

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Lazard Global Green Bond Opportunities

Legal entity identifier: 969500N4VJU9MO8OK073

Sustainable investment objective

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

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

Does this financial product have a sustainable investment objective ?

☒
☒
☒
 Yes

☒
☐
☐
 No

☒ It will make a minimum of sustainable investments with an environmental objective: 70%	☐ It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of % of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☒ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
☐ It will make a minimum of sustainable investments with a social objective: %	☐ with a social objective
	☐ It promotes E/S characteristics, but will not make any sustainable investments



Sustainability indicators measure how the sustainability objectives of this financial product are attained.

What is the sustainable investment objective of this financial product?

In implementing its investment strategy, the portfolio has a sustainable investment objective in investing in bonds issued by companies, public entities, governments or supranational organisations to finance projects having a positive environmental impact, such as renewable energies, energy efficiency, pollution prevention and control, sustainable waste and water management, preservation of biodiversity, sustainable land use, clean transport, the circular economy, green buildings, and adaptation to climate change.

This product does not use any particular index to determine its alignment with the social objective that it promotes.

● What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

The degree to which this product achieves its sustainable investment objective is measured by sustainability indicators. A description of them is provided below.

At the level of ESG analysis of sustainable bonds:

ESG research as it applies specifically to green bonds is based on in-house tools for each issue and revolve around three pillars:

- The issuer's ESG profile and its environmental strategy;
- Its compliance with the good practices as laid out in the Green Bond Principles (GBP), including use of proceeds, processes for project selection and assessment, management of proceeds, and reporting;
- The second party opinion (SPO) on the quality of the green bond.

ESG analysis of social bonds and sustainability bonds, as defined in the Social Bond Principles (SBP) and Sustainability Bond Guidelines (SBGs) of the International Capital Market Association (ICMA) are based on the same in-house research tools as green bonds.

At the level of valuation in the in-house research model:

ESG research of directly held securities is based on a proprietary model that makes use of an in-house ESG grid. Based on various data provided by our ESG partners (extra-financial research agencies and other external providers), companies' annual reports, and our engaging directly with them, the analysts in charge of covering each security assign an in-house ESG rating.

This rating results from an approach that is both quantitative (energy intensity, personnel turnover, board independence, etc.) and qualitative (solidity of the environmental policy, jobs strategy, director competence, etc.).

Each pillar – E, S and G – is scored between 1 and 5 based on at least five relevant key indicators per pillar.

These in-house ESG ratings are included in the process of selecting issuers and determining their weighting in the portfolio for bond management.

Regarding oversight of the elements of the investment strategy with an external data provider:

To confirm the robustness of the in-house model, analyst-managers in charge of management compare the portfolio's average ESG rating with the rating of its benchmark ESG universe.

The methodology used to calculate the indicators is set out in the ESG methodology manual available on the management company's website.

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

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

The absence of significant harm is determined using all of the PAI indicators shown in Table 1 of Appendix I to the Delegated Regulation (EU) 2022/1288 of 6 April 2022. If the investment universe is insufficiently covered by certain indicators, alternative criteria may exceptionally be used (for example, an indicator of management's attentiveness to diversity as a substitute for PAI 12). These alternatives are subject to the independent review of the Risk and Compliance Department at ESG Risk Committee meetings. The alternative indicators are also presented on the Lazard Frères Gestion website under the heading "Sustainable investment methodology": www.lazardfreresgestion.fr/EN/ESG-ISR/Notre-approche_147.html#section05.

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

The principal adverse impact indicators (PAI) for sustainability are used at two levels:

- firstly, they are used by our analyst-managers for internal analysis of each of the securities monitored in our internal ESG analytical frameworks.
- secondly, they are used to determine the proportion of sustainable investments.

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

"Compliance with minimum guarantees on worker rights, human rights (the OECD's Guidelines for Multinational Businesses and the UN's Guiding Principles on Business and Human Rights) and the eight fundamental conventions of the International Labor Organization is an essential criterion in verifying that the companies in which investments are made practice good governance.

Accordingly, we check whether the company implements due diligence on worker rights, based on the eight fundamental conventions of the International Labor Organization (PAI 10) as part of our DNSH process. We also determine a minimum external score on the Governance pillar to ensure that the companies concerned practice good governance."

The EU taxonomy has set forth the Do No Significant Harm (DNSH) principle, according to which taxonomy-aligned investments must have no significant adverse impact on one or more of the taxonomy's objectives. The taxonomy also includes criteria that are specific to the EU.

The DNSH principle applies only to the financial product's underlying investments that observe the European Union's criteria for environmentally sustainable activities. The product's other investments do not observe the EU's criteria for environmentally sustainable economic activities.

All other sustainable investments must also cause ,p significant harm to environmental or social objectives.



Does this financial product consider principal adverse impacts on sustainability factors ?

☒ Yes

The proprietary model for the ESG analysis of the portfolio companies uses all of the relevant sustainability principal adverse impact (PAI) indicators.

These indicators are integrated into the internal analytical frameworks used to determine the ESG rating of securities. For equity positions, this rating is integrated in the valuation model via the Beta used to determine the weighted average cost of capital. For bond positions, it is used to select issuers and to weight them in the portfolio.

☐ No



What investment strategy does this financial product follow ?

The investment strategy is described in the prospectus.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The binding elements used in the investment strategy to achieve the sustainable investment objective by this product cover, in the case of securities held directly by the portfolio:

- The share of investments in sustainable bonds

The portfolio invests in sustainable bonds, with a minimum 90% in green bonds meant to finance the environmental and energy transition. Green bonds must comply with the Green Bond Principles (GBP) of the International Capital Market Association (ICMA).

It may be up to 10% diversified into bonds from issuers whose business activity is deemed sustainable as defined by SFDR, in social bonds whose objective is to finance socially sustainable projects or to generate material social benefits and/or sustainability bonds, proceeds from which are used exclusively for projects that are both environmental and social. Social bonds must comply with the ICMA's four Social Bond Principles (SBPs). Sustainable bonds must comply with GBP and SBP principles, which apply, respectively to environmental and social projects, in accordance with ICMA's Sustainability Bond Guidelines (SBGs).

The percentages used are understood to exclude cash and money-market funds.

- The extra-financial research rate

The extra-financial research rate of the product's direct investments in securities, depending on the product's investment categories, is greater than 90%, with the exception of bonds and other debt securities from public or quasi-public issuers, cash held on an accessory basis, and solidarity-based assets.

- The portfolio's average ESG rating

The analyst-managers ensure that the portfolio's average weighted ESG rating is higher than that of the benchmark extra-financial rating of ISS ESG after the 25% lowest-rated companies have been screened out.

The portfolio's benchmark ESG universe is as follows: 90% ICE BofA Green Bond (GREN) + 10% ICE BofA Euro High Yield Index (HE00).

In addition, the management company implements the following exclusions prior to investing:

- Norms-based exclusions pertaining to controversial weapons (cluster weapons, antipersonnel mines, and biological and chemical weapons) and to violations of the United Nations Global Compact.
- Sector exclusions (tobacco and thermal coal).
- Geographical exclusions (tax havens on the FATF list).

To find out more, go to "code of transparency" at: www.lazardfreresgestion.fr/FR/ESG-ISR/Our-approche_147.html#section05.

What is the policy to assess good governance practices of the investee companies ?

Quality of governance has always been a decisive criterion in our investment policy. That's why we overweight the G pillar score in our in-house ESG grids slightly, at 40% of the total ESG rating, vs. 30% for the E and S pillars.

In their ESG research on companies, the analyst-managers take the following into account:

- the independence, skillsets and diversity of the board of directors or supervisory board;
- the quality of management
- the quality of financial and extra-financial communication
- transparency and consistency in manager remuneration.

Moreover, our voting and engagement policies systematically encompass criteria of good governance.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



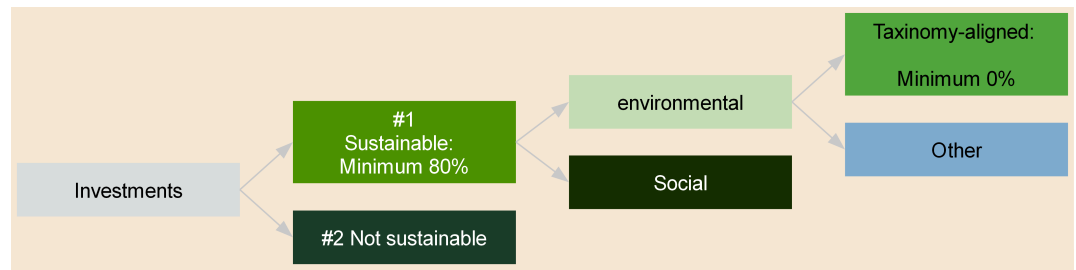
Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- turnover reflecting the share of revenue from green activities of investee companies - capital expenditure (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy. - operational expenditure (OpEx) reflecting green operational activities of investee companies.

What is the asset allocation and the minimum share of sustainable investments?

The portfolio has a sustainable investment objective. As such it must invest at least 90% of its net assets in sustainable investments as defined by SFDR Article 2(17). All directly held investments, except those held for hedging purposes and cash are sustainable. This minimum includes all investments having a social objective. Some activities may contribute to several objectives.



#1 Sustainable covers sustainable investments with environmental or social objectives. #2 Not sustainable includes investments which do not qualify as sustainable Investments

How does the use of derivatives attain the sustainable investment objective?

The product does not use derivatives to achieve environmental or social characteristics.



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

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy ?

☐ Yes:

☐ In fossil gas

☐ In nuclear energy

☒ No

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective. Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

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

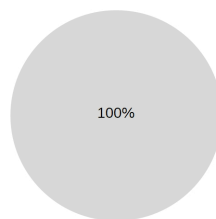
1. Alignment of investments with the taxonomy including sovereign bonds*

■ Taxonomie-aligned: Fossil gas - 0%

■ Taxonomie-aligned: Nuclear - 0%

■ Taxonomie-aligned (no fossil gas & nuclear) - 0%

■ Non Taxonomie-aligned - 100%



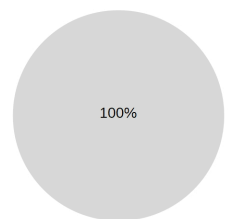
2. Alignment of investments with the taxonomy excluding sovereign bonds*

■ Taxonomie-aligned: Fossil gas - 0%

■ Taxonomie-aligned: Nuclear - 0%

■ Taxonomie-aligned (no fossil gas & nuclear) - 0%

■ Non Taxonomie-aligned - 100%



* For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures.

What is the minimum share of investments in transitional and enabling activities ?

The minimum percentage of investment in transitional and enabling activities within the meaning of the European Union taxonomy is 0%.



are sustainable investments with an environmental objective that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy ?

This product does not define a minimum proportion of investment that is environmentally sustainable yet not aligned with the European taxonomy.



What is the minimum share of socially sustainable investments ?

This product does not define a minimum proportion of socially sustainable investment.



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

Investments in category #2 Non-sustainable” are exclusively 10% in cash and 10% in money-market funds held for hedging and liquidity purposes.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

This product does not use any particular index to determine its alignment with the social objective that it promotes.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product ?**
- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis ?**
- **How does the designated index differ from a relevant broad market index ?**
- **Where can the methodology used for the calculation of the designated index be found ?**

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



Where can I find more product specific information online ?

More information about this product can be found on the website LAZARD FRERES GESTION SAS. A hard copy may be obtained free-of-charge on request. You can also find information on the product's performance over the past years and performance scenario calculations at