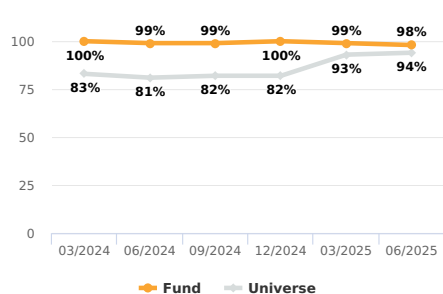
### Social

#### % of signatories to the United Nations Global Compact



Source: MSCI  
Fund coverage rate: 40.4%  
Universe coverage rate: 39.1%

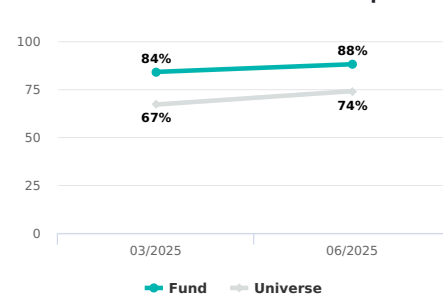
#### % of companies with a human rights policy



Source: MSCI  
Fund coverage rate: 84.9%  
Universe coverage rate: 77.3%

### Governance

#### % of companies with sustainability performance into their executive remuneration policies



Source: MSCI  
Fund coverage rate: 79.6%  
Universe coverage rate: 74.9%



## Evolution of additional ESG indicators



## SRI label commitments

List of indicators for which the fund is committed to outperforming its benchmark / universe, as defined in the SRI label guidelines:

- % of companies with a human rights policy
- % Carbon reduction initiatives

The coverage rates are expressed as the weight in the portfolio, the index, and, where applicable, the reference ESG universe, depending on the method used.

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