LAZARD CREDIT FI SRI

TC Share - EUR

10-2025

LAZARD FRÈRES GESTION

Total net assets	2688.16 M€	Inception date	Jan 30, 2018	MORNINGSTAR OVERALL	★★★★
NAV	266.84 €	ISIN Code	FR0013305935		
		Bloomberg Code	LAZCRTC	SFDR Classification	Article 8

Country of registration

MANAGER(S)

François Lavier *Alexis Lautrette* *Charles Marcoux*

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**

1 2 **3** 4 5 6 7

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

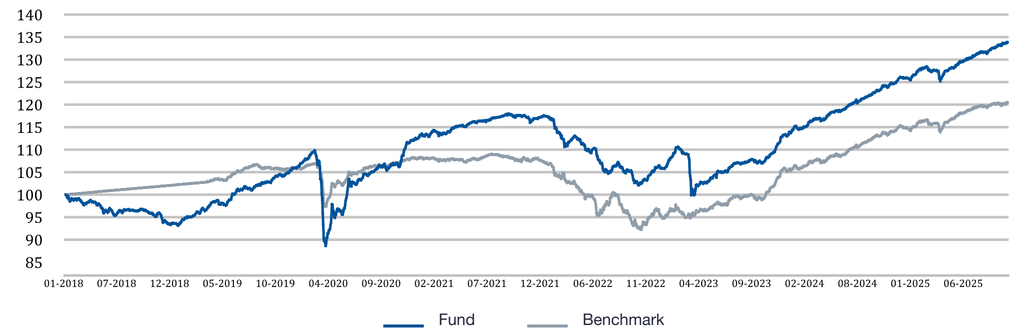
Legal Form	FCP
Legal Domicile	France
UCITS	Yes
SFDR Classification	Article 8
AMF Classification	International bonds
Eligibility to PEA (personal equity savings plan)	No
Currency	EURO
Subscribers concerned	
Inception date	30/01/2018
Date of share's first NAV calculation	30/01/2018
Management company	Lazard Frères Gestion SAS
Custodian	CACEIS Bank
Fund administration	CACEIS 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)	0.68%

**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	1 Month	YTD	1 Year	3 Years	5 Years	Inception	Annualized 3 Years	Annualized 5 Years
Fund	0.72%	6.25%	8.08%	29.48%	26.03%	33.82%	8.99%	4.74%
Benchmark	0.20%	4.88%	6.42%	28.67%	12.84%	20.45%	8.77%	2.45%
Difference	0.52%	1.37%	1.66%	0.82%	13.20%	13.37%	0.23%	2.29%

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 10 31	8.08%	6.42%
2024 10 31	14.92%	13.48%
2023 10 31	4.25%	6.59%
2022 10 31	-11.98%	-12.77%
2021 10 31	10.58%	0.53%
2020 10 31	1.88%	0.79%
2019 10 31	9.33%	4.05%

RISK RATIOS***

	1 Year	3 Years
Volatility		
Fund	2.13%	4.36%
Benchmark	2.26%	3.00%
Tracking Error	0.65%	3.83%
Information ratio	2.59	0.07
Sharpe ratio	2.65	1.36
Alpha	2.18	2.50
Beta	0.90	0.74

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LAZARD
FRÈRES GESTION

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%	5.0%	186	3.8	3.9
Net (% Expo)	4.1%	4.1%	5.0%	186	3.8	3.9

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

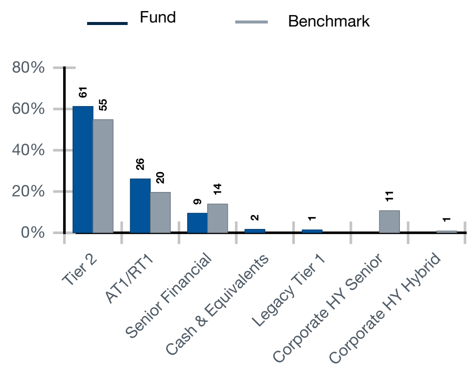
Issues Rating*	Issuers Rating*
BB+	BBB+

**Average rating*

MAIN HOLDINGS

Holdings	Weight
BANQUE POSTALE TV 19-20NO--S	2.3%
MBH BANK TV (EMTN) 25-29JA30A	2.1%
MALA.HUMA.PREV.41/2%25-20JN35A	2.1%
ATHORA HOLD. 57/8% 24-10SE34A	2.0%
ROT.LIF.7,019%(EMTN)24-10DE34A	1.7%

SUBORDINATION BREAKDOWN (%)

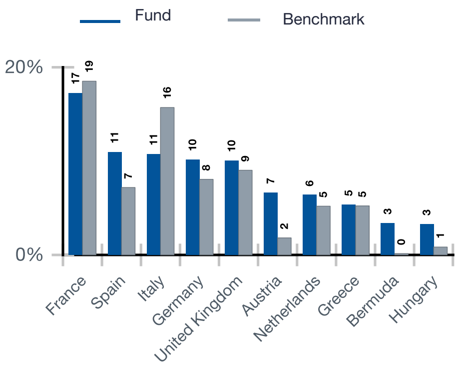


CURRENCY BREAKDOWN (%)

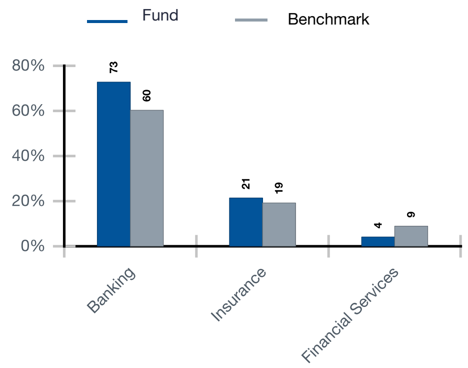
Currencies	Net Weight	Gross Weight
EUR	99.5%	82.7%
USD	0.0%	9.1%
GBP	0.1%	7.8%
Others	0.4%	0.4%

**Net exposure of FX hedges.*

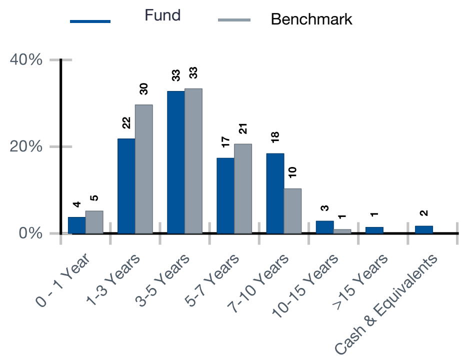
GEOGRAPHICAL BREAKDOWN % (Top Ten)



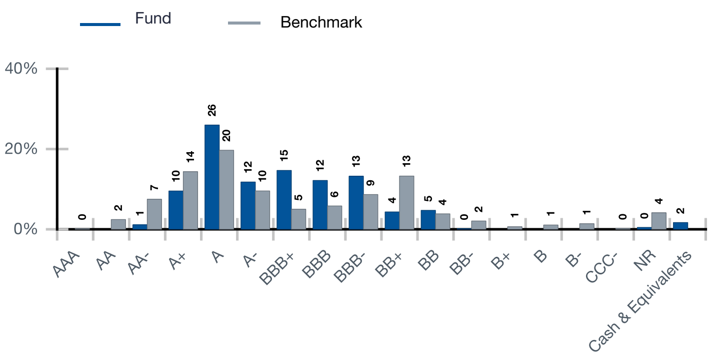
SECTOR BREAKDOWN % (Top Ten)



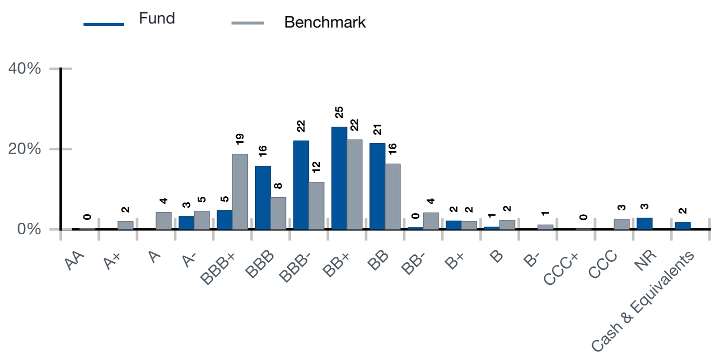
MATURITY BREAKDOWN % (Next call Date)



ISSUER RATING BREAKDOWN (%)



ISSUE RATING BREAKDOWN (%)



FUND MANAGERS COMMENT

In October, spreads were generally stable in the banking sector, with Seniors at -1 bp, T2 at -1 bp, AT1 at +3 bp (€AT1 at -1 bp), while spreads in the insurance sector widened slightly, with Seniors at +3 bp and Insurance Subordinated ending at +2 bp. Yield curves flattened in euros (from -5 bp on the short end to -7 bp on the long end), in sterling (from -22 bp to -29 bp), and in US dollars (from -3 bp to -8 bp). Monthly performance remained positive, with +0.6% for banking T2 and Seniors, +0.5% for AT1 (€AT1 +0.7%), +0.4% for insurance Seniors, and +0.6% for Insurance Subordinated.

The primary market for financials was subdued due to earnings releases, but the market was still active:
- In AT1: Lloyds issued a PerpNC10 for $1bn with a 6.625% coupon, Piraeus Bank issued a €600m PerpNC7 at 6.125%, and VakifBank's $500m AT1 PerpNC5.25 at 8.2%.
- In T2: Nationwide placed £400m in a 10.75NC5.75 at 5.5%, Garanti Bank sold $700m 10.5NC5.5 at 7.625%, DZ Bank issued €300m 10NC5 at 3.706%, and Cajamar's €750m 12NC7 at MS+175bps.
- Insurance: BPCE Assurances launched its inaugural dual-tranche Tier 2 €400m Green 10y bullet at MS+165bps and RT1 €280m Perp-7yr at 5.75%; La Mondiale placed €500m of 10y Tier 2 at MS+180bps; AXA issued EUR 750m of Perp–6.4y RT1 at 5.125% and EUR 750m of 30.8y Non-Call 10.8 Tier 2 at MS+158bps; Viridium Group priced €850m 10.1-year at 4.375%

Banks & insurance have started releasing their results: BNPP reported a ROTE of 11.4% and net income of €3bn, Crédit Agricole €1.8bn (-10% Y/Y), and Société Générale €1.52bn. In Iberia, Santander posted €10.3bn (+11% Y/Y), Abanca ROTE 15.1% with €670m (+5% Y/Y), BBVA €8bn (+5% Y/Y), Kutxabank €462m (+17% Y/Y), Unicaja €503m (+12% Y/Y), and Novo Banco €611m (stable). In Iceland, Arion Bank earned ISK 8.2bn (€55m, +4% Y/Y) and Islandbanki ISK 6.9bn (€46m, -5% Y/Y). In the Nordics, SEB ROE 14.1%, Swedbank ROE 16.0%, Svenska Handelsbanken ROE 13.3%, SEK 17.8bn (€1.6bn, -14% Y/Y), Jyske posted DKK 1.45bn (€195m, +2% Y/Y) and Danske Bank DKK 5.5bn (€740m, +1% Y/Y). In Continental Europe, Deutsche Bank achieved €7.7bn adjusted pre-tax profit (+64% Y/Y), ING €1.8bn, Bankinter ROTE 19.4%, €812m (+11% Y/Y), Intesa Sanpaolo €2.4bn (-2% Y/Y), UniCredit €8.7bn profits and UBS $2.5bn (+74% Y/Y). In the UK/Ireland, Lloyds ROTE 11.9% (14.6% excluding Motor Finance provisions), Barclays £7.3bn PBT (+13% Y/Y), NatWest posted £4.1bn YTD (vs £3.3bn in 9M24), ROTE 19.5%, HSBC reported $6.2bn excluding exceptional items, Permanent TSB stable. In Greece, Eurobank earned €1bn (-9% Y/Y) and Piraeus Bank €820m (-7% Y/Y). In Eastern Europe, Bawag €630m (+21% Y/Y), ROTCE 27.3%, Erste Group €901m (+2% Y/Y), mBank PLN 837m (€192.5m, +46.1% Y/Y), and Raiffeisen International €460m (+50% Y/Y). In Turkey, Akbank earned TL 38.9bn (€795m, +17% Y/Y), RoE 20.4%.

Regarding the insurance sector, Matmut reported premiums at €1.8bn for the 1H25 (+16.7% Y/Y), Tryg a net result at DKK 1,980m (€265m, -7.2% Y/Y), Aberdeen net flows of -£1.4bn (vs -£2.3bn), Quilter net flows of £6.4bn (+121% Y/Y), Ethias a net result at €144m for the 1H25 (+11.6% Y/Y), Crédit Agricole Assurances a net result at €1.4bn (-0.4% Y/Y), AXA an insurance revenue at €89.4bn (+7% Y/Y), and SCOR a net result at €631m (vs -€224m).

The rating agencies made several adjustments. At Moody's, Monte was upgraded to Baa3, Mediobanca was downgraded (Baa3 Senior, Ba2 T2), fifteen Spanish banks were upgraded (including Abanca by two notches), France's outlook was revised to Negative (Aa3), OTP's outlook was revised to Stable from Negative, and Sydbank's outlook was revised to Stable from Positive. S&P upgraded UniCredit to A and BNP Paribas Cardif from A- to A. Fitch upgraded Slovenia to A+, Alpha Bank and Piraeus Bank to BBB-, assigned a Positive outlook to NBG and Eurobank, and upgraded Resolution Life to A-.

Regarding M&A, BBVA's takeover bid for Banco Sabadell failed with 25.5% acceptance (below the 30% threshold), while Helaba ended talks to acquire Aareal Bank. Eurobank will buy 80% of Eurolife from Fairfax for €813 million. HSBC offered to buy the remaining 37% of Hang Seng Bank at a 30% premium, with an expected CET1 impact of -125 bps and a suspension of buybacks for three quarters. In Italy, Banco BPM and Crédit Agricole Italia are exploring a merger, and there are rumors of potential interest from BPM in Cassa di Risparmio di Asti and from Generali in Gamalife's Portuguese assets.

Otherwise, the UK FCA's motor finance redress consultation estimates a £8.2 bn cost (vs £9–18 bn prior), plus £2.8 bn in operational costs, with 85% participation expected. Implicated banks are raising their provisions following the release. Regarding Russian assets, the EU is mulling lifting sanctions on Strabag's frozen shares to compensate Raiffeisen Bank International, potentially recovering over €2 bn, while ING's exit from the country is delayed due to missing approvals from Russian authorities. Bank tax is gaining traction in Europe, with Italy introducing a 27.5% tax on 2023 reserves (€6.2 bn) and a +2 pt corporate tax hike, impacting banks' net profit by 1% to 3%.

In Lazard Credit Fi, the most important contributors to the performance have been :
- By subordination, banks Tier 2 (+0,34%) and AT1 and RT1 (+0,19%)
- By country, UK (+0,12%) and Italy (+0,12%)
- By issuer, Cassa di Risparmio di Asti (+0,04%)

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.

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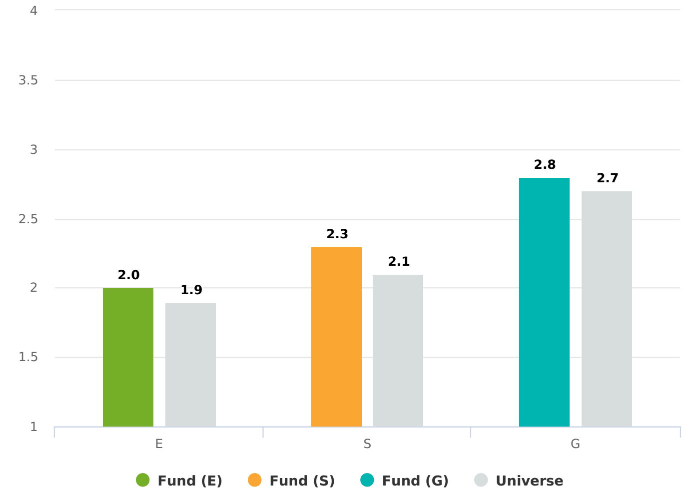
LAZARD
FRÈRES GESTION

Lazard Credit Fi SRI
SRI report

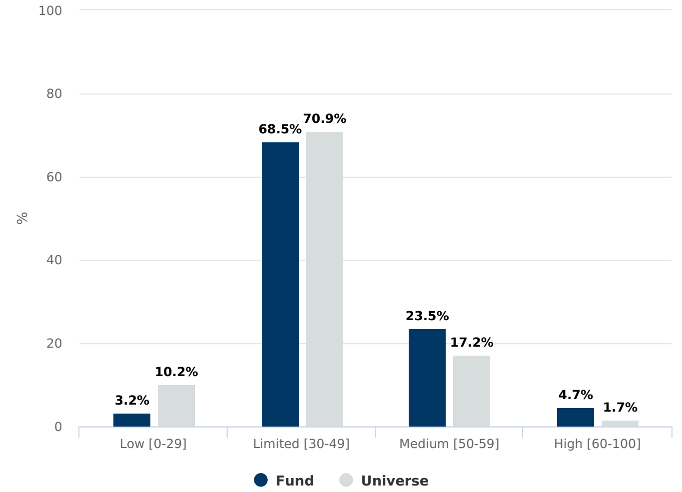
September 30th 2025

ESG rating - Lazard Credit Fi SRI	ESG rating Universe*	Minimum label SRI rating
47.04	42.62	46.72

Average score on each ESG pillar | Score out of 4



ESG score distribution in %

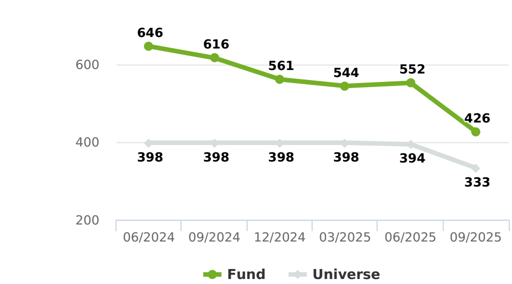


Source: ISS ESG, SFJ Technologies. Fund coverage rate: 100.0%. Universe coverage rate: 99.7%
*Universe: Financial debt universe

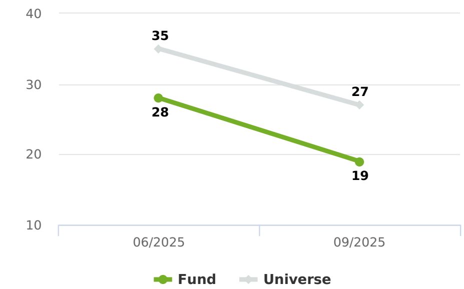
ESG performance indicators

Environmental

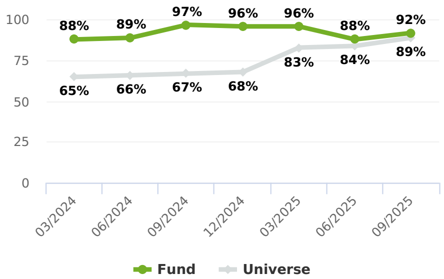
Carbon intensity
Tons CO_2 eq./M€ of Sales



Carbon footprint
Tons CO_2 eq./M€ of Total assets



% Carbon reduction initiatives

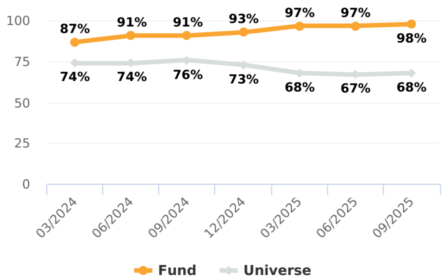


Universe: Financial debt universe
Source: MSCI - scopes 1, 2 and 3. Fund coverage rate: 98.7% ; universe: 99.0%

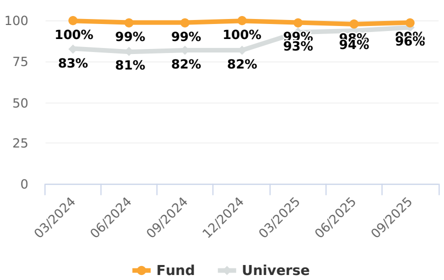
Source: MSCI
Fund coverage rate: 83.7%
Universe coverage rate: : 65.5%

Social

% of signatories to the United Nations Global Compact

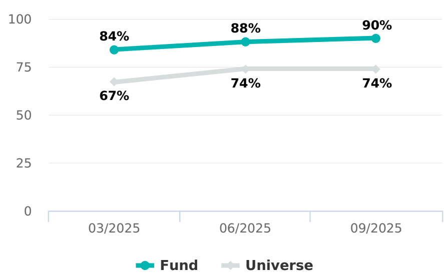


% of companies with a human rights policy



Governance

% of companies with sustainability performance into their executive remuneration policies



Source: MSCI
Fund coverage rate: 34.6%
Universe coverage rate: 39.9%

Source: MSCI
Fund coverage rate: 93.4%
Universe coverage rate: 66.7%

Source: MSCI
Fund coverage rate: 82.2%
Universe coverage rate: 77.5%

LAZARD FRÈRES GESTION

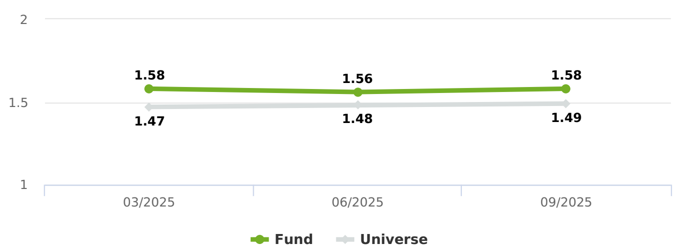
Lazard Credit Fi SRI
SRI report

September 30th 2025

Evolution of additional ESG indicators

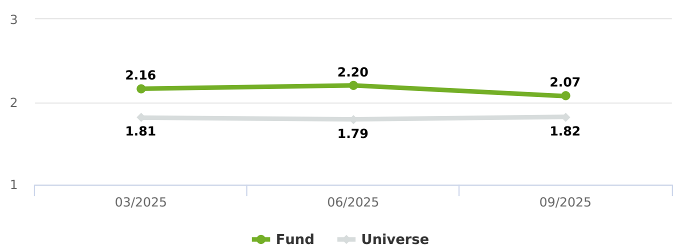
Banks			Insurances		
Environment	Social	Governance	Environment	Social	Governance
Environmentally impactful products	**Socially impactful products**	**Business ethics**	**Environmentally impactful products**	**Socially impactful products**	**Business ethics**
Description			Description		
Loans dedicated to financing projects and products with positive environmental impact.	Loans dedicated to financing projects and products with positive social impact.	Effectiveness in business ethics, compliance, and controversy management.	Insurance underwriting dedicated to projects with positive environmental impact.	Insurance underwriting dedicated to projects with positive social impact.	Effectiveness in business ethics, compliance, and controversy management.

Environmentally impactful products



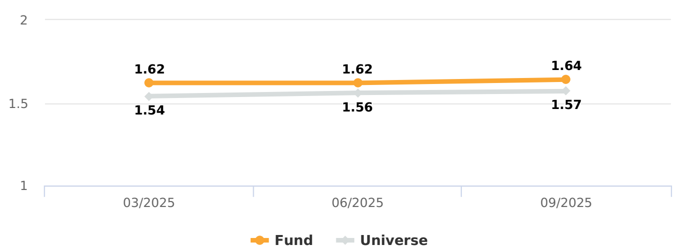
Source: ISS ESG
Fund coverage: 64.6%
Universe coverage: : 68.1%

Environmentally impactful products



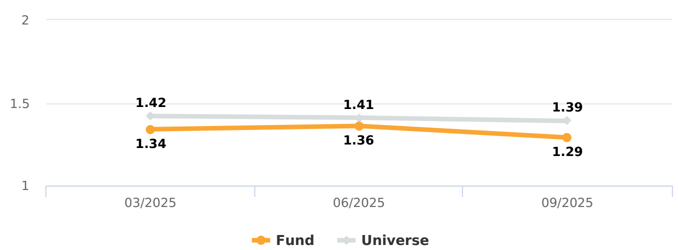
Source: ISS ESG
Fund coverage: 17.0%
Universe coverage: : 43.2%

Socially impactful products



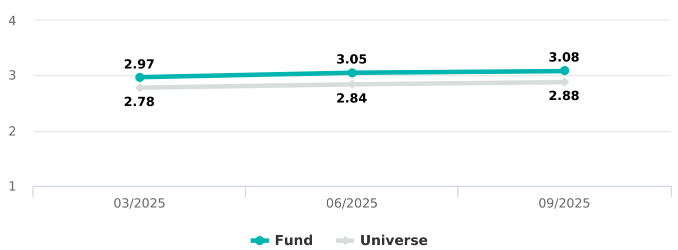
Source: ISS ESG
Fund coverage: 64.6%
Universe coverage: : 68.1%

Socially impactful products



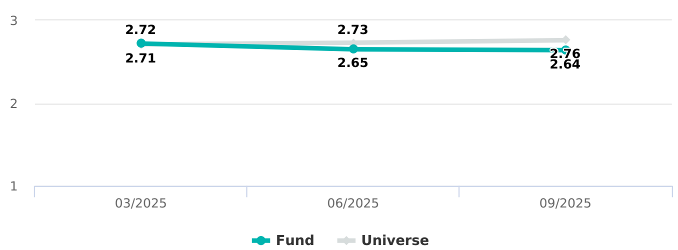
Source: ISS ESG
Fund coverage: 31.3%
Universe coverage: : 61.3%

Business ethics



Source: ISS ESG
Fund coverage: 68.4%
Universe coverage: : 77.7%

Business ethics



Source: ISS ESG
Fund coverage: 40.0%
Universe: : 74.8%

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.