



LEA 02	Discipline: Monetary	Principle: PRI 1, 2, 3
<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To enhance corporate transition or identify the need for additional or</li> <li><input type="checkbox"/> To engage internal ESG decision</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in internal staff</li> </ul>	<p><b>Type of engagement</b></p> <p>Individual/ internal staff engagements</p> <p>Collaborative engagements</p> <p>Service provider engagements</p>	<p><b>Reason for interaction</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input checked="" type="checkbox"/> To enhance corporate transition or identify the need for additional or</li> <li><input type="checkbox"/> To engage internal ESG decision</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in collaborative engagements</li> <li><input type="checkbox"/> To support investment decisionmaking in &amp; company's material ESG issues</li> <li><input type="checkbox"/> To enhance corporate transition or identify the need for additional or</li> <li><input type="checkbox"/> Other: specify</li> <li><input type="checkbox"/> We do not engage in service provider engagements</li> </ul>

# RI TRANSPARENCY REPORT

## 2019

Lazard Frères Gestion

## About this report

The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. This RI Transparency Report is one of the key outputs of this Framework. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. A copy of this report will be publicly disclosed for all reporting signatories on the [PRI website](#), ensuring accountability of the PRI Initiative and its signatories.

This report is an export of the individual Signatory organisation's response to the PRI during the 2019 reporting cycle. It includes their responses to mandatory indicators, as well as responses to voluntary indicators the signatory has agreed to make public. The information is presented exactly as it was reported. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory to select are presented in this report. Presenting the information exactly as reported is a result of signatory feedback which suggested the PRI not summarise the information. As a result, the reports can be extensive. However, to help easily locate information, there is a **Principles index** which highlights where the information can be found and summarises the indicators that signatories complete and disclose.

## Understanding the Principles Index

The Principles Index summarises the response status for the individual indicators and modules and shows how these relate to the six [Principles for Responsible Investment](#). It can be used by stakeholders as an 'at-a-glance' summary of reported information and to identify particular themes or areas of interest.

Indicators can refer to one or more Principles. Some indicators are not specific to any Principle. These are highlighted in the 'General' column. When multiple Principles are covered across numerous indicators, in order to avoid repetition, only the main Principle covered is highlighted.

All indicators within a module are presented below. The status of indicators is shown with the following symbols:

Symbol	Status
✓	The signatory has completed all mandatory parts of this indicator
☑	The signatory has completed some parts of this indicator
🔒	This indicator was not relevant for this signatory
-	The signatory did not complete any part of this indicator
⚠	The signatory has flagged this indicator for internal review

Within the table, indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.

# Principles Index

Organisational Overview				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
OO TG		-	n/a							
OO 01	Signatory category and services	✓	Public							✓
OO 02	Headquarters and operational countries	✓	Public							✓
OO 03	Subsidiaries that are separate PRI signatories	✓	Public							✓
OO 04	Reporting year and AUM	✓	Public							✓
OO 05	Breakdown of AUM by asset class	✓	Asset mix disclosed in OO 06							✓
OO 06	How would you like to disclose your asset class mix	✓	Public							✓
OO 07	Fixed income AUM breakdown	✓	Private							✓
OO 08	Segregated mandates or pooled funds	🔒	n/a							✓
OO 09	Breakdown of AUM by market	✓	Public							✓
OO 10	Active ownership practices for listed assets	✓	Public							✓
OO 11	ESG incorporation practices for all assets	✓	Public							✓
OO 12	Modules and sections required to complete	✓	Public							✓
OO LE 01	Breakdown of listed equity investments by passive and active strategies	✓	Public							✓
OO LE 02	Reporting on strategies that are <10% of actively managed listed equities	🔒	n/a							✓
OO FI 01	Breakdown of fixed income investments by passive and active strategies	✓	Public							✓
OO FI 02	Reporting on strategies that are <10% of actively managed fixed income	🔒	n/a							✓
OO FI 03	Fixed income breakdown by market and credit quality	✓	Public							✓
OO SAM 01	Breakdown of externally managed investments by passive and active strategies	🔒	n/a							✓
OO PE 01	Breakdown of private equity investments by strategy	🔒	n/a							✓
OO PE 02	Typical level of ownership in private equity investments	🔒	n/a							✓
OO PR 01	Breakdown of property investments	🔒	n/a							✓
OO PR 02	Breakdown of property assets by management	🔒	n/a							✓
OO PR 03	Largest property types	🔒	n/a							✓
OO INF 01	Breakdown of infrastructure investments	🔒	n/a							✓
OO INF 02	Breakdown of infrastructure assets by management	🔒	n/a							✓
OO INF 03	Largest infrastructure sectors	🔒	n/a							✓
OO HF 01	Breakdown of hedge funds investments by strategies	🔒	n/a							✓
OO End	Module confirmation page	✓	-							

CCStrategy and Governance				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
SG 01	RI policy and coverage	✓	Public							✓
SG 01 CC	Climate risk	🔒	n/a							✓
SG 02	Publicly available RI policy or guidance documents	✓	Public						✓	
SG 03	Conflicts of interest	✓	Public							✓
SG 04	Identifying incidents occurring within portfolios	✓	Private							✓
SG 05	RI goals and objectives	✓	Public							✓
SG 06	Main goals/objectives this year	✓	Private							✓
SG 07	RI roles and responsibilities	✓	Public							✓
SG 07 CC	Climate-issues roles and responsibilities	🔒	n/a							✓
SG 08	RI in performance management, reward and/or personal development	✓	Private							✓
SG 09	Collaborative organisations / initiatives	✓	Public				✓	✓		
SG 09.2	Assets managed by PRI signatories	🔒	n/a	✓						
SG 10	Promoting RI independently	✓	Public				✓			
SG 11	Dialogue with public policy makers or standard setters	✓	Private				✓	✓	✓	
SG 12	Role of investment consultants/fiduciary managers	✓	Public				✓			
SG 13	ESG issues in strategic asset allocation	✓	Public	✓						
SG 13 CC		🔒	n/a							✓
SG 14	Long term investment risks and opportunity	✓	Private	✓						
SG 14 CC		🔒	n/a							✓
SG 15	Allocation of assets to environmental and social themed areas	✓	Private	✓						
SG 16	ESG issues for internally managed assets not reported in framework	✓	Public							✓
SG 17	ESG issues for externally managed assets not reported in framework	🔒	n/a							✓
SG 18	Innovative features of approach to RI	✓	Private							✓
SG 19	Communication	✓	Public		✓				✓	
SG End	Module confirmation page	✓	-							

Direct - Listed Equity Incorporation				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEI 01	Percentage of each incorporation strategy	✓	Public	✓						
LEI 02	Type of ESG information used in investment decision	✓	Private	✓						
LEI 03	Information from engagement and/or voting used in investment decision-making	✓	Private	✓						
LEI 04	Types of screening applied	✓	Public	✓						
LEI 05	Processes to ensure screening is based on robust analysis	✓	Public	✓						
LEI 06	Processes to ensure fund criteria are not breached	✓	Private	✓						
LEI 07	Types of sustainability thematic funds/mandates	🔒	n/a	✓						
LEI 08	Review ESG issues while researching companies/sectors	✓	Public	✓						
LEI 09	Processes to ensure integration is based on robust analysis	✓	Public	✓						
LEI 10	Aspects of analysis ESG information is integrated into	✓	Private	✓						
LEI 11	ESG issues in index construction	🔒	n/a	✓						
LEI 12	How ESG incorporation has influenced portfolio composition	✓	Private	✓						
LEI 13	Examples of ESG issues that affected your investment view / performance	✓	Private	✓						
LEI End	Module confirmation page	✓	-							

Direct - Listed Equity Active Ownership				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
LEA 01	Description of approach to engagement	✓	Public		✓					
LEA 02	Reasoning for interaction on ESG issues	✓	Public	✓	✓	✓				
LEA 03	Process for identifying and prioritising engagement activities	✓	Public		✓					
LEA 04	Objectives for engagement activities	✓	Public		✓					
LEA 05	Process for identifying and prioritising collaborative engagement	✓	Public		✓					
LEA 06	Role in engagement process	✓	Public		✓		✓			
LEA 07	Share insights from engagements with internal/external managers	✓	Private	✓	✓					
LEA 08	Tracking number of engagements	✓	Public		✓					
LEA 09	Number of companies engaged with, intensity of engagement and effort	✓	Private		✓					
LEA 10	Engagement methods	✓	Private		✓					
LEA 11	Examples of ESG engagements	✓	Private		✓					
LEA 12	Typical approach to (proxy) voting decisions	✓	Public		✓					
LEA 13	Percentage of voting recommendations reviewed	🔒	n/a		✓					
LEA 14	Securities lending programme	✓	Private		✓					
LEA 15	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 16	Informing companies of the rationale of abstaining/voting against management	✓	Public		✓					
LEA 17	Percentage of (proxy) votes cast	✓	Public		✓					
LEA 18	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 19	Proportion of ballot items that were for/against/abstentions	✓	Public		✓					
LEA 20	Shareholder resolutions	✓	Private		✓					
LEA 21	Examples of (proxy) voting activities	-	n/a		✓					
LEA End	Module confirmation page	✓	-							

Direct - Fixed Income				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
FI 01	Incorporation strategies applied	✓	Public	✓						
FI 02	ESG issues and issuer research	✓	Private	✓						
FI 03	Processes to ensure analysis is robust	✓	Public	✓						
FI 04	Types of screening applied	🔒	n/a	✓						
FI 05	Examples of ESG factors in screening process	🔒	n/a	✓						
FI 06	Screening - ensuring criteria are met	🔒	n/a	✓						
FI 07	Thematic investing - overview	🔒	n/a	✓						
FI 08	Thematic investing - themed bond processes	🔒	n/a	✓						
FI 09	Thematic investing - assessing impact	🔒	n/a	✓						
FI 10	Integration overview	✓	Public	✓						
FI 11	Integration - ESG information in investment processes	✓	Public	✓						
FI 12	Integration - E,S and G issues reviewed	✓	Public	✓						
FI 13	ESG incorporation in passive funds	🔒	n/a	✓						
FI 14	Engagement overview and coverage	🔒	n/a		✓					
FI 15	Engagement method	🔒	n/a	✓	✓					
FI 16	Engagement policy disclosure	🔒	n/a	✓	✓					
FI 17	Financial/ESG performance	✓	Private							✓
FI 18	Examples - ESG incorporation or engagement	-	n/a	✓	✓					
FI End	Module confirmation page	✓	-							

Confidence building measures				Principle						General
Indicator	Short description	Status	Disclosure	1	2	3	4	5	6	
CM 01	Assurance, verification, or review	✓	Public							✓
CM 02	Assurance of last year's PRI data	✓	Public							✓
CM 03	Other confidence building measures	✓	Public							✓
CM 04	Assurance of this year's PRI data	✓	Public							✓
CM 05	External assurance	🔒	n/a							✓
CM 06	Assurance or internal audit	🔒	n/a							✓
CM 07	Internal verification	✓	Public							✓
CM 01 End	Module confirmation page	✓	-							



# Lazard Frères Gestion

## Reported Information

### Public version

### Organisational Overview

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Basic information

OO 01

Mandatory

Public

Gateway/Peering

General

OO 01.1

Select the services and funds you offer

Select the services and funds you offer	% of asset under management (AUM) in ranges
Fund management	<input type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input checked="" type="radio"/> >50%
Fund of funds, manager of managers, sub-advised products	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Other	<input checked="" type="radio"/> 0% <input type="radio"/> <10% <input type="radio"/> 10-50% <input type="radio"/> >50%
Total 100%	

Further options (may be selected in addition to the above)

- Hedge funds
- Fund of hedge funds

OO 02

Mandatory

Public

Peering

General

OO 02.1

Select the location of your organisation's headquarters.

France

OO 02.2

Indicate the number of countries in which you have offices (including your headquarters).

- 1
- 2-5
- 6-10
- >10

**OO 02.3** Indicate the approximate number of staff in your organisation in full-time equivalents (FTE).

FTE

152

**OO 03** **Mandatory** **Public** **Descriptive** **General**

**OO 03.1** Indicate whether you have subsidiaries within your organisation that are also PRI signatories in their own right.

- Yes
- No

**OO 04** **Mandatory** **Public** **Gateway/Peering** **General**

**OO 04.1** Indicate the year end date for your reporting year.

31/12/2018

**OO 04.2** Indicate your total AUM at the end of your reporting year.

Include the AUM of subsidiaries, but exclude advisory/execution only assets, and exclude the assets of your PRI signatory subsidiaries that you have chosen not to report on in OO 03.2

	trillions	billions	millions	thousands	hundreds
Total AUM		21	361	000	000
Currency	EUR				
Assets in USD		24	370	618	187

Not applicable as we are in the fund-raising process

**OO 04.4** Indicate the total assets at the end of your reporting year subject to an execution and/or advisory approach.

Not applicable as we do not have any assets under execution and/or advisory approach

**OO 06** **Mandatory** **Public** **Descriptive** **General**

**OO 06.1** Select how you would like to disclose your asset class mix.

as percentage breakdown

	Internally managed (%)	Externally managed (%)
Listed equity	56	0

Fixed income	22	0
Private equity	0	0
Property	0	0
Infrastructure	0	0
Commodities	0	0
Hedge funds	0	0
Fund of hedge funds	0	0
Forestry	0	0
Farmland	0	0
Inclusive finance	0	0
Cash	0	0
Money market instruments	4	0
Other (1), specify	9	0
Other (2), specify	9	0

'Other (1)' specified

Structured Products / Life Insurance

'Other (2)' specified

Convertible bonds

as broad ranges

**OO 06.2**

Publish asset class mix as per attached image [Optional].

**OO 06.3**

Indicate whether your organisation has any off-balance sheet assets [Optional].

Yes

No

**OO 06.5** Indicate whether your organisation uses fiduciary managers.

- Yes, we use a fiduciary manager and our response to OO 5.1 is reflective of their management of our assets.
- No, we do not use fiduciary managers.

**OO 09**

**Mandatory**

**Public**

**Peering**

**General**

**OO 09.1** Indicate the breakdown of your organisation's AUM by market.

Developed Markets

86

Emerging Markets

6

Frontier Markets

5

Other Markets

3

Total 100%

100%

### Asset class implementation gateway indicators

**OO 10**

**Mandatory**

**Public**

**Gateway**

**General**

**OO 10.1** Select the active ownership activities your organisation implemented in the reporting year.

Listed equity – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors.

Listed equity – voting

- We cast our (proxy) votes directly or via dedicated voting providers
- We do not cast our (proxy) votes directly and do not require external managers to vote on our behalf

### Fixed income SSA – engagement

- We engage with SSA bond issuers on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with SSA bond issuers on ESG factors. Please explain why you do not.

Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors.

We do not have sufficient tools (data providers & ESG expertise) to evaluate properly the needs of improvement concerning sovereign issuers. Furthermore, our bargaining power is very limited with those issuers.

### Fixed income Corporate (financial) – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors.

We take ESG factors into account in our investment policy, but we do not have the means to engage with companies yet.

### Fixed income Corporate (non-financial) – engagement

- We engage with companies on ESG factors via our staff, collaborations or service providers.
- We do not engage directly and do not require external managers to engage with companies on ESG factors. Please explain why you do not.

Please explain why you do not engage directly and do not require external managers to engage with companies on ESG factors.

We take ESG factors into account in our investment policy, but we do not have the means to engage with companies yet.

OO 11

Mandatory

Public

Gateway

General

OO 11.1

Select the internally managed asset classes in which you addressed ESG incorporation into your investment decisions and/or your active ownership practices (during the reporting year).

#### Listed equity

- We address ESG incorporation.
- We do not do ESG incorporation.

#### Fixed income - SSA

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - corporate (financial)

- We address ESG incorporation.
- We do not do ESG incorporation.

Fixed income - corporate (non-financial)

- We address ESG incorporation.
- We do not do ESG incorporation.

Money market instruments

- We address ESG incorporation.
- We do not do ESG incorporation.

Other (1)

- We address ESG incorporation.
- We do not do ESG incorporation.

Other (2)

- We address ESG incorporation.
- We do not do ESG incorporation.

'Other (1)' [as defined in OO 05]

Structured Products / Life Insurance

'Other (2)' [as defined in OO 05]

Convertible bonds

OO 12	Mandatory	Public	Gateway	General
-------	-----------	--------	---------	---------

**OO 12.1** Below are all applicable modules or sections you may report on. Those which are mandatory to report (asset classes representing 10% or more of your AUM) are already ticked and read-only. Those which are voluntary to report on can be opted into by ticking the box.

Core modules

- Organisational Overview
- Strategy and Governance

RI implementation directly or via service providers

Direct - Listed Equity incorporation

- Listed Equity incorporation

Direct - Listed Equity active ownership

- Engagements
- (Proxy) voting

Direct - Fixed Income

- Fixed income - SSA
- Fixed income - Corporate (financial)
- Fixed income - Corporate (non-financial)

RI implementation via external managers

Closing module

- Closing module

Peering questions

OO LE 01	Mandatory	Public	Gateway	General
----------	-----------	--------	---------	---------

OO LE 01.1	Provide a breakdown of your internally managed listed equities by passive, active - quantitative (quant), active - fundamental and active - other strategies.
------------	---

Update: this indicator has changed from "Mandatory to report, voluntary to disclose" to "Mandatory". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

Percentage of internally managed listed equities



Strategies	Percentage of internally managed listed equities
Passive	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Active - quantitative (quant)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%
Active - fundamental and active - other	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%
Total 100%	

OO FI 01	Mandatory	Public	Gateway	General
----------	-----------	--------	---------	---------

Update: this indicator has changed from "Mandatory to report, voluntary to disclose" to "Mandatory". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

OO FI 01.1	Provide a breakdown of your internally managed fixed income securities by active and passive strategies
------------	---

Type	Passive	Active - quantitative	Active - fundamental & others	Total internally managed fixed income security
SSA	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>
Corporate (financial)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>
Corporate (non-financial)	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input checked="" type="radio"/> 0%	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>

<b>OO FI 03</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
-----------------	------------------	---------------	--------------------	----------------

Update: this indicator has changed from "Mandatory to report, voluntary to disclose" to "Mandatory". **Your response to this indicator will be published in the Public Transparency Report.** This change is to enable improved analysis and peering.

**OO FI 03.1** Indicate the approximate (+/- 5%) breakdown of your SSA investments, by developed markets and emerging markets.



**OO FI 03.2** Indicate the approximate (+/- 5%) breakdown of your corporate and securitised investments by investment grade or high-yield securities.

Type	Investment grade (+/- 5%)	High-yield (+/- 5%)	Total internally managed
Corporate (financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>
Corporate (non-financial)	<input checked="" type="radio"/> >50% <input type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<input type="radio"/> >50% <input checked="" type="radio"/> 10-50% <input type="radio"/> <10% <input type="radio"/> 0%	<b>100%</b>

If you are invested in private debt and reporting on ratings is not relevant for you, please indicate below

OO FI 03.2 is not applicable as our internally managed fixed income assets are invested only in private debt.

# Lazard Frères Gestion

## Reported Information

### Public version

### Strategy and Governance

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Investment policy

SG 01

Mandatory

Public

Core Assessed

General

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input type="checkbox"/> Fiduciary (or equivalent) duties <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input checked="" type="checkbox"/> Screening / exclusions policy <input checked="" type="checkbox"/> Engagement policy <input checked="" type="checkbox"/> (Proxy) voting policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input type="radio"/> Applicable policies cover all AUM <input checked="" type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

**SG 01.3**

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

**SG 01.4**

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

At Lazard Frères Gestion, we strongly believe that the sustainability of an issuer's economic performance hinges on environmental, social and governance (ESG) factors.

The long-term performance of investments does not simply consider financial strategy; it must also respect the interaction between the company and its social, economic and financial environment.

Our global approach can be summarised as follows :

- In-depth corporate financial analysis, covering the quality of assets, financial strength, cash flow forecasts and reinvestment by the company, economic profitability momentum and sustainability, and the quality of the management.
- This sustainability assessment is backed by an appraisal of extra-financial criteria :Social criteria, through the valuation of human capital
- Environmental criteria, prevention of environmental risks
- Governance criteria, by respecting the balance between management and shareholder structures to prevent potential conflicts of interest and ensure the respect of minority shareholder interests
- 

**SG 01.5**

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

At Lazard Frères Gestion we believe that actively addressing environmental, social and corporate governance (ESG) considerations is essential for the sustainability of any company's economic performance. This is why ESG criteria are naturally embedded into our investment process.

Our responsible investment policy covers our different investment strategies, equities, convertible bonds and fixed income.

The extent of, and approaches to, ESG integration can vary depending on the asset class and investment process. Our goal is always to gain a greater understanding of ESG risks that could have a material effect on a company valuation or a sovereign asset.

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 02	Mandatory	Public	Core Assessed	PRI 6
-------	-----------	--------	---------------	-------

New selection options have been added to this indicator. Please review your prefilled responses carefully.

**SG 02.1** Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.

Policy setting out your overall approach

URL/Attachment

URL

URL

{hyperlink:[http://www.lazardfreresgestion.fr/EN/ESG-ISR\\_102.html](http://www.lazardfreresgestion.fr/EN/ESG-ISR_102.html)}

Attachment (will be made public)

Attachment

[File 1:Politique ESG - EN FINAL.docx](#)

Formalised guidelines on environmental factors

URL/Attachment

URL

URL

{hyperlink:[http://www.lazardfreresgestion.fr/EN/ESG-ISR\\_102.html](http://www.lazardfreresgestion.fr/EN/ESG-ISR_102.html)}

Attachment (will be made public)

Attachment

[File 1:Politique ESG - EN FINAL.docx](#)

Formalised guidelines on social factors

URL/Attachment

URL

URL

{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR\_102.html}

Attachment (will be made public)

Attachment

[File 1:Politique ESG - EN FINAL.docx](#)

Formalised guidelines on corporate governance factors

URL/Attachment

URL

URL

{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR\_102.html}

Attachment (will be made public)

Attachment

[File 1:Politique ESG - EN FINAL.docx](#)

Asset class-specific RI guidelines

URL/Attachment

URL

URL

{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR\_102.html}

Attachment (will be made public)

Attachment

[File 1:Politique ESG - EN FINAL.docx](#)

Screening / exclusions policy

URL/Attachment

URL



URL

{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR\_102.html}

Attachment (will be made public)

Attachment

[File 1:Politique ESG - EN FINAL.docx](#)

Engagement policy

URL/Attachment

URL

URL

{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR\_102.html}

Attachment (will be made public)

Attachment

[File 1:POLITIQUE DENGAGEMENT ENG.pdf](#)

(Proxy) voting policy

URL/Attachment

URL

URL

{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR\_102.html}

Attachment (will be made public)

Attachment

[File 1:FINAL POLITIQUE VOTE ENG.pdf](#)

We do not publicly disclose our investment policy documents

**SG 02.2** Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.

Your organisation's definition of ESG and/or responsible investment and it's relation to investments

URL/Attachment

URL

URL

{hyperlink:[http://www.lazardfreresgestion.fr/EN/ESG-ISR\\_102.html](http://www.lazardfreresgestion.fr/EN/ESG-ISR_102.html)}

Attachment

File Attachment

{hyperlink:Politique ESG - EN FINAL.docx [44KB]}

Your investment objectives that take ESG factors/real economy influence into account

URL/Attachment

URL

URL

{hyperlink:[http://www.lazardfreresgestion.fr/EN/ESG-ISR\\_102.html](http://www.lazardfreresgestion.fr/EN/ESG-ISR_102.html)}

Attachment

File Attachment

{hyperlink:Politique ESG - EN FINAL.docx [44KB]}

Time horizon of your investment

URL/Attachment

URL

URL

{hyperlink:[http://www.lazardfreresgestion.fr/EN/ESG-ISR\\_102.html](http://www.lazardfreresgestion.fr/EN/ESG-ISR_102.html)}

Attachment

File Attachment

{hyperlink:Politique ESG - EN FINAL.docx [44KB]}

ESG incorporation approaches

URL/Attachment

URL

URL

{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR\_102.html}

Attachment

File Attachment

{hyperlink:Politique ESG - EN FINAL.docx [44KB]}

Active ownership approaches

URL/Attachment

URL

URL

{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR\_102.html}

Attachment

File Attachment

{hyperlink:POLITIQUE DENGAGEMENT ENG.pdf [2930KB]}

Reporting

URL/Attachment

URL

URL

{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR\_102.html}

Attachment

File Attachment

{hyperlink:Politique ESG - EN FINAL.docx [44KB]}

Climate change

URL/Attachment

URL

URL

{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR\_102.html}

Attachment

File Attachment

{hyperlink:Politique ESG - EN FINAL.docx [44KB]}

Understanding and incorporating client / beneficiary sustainability preferences

URL/Attachment

URL

URL

{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR\_102.html}

Attachment

File Attachment

{hyperlink:Politique ESG - EN FINAL.docx [44KB]}

We do not publicly disclose any investment policy components

SG 03	Mandatory	Public	Core Assessed	General
-------	-----------	--------	---------------	---------

SG 03.1	Indicate if your organisation has a policy on managing potential conflicts of interest in the investment process.
---------	---

Yes

SG 03.2	Describe your policy on managing potential conflicts of interest in the investment process.
---------	---

Lazard Frères Gestion applies the relevant regulations in formulating its provisions for preventing and managing conflicts of interest and it includes measures at organisation level as well as administrative procedures to address and control operations aimed at preventing the various types of conflict of interest.

Lazard Frères Gestion has put permanent control provisions in place to safeguard procedures to pre-empt conflicts of interest and to detect any conflicts of interest that arise despite the preventative measures, and with a view to resolving them fairly.

Lazard Frères Gestion checks that staff uphold the professional obligations to which the company is subject when carrying out its business and that this business is carried out in full compliance with the relevant regulatory provisions. As such, organisation related measures and procedural guidelines have been put in place to pre-empt the risk of any conflicts of interest situations arising.

The Head of Compliance and Internal Control regularly reviews all situations that could generate conflicts of interest.

The Head of Compliance and Internal Control ensures all relevant information is stored, monitored, and maintained by mapping conflicts of interest.

No

SG 03.3	Additional information. [Optional]
---------	------------------------------------

Our actions aim at:

- Preventing the various types of conflict of interest.
- Establishing and maintaining an appropriate conflict of interest management policy.
- Identifying situations that generate or could generate conflicts of interest.
- Keeping and updating a register of activities that have generated or could generate conflicts of interest.

- Identifying preventative measures as well as an appropriate framework to avoid all conflicts of interest or if not possible then to contain any conflicts of interest that do arise.
- Informing clients and soliciting their decision when for any particular transaction the measures being implemented cannot reasonably guarantee that the risk of damaging the client's interest will be avoided.

If, despite all possible precautions being taken, unavoidable conflict of interest situations arise that could damage client interests, Lazard Frères Gestion procedures intend for suitable measures be sought and put in place by Lazard Frères Gestion management with support from the Head of Compliance and Internal Control and any other relevant department. If the measures implemented cannot be reasonably certain to guarantee that client interests will be protected, Lazard Frères Gestion writes to inform the client of the nature and/or source of the conflict of interest so that the client can subsequently make a fully informed decision.

## Objectives and strategies

<b>SG 05</b>	<b>Mandatory</b>	<b>Public</b>	<b>Gateway/Core Assessed</b>	<b>General</b>
--------------	------------------	---------------	------------------------------	----------------

**SG 05.1** Indicate if and how frequently your organisation sets and reviews objectives for its responsible investment activities.

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad-hoc basis
- It is not set/reviewed

## Governance and human resources

<b>SG 07</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>General</b>
--------------	------------------	---------------	----------------------	----------------

**SG 07.1** Indicate the internal and/or external roles used by your organisation, and indicate for each whether they have oversight and/or implementation responsibilities for responsible investment.

### Roles

- Board members or trustees
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Internal Roles (triggers other options)

Select from the below internal roles

- Chief Executive Officer (CEO), Chief Investment Officer (CIO), Chief Operating Officer (COO), Investment Committee
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Other Chief-level staff or head of department, specify
  - Managing Director - Institutional Sales department**
    - Oversight/accountability for responsible investment
    - Implementation of responsible investment
    - No oversight/accountability or implementation responsibility for responsible investment
- Portfolio managers
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investment analysts
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Dedicated responsible investment staff
  - Oversight/accountability for responsible investment
  - Implementation of responsible investment
  - No oversight/accountability or implementation responsibility for responsible investment
- Investor relations
- Other role, specify (1)

Other description (1)

**Chief Compliance Officer**

- Oversight/accountability for responsible investment
- Implementation of responsible investment
- No oversight/accountability or implementation responsibility for responsible investment
- Other role, specify (2)
- External managers or service providers

**SG 07.2**

For the roles for which you have RI oversight/accountability or implementation responsibilities, indicate how you execute these responsibilities.

- **Chief Compliance Officer**

He ensures the correct application of ESG and voting policy and the clear understanding of the regulatory requirements, through audits and regular reportings.

- **Chief Operating Officer**

He's responsible for the operational strategy of the company. He is in charge of optimizing revenues and margins, but also of participating in the development of the business by anticipating market developments. ESG issues are part of his remit He reports directly to the general management.

- Managing Director - Institutional Sales departement

He's in charge of coordination of all ESG topics for Lazard Freres Gestion. His position is strategic and allows us to better respond to institutional investors needs. He heads the ESG committee that he created in 2016.

- Portfolio managers = Investment analysts

Portfolio manager-analysts are responsible for the ESG analysis. Their goal is to gain a greater understanding of ESG risks that could have a material effect on a company valuation. To achieve this, our portfolio manager-analysts regularly meet the management of the listed companies, around 900 meetings per year. The extent of, and approaches to, ESG integration can vary depending on the asset class and investment process :

- Equities: ESG criteria are embedded in the risk premium of our valuation models
- Convertible bonds: our ESG criteria analysis is included in our investment scenarios
- Fixed income: ESG criteria are included in our assessment of the credit spread

- Dedicated responsible investment staff

RI team is in charge of implementing aspects of the organization's responsible investment practices, for example, incorporating ESG issues into investment strategies, voting in general meetings and policy matters. In addition, RI team is also in charge of conducting ESG-related research, and works closely with asset managers on various ESG matters.

<b>SG 07.3</b>	Indicate the number of dedicated responsible investment staff your organisation has.
----------------	--

Number
--------

2

I confirm I have read and understood the Accountability tab for SG 07
---

I confirm I have read and understood the Accountability tab for SG 07

## Promoting responsible investment

<b>SG 09</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 4,5</b>
--------------	------------------	---------------	----------------------	----------------

<b>SG 09.1</b>	Select the collaborative organisation and/or initiatives of which your organisation is a member or in which it participated during the reporting year, and the role you played.
----------------	---

**Select all that apply**

- Principles for Responsible Investment

Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative.  
[Optional]

We met with Benjamin Leblique, a representative of the PRI, in summer 2018. He presented us all the services available to investors as well as the latest PRI news, and we in return presented ESG practices at Lazard Frères Gestion.

- Asian Corporate Governance Association
- Australian Council of Superannuation Investors
- AFIC – La Commission ESG
- BVCA – Responsible Investment Advisory Board
- CDP Climate Change
- CDP Forests
- CDP Water
- CFA Institute Centre for Financial Market Integrity
- Code for Responsible Investment in SA (CRISA)
- Code for Responsible Finance in the 21st Century
- Council of Institutional Investors (CII)
- Eumedion
- Extractive Industries Transparency Initiative (EITI)
- ESG Research Australia
- Invest Europe Responsible Investment Roundtable
- Global Investors Governance Network (GIGN)
- Global Impact Investing Network (GIIN)
- Global Real Estate Sustainability Benchmark (GRESB)
- Green Bond Principles
- Institutional Investors Group on Climate Change (IIGCC)
- Interfaith Center on Corporate Responsibility (ICCR)
- International Corporate Governance Network (ICGN)
- Investor Group on Climate Change, Australia/New Zealand (IGCC)
- International Integrated Reporting Council (IIRC)
- Investor Network on Climate Risk (INCR)/CERES
- Local Authority Pension Fund Forum
- Principles for Sustainable Insurance
- Regional or National Social Investment Forums (e.g. UKSIF, Eurosif, ASRIA, RIAA), specify  
SPAINSIF



Your organisation's role in the initiative during the reporting period (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

Throughout 2018, Lazard Frères Gestion's spanish office contributed to the organisation or content of events organised by the initiative.

- Responsible Finance Principles in Inclusive Finance
- Shareholder Association for Research and Education (Share)
- United Nations Environmental Program Finance Initiative (UNEP FI)
- United Nations Global Compact
- Other collaborative organisation/initiative, specify

The Responsible Investment Committee within the AFG (the French Asset Management Association)

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

As member of the Responsible investment committee within the AFG, we take part in quarterly meeting, taking place at the AFG office. The committee is composed of investment industry professionals (consultants, esg analyst from asset management firms and insurers). We participated to all 4 meetings throughout 2018.

- Other collaborative organisation/initiative, specify

Club Ampere

Your organisation's role in the initiative during the reporting year (see definitions)

- Basic
- Moderate
- Advanced

Provide a brief commentary on the level of your organisation's involvement in the initiative. [Optional]

We joined "Club Ampere", a work group, composed of investment industry professionals (consultants, esg analyst from asset management firms and insurers). We take part to group session, which take place once a month.

The main goal of this work group is to build a "responsible investment dictionary" that will be available to European asset managers and investors.

- Other collaborative organisation/initiative, specify
- Other collaborative organisation/initiative, specify

SG 10	Mandatory	Public	Core Assessed	PRI 4
-------	-----------	--------	---------------	-------

SG 10.1	Indicate if your organisation promotes responsible investment, independently of collaborative initiatives.
---------	--

Yes

SG 10.2	Indicate the actions your organisation has taken to promote responsible investment independently of collaborative initiatives. Provide a description of your role in contributing to the objectives of the selected action and the typical frequency of your participation/contribution.
---------	--

- Provided or supported education or training programmes (this includes peer to peer RI support) Your education or training may be for clients, investment managers, actuaries, broker/dealers, investment consultants, legal advisers etc.)
- Provided financial support for academic or industry research on responsible investment
- Provided input and/or collaborated with academia on RI related work
- Encouraged better transparency and disclosure of responsible investment practices across the investment industry

	Description
--	-------------

We responded to the AFG (Association Française de la Gestion Financière) Responsible Investment survey. The survey helps the AFG build a database on the evolution of ESG incorporation in French asset managers' investment strategy.

	Frequency of contribution
--	---------------------------

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Spoke publicly at events and conferences to promote responsible investment

	Description
--	-------------

In June 2018, Lazard Frères Gestion participated to the SRI week in Barcelona, where it presented its SRI approach.

### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Wrote and published in-house research papers on responsible investment
  - Encouraged the adoption of the PRI
  - Responded to RI related consultations by non-governmental organisations (OECD, FSB etc.)
  - Wrote and published articles on responsible investment in the media
  - A member of PRI advisory committees/ working groups, specify
  - On the Board of, or officially advising, other RI organisations (e.g. local SIFs)

### Description

Throughout 2018, Lazard Frères Gestion participated to a number of SRI initiatives under the SPAINIF aegis.  
In March 2018, Lazard Frères Gestion under the SPAINIF aegis, presented its SRI approach in Madrid

### Frequency of contribution

- Quarterly or more frequently
  - Biannually
  - Annually
  - Less frequently than annually
  - Ad hoc
  - Other
- Other, specify

### specify description

We joined "Club Ampere" in 2018

### Description

We joined "Club Ampere", a work group, composed of investment industry professionals (consultants, esg analyst from asset management firms and insurers). We take part to group session, which take place once a month.

The main goal of this work group is to build a "responsible investment dictionary" that will be available to European asset managers and investors.

Frequency of contribution
---------------------------

- Quarterly or more frequently
- Biannually
- Annually
- Less frequently than annually
- Ad hoc
- Other
- No

<b>Outsourcing to fiduciary managers and investment consultants</b>
---

<b>SG 12</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 4</b>
--------------	------------------	---------------	----------------------	--------------

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

<b>SG 12.1</b>	Indicate whether your organisation uses investment consultants.
----------------	---

- Yes, we use investment consultants
- No, we do not use investment consultants.

<b>ESG issues in asset allocation</b>
---------------------------------------

<b>SG 13</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
--------------	------------------	---------------	--------------------	--------------

<b>SG 13.1</b>	Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
----------------	--

- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

<b>Asset class implementation not reported in other modules</b>
---

<b>SG 16</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
--------------	------------------	---------------	--------------------	----------------

<b>SG 16.1</b>	Describe how you address ESG issues for internally managed assets for which a specific PRI asset class module has yet to be developed or for which you are not required to report because your assets are below the minimum threshold.
----------------	--

Asset Class	Describe what processes are in place and the outputs or outcomes achieved
Fixed income - SSA	Fund manager-analysts consult the extra-financial research provided by our partners and check the financial valuation is consistent with extra-financial ratings.  We don't provide a standardized approach to ESG that all asset managers have to implement. Instead, the responsibility for defining the best or most suitable ESG approach for a specific investment portfolio rests with the respective asset manager.
Money market instruments	Fixed Income analysts consult the extra-financial research provided by our partners and check the financial valuation is consistent with extra-financial ratings.  We don't provide a standardized approach to ESG that all asset managers have to implement. Instead, the responsibility for defining the best or most suitable ESG approach for a specific investment portfolio rests with the respective asset manager.
Other (2) [as defined in Organisational Overview module]	Fund manager-analysts carry out extra-financial analysis that is included in investment scenarios. Six criteria are examined: human resources, corporate governance, human rights, the environment, supply chains, and the community, and each one is critically reviewed. To carry out their reviews, the portfolio manager-analysts use several information sources including Vigeo Eiris research, company CSR reports, direct interaction with companies or brokers, and public information

## Communication

SG 19	Mandatory	Public	Core Assessed	PRI 2, 6
-------	-----------	--------	---------------	----------

### SG 19.1

Indicate whether your organisation typically discloses asset class specific information proactively. Select the frequency of the disclosure to clients/beneficiaries and the public, and provide a URL to the public information.

**Caution! The order in which asset classes are presented below has been updated in the online tool to match the Reporting Framework overview.**

If you are transferring data from an offline document, please check your response carefully.

Listed equity - Incorporation

Do you disclose?

- We do not proactively disclose it to the public and/or clients/beneficiaries
- We disclose to clients/beneficiaries only.
- We disclose it publicly

The information disclosed to clients/beneficiaries is the same

- Yes
- No

<b>Disclosure to public and URL</b>	
<b>Disclosure to public and URL</b>	<input type="radio"/> Broad approach to ESG incorporation <input checked="" type="radio"/> Detailed explanation of ESG incorporation strategy used
<b>Frequency</b>	<input type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested
<b>URL</b>	{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR_102.html}

**Listed equity - Engagement**

**Do you disclose?**

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

**The information disclosed to clients/beneficiaries is the same**

- Yes
- No

<b>Disclosure to public and URL</b>	
Disclosure to public and URL	<input checked="" type="checkbox"/> Details on the overall engagement strategy <input type="checkbox"/> Details on the selection of engagement cases and definition of objectives of the selections, priorities and specific goals <input type="checkbox"/> Number of engagements undertaken <input type="checkbox"/> Breakdown of engagements by type/topic <input type="checkbox"/> Breakdown of engagements by region <input type="checkbox"/> An assessment of the current status of the progress achieved and outcomes against defined objectives <input type="checkbox"/> Examples of engagement cases <input type="checkbox"/> Details on eventual escalation strategy taken after the initial dialogue has been unsuccessful (i.e. filing resolutions, issuing a statement, voting against management, divestment etc.) <input type="checkbox"/> Details on whether the provided information has been externally assured <input type="checkbox"/> Outcomes that have been achieved from the engagement <input type="checkbox"/> Other information
Frequency	<input type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad-hoc/when requested
URL	{hyperlink: <a href="http://www.lazardfreresgestion.fr/EN/ESG-ISR_102.html">http://www.lazardfreresgestion.fr/EN/ESG-ISR_102.html</a> }

**Listed equity – (Proxy) Voting**

**Do you disclose?**

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

**The information disclosed to clients/beneficiaries is the same**

- Yes
- No

<b>Disclosure to public and URL</b>	
Disclosure to public and URL	
<input type="radio"/> Disclose all voting decisions <input type="radio"/> Disclose some voting decisions <input checked="" type="radio"/> Only disclose abstentions and votes against management	
<b>Frequency</b>	
<input type="checkbox"/> Quarterly or more frequently <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc/when requested	
<b>URL</b>	
{hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR_102.html}	

**Fixed income**

**Do you disclose?**

- We do not disclose to either clients/beneficiaries or the public.
- We disclose to clients/beneficiaries only.
- We disclose to the public

**The information disclosed to clients/beneficiaries is the same**

- Yes
- No



<b>Disclosure to public and URL</b>	
Disclosure to public and URL	<input checked="" type="radio"/> Broad approach to RI incorporation <input type="radio"/> Detailed explanation of RI incorporation strategy used
Frequency	<input type="checkbox"/> Quarterly <input type="checkbox"/> Biannually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Less frequently than annually <input type="checkbox"/> Ad hoc/when requested
URL	{hyperlink: <a href="http://www.lazardfreresgestion.fr/EN/ESG-ISR_102.html">http://www.lazardfreresgestion.fr/EN/ESG-ISR_102.html</a> }

<b>SG 19.2</b>	<b>Additional information [Optional]</b>
----------------	--

The incorporation of ESG criteria in our Fixed Income management was further developed during 2018. We have created a database regrouping all quantitative data from our extra-financial partners, Vigeo and Trucost. The database is available to all Fixed Income fund manager-analysts. We will update our ESG policy soon.

Regarding our engagement policy, Lazard Fères Gestion is committed to publish, mid-2019, an engagement report on the company's actions taken throughout 2018. The report will highlight each action's feature, characteristics, and its stage of progress

Lazard Frères Gestion

Reported Information

Public version

Direct - Listed Equity Incorporation

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## ESG incorporation in actively managed listed equities

### Implementation processes

LEI 01	Mandatory	Public	Gateway	PRI 1
--------	-----------	--------	---------	-------

#### LEI 01.1

Indicate (1) which ESG incorporation strategy and/or combination of strategies you apply to your actively managed listed equities and (2) the breakdown of your actively managed listed equities by strategy or combination of strategies (+/- 5%)

#### ESG incorporation strategy (select all that apply)

- Screening alone (i.e. not combined with any other strategies)
- Thematic alone (i.e. not combined with any other strategies)
- Integration alone (i.e. not combined with any other strategies)

Percentage of active listed equity to which the strategy is applied	 99
---	--------

- Screening and integration strategies

Percentage of active listed equity to which the strategy is applied	 1
---	-------

- Thematic and integration strategies
- Screening and thematic strategies
- All three strategies combined
- We do not apply incorporation strategies

Total actively managed listed equities

100%

#### LEI 01.2

Describe your organisation's approach to incorporation and the reasons for choosing the particular ESG incorporation strategy/strategies.

To calculate the fair value we use the WACC valuation. The Beta used is calculated as follows :

- >30% sector cyclicality ;
- >20% financial leverage ;
- >10% ESG criteria integration ;
- >10% product mix ;
- >10% geographic mix ;
- >10% operational leverage ;
- >10% management predictability ;

Therefore the ESG criteria integration has a direct impact on our valuations.

It was the initiative of the equity team to incorporate ESG criteria in the cost of capital (WACC) because they believe that it is the most appropriate level of integration and a key element in assessing the intrinsic value of a company. Indeed, the promotion of ESG is likely to make great progress when the assessment of any type of investment is based on a WACC that fully incorporate sustainable development issues. As long as financial institutions do not challenge their model on that issue, their effort regarding sustainable development will look more like nice communications exercises.

This strategy is coordinated by our head of equity research and implemented by the equity fund manager-analyst's team.

<b>LEI 01.3</b>	If assets are managed using a combination of ESG incorporation strategies, briefly describe how these combinations are used. [Optional]
-----------------	---

Concerning Lazard Equity SRI, the integration strategy is also done through the Beta calculation.

The screening strategy is a Best In Class approach, based on the ESG evaluation of our partner Vigeo. The methodology is the following :

We exclude from our investment universe the issuers who are:

- The bottom 30% in terms of Human Ressources
- The bottom 30% in terms of global score with this domains weights : Environment 30%, Human Resources 40%, Customer / suppliers relationships 10%, Human Rights 10%, Community Involvement 10%

Corporate governance is evaluated internally, and has to be satisfactory based on our analysis.

## (A) Implementation: Screening

<b>LEI 04</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
---------------	------------------	---------------	--------------------	--------------

<b>LEI 04.1</b>	Indicate and describe the type of screening you apply to your internally managed active listed equities.
-----------------	--

**Type of screening**

- Negative/exclusionary screening
- Positive/best-in-class screening

**Screened by**

- Product
- Activity
- Sector
- Country/geographic region
- Environmental and social practices and performance
- Corporate governance

Description
-------------

For our SRI investment strategy, we focus on a best-in-class approach (an ESG approach selecting the best-rated issuers within each business sector), performed by our extra-financial partner, Vigeo Eiris. Lazard Frères Gestion has selected ESG investment criteria and attributed each one with a specific weight. Human resources and the environment carry the highest weights, 40% and 30% respectively. Therefore, companies that have a negative score in Human Resources and have a global rating that is negative are ruled out of the investment universe.

Criteria and weights:

1. Human resources (40%)
2. Environment (30%)
3. Business behaviour (10%)
4. Human rights (10%)
5. Community involvement (10%)

Each criteria is rated on a scale ranging from "--" for non-concerned companies to "++" for pioneer companies. Ratings are relative and adapted to each sector.

Corporate governance is evaluated internally, and has to be satisfactory based on our analysis.

In addition, we integrate ESG criteria into our valuation models. This integration is applied to all our equity funds.

Norms-based screening

**Screened by**

- UN Global Compact Principles
- The UN Guiding Principles on Business and Human Rights
- International Labour Organization Conventions
- United Nations Convention Against Corruption
- OECD Guidelines for Multinational Enterprises
- Other, specify

Ottawa and Oslo conventions and GAFI country list (Groupe d'Action Financière)

Description
-------------

We rule out any investments in companies involved in the manufacture, transport or sale of antipersonnel mines and cluster munitions.

Lazard Frères Gestion has drawn up a country exclusion list (FATF banned countries) and a country watch list (countries under international sanctions or embargoes) for which permission must be obtained from the Chief Compliance Officer before any investments.

These lists include countries likely to be a major risk in terms of money laundering and reputation.

LEI 04.2	Describe how you notify clients and/or beneficiaries when changes are made to your screening criteria.
----------	--

For any major changes regarding Lazard Equity SRI, because it is a SICAV, changes have to be approved by a Board of Directors.

Notification to clients/beneficiaries occurs post changes, with the updating of commercial documents within a maximum time-limit of 3 months.

LEI 05	Mandatory	Public	Core Assessed	PRI 1
--------	-----------	--------	---------------	-------

**LEI 05.1** Indicate which processes your organisation uses to ensure screening is based on robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products.
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- External research and data used to identify companies to be excluded/included is subject to internal audit by ESG/RI staff, the internal audit function or similar
- Third-party ESG ratings are updated regularly to ensure that portfolio holdings comply with fund policies.
- Trading platforms blocking / restricting flagged securities on the black list
- A committee or body with representatives independent of the individuals who conduct company research reviews some or all screening decisions
- A periodic review of the quality of the research undertaken or provided is carried out
- Review and evaluation of external research providers
- Other, specify
- None of the above

**LEI 05.2** Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your ESG screening strategy.

- <10%
- 10-50%
- 51-90%
- >90%

**LEI 05.3** Indicate how frequently third party ESG ratings are updated for screening purposes.

- Quarterly or more frequently
- Bi-annually
- Annually
- Less frequently than annually

**LEI 05.4** Indicate how frequently you review internal research that builds your ESG screens.

- Quarterly or more frequently
- Bi-annually
- Annually
- Less frequently than annually

**(C) Implementation: Integration of ESG factors**

LEI 08	Mandatory	Public	Core Assessed	PRI 1
--------	-----------	--------	---------------	-------

**LEI 08.1**

Indicate the ESG factors you systematically research as part of your investment analysis and the proportion of actively managed listed equity portfolios that is impacted by this analysis.

ESG issues	Proportion impacted by analysis
Environmental	<div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: #0070C0; margin-right: 5px;"></div> <div style="border: 1px solid #0070C0; background-color: #0070C0; padding: 2px 5px; color: white;">Environmental</div> </div> <p> <input type="radio"/> &lt;10%  <input type="radio"/> 10-50%  <input type="radio"/> 51-90%  <input checked="" type="radio"/> &gt;90%         </p>
Social	<div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: #0070C0; margin-right: 5px;"></div> <div style="border: 1px solid #0070C0; background-color: #0070C0; padding: 2px 5px; color: white;">Social</div> </div> <p> <input type="radio"/> &lt;10%  <input type="radio"/> 10-50%  <input type="radio"/> 51-90%  <input checked="" type="radio"/> &gt;90%         </p>
Corporate Governance	<div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: #0070C0; margin-right: 5px;"></div> <div style="border: 1px solid #0070C0; background-color: #0070C0; padding: 2px 5px; color: white;">Corporate Governance</div> </div> <p> <input type="radio"/> &lt;10%  <input type="radio"/> 10-50%  <input type="radio"/> 51-90%  <input checked="" type="radio"/> &gt;90%         </p>

**LEI 09**

**Mandatory**

**Public**

**Core Assessed**

**PRI 1**

**LEI 09.1**

Indicate which processes your organisation uses to ensure ESG integration is based on a robust analysis.

- Comprehensive ESG research is undertaken or sourced to determine companies' activities and products
- Companies are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Third-party ESG ratings are updated regularly.
- A periodic review of the internal research is carried out
- Structured, regular ESG specific meetings between responsible investment staff and the fund manager or within the investments team
- ESG risk profile of a portfolio against benchmark
- Analysis of the impact of ESG factors on investment risk and return performance
- Other, specify
- None of the above

**LEI 09.2**

Indicate the proportion of your actively managed listed equity portfolio that is subject to comprehensive ESG research as part your integration strategy.

- <10%
- 10-50%
- 51-90%
- >90%

**LEI 09.3**

Indicate how frequently third party ESG ratings that inform your ESG integration strategy are updated.

- Quarterly or more frequently
- Bi-Annually
- Annually
- Less frequently than annually

**LEI 09.5**

Describe how ESG information is held and used by your portfolio managers.

- ESG information is held within centralised databases or tools and it is accessible by all relevant staff
- ESG information or analysis is a standard section or aspect of all company research notes or industry/sector analysis generated by investment staff
- Systematic records are kept that capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above



# Lazard Frères Gestion

## Reported Information

### Public version

#### Direct - Listed Equity Active Ownership

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Overview

LEA 01

Mandatory

Public

Core Assessed

PRI 2

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

LEA 01.1

Indicate whether your organisation has an active ownership policy.

Yes

LEA 01.2

Attach or provide a URL to your active ownership policy.

Attachment provided:

URL provided:

URL

{[hyperlink:http://www.lazardfreresgestion.fr/EN/ESG-ISR\\_102.html](http://www.lazardfreresgestion.fr/EN/ESG-ISR_102.html)}

LEA 01.3

Indicate what your active engagement policy covers:

General approach to active ownership

- Conflicts of interest
- Alignment with national stewardship code requirements
- Assets/funds covered by active ownership policy
- Expectations and objectives
- Engagement approach

Engagement

- ESG issues
- Prioritisation of engagement
- Method of engagement
- Transparency of engagement activities
- Due diligence and monitoring process
- Insider information
- Escalation strategies
- Service Provider specific criteria
- Other specify;
- (Proxy) voting approach

## Voting

- ESG issues
  - Prioritisation and scope of voting activities
  - Methods of voting
  - Transparency of voting activities
  - Regional voting practice approaches
  - Filing or co-filing resolutions
  - Company dialogue pre/post-vote
  - Decision-making processes
  - Securities lending processes
  - Other specify;
  - Other
  - None of the above
- No

**LEA 01.4** Do you outsource any of your active ownership activities to service providers?

- Yes
- No

## Engagement

**LEA 02**

**Mandatory**

**Public**

**Core Assessed**

**PRI 1,2,3**

**LEA 02.1** Indicate the method of engagement, giving reasons for the interaction.

Type of engagement	Reason for interaction
Individual / Internal staff engagements	<input checked="" type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input checked="" type="checkbox"/> To encourage improved/increased ESG disclosure <input checked="" type="checkbox"/> To gain an understanding of ESG strategy and/or management <input type="checkbox"/> We do not engage via internal staff
Collaborative engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> We do not engage via collaborative engagements
Service provider engagements	<input type="checkbox"/> To influence corporate practice (or identify the need to influence) on ESG issues <input type="checkbox"/> To encourage improved/increased ESG disclosure <input type="checkbox"/> To gain an understanding of ESG strategy and/or management <input checked="" type="checkbox"/> We do not engage via service providers

**LEA 02.4**

Additional information. [Optional]

About Collaborative engagements :

We prefer to act independently on issues that we have identified rather than adopt a more public pressure group approach. We believe engagement is best served through dialogue in one-on-one meetings and by sharing our concerns privately in order to seek to improve the outcome for our shareholders.

About provider engagements :

We do not wish to engage else than via internal staff.

**LEA 03**

**Mandatory**

**Public**

**Core Assessed**

**PRI 2**

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

**LEA 03.1**

Indicate whether your organisation has a formal process for identifying and prioritising engagements.

Yes

**LEA 03.2**

Indicate the criteria used to identify and prioritise engagements for each type of engagement.

Type of engagement	Criteria used to identify/prioritise engagements
Individual / Internal engagements	<div style="background-color: #0070C0; color: white; padding: 2px;">Internal / Individual engagements</div> <ul style="list-style-type: none"> <li><input type="checkbox"/> Geography / market of the companies</li> <li><input checked="" type="checkbox"/> Materiality of the ESG factors</li> <li><input type="checkbox"/> Exposure (size of holdings)</li> <li><input checked="" type="checkbox"/> Responses to ESG impacts that have already occurred</li> <li><input type="checkbox"/> Responses to divestment pressure</li> <li><input type="checkbox"/> Consultation with clients/beneficiaries</li> <li><input type="checkbox"/> Consultation with other stakeholders (e.g. NGOs, trade unions, etc.)</li> <li><input type="checkbox"/> Follow-up from a voting decision</li> <li><input type="checkbox"/> Client request</li> <li><input type="checkbox"/> Breaches of international norms</li> <li><input type="checkbox"/> Other, specify</li> <li><input type="checkbox"/> We do not outline engagement criteria for our individual engagements.</li> </ul>

No

LEA 04	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

**New selection options have been added to this indicator. Please review your prefilled responses carefully.**

LEA 04.1	Indicate whether you define specific objectives for your organisation's engagement activities.
----------	--

Individual / Internal engagements	<ul style="list-style-type: none"> <li><input type="radio"/> All engagement activities</li> <li><input type="radio"/> Majority of engagement activities</li> <li><input type="radio"/> Minority of engagement activities</li> <li><input checked="" type="radio"/> We do not define specific objectives for engagement activities carried out by internal staff.</li> </ul>
-----------------------------------	---

LEA 05	Mandatory	Public	Core Assessed	PRI 2
--------	-----------	--------	---------------	-------

LEA 05.1	Indicate if you monitor and/or review engagement outcomes.
----------	--

Individual / Internal engagements	<ul style="list-style-type: none"> <li><input type="radio"/> Yes, in all cases</li> <li><input type="radio"/> Yes, in majority of cases</li> <li><input type="radio"/> Yes, in a minority of cases</li> <li><input checked="" type="radio"/> We do not monitor, or review engagement outcomes carried out by our internal staff.</li> </ul>
-----------------------------------	---

LEA 06	Mandatory	Public	Additional Assessed	PRI 2,4
--------	-----------	--------	---------------------	---------

**LEA 06.1** Indicate whether your organisation has an escalation strategy when engagements are unsuccessful.

- Yes
- No

**LEA 06.3** Additional information. [Optional]

Decisions on which actions to take are made by our fund manager-analysts.

**LEA 08** **Mandatory** **Public** **Gateway** **PRI 2**

**LEA 08.1** Indicate if you track the number of your engagement activities.

Type of engagement	Tracking engagements
<b>Individual / Internal staff engagements</b>	<input type="radio"/> Yes, we track the number of our engagements in full <input checked="" type="radio"/> Yes, we partially track the number of our engagements <input type="radio"/> We do not track

**LEA 08.2** Additional information. [OPTIONAL]

The dialogue with invested companies is maintain by our fund manager-analysts and sometimes with our ESG team. Following these meetings, the fund manager-analysts write up meeting minutes that is made available to all of our investment desks.

**(Proxy) voting and shareholder resolutions**

**LEA 12** **Mandatory** **Public** **Descriptive** **PRI 2**

**LEA 12.1** Indicate how you typically make your (proxy) voting decisions.

**Approach**

- We use our own research or voting team and make voting decisions without the use of service providers.
- We hire service provider(s) who make voting recommendations and/or provide research that we use to guide our voting decisions.

Based on

- the service provider voting policy we sign off on
- our own voting policy
- our clients' requests or policies
- other, explain
- We hire service provider(s) who make voting decisions on our behalf, except for some pre-defined scenarios where we review and make voting decisions.
- We hire service provider(s) who make voting decisions on our behalf.

**LEA 12.2** Provide an overview of how you ensure your voting policy is adhered to, giving details of your approach when exceptions to the policy are made.

We have implemented a voting procedure. The ESG team verifies that voting instructions comply with the voting policy before they are submitted.

The exceptions may relate to small caps, especially on governance. For instance, for a number of General Meetings held for small or mid-caps, we felt that we could not respect the principles established in our voting guidelines. These companies might have an atypical corporate governance due to a lack of resources, or size, compared to large caps. In many companies, the company founder, or one of the descendants, presides at the board of directors and is the Chairman. They are often the main shareholders and have full power to legitimately lead and represent the company.

As we trust in these companies' corporate governance, we decided to support the founding CEOs either by giving them a proxy to vote in our name, or by voting in favour of all proposed resolutions.

The exceptions to our voting policy are fully detailed in the annual proxy voting activities report.

**LEA 12.3** Additional information.[Optional]

The final voting decision is made by the sector specific fund manager-analyst, in complete independence.

<b>LEA 15</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 2</b>
---------------	------------------	---------------	--------------------	--------------

**LEA 15.1** Indicate the proportion of votes where you or the service providers acting on your behalf have raised concerns with companies ahead of voting.

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- Neither we nor our service provider(s) raise concerns with companies ahead of voting

**LEA 15.2** Indicate the reasons for raising your concerns with these companies ahead of voting.

- Vote(s) for selected markets
- Vote(s) for selected sectors
- Vote(s) relating to certain ESG issues
- Vote(s) on companies exposed to controversy on specific ESG issues
- Vote(s) for significant shareholdings
- On request by clients
- Other

**LEA 16**

**Mandatory**

**Public**

**Core Assessed**

**PRI 2**

**LEA 16.1**

Indicate the proportion of votes participated in within the reporting year in which, you and/or the service provider(s) acting on your behalf, have communicated to companies the rationale for abstaining or voting against management recommendations.

- 100%
- 99-75%
- 74-50%
- 49-25%
- 24-1%
- We do not communicate the rationale to companies
- Not applicable because we and/or our service providers do not abstain or vote against management recommendations

**LEA 16.2**

Indicate the reasons your organisation would communicate to companies, the rationale for abstaining or voting against management recommendations.

- Votes for selected markets
- Votes for selected sectors
- Votes relating to certain ESG issues
- Votes on companies exposed to controversy on specific ESG issues
- Votes for significant shareholdings
- On request by clients
- Other

**LEA 16.3**

In cases where your organisation does communicate the rationale for the abstention or the vote against management recommendations, indicate whether this rationale is made public.

- Yes
- No

**LEA 17**

**Mandatory**

**Public**

**Core Assessed**

**PRI 2**



**LEA 17.1**

For listed equities where you and/or your service provider have the mandate to issue (proxy) voting instructions, indicate the percentage of votes cast during the reporting year.

We do track or collect this information

Votes cast (to the nearest 1%)

%

100

Specify the basis on which this percentage is calculated

- of the total number of ballot items on which you could have issued instructions
  - of the total number of company meetings at which you could have voted
  - of the total value of your listed equity holdings on which you could have voted
- We do not track or collect this information

<b>LEA 18</b>	<b>Voluntary</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 2</b>
---------------	------------------	---------------	----------------------------	--------------

**LEA 18.1**

Indicate if you track the voting instructions that you and/or your service provider on your behalf have issued.

Yes, we track this information

**LEA 18.2**

Of the voting instructions that you and/or third parties on your behalf issued, indicate the proportion of ballot items that were:

Voting instructions	Breakdown as percentage of votes cast
For (supporting) management recommendations	<div style="border: 1px solid black; background-color: #cccccc; padding: 5px; display: flex; align-items: center;"> <div style="width: 10%;"></div> <div style="width: 80%;"></div> <div style="width: 10%; text-align: center;">%</div> </div> <p>92.1</p>
Against (opposing) management recommendations	<div style="border: 1px solid black; background-color: #cccccc; padding: 5px; display: flex; align-items: center;"> <div style="width: 10%;"></div> <div style="width: 80%;"></div> <div style="width: 10%; text-align: center;">%</div> </div> <p>7.6</p>
Abstentions	<div style="border: 1px solid black; background-color: #cccccc; padding: 5px; display: flex; align-items: center;"> <div style="width: 10%;"></div> <div style="width: 80%;"></div> <div style="width: 10%; text-align: center;">%</div> </div> <p>0.3</p>

100%

No, we do not track this information

**LEA 18.3**

In cases where your organisation voted against management recommendations, indicate the percentage of companies you have engaged.

1

**LEA 19**

**Mandatory**

**Public**

**Core Assessed**

**PRI 2**

**LEA 19.1**

Indicate whether your organisation has a formal escalation strategy following unsuccessful voting.

Yes

No

# Lazard Frères Gestion

## Reported Information

### Public version

### Direct - Fixed Income

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## ESG incorporation in actively managed fixed income

### Implementation processes

FI 01	Mandatory	Public	Gateway	PRI 1
FI 01.1	Indicate (1) Which ESG incorporation strategy and/or combination of strategies you apply to your actively managed fixed income investments; and (2) The proportion (+/- 5%) of your total actively managed fixed income investments each strategy applies to.			

Corporate (financial)	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>0</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>100</td> </tr> <tr> <td>Screening + integration strategies</td> <td>0</td> </tr> <tr> <td>Thematic + integration strategies</td> <td>0</td> </tr> <tr> <td>Screening + thematic strategies</td> <td>0</td> </tr> <tr> <td>All three strategies combined</td> <td>0</td> </tr> <tr> <td>No incorporation strategies applied</td> <td>0</td> </tr> <tr> <td><b>Total (any strategy)</b></td> <td><b>100%</b></td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	100	Screening + integration strategies	0	Thematic + integration strategies	0	Screening + thematic strategies	0	All three strategies combined	0	No incorporation strategies applied	0	<b>Total (any strategy)</b>	<b>100%</b>
Strategy	Percentage																				
Screening alone	0																				
Thematic alone	0																				
Integration alone	100																				
Screening + integration strategies	0																				
Thematic + integration strategies	0																				
Screening + thematic strategies	0																				
All three strategies combined	0																				
No incorporation strategies applied	0																				
<b>Total (any strategy)</b>	<b>100%</b>																				
Corporate (non-financial)	<table border="1"> <thead> <tr> <th>Strategy</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Screening alone</td> <td>0</td> </tr> <tr> <td>Thematic alone</td> <td>0</td> </tr> <tr> <td>Integration alone</td> <td>100</td> </tr> <tr> <td>Screening + integration strategies</td> <td>0</td> </tr> </tbody> </table>	Strategy	Percentage	Screening alone	0	Thematic alone	0	Integration alone	100	Screening + integration strategies	0										
Strategy	Percentage																				
Screening alone	0																				
Thematic alone	0																				
Integration alone	100																				
Screening + integration strategies	0																				

	Thematic + integration strategies	0
	Screening + thematic strategies	0
	All three strategies combined	0
	No incorporation strategies applied	0
		100%

**FI 01.2** Describe your reasons for choosing a particular ESG incorporation strategy and how combinations of strategies are used.

Credit analysts consult the extra-financial research provided by our partners and check the financial valuation is consistent with extra-financial ratings, meaning the spread level remains interesting from a credit risk perspective. Issuers having the weakest extra-financial ratings based on Vigeo's analysis are quarterly monitored.

<b>FI 03</b>	<b>Mandatory</b>	<b>Public</b>	<b>Additional Assessed</b>	<b>PRI 1</b>
--------------	------------------	---------------	----------------------------	--------------

**FI 03.1** Indicate how you ensure that your ESG research process is robust:

- Comprehensive ESG research is undertaken internally to determine companies' activities; and products and/or services
- Issuers are given the opportunity by you or your research provider to review ESG research on them and correct inaccuracies
- Issuer information and/or ESG ratings are updated regularly to ensure ESG research is accurate
- Internal audits and regular reviews of ESG research are undertaken in a systematic way.
- A materiality/sustainability framework is created and regularly updated that includes all the key ESG risks and opportunities for each sector/country.
- Other, specify
- None of the above

<b>FI 03.2</b>	<b>Describe how your ESG information or analysis is shared among your investment team.</b>
----------------	--

- ESG information is held within a centralised database and is accessible to all investment staff
- ESG information is displayed on front office research platforms
- ESG information is a standard item on all individual issuer summaries, research notes, 'tear sheets', or similar documents
- Investment staff are required to discuss ESG information on issuers as a standard item during investment committee meetings
- Records capture how ESG information and research was incorporated into investment decisions
- Other, specify
- None of the above

<b>FI 03.3</b>	<b>Additional information. [Optional]</b>
----------------	---

We have created a database accessible via excel with all ESG information from our extra-financial partners, Vigeo Eiris and Trucost.

The database is accessible to all fund manager-analysts in the fixed income department. The database consists of quantitative data from our extra-financial partners Vigeo Eiris and Trucost. The goal of the database is to facilitate the access of ESG data to our fund manager-analysts.

The data from Vigeo are :

- The ratings from all 6 domains (Environment, Human Resources, Human Rights, Customers and Suppliers, Community Involvement, Corporate Governance)
- The overall company rating

The data from Trucost are:

- Scope 1 & 2 emissions
- Carbon intensity scope 1 & 2

We are currently working on a classification by sector and country of the best and worst performing companies.

<b>(C) Implementation: Integration</b>				
--	--	--	--	--

<b>FI 10</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>PRI 1</b>
--------------	------------------	---------------	--------------------	--------------

<b>FI 10.1</b>	<b>Describe your approach to integrating ESG into traditional financial analysis.</b>
----------------	---

We use the ESG evaluation performed by our partner Vigeo Eiris, which focuses on 6 Domains (Environment, Human Rights, Human Resources, Corporate Governance, Customers and Suppliers, Community Involvement).

We also have access to the data from in-house analysis realized by our equity department, for which public information and brokers information are used.

Finally, we can also refer to a database containing all ESG quantitative data from our partner Vigeo and Trucost.

Fixed Income analysts consult all available extra-financial research and check the financial valuation is consistent with extra-financial ratings, meaning the spread remains interesting from a credit risk perspective.

In addition, our fixed income funds are subject to a quarterly ESG analysis, based on Vigeo's data.

For each fund, the global ESG rating of all issuers in the portfolio are specified in a file sent on a quarterly basis to fund manager-analysts : This file highlights, for every of each issuers, the overall ESG rating as well as the ratings of the 6 domains analyzed.

Furthermore, the ESG team writes a comment on issuers with low overall rating (overall rating "weak"), using quantitative data from Vigeo, the comments are also sent on a quarterly basis to fund manager-analysts.

<b>FI 10.2</b>	Describe how your ESG integration approach is adapted to each of the different types of fixed income you invest in.
----------------	---

	Corporate (financial)
--	-----------------------

The ESG evaluation is focused on 6 Domains (Environment, Human Rights, Human Ressources, Corporate Governance, Customers and Suppliers, Community Involvement), which can be summed up in 3 : Environment, Governance & Social. The evaluation is based on criteria, which are weighted depending on their importance within the firm's sector.

	Corporate (non-financial)
--	---------------------------

The ESG evaluation is focused on 6 Domains (Environment, Human Rights, Human Ressources, Corporate Governance, Customers and Suppliers, Community Involvement), which can be summed up in 3 : Environment, Governance & Social. The evaluation is based on criteria, which are weighted depending on their importance within the firm's sector.

<b>FI 10.3</b>	Additional information [OPTIONAL]
----------------	-----------------------------------

**SSA**

The SSA analysis approach is based on 3 pillars, Environment, Social & Governance. Different criteria are activated depending on the situation of the country, to evaluate the situation within its context. The indicators used are based on the Sustainable development objectives defined by the UN.

<b>FI 11</b>	<b>Mandatory</b>	<b>Public</b>	<b>Core Assessed</b>	<b>PRI 1</b>
--------------	------------------	---------------	----------------------	--------------

<b>FI 11.1</b>	Indicate how ESG information is typically used as part of your investment process.
----------------	--

Select all that apply



	Corporate (financial)	Corporate (non-financial)	
ESG analysis is integrated into fundamental analysis	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
ESG analysis is used to adjust the internal credit assessments of issuers.	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is used to adjust forecasted financials and future cash flow estimates.	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis impacts the ranking of an issuer relative to a chosen peer group.	<input type="checkbox"/>	<input type="checkbox"/>	
An issuer's ESG bond spreads and its relative value versus its sector peers are analysed to find out if all risks are priced in.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
The impact of ESG analysis on bonds of an issuer with different durations/maturities are analysed.	<input type="checkbox"/>	<input type="checkbox"/>	
Sensitivity analysis and scenario analysis are applied to valuation models to compare the difference between base-case and ESG-integrated security valuation.	<input type="checkbox"/>	<input type="checkbox"/>	
ESG analysis is integrated into portfolio weighting decisions.	<input type="checkbox"/>	<input type="checkbox"/>	
Companies, sectors, countries and currency and monitored for changes in ESG exposure and for breaches of risk limits.	<input type="checkbox"/>	<input type="checkbox"/>	
The ESG profile of portfolios is examined for securities with high ESG risks and assessed relative to the ESG profile of a benchmark.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other, specify	<input type="checkbox"/>	<input type="checkbox"/>	

FI 12	Mandatory	Public	Additional Assessed	PRI 1
-------	-----------	--------	---------------------	-------

FI 12.1	Indicate the extent to which ESG issues are reviewed in your integration process.
---------	---

	Environment	Social	Governance
Corporate (financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all
Corporate (non-financial)	<input checked="" type="radio"/> Environmental <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Social <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all	<input checked="" type="radio"/> Governance <input type="radio"/> Systematically <input type="radio"/> Occasionally <input type="radio"/> Not at all

**FI 12.2** Please provide more detail on how you review E, S and/or G factors in your integration process.

Corporate (financial)

The ESG evaluation is focused on 6 Domains (Environment, Human Rights, Human Ressources, Corporate Governance, Customers and Suppliers, Community Involvement), which can be summed up in 3 : Environment, Governance & Social. The evaluation is based on criteria, which are weighted depending on their importance within the firm's sector.

Corporate (non-financial)

The ESG evaluation is focused on 6 Domains (Environment, Human Rights, Human Ressources, Corporate Governance, Customers and Suppliers, Community Involvement), which can be summed up in 3 : Environment, Governance & Social. The evaluation is based on criteria, which are weighted depending on their importance within the firm's sector.

# Lazard Frères Gestion

## Reported Information

### Public version

### Confidence building measures

## PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

## Confidence building measures

CM 01	Mandatory	Public	Additional Assessed	General
-------	-----------	--------	---------------------	---------

**CM 01.1** Indicate whether the reported information you have provided for your PRI Transparency Report this year has undergone:

- Third party assurance over selected responses from this year's PRI Transparency Report
- Third party assurance over data points from other sources that have subsequently been used in your PRI responses this year
- Third party assurance or audit of the correct implementation of RI processes (that have been reported to the PRI this year)
- Internal audit of the correct implementation of RI processes and/or accuracy of RI data (that have been reported to the PRI this year)
- Internal verification of responses before submission to the PRI (e.g. by the CEO or the board)
  - Whole PRI Transparency Report has been internally verified
  - Selected data has been internally verified
- Other, specify
- None of the above

CM 02	Mandatory	Public	Descriptive	General
-------	-----------	--------	-------------	---------

**CM 02.1** We undertook third party assurance on last year's PRI Transparency Report

- Whole PRI Transparency Report was assured last year
- Selected data was assured in last year's PRI Transparency Report
- We did not assure last year's PRI Transparency report
- None of the above, we were in our preparation year and did not report last year.

CM 03	Mandatory	Public	Descriptive	General
-------	-----------	--------	-------------	---------

**CM 03.1** We undertake confidence building measures that are unspecific to the data contained in our PRI Transparency Report:

- We adhere to an RI certification or labelling scheme

**CM 03.2** Which scheme?

- National SRI label based on the EUROSIF Transparency guidelines

	<b>% of total AUM the scheme applies</b>
--	--

- < 25%
- 25-50 %
- 50-70 %
- >75 %

- B-corporation
- UK Stewardship code
- GRESB
- Commodity type label (e.g. BCI)
- Social label
- Climate label
- RIAA
- Other

- We carry out independent/third party assurance over a whole public report (such as a sustainability report) extracts of which are included in this year's PRI Transparency Report
- ESG audit of holdings
- Other, specify
- None of the above

<b>CM 03.5</b>	<b>Additional information [OPTIONAL]</b>
----------------	--

Lazard Frères Gestion granted the French government-backed SRI label for its Lazard Equity SRI fund.

<b>CM 04</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
--------------	------------------	---------------	--------------------	----------------

<b>CM 04.1</b>	<b>Do you plan to conduct third party assurance of this year's PRI Transparency report?</b>
----------------	---

- Whole PRI Transparency Report will be assured
- Selected data will be assured
- We do not plan to assure this year's PRI Transparency report

<b>CM 07</b>	<b>Mandatory</b>	<b>Public</b>	<b>Descriptive</b>	<b>General</b>
--------------	------------------	---------------	--------------------	----------------

<b>CM 07.1</b>	<b>Indicate who has reviewed/verified internally the whole - or selected data of the - PRI Transparency Report . and if this applies to selected data please specify what data was reviewed</b>
----------------	---

**Who has conducted the verification**

- CEO or other Chief-Level staff
- The Board
- Investment Committee
- Compliance Function
- RI/ESG Team
- Investment Teams
- Legal Department
- Other (specify)