

French open-end investment fund (SICAV)

NORDEN SRI

ANNUAL REPORT

as of March 31st, 2023

Management company: Lazard Frères Gestion SAS

Custodian: Lazard Frères Banque

Statutory auditor: PricewaterhouseCoopers Audit

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1. CHARACTERISTICS OF THE UCI

LEGAL FORM

French open-end investment company (Société d'Investissement à Capital Variable - SICAV)

CLASSIFICATION

International equities.

ALLOCATION OF DISTRIBUTABLE INCOME

Distributable income consists of:

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

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

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

INVESTMENT OBJECTIVE

The investment objective is to achieve, through Socially Responsible Investment (SRI) management, a performance net of fees that exceeds that of the following benchmark over the recommended investment period of five years: MSCI Nordic Countries. The benchmark index is expressed in EUR. Net dividends or coupons are reinvested.

BENCHMARK INDEX

MSCI Nordic Countries

The MSCI Nordic Countries index represents the equity market performance of the Nordic countries (Sweden, Denmark, Norway and Finland).

Data are available at: www.msci.com

Bloomberg code: M7ND Index

INVESTMENT STRATEGY

1. Strategies used

A company's rate of return on invested capital above the cost of capital reflects its economic performance. This performance is reflected in the stock market performance over the long term. Accordingly, the strategy applied within the SICAV is based on the following:

- A best-in-universe approach that consists in favouring the issuers with the best non-financial ratings, irrespective of their business sector;
- Identifying companies with the best economic performance profiles;
- Verifying that performance through financial analysis and examination of underlying strategies;
- Stock-picking from among such companies according to the market's undervaluation of that performance at a given time;
- Building a portfolio focused on around 35-60 stocks with good liquidity from large and mid-sized Nordic companies without restrictions on sectors.

The focus on achieving the optimum ratio between the company's economic performance and valuation may result in wide divergences between the SICAV's performance and its sector and/or country mix and those of the underlying asset class, i.e. large and mid-caps from the four Scandinavian countries.

Analysis and selection

ESG (environmental, social and governance) analysis is based on a proprietary model shared by the teams in charge of financial management in the form of an internal ESG grid. Based on the various data provided by our ESG partners (non-financial analysis agencies, external service providers, etc.), annual reports and reports on the social responsibility (CSR) of each company and direct exchanges with them, the analysts responsible for monitoring each stock draw up an internal ESG rating based on a quantitative and qualitative approach. It takes into account the companies' main negative impacts in terms of sustainability, or Principal Adverse Impacts (carbon emissions, energy consumption, water consumption, waste production) and the risks likely to affect their own sustainability, or Sustainability Risks (regulatory and physical risks, reputational risk through, among other factors, monitoring of controversies).

The information relating to the main negative impacts on the sustainability factors is published in the periodic SFDR reports of the UCI, available on the website of the management company.

Each E, S and G pillar is rated from 1 to 5 (5 being the best score) based on at least ten relevant key indicators per dimension (energy intensity, staff turnover rate, board independence rate, etc.). The company's overall ESG score summarises the scores for each pillar according to the following weighting: 30% for Environment and Social and 40% for Governance.

ESG ratings are directly built into the financial valuation model via the beta used to set the weighted average cost of capital (WACC). According to Lazard Frères Gestion's proprietary methodology, the Beta factors are weighted as follows:

- The cyclicity of the company's activity (30%);
- Compliance with ESG criteria (20%) quantified by the internal ESG rating;
- Financial leverage (20%);
- Product mix (10%);
- Geographical mix (10%);
- Operating leverage (10%).

A scoring system, built into Lazard Frères Gestion's proprietary model, has been developed by the analysts-fund managers to structure companies' qualitative and financial analysis. This scoring system results in an overall rating for each company, about a quarter of which is determined by ESG criteria.

This rating is used as a portfolio selection and construction tool:

- It provides a summary of the financial and non-financial analysis carried out by the analysts/fund managers;
- It has a direct impact on the determination of the maximum weight allocated to a stock.

Norden SRI thus integrates ESG criteria in two different ways within its analysis and selection process: via the beta and via the scoring system.

SRI management

The UCI promotes environmental and/or social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088, the so-called "SFDR".

The SICAV is managed in accordance with the principles of the SRI label defined by the French Ministry of the Economy and Finance. The inclusion of ESG criteria influences the analysis of companies held in the portfolio, stock picking and weighting.

In order to meet the SRI label's management criteria, the analysts-managers ensure that an exclusion rate of 20% or more of the lowest-rated securities in the fund's investment universe is maintained. The risk control department ensures compliance with this criterion on a monthly basis.

For the sake of integrity and objectivity, the scores used to apply this exclusion rate are provided by our ESG partner.

Our partner's ESG rating method is based on a model with 17 years of historical experience, 330 indicators grouped into 38 criteria in 6 areas. These 38 criteria are weighted from 0 to 3 depending on their materiality (relevance) for the sector.

Our ESG partner's ESG analysis is broken down into 6 areas:

1. Human Resources: 7 criteria

Promotion of social dialogue / Promotion of employee profit-sharing / Promotion of individual career choices and employability / Controlled management of restructuring / Quality of remuneration systems / Improvement of health and safety conditions / Respect and organisation of working hours

2. Environment: 11 criteria

Definition of the environmental and eco-design strategy / Consideration of pollution risks (soil, accidents) / Offer of green products and services / Prevention of risks of damage to biodiversity / Control of impacts on water / Control of energy consumption and reduction of polluting emissions / Control of impacts on air / Control and improvement of waste management / Control of local pollution levels / Control of impacts related to distribution-transport / Control of impacts related to the use and disposal of the product or service

3. Customer/supplier relationships: 9 criteria

Product safety / Customer information / Contract guidance / Sustainable cooperation with suppliers / Integration of environmental factors in the supply chain / Integration of social factors in the supply chain / Prevention of corruption / Prevention of anti-competitive practices / Transparency and integrity of strategies and influencing practices

4. Human rights: 4 criteria

Respect for fundamental rights and prevention of violations of these rights / Respect for the freedom to join trade unions and the right to collective bargaining / Non-discrimination and promotion of equal opportunities / Elimination of prohibited forms of work

5. Community involvement: 3 criteria

Commitments in favour of the economic and social development of the area in which the company operates / Consideration of the societal impact of the products and services developed by the company / Contributions by the company to causes of general interest

6. Governance: 4 criteria

Balance of powers and efficiency of the board of directors / Audit of control mechanisms / Shareholders' rights / Remuneration of executives

An issuer's ESG rating is based on an absolute rating scale of 0 to 100, with 100 being the highest rating. Lazard Frères Gestion calculates the scores used to apply the exclusion rate by weighing each E, S and G pillar equally. The scores for each pillar are recalculated by weighing the scores of our ESG partner for the corresponding areas.

The proportion of issuers covered by an ESG analysis in the portfolio must be at least 90%, excluding bonds and other debt securities issued by public or quasi-public issuers and cash held on an ancillary basis, and social impact assets (which are therefore capped at 10% of total assets).

Our ESG partner covers approximately 130 stocks in the fund's investment universe (listed Nordic companies with a market capitalisation of more than €250m), which in total comprises about 300 stocks. Given the constraints imposed by the label in terms of exclusion rates (see above) and the coverage of companies by ESG analysis, 90% of the fund must therefore be composed of 80% of the stocks with the best ratings by our ESG partner, while the remaining 10% may be invested in companies not covered by our ESG partner.

If a company held in the portfolio were to drop into the 20% lowest-rated stocks, it would be removed from the portfolio within six months. In order to assess the ESG performance of each issuer with regard to ESG criteria, the following impact indicators are reported at least once a year:

- Environmental performance:
 - Carbon intensity of the portfolio, expressed in CO2 equivalent tonnes per million euros of revenue (Trucost)
- Social performance:
 - Percentage of companies subject to critical or severe human resources controversies (ESG Partner)

- Human rights performance:
 - Percentage of companies subject to critical or severe human rights controversies (ESG Partner)
- Governance performance:
 - Average percentage of independent directors (Proxinvest/ECGS, company reports)

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

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

- Climate change mitigation,
- Climate change adaptation,
- Sustainable use and protection of water and marine resources,
- Transition to the circular economy (waste, prevention and recycling),
- Pollution prevention and control
- Protection of healthy ecosystems.

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

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

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

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

2. Assets excluding derivatives

Equities:

Shares issued by companies of all capitalisation sizes listed or established in one of the four Nordic countries (Sweden, Norway, Denmark and Finland) for a minimum of 75% of the net assets.

Debt securities and money market instruments:

- A maximum of 10% in bonds issued by companies across all market capitalisations from the four Nordic countries (Sweden, Norway, Denmark and Finland).
- A maximum of 10% in debt securities and money market instruments, mainly French and Scandinavian treasury bonds and BTAN medium-term treasury notes.

UCIs:

- A minimum of 10% of net assets in French money-market and short-term money market UCITS, French or foreign UCITS or AIFs that meet the four criteria of Article R. 214-13 of the French Monetary and Financial Code (Code monétaire et financier).
- Investment solely in UCIs that invest no more than 10% of their assets in other UCIs.

These UCIs may be managed by the management company.

3. Derivatives

• **Types of markets:**

- regulated
- organised
- OTC

- **Risks that the manager intends to seek exposure to:**

- shares
- interest rates
- foreign exchange
- credit
- other risks

- **Types of transactions – all transactions must be limited to achieving the investment objective:**

- hedging
- exposure
- arbitrage
- other type

- **Types of instruments used:**

- futures:
 - equity and equity index
 - interest rate
 - exchange rates: currency hedging
 - other
- options:
 - equity and equity index
 - interest rate
 - currency
 - other
- swaps:
 - equity swaps
 - interest rate swaps
 - currency swaps
 - performance swaps
- currency forwards: hedging of currency risk
- credit derivatives
- other type

- **Derivatives strategy to achieve the investment objective:**

- partial or general portfolio hedging
- creating synthetic exposure to assets and risks
- increasing exposure to the market
- maximum permitted and sought
- other strategy

4. Securities with embedded derivatives

The acquisition of these securities is not part of the SICAV's management strategy. Nevertheless, the manager may invest in any securities with embedded derivatives permitted under the management company's business plan, notably warrants, certificates or rights acquired following transactions involving the portfolio securities.

5. Deposits:

Up to 10% of the SICAV's assets may be held in deposits, for management purposes.

6. Cash borrowings:

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

7. Temporary purchases and sales of securities:

None.

8. Information on financial guarantees:

In connection with over-the-counter derivative transactions, and in accordance with Position paper 2013-06 issued by the French financial markets regulator (*Autorité des Marchés Financiers - AMF*), the sub-fund may receive collateral in the form of securities (such as bonds or other securities issued or guaranteed by a State or issued by international financing agencies and bonds or securities issued by high quality corporate issuers), or cash. Any cash collateral received is reinvested in accordance with the applicable rules.

All such assets must be from high-quality issuers that are not an entity of the counterparty or its group, and must be liquid and diversified with low volatility. Discounts may be applied to the collateral received; they take into account the quality of credit and the price volatility of the securities.

RISK PROFILE

Notice

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

Risk of capital loss

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

Risk associated with discretionary management

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

Equity risk

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

Market capitalisation risk

The volume of small- and mid-cap stocks traded on the stock market is lower than that of large caps, which means they can be more significantly impacted by market movements than large caps. The UCI's net asset value may decline rapidly and significantly.

Liquidity risk

This is the risk that a financial market cannot absorb transaction volumes due to trading volumes being too low or pressure on the markets. Such a situation may impact the pricing or timing when the UCI liquidates, initiates or modifies positions and thus cause a decline in the UCI's net asset value.

Foreign exchange risk

The UCI may invest in securities and other UCI that in turn are authorised to acquire instruments denominated in currencies other than the fund's base currency. The value of these instruments may fall if the exchange rates vary, which may lead to a decrease in the UCI's net asset value. Where units (or shares) denominated in a currency other than the fund's base currency have been hedged, the foreign exchange risk is residual as a result of systematic hedging, potentially leading to a performance gap between the different units (or shares).

Counterparty risk:

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

Interest rate risk

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

Sustainability risk

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

ESG investment risk and methodological limitations

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

GUARANTEE OR PROTECTION

None.

ELIGIBLE SUBSCRIBERS AND TYPICAL INVESTOR PROFILE

All subscribers, and more particularly institutional investors seeking equity risk exposure.

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

Information on Russian and Belarusian investors

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

Information on US investors:

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

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

FATCA:

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

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

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

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

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

This UCI may not be suitable for investors planning to withdraw their investment within five years.

2. CHANGES AFFECTING THE UCI

The following decisions were made in relation to the SICAV **NORDEN SRI** (ISIN code: FR0000299356), to make the following changes:

- 1) Insertion of information on Russian and Belarusian investors;
- 2) By-laws / Articles of Association: deletion of the optional mention of a cap on redemptions ("Gates").

➤ **Effective date 20/06/2022.**

The following decisions were made in relation to the SICAV **NORDEN SRI** (ISIN code: FR0000299356), to make the following changes:

- 1) Insertion of "benchmark information" in the KIID
- 2) Addition of ESG investment risk and methodological limitations
- 3) Editorial change to the SRI management policy

➤ **Effective date 17/08/2022.**

The KIID of the **NORDEN SRI** SICAV (ISIN code: FR0000299356) was converted to the KID PRIIPS (*Key Information Document and Packaged Retail Investment and Insurance-based Products*) on January 1st, 2023, in accordance with the European regulations aimed at standardising pre-contractual information on financial products intended for retail investors. As part of the transition to the KID PRIIPS, the published prospectus includes the SFDR appendix.

Corporate governance (CSR) section

I. List of mandates

Directors' names	Number of offices held	List of offices and functions
François-Marc Durand <i>Chairman of Lazard Frères Gestion SAS</i>	4	<ul style="list-style-type: none"> ▪ Chairman and Chief Executive Officer of the Norden SRI SICAV ▪ Board member of the SICAVs: <ul style="list-style-type: none"> ○ Lazard Small Caps Euro SRI ○ Lazard Funds (SICAV with sub-funds) ○ Lazard Alpha Allocation
Monica Nescaut <i>Managing Director of Lazard Frères Gestion SAS</i>	5	<ul style="list-style-type: none"> ▪ Board member of the SICAVs: <ul style="list-style-type: none"> ○ Norden SRI ○ Lazard Small Caps Euro SRI ○ Lazard Funds (SICAV with sub-funds) ○ Lazard Equity SRI ○ Lazard Convertible Global
Marie-Andrée Puig <i>Managing Director of Lazard Frères Gestion SAS</i>	4	<ul style="list-style-type: none"> ▪ Chief Executive Officer and board member of the Norden Small SICAV ▪ Board member of the SICAVs: <ul style="list-style-type: none"> ○ Lazard Alpha Euro SRI ○ SICAV Lazard Japon ○ Norden SRI

II. Agreements covered by Article L. 225-37-4 para.2 of the French Commercial Code

The SICAV was not informed of the conclusion of any agreements covered by Article L. 225-37-4 para.2 of the French Commercial Code during the financial year ended March 31st, 2023.

III. Table of currently valid delegations of powers granted by the Shareholders' Meeting, as stipulated in Article L.225-37-4 para.3 of the French Commercial Code

No delegation of authority pursuant to Article L. 225-37-4 para.3 of the French Commercial Code was granted or was ongoing during the financial year ended March 31st, 2023.

IV. Method of operation of the general management

The Board of Directors did not opt to separate the functions of Chairman of the Board of Directors from that of Chief Executive Officer.

**Directors' fees proposed to the members of the Board of Directors by the NORDEN SRI SICAV
for the financial year ended March 31st, 2023**

Members of the Board of Directors	Directors' fees paid by the SICAV
François-Marc Durand Chairman of Lazard Frères Gestion SAS	0
OCIRP	€ 2.000
IRP AUTO Prévoyance Santé	€ 2.000
Valorey Finance	€ 2.000
Monica Nescaut Managing Director of Lazard Frères Gestion SAS	0
Marie-Andrée Puig Managing Director of Lazard Frères Gestion SAS	0
Lazard Frères Gestion SAS	0
IRC Alliance Professionnelle Retraite ARRCO	€ 2.000
Covea Finance	€ 2.000
AREAS Vie	€ 2.000

3. MANAGEMENT REPORT

PERFORMANCE

The UCI's performance over the period was as follows: **-3,61%**.

The performance of the benchmark over the period was: **+1,07%**.

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

ECONOMIC ENVIRONMENT

Economy

Growth came as a welcome surprise in Western countries, despite central banks' efforts to curb activity and counter inflation. In the end, the economic repercussions of the energy crisis were less severe than expected in Europe, and the US economy proved resilient, with consumers continuing to spend from their savings. Chinese growth was held back by lockdowns before rebounding strongly after the restrictions were fully lifted. Thanks to lower energy prices and the easing of supply tensions, inflation has peaked in the US and Europe. However, the improvement in the economic outlook seems fragile. Core inflation is persistent, signs of a turnaround in the US economy are beginning to appear and the sharp rise in interest rates has exposed weaknesses in the financial system, as evidenced by the SVB failure in the US and UBS's urgent takeover of Credit Suisse in March 2023.

In the United States, GDP growth slowed to +0,9% year-on-year in Q4 2022. Job creation slowed to an average of +345 000 per month. The unemployment rate fell to 3,5%. Annual hourly wage growth slowed to +4,2%. The year-on-year increase in consumer prices slowed to 5,0% and 5,6% excluding energy and food.

The Fed raised its key interest rate by +450 basis points to the 4,75%-5,00% range, with the following sequence: +50 basis points in May 2022, four consecutive hikes of +75 basis points between June and November 2022, +50 basis points in December 2022 and two hikes of +25 basis points in February and March 2023.

In terms of unconventional measures, in May 2022 the Fed announced that it would start reducing its balance sheet from June 2022, at a maximum pace of -\$47,5 billion per month and then -\$95 billion from September 2022. In March 2023, the Fed announced the creation of a new liquidity access mechanism ("Bank Term Funding Program").

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

In the EUROZONE, GDP growth slowed to +1,8% year-on-year in Q4 2022. GDP grew by +0,9% in Germany, +0,5% in France, +1,4% in Italy and +2,6% in Spain. The Eurozone unemployment rate fell to 6,6%. The year-on-year increase in consumer prices slowed to 6,9%. Excluding energy and food, inflation accelerated to +5,7% year-on-year.

The ECB raised its key rates by +350 basis points, in the following sequence: +50 basis point hike in July 2022, two +75 basis point hikes in September and October 2022 and three +50 basis point hikes between December 2022 and March 2023. The deposit rate was raised from -0.50% to 3,00%, the refinancing rate from 0% to 3,50% and the marginal lending facility from 0,25% to 3,75%.

In terms of unconventional measures, the ECB in June 2022 announced the end of its asset purchase programme (APP). In July 2022, the ECB approved the creation of a "Transmission Protection Instrument" that could be activated if credit spreads soar. In December 2022, the ECB announced that it would start reducing its balance sheet from March 2023, at a rate of €15bn per month until the end of June 2023.

In France, Emmanuel Macron was re-elected president on April 24th, 2022. The general elections resulted in a relative majority for the presidential party in the National Assembly. In Italy, the right-wing coalition secured a clear victory in the general elections on September 25th, 2022. Giorgia Meloni was elected prime minister on October 22nd, 2022.

In China, GDP growth slowed to +2,9% year-on-year in Q4 2022. Activity was adversely affected by the lockdowns and the slowdown in the real estate market. The urban unemployment rate fell to 5,6%. Inflation slowed to +0,7% year-on-year. The Chinese central bank cut its key interest rate by 10 basis points, bringing the 1-year refinancing rate to 2,75%. Health restrictions were lifted in November and December 2022.

At the conclusion of the 20th CCP Congress in October 2022, Xi Jinping won a third term as General Secretary of the Party and head of the armed forces. Xi Jinping was formally re-elected President of the Republic during the annual session of the National People's Congress, which was held from March 4th to 13th, 2023. On this occasion, the government announced that it was aiming for growth of "around +5,0%" in 2023.

Growth came as a welcome surprise in Western countries, despite central banks' efforts to curb activity and counter inflation. In the end, the economic repercussions of the energy crisis were less severe than expected in Europe, and the US economy proved resilient, with consumers continuing to spend from their savings. Chinese growth was held back by lockdowns before rebounding strongly after the restrictions were fully lifted. Thanks to lower energy prices and the easing of supply tensions, inflation has peaked in the US and Europe. However, the improvement in the economic outlook seems fragile. Core inflation is persistent, signs of a turnaround in the US economy are beginning to appear and the sharp rise in interest rates has exposed weaknesses in the financial system, as evidenced by the SVB failure in the US and UBS's urgent takeover of Credit Suisse in March 2023.

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In terms of unconventional measures, the ECB in June 2022 announced the end of its asset purchase programme (APP). In July 2022, the ECB approved the creation of a "Transmission Protection Instrument" that could be activated if credit spreads soar. In December 2022, the ECB announced that it would start reducing its balance sheet from March 2023, at a rate of €15bn per month until the end of June 2023.

In France, Emmanuel Macron was re-elected president on April 24th, 2022. The general elections resulted in a relative majority for the presidential party in the National Assembly. In Italy, the right-wing coalition secured a clear victory in the general elections on September 25th, 2022. Giorgia Meloni was elected prime minister on October 22nd, 2022.

In China, GDP growth slowed to +2,9% year-on-year in Q4 2022. Activity was adversely affected by the lockdowns and the slowdown in the real estate market. The urban unemployment rate fell to 5,6%. Inflation slowed to +0,7% year-on-year. The Chinese central bank cut its key interest rate by 10 basis points, bringing the 1-year refinancing rate to 2,75%. Health restrictions were lifted in November and December 2022.

At the conclusion of the 20th CCP Congress in October 2022, Xi Jinping won a third term as General Secretary of the Party and head of the armed forces. Xi Jinping was formally re-elected President of the Republic during the annual session of the National People's Congress, which was held from March 4th to 13th, 2023. On this occasion, the government announced that it was aiming for growth of "around +5,0%" in 2023.

Markets

The MSCI World global equity market index fell by -9,1%. European markets outperformed US markets, with the Euro Stoxx up +5,1% in euro terms versus a -9,3% decline for the S&P 500 in dollar terms. The yen-denominated Topix rose by +2,9%, while the dollar-denominated MSCI emerging equities index fell by -13,3%.

The decline in global markets over the last twelve months masks a phase of sharp decline in the first six months and a phase of sharp rise in the following six months. Initially, equity markets were hurt by the sharp rise in interest rates, reduced Russian gas deliveries to Europe and lockdowns in China, all of which fuelled fears of a recession. Subsequently, equity markets were buoyed by hopes of a monetary policy pivot, the remoteness of the energy crisis in Europe and the anticipated reopening of the Chinese economy.

Bond markets were hurt by the strong pressure on interest rates and widening credit spreads. The US 10-year Treasury yield rose from 2,34% to 3,47%, peaking at 4,24% on October 24th, 2022. The 10-year German government yield rose from 0,56% to 2,29%, peaking at 2,75% on March 2nd, 2023. According to ICE Bank of America indices, credit spreads for European corporate issuers rose from 128 to 155 basis points in the Investment Grade segment, from 198 to 264 basis points in the subordinated financials segment and from 400 to 474 basis points in the High Yield segment.

On the foreign exchange market, the euro depreciated by -2,1% against the dollar and by -2,8% against the Swiss franc. It appreciated by +7,0% against the yen and by +4,3% against the pound sterling. Emerging currencies depreciated on average by -5,0% against the dollar, according to the JPMorgan index.

The S&P GSCI commodity price index fell by -20,7%. The price of a barrel of Brent crude oil fell from \$107 to \$80, peaking at \$128 in early June. The MSCI World global equity market index fell by -9,1%. European markets outperformed US markets, with the Euro Stoxx up +5,1% in euro terms versus a -9,3% decline for the S&P 500 in dollar terms. The yen-denominated Topix rose by +2,9%, while the MSCI index of emerging equities more than doubled.

MANAGEMENT POLICY

Over the year as a whole, the Norden SRI SICAV fell by -3,61%, while its benchmark index, the MSCI Nordic Net Total Return expressed in euros, rose by +1,07%, an underperformance of 468 basis points.

In Q2 2022, the Norden SRI SICAV slightly lagged its benchmark index by 31 basis points (-11,31% vs. -11,00%). In April, energy and agricultural commodity prices stabilised at high levels but stopped rising. This did not prevent inflation from continuing to accelerate, sometimes quite dramatically in some countries. Central banks continued to tighten their rhetoric, while China's continued zero-Covid policy continues to disrupt supply chains, further stimulating the inflationary environment, and raising fears of a lasting slowdown in the country. The T-Bond and the Bund ended the month at the highest yields of the past three years, 2,93% and 0,93%. The dollar strengthened sharply, from €1,12 to €1,06, and European equity markets ended the month down. Against this backdrop, Nordic markets held up better than the Eurozone and the SICAV underperformed its benchmark index. It was hurt by the poor performances of Autostore (warehouse automation solutions, Norway) and Valmet (industrial equipment, Finland), but benefited from the good performances of Handelsbanken (retail banking, Sweden) and Astra Zeneca (pharmaceuticals, Sweden/UK). Over the month, we sold our position in Vestas (wind turbine manufacturer, Denmark). In May, as interest rates continued to rise rapidly, the ECB adopted an increasingly hawkish tone, further accelerating the trend in Europe, more so than in the US, to the extent that the dollar halted its rise, ending the month at \$1,07 against the euro. On the energy front, the pressure on prices remained very high. While there was a relative lull in the European gas market, US gas prices ended up taking off, as did European electricity and oil prices, which continued to rise steadily and reached new annual highs. In this rather threatening environment, accompanied by several resounding profit warnings in the United States, Nordic markets ended the month down, while the Eurozone held up well and remained in positive territory.

The fund performed in line with its benchmark index, benefiting in particular from the rises of Valmet (industrial equipment, Finland), Hexpol (polymers, Sweden) and H&M (ready-to-wear stores, Sweden). However, it was hurt by the poor performances of Kongsberg Gruppen (equipment and technologies for the marine, defence and oil sectors, Norway), Epiroc (construction and mining machinery, Sweden) and Tele2 (telecom operator, Sweden). We did not make any transactions. The first two weeks of June were marked by considerable pressure on European long yields, driven by accelerating inflation fears, with the German Bund reaching 1,76%. But in the second fortnight, with concerns about upcoming gas shortages in Europe, recession fears came to the forefront. Long-term interest rates fell sharply and the euro weakened to \$1,04. Equity markets fell as a result of this sudden rotation, and in this context, the Nordic region outperformed the Eurozone. The fund held up better than the index, helped by the rises of Royal Unibrew (beverages, Denmark), AstraZeneca (pharmaceuticals, Sweden and UK) and Kongsberg Gruppen (equipment and technologies for the marine and defence sectors, Norway), and despite declines for Epiroc (mining equipment, Sweden) and Autostore (warehouse automation, Norway). Over the period, we established a new position in Equinor (oil & gas, Norway) and sold our position in Sandvik (industry, Sweden).

In the third quarter of 2022, the Norden SRI SICAV fell by 8,06%, compared with a 4,88% decline for the MSCI Nordic Net Total Return expressed in euros. Despite persistent geopolitical tensions, moderating economic indicators in Europe and a widening German-Italian 10-year spread, the European equity market rebounded strongly in July, recovering much of the ground lost in June. Pressure on gas prices increased further with the decrease in Russian exports via Nord Stream 1, and fears of rationing in the coming quarters intensified. In addition, many companies reported difficulties in coping with the current level of inflation or supply chain disruptions during their earnings announcements. Against this backdrop, Nordic markets markedly outperformed the Eurozone and the SICAV underperformed its benchmark index. It suffered notably from the underperformances of Royal Unibrew (beverages, Denmark), CHR Hansen (food ingredients, Denmark) and AstraZeneca (pharmaceuticals, Sweden/UK). It did, however, benefit from the rises of Atlas Copco (industry, Sweden), Hexpol (polymers, Sweden) and Epiroc (construction and mining machinery, Sweden). We made no significant transactions during the month. After a somewhat euphoric month of July, the European equity market fell sharply in August, returning to the dual anguish of inflation-driven rate hikes and the prospect of an economic slowdown in Europe due to the energy crisis, compounded by a sluggish Chinese economy. The unbridled rise of the dollar was also a cause for concern: it has an impact on imported inflation and puts the ECB under pressure. Against this backdrop, Nordic markets underperformed the Eurozone and the SICAV underperformed its benchmark index. In particular, it suffered from the underperformance of Epiroc (construction and mining machinery, Sweden), GN (hearing aids and audio equipment, Denmark) and Autostore (warehouse automation solutions, Norway). However, it benefited from relatively good performances of Sampo (insurance, Finland), Gjensidige (property & casualty insurance, Norway) and AstraZeneca (pharmaceuticals, Sweden/UK). We made no significant transactions during the month. In September, the European equity market continued its sharp decline, hit by fears of a slowdown in economic activity following rate hikes by several central banks (Fed +75bp, BoE +50bs and ECB +75bp) and the downward revision of global growth forecasts by the OECD. Inflation hit a record high in Europe and the euro depreciated against the dollar. Against this backdrop, Nordic markets underperformed the Eurozone and the SICAV underperformed its benchmark index. In particular, it suffered from the underperformance of GN (hearing aids and audio equipment, Denmark), Valmet (industrial equipment, Finland) and Gjensidige (property & casualty insurance, Norway). It did, however, benefit from the relatively good performances of Handelsbanken (retail banking, Sweden), ABB (industry, Sweden/Switzerland) and Epiroc (construction and mining machinery, Sweden). Over the month, we established a new position in Sydbank (banking, Denmark). We also sold our positions in H&M (ready-to-wear stores, Sweden) and Investor (industrial holding company, Sweden).

In the 4th quarter of 2022, Norden SRI outperformed its benchmark index by 17 basis points (+12,51% vs. +12,34%). While August and September were marked by accelerating inflation leading to a sharp rise in long rates, as well as by the continuing energy crisis in Europe and the harmful zero-covid policy in China, October saw some appeasement on all these fronts. Buoyed by what were generally good earnings releases, often accompanied by upward revisions despite the uncertainties, the European equity market rose sharply over the month. Against this backdrop, Nordic markets underperformed the Eurozone and the SICAV outperformed its benchmark index. It benefited in particular from the good performances of Autostore (warehouse automation solutions, Norway), Atlas Copco (industry, Sweden), Hexpol (polymers, Sweden) and Kongsberg Gruppen (marine and defence equipment and technology, Norway). Conversely, it was hurt by the underperformances of Royal Unibrew (beverages, Denmark), Ericsson (technology, Sweden) and Tele2 (telecom operator, Sweden). We made no significant transactions during the month. The very strong rebound of equity markets in October continued and intensified in November, under the effect of the fall in oil prices and commodity prices in general, the easing of long-term interest rates, and quarterly earnings releases, which were generally rather satisfactory and sometimes accompanied by upward guidance revisions.

Against this backdrop, Nordic markets underperformed the Eurozone and the SICAV outperformed its benchmark index. It benefited notably from the rises of Epiroc (construction and mining machinery, Sweden), Nordic Semiconductor (Bluetooth chips, Norway), Royal Unibrew (beverages, Denmark) and Kone (lifts, Finland). However, it suffered from the underperformance of Gjensidige (property & casualty insurance, Norway), Autostore (warehouse automation solutions, Norway) and Handelsbanken (retail banking, Sweden). During the month, we sold our position in Axfood (food distributor, Sweden). The enthusiasm in the equity markets in October and November was followed by a certain nervousness in December under the influence of the European Central Bank's fairly firm stance, which led, among other things, to a spectacular rise in interest rates in Europe, with the 10-year Bund yield rising from 1,81% to 2,56% in a single month, reaching its highest level in more than ten years. The dollar also continued to decline, dropping from \$1,03/€ to \$1,07/€. The fall in energy prices in Europe failed to curb the fall in equity markets. Against this backdrop, Nordic markets held up better than the Eurozone and the SICAV underperformed its benchmark index. In particular, it suffered from the underperformance of Autoliv (automotive equipment, Sweden), Nordic Semiconductor (Bluetooth chips, Norway) and Tele2 (telecom operator, Sweden). It did, however, benefit from rises in CHR Hansen (food ingredients, Denmark), Sydbank (banking, Denmark) and Valmet (industrial equipment, Finland). During the month, we established a new position in Swedbank (retail banking, Sweden).

In the last quarter of the year, the SICAV Norden SRI and the MSCI Nordic net dividends reinvested, expressed in euros, rose by an equivalent 5,06% and 5,82%, respectively. Turning the cautious consensus on its head, the equity markets got off to a flying start in 2023. As interest rates eased sharply from their December high, the dollar continued to fall, as did energy prices, particularly in Europe, while European equity markets ended January sharply higher. Against this backdrop, Nordic markets markedly underperformed the Eurozone and the SICAV slightly underperformed its benchmark index. In particular, it suffered from the underperformance of Gjensidige (property & casualty insurance, Norway), Nordic Semiconductor (Bluetooth chips, Norway) and AstraZeneca (pharmaceuticals, Sweden/UK). It did, however, benefit from the rises in Valmet (industrial equipment, Finland), Autoliv (automotive equipment, Sweden) and Autostore (warehouse automation solutions, Norway). Over the month, we sold our position in ABB (industry, Sweden/Switzerland). As the earnings release season was still fairly positive, equity markets in February continued the spectacular rally that started at the beginning of the year, helped, among other things, by the relative easing of pressure on gas and electricity prices in Europe. However, the strengthening of inflationary pressures is leading to very strong pressure on interest rates on both sides of the Atlantic. The T-Bond yield rose from 3,50% to 3,90% in February and the Bund yield from 2,27% to 2,65%. Against this backdrop, Nordic markets markedly outperformed the Eurozone and the SICAV underperformed its benchmark index. In particular, it suffered from the underperformance of Nordic Semiconductor (Bluetooth chips, Norway), GN (hearing aids and audio equipment, Denmark) and Autostore (warehouse automation solutions, Norway). However, it benefited from the rises of Sydbank (banking, Denmark), Valmet (industrial equipment, Finland) and Tele2 (telecom operator, Sweden). During the month, we set up a new position in Alk Abello (allergy treatments, Denmark). While March had started on the upbeat trend of early 2023, the market's rise was abruptly interrupted from the 8th when Credit Suisse's main shareholder indicated that it did not intend to bail out the bank, leading to a panic over the stock which spread to the entire banking sector, ending on the 13th with the absorption of Credit Suisse by UBS. The damage was done, however, and despite the strong rebound of European equities at the end of the month, cyclical sectors and financial stocks were unable to return to their pre-crisis levels, while a sharp easing in interest rates was induced by concerns about the indirect impacts of the financial crisis on the economy in general. Against this backdrop, Nordic markets underperformed the Eurozone and the SICAV underperformed its benchmark index. It benefited in particular from rises in Royal Unibrew (Beverages, Denmark), Atlas Copco (Industry, Sweden) and Hexpol (Polymers, Sweden). However, it was hurt by the poor performances of SEB (banking, Sweden), Handelsbanken (retail banking, Sweden) and Gjensidige (property & casualty insurance, Norway). We made no significant transactions during the month.

Main changes in the portfolio during the year

Securities	Changes ("accounting currency")	
	Purchases	Sales
AMUNDI EURO LIQUIDITY SRI IC	79 049 516,91	95 907 937,97
LAZARD EURO SHORT TERM MONEY MARKET	42 728 933,70	32 950 662,53
NOVO NORDISK AS	14 991 572,51	33 610 355,45
ATLAS COPCO AB	10 021 506,02	15 610 682,47
EQUINOR ASA	18 228 593,86	4 283 439,04
ERICSSON(LM) B	10 902 158,77	10 713 278,03
NESTE OYJ	8 972 898,22	10 082 995,34
ABB LTD	1 613 201,59	16 791 583,94
ASTRAZENECA PLC	7 510 601,24	10 578 597,21
SVENSKA HANDELSBANKEN AB	2 549 656,24	12 402 461,40

4. REGULATORY INFORMATION

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

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

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

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

• **Underlying exposure through derivative financial instruments: None.**

- o Currency forwards:
- o Futures:
- o Options:
- o Swap:

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

Efficient portfolio management techniques	Derivative financial instruments (*)
None.	None.

(*) Excluding listed derivatives.

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

Instrument type	Amount in the currency of the portfolio
Efficient portfolio management techniques . Term deposits . Equities . Bonds . UCITS . Cash (*) Total	None
Derivative financial instruments . Term deposits . Equities . Bonds . UCITS . Cash Total	None

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

d) Operating income and expenses related to efficient management techniques

Operating income and expenses	Amount in the currency of the portfolio
. Income (*) . Other income Total income	None
. Direct operating expenses . Indirect operating expenses . Other expenses Total expenses	None

(*) Income on securities lending and repurchase agreements

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

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

PROCEDURE FOR SELECTING AND ASSESSING INTERMEDIARIES AND COUNTERPARTIES

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

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

BROKERAGE FEES

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

EXERCISING VOTING RIGHTS

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

DISCLOSURE OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) CRITERIA

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

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

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

Our overall approach can be summarised as follows:

- ✓ Rigorous financial analysis of the company covering the quality of assets, financial solidity, predictability of cash flows and their reinvestment by the company, the strength of economic profitability, profit sustainability, and quality of management.

- ✓ This sustainability is strengthened by incorporating non-financial criteria:
 - Social criteria: through the development of human capital,
 - Environmental criteria: through the prevention of all environmental risks,
 - Governance criteria: by respecting the balance between the managerial and shareholder structures so as to prevent potential conflicts of interest and safeguard the interests of minority shareholders.

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

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

SFDR AND TAXONOMY

Article 8 (SFDR):

The UCI promotes environmental and/or social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088, the so-called "SFDR".

Report on non-financial performance:

As of 31/03/2023, in accordance with the asset management company's rating criteria, the portfolio's overall rating was 49,7143 on a scale of 0 to 100. It was 49,2344 at the start date of the calculation.

Over the period measured, the portfolio's average ESG rating ranged from 49,2344 to 49,7143. It remained higher than that of its universe.

Reminder of the investment objective of promoting ESG criteria:

Information on Environmental, Social and Corporate governance (ESG) criteria, as well as the screening procedure for non-financial criteria, is available on the management company's website (www.lazardfreeresgestion.fr).

The SICAV is managed in accordance with the principles of the SRI label defined by the French Ministry of the Economy and Finance. The inclusion of ESG criteria influences the analysis of companies held in the portfolio, stock picking and weighting.

In order to meet the SRI label's management criteria, the analysts-managers ensure that an exclusion rate of 20% or more of the lowest-rated securities in the fund's investment universe is maintained. The risk control department ensures compliance with this criterion on a monthly basis.

For the sake of integrity and objectivity, the scores used to apply this exclusion rate are provided by our ESG partner. Our partner's ESG rating method is based on a model with 17 years of historical experience, 330 indicators grouped into 38 criteria in 6 areas. These 38 criteria are weighted from 0 to 3 depending on their materiality (relevance) for the sector.

Our ESG partner's ESG analysis is broken down into 6 areas:

1. Human Resources: 7 criteria

Promotion of social dialogue / Promotion of employee profit-sharing / Promotion of individual career choices and employability / Controlled management of restructuring / Quality of remuneration systems / Improvement of health and safety conditions / Respect and organisation of working hours

2. Environment: 11 criteria

Definition of the environmental and eco-design strategy / Consideration of pollution risks (soil, accidents) / Offer of green products and services / Prevention of risks of damage to biodiversity / Control of impacts on water / Control of energy consumption and reduction of polluting emissions / Control of impacts on air / Control and improvement of waste management / Control of local pollution levels / Control of impacts related to distribution-transport / Control of impacts related to the use and disposal of the product or service.

3. Customer/supplier relationships: 9 criteria

Product safety / Customer information / Contract guidance / Sustainable cooperation with suppliers / Integration of environmental factors in the supply chain / Integration of social factors in the supply chain / Prevention of corruption / Prevention of anti-competitive practices / Transparency and integrity of strategies and influencing practices

4. Human rights: 4 criteria

Respect for fundamental rights and prevention of violations of these rights / Respect for the freedom to join trade unions and the right to collective bargaining / Non-discrimination and promotion of equal opportunities / Elimination of prohibited forms of work

5. Community involvement: 3 criteria

Commitments in favour of the economic and social development of the area in which the company operates / Consideration of the societal impact of the products and services developed by the company / Contributions by the company to causes of general interest

6. Governance: 4 criteria

Balance of powers and efficiency of the board of directors / Audit of control mechanisms / Shareholders' rights / Remuneration of executives

An issuer's ESG rating is based on an absolute rating scale of 0 to 100, with 100 being the highest rating. Lazard Frères Gestion calculates the scores used to apply the exclusion rate by weighing each E, S and G pillar equally. The scores for each pillar are recalculated by weighing the scores of our ESG partner for the corresponding areas. The proportion of issuers covered by an ESG analysis in the portfolio must be at least 90%, excluding bonds and other debt securities issued by public or quasi-public issuers and cash held on an ancillary basis, and social impact assets (which are therefore capped at 10% of total assets). Our ESG partner covers approximately 130 stocks in the fund's investment universe (listed Nordic companies with a market capitalisation of more than €250m), which in total comprises about 300 stocks. Given the constraints imposed by the label in terms of exclusion rates (see above) and the coverage of companies by ESG analysis, 90% of the fund must therefore be composed of 80% of the stocks with the best ratings by our ESG partner, while the remaining 10% may be invested in companies not covered by our ESG partner.

If a company held in the portfolio were to drop into the 20% lowest-rated stocks, it would have to be removed from the portfolio within three months.

In order to assess the ESG performance of each issuer with regard to ESG criteria, the following impact indicators are reported at least once a year:

- Environmental performance: Carbon intensity of the portfolio, expressed in CO2 equivalent tonnes per million euros of revenue (Trucost)
- Social performance: Percentage of companies subject to critical or severe human resources controversies (ESG Partner)
- Human rights performance: Percentage of companies subject to critical or severe human rights controversies (ESG Partner)
- Governance performance: Average percentage of independent directors (Proxinvest/ECGS, company reports)

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

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

- Climate change mitigation,
- Climate change adaptation,
- Sustainable use and protection of water and marine resources,
- Transition to the circular economy (waste, prevention and recycling),
- Pollution prevention and control
- Prevention and control of healthy ecosystems.

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

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

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

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

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

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

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

METHOD USED TO CALCULATE GLOBAL RISK

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

PEA employee savings fund

Pursuant to the provisions of Article 91, quater L Appendix 2 of the French General Tax Code, a minimum of 75% of the Fund/SICAV is permanently invested in the securities and rights mentioned in points a, b and c, section 1°, I of Article L. 221-31 of the French Monetary and Financial Code.

Proportion actually invested during the financial year: 85,21%.

PROCEDURE FOR RECOVERY OF WITHHOLDING TAXES:

European Union countries may apply different taxation methods for dividends paid to domestic entities and foreign entities. Foreign entities that receive dividends are frequently subject to withholding tax, causing a difference in tax treatment that is in breach of the free circulation of capital, and therefore contrary to European Union law. Since there are several decisions by the European Union Court of Justice and the Council of State in favour of foreign residents, the management company shall request reimbursement of withholding tax paid on dividends received by foreign companies for funds domiciled in France, when the prospects for repayment of the withholding tax are deemed favourable to the funds concerned. The time involved and results of claims of this nature to the tax authorities concerned are uncertain. No reimbursement was received for the financial year ended 31/03/23.

REMUNERATION

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

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

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

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

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

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

The remuneration policy is reviewed annually.

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

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

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

“Identified employees”

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

Note: the amounts are stated excluding charges

OTHER INFORMATION

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

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

www.lazardfreresgestion.fr

5. CERTIFICATION BY THE STATUTORY AUDITOR



**STATUTORY AUDITOR'S REPORT
ON THE ANNUAL FINANCIAL STATEMENTS
Financial year ended March 31st, 2023**

NORDEN SRI

UCITS ORGANISED AS A FRENCH OPEN-END INVESTMENT COMPANY (SOCIÉTÉ D'INVESTISSEMENT À CAPITAL VARIABLE) Governed by the French Monetary and Financial Code

Management company

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

To the shareholders,

Opinion

In accordance with the terms of our appointment by the general meeting, we conducted our audit of the accompanying annual financial statements of the NORDEN SRI UCITS, as a French open-end investment fund, for the financial year ended March 31st, 2023.

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

Basis of our opinion

Audit standards

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

Independence

We conducted our audit in accordance with the rules of independence set out in the French Commercial Code and the code of ethics for statutory auditors, for the period from 01/04/2022 to the date of issue of our report.

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



NORDEN SRI

Basis of our opinions

Pursuant to the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we draw your attention to the fact that the assessments that, in our professional judgement, were the most significant for the audit of the annual financial statements for the year concerned the appropriateness of the accounting principles applied, the reasonableness of the significant estimates used and the overall presentation of the financial statements.

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

Specific verifications

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

Information provided in the management report, other financial reports and the annual financial statements addressed to the shareholders

We have no matters to report regarding the true and fair presentation of the information provided in the management report and in the other documents sent to shareholders on the company's financial position and annual financial statements.

Information on corporate governance

We certify that the information required under Article L. 225-37-4 of the French Commercial Code is provided in the section of the management report on corporate governance.

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

Responsibilities of the management and persons charged with governance of the annual financial statements

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

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

The annual financial statements have been approved by the management.

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

Audit purpose and process

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

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

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

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

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

Neuilly-sur-Seine, date of electronic signature

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Document authenticated by electronic signature

The statutory auditor
PricewaterhouseCoopers Audit
Raphaëlle Alezra-Cabessa

[signature]



**STATUTORY AUDITOR'S SPECIAL REPORT
ON REGULATED AGREEMENTS
Shareholders' meeting to approve the financial statements for the
financial year ended March 31st, 2023.**

NORDEN SRI

UCITS ORGANISED AS A FRENCH OPEN-END INVESTMENT COMPANY (*SOCIÉTÉ
D'INVESTISSEMENT À CAPITAL VARIABLE*)

Governed by the French Monetary and Financial Code (*Code monétaire et financier*)

Management company

LAZARD FRERES GESTION SAS

25 rue de Courcelles

75008 Paris, France

To the Shareholders,

In our capacity as statutory auditors of your company, we hereby present to you our report on related party agreements.

We are required to report to you, based on the information with which we have been provided, on the main characteristics and terms, as well as details of the related benefits for the SICAV, of any agreements disclosed to us or that we may have identified during our audit, without being required to comment on their relevance or substance, or to identify any other agreements. It is your responsibility, pursuant to the terms of Article R.225-31 of the French Commercial Code (*Code de commerce*), to assess the benefits of entering into these agreements, prior to approving them.

We are also required, where applicable, to report to you as provided for in Article R. 225-31 of the French Commercial Code on the performance over the past year of any agreements already approved by the shareholders' meeting.

We have performed those checks that we considered necessary in accordance with the professional guidance issued by the national auditing body (*Compagnie nationale des commissaires aux comptes*) relating to this operation.

AGREEMENTS SUBMITTED FOR THE APPROVAL OF THE SHAREHOLDERS' MEETING

We hereby inform you that we have not been advised of any agreement authorised during the past financial year to be submitted to the approval of the shareholders' meeting pursuant to Article L.225-38 of the French Commercial Code.

AGREEMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

We hereby inform you that we have not been advised of any agreement already approved by the shareholders' meeting that remained effective during the past financial year.

Neuilly-sur-Seine, date of electronic signature

Document authenticated by electronic signature

The statutory auditor
PricewaterhouseCoopers Audit
Raphaëlle Alezra-Cabessa

[signature]

2023.06.09 14:58:50 +0200

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6. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AS Of 31/03/2023 in euros

ASSETS

	31/03/2023	31/03/2022
NET NON-CURRENT ASSETS		
DEPOSITS		
FINANCIAL INSTRUMENTS	434 204 088,10	543 280 792,03
Equities and similar securities	401 417 723,35	497 031 893,99
Traded on a regulated or equivalent market	401 417 723,35	497 031 893,99
Not traded on a regulated or equivalent market		
Bonds and similar securities		
Traded on a regulated or equivalent market		
Not traded on a regulated or equivalent market		
Debt securities		
Traded on a regulated or equivalent market		
Negotiable debt securities		
Other debt securities		
Not traded on a regulated or equivalent market		
Undertakings for collective investment	32 786 364,75	46 248 898,04
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries	32 786 364,75	46 248 898,04
Other funds aimed at non-professionals and their equivalent in other countries that are Member States of the EU		
General funds aimed at professional investors and their equivalent in other Member States of the EU and listed securitisation entities		
Other funds aimed at professional investors and their equivalent in other Member States of the EU and unlisted securitisation entities		
Other non-European entities		
Temporary securities transactions		
Receivables on securities purchased under repurchase agreements		
Receivables on loaned securities		
Borrowed securities		
Securities sold under repurchase agreements		
Other temporary transactions		
Forward financial instruments		
Transactions on a regulated or equivalent market		
Other transactions		
Other financial instruments		
RECEIVABLES	1 650 186,83	3 199 722,49
Currency forward exchange transactions		
Other	1 650 186,83	3 199 722,49
FINANCIAL ACCOUNTS	394 693,98	
Cash and cash equivalents	394 693,98	
TOTAL ASSETS	436 248 968,91	546 480 514,52

LIABILITIES AND SHAREHOLDERS' EQUITY

	31/03/2023	31/03/2022
SHAREHOLDERS' EQUITY		
Share capital	433 186 343,43	485 587 611,75
Undistributed net capital gains and losses recognised in previous years (a)		
Retained earnings (a)		
Net capital gains and losses for the year (a, b)	-2 938 585,97	53 988 617,66
Net income for the year (a, b)	5 048 510,85	4 763 788,82
TOTAL SHAREHOLDERS' EQUITY*	435 296 268,31	544 340 018,23
<i>* Sum representing the net assets</i>		
FINANCIAL INSTRUMENTS		
Sales of financial instruments		
Temporary securities transactions		
Liabilities on securities sold under repurchase agreements		
Liabilities on borrowed securities		
Other temporary transactions		
Forward financial instruments		
Transactions on a regulated or equivalent market		
Other transactions		
LIABILITIES	952 700,60	1 744 636,73
Currency forward exchange transactions		
Other	952 700,60	1 744 636,73
FINANCIAL ACCOUNTS		395 859,56
Bank overdrafts		395 859,56
Borrowings		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	436 248 968,91	546 480 514,52

(a) Including accrued income

(b) Less interim dividends paid for the financial year

OFF-BALANCE SHEET ITEMS AS AT 31/03/2023 *in euros*

	31/03/2023	31/03/2022
HEDGING TRANSACTIONS		
Commitments on regulated or similar markets		
Commitments on OTC markets		
Other commitments		
OTHER TRANSACTIONS		
Commitments on regulated or similar markets		
Commitments on OTC markets		
Other commitments		

INCOME STATEMENT AT 31/03/2023 in euros

	31/03/2023	31/03/2022
Income from financial transactions		
Income from deposits and financial accounts		
Income from equities and similar securities	14 628 426,50	16 925 987,88
Income from bonds and similar securities		
Income from debt securities		
Income from temporary purchases and sales of securities		
Income from forward financial instruments		
Other financial income		
TOTAL (1)	14 628 426,50	16 925 987,88
Expenses related to financial transactions		
Expenses related to temporary purchases and sales of securities		
Expenses related to forward financial instruments		
Expenses related to financial liabilities	1 385,73	3 292,21
Other financial charges		
TOTAL (2)	1 385,73	3 292,21
INCOME FROM FINANCIAL TRANSACTIONS (1 - 2)	14 627 040,77	16 922 695,67
Other income (3)		
Management fees and depreciation and amortisation (4)	8 878 930,48	11 921 018,67
NET INCOME FOR THE FINANCIAL YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	5 748 110,29	5 001 677,00
Income adjustment for the financial year (5)	-699 599,44	-237 888,18
Interim dividends paid on net income for the financial year (6)		
Net income (1 - 2 + 3 - 4 + 5 - 6)	5 048 510,85	4 763 788,82

1. ACCOUNTING RULES AND PRINCIPLES

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

The general accounting principles apply:

- true and fair view, comparability, business continuity,
- regularity, truthfulness,
- prudence,
- permanence of the accounting methods used each year.

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

Purchases and sales of securities are recorded excluding expenses.

The accounting currency of the portfolio is the euro.

The financial year comprises 12 months.

Asset valuation rules

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

o **Shares and similar securities** are valued on the basis of the last known price on their main market.

If applicable, prices are translated into euros using the exchange rate prevailing in Paris on the valuation day (as published by WM Closing).

o **Fixed-income securities:**

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

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

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

Financial instruments whose prices have not been determined on the valuation day or whose prices have been adjusted are valued at their probable trading value for which the management company is responsible.

These estimates and their supporting documentation will be provided to the statutory auditor during audits.

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

o **Negotiable debt securities:**

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

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

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

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

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

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

o UCIs:

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

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

o Temporary purchases and sales of securities:

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

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

o Futures and options:

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

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

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

All of the UCI's financial instruments are traded on regulated markets.

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

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

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

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

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

Management fees

Management fees are calculated on each valuation day.

The annual management fee rate is applied to gross assets (equal to net assets before deduction of the day's management fees) using the following formula:

$$\frac{\text{Gross assets} \times \text{operating and management fees rate} \times \text{no. of days between the calculated NAV and the previous NAV}}{365 \text{ (or 366 in a leap year)}}$$

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

The SICAV pays the operating fees, which include:

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

These fees do not include transaction charges.

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

Fees charged to the UCI	Basis	Share	Rate (Maximum incl. taxes)		
Financial management fees	Net assets	FR0000299356	1,980%		
Operating and other service fees	Net assets	Applied to the share	0,020%		
Indirect charges (management fees and expenses)	NA	Applied to the share	None		
Turnover commission (0% to 100% received by the management company and 0% to 100% received by the custodian)	Maximum charge on each transaction	Applied to the share	French equities	Up to €100 000	1,20%
				€100 001 to €200 000	0,78%
				€200 001 to €300 000	0,60%
				More than €300 000	0,42%
			Eurozone equities excluding France	Up to €100 000	0,72%
				€100 001 to €200 000	0,47%
				€200 001 to €300 000	0,36%
				More than €300 000	0,25%
			Foreign equities excluding Eurozone, foreign exchange	Up to €100 000	0,90%
				€100 001 to €200 000	0,61%
				€200 001 to €300 000	0,47%
				More than €300 000	0,32%
			Futures and other transactions	From €0 to €450 per batch/contract	
Performance fee	Net assets	FR0000299356	None		

Only the contributions payable for the management of the UCI pursuant to Article L. 621-5-3 II 4° d) of the French Monetary and Financial Code (Code monétaire et financier) and any exceptional legal costs related to debt recovery are outside the scope of the three blocks of charges referred to in the table above.

The method used to calculate retrocession amounts is set out in the sales and marketing agreements.

- If the amount is significant, a provision is recognised in account 617.

- The final amount is recognised upon settlement of invoices after reversal of any provisions.

Allocation of distributable income

Definition of distributable income:

Distributable income consists of:

Net income:

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

Retained earnings are added, plus or minus the balance of the revenue adjustment account.

Capital gains and losses:

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

Allocation of distributable income:

<i>Share(s)</i>	<i>Allocation of net income</i>	<i>Allocation of net realised capital gains or losses</i>
NORDEN SRI shares:	Accumulation	Accumulation

2. CHANGE IN NET ASSETS AT 31/03/2023 in euros

	31/03/2023	31/03/2022
NET ASSETS AT START OF YEAR	544 340 018,23	614 403 786,13
Subscriptions (including subscription fees retained by the Fund)	24 654 633,13	89 067 675,96
Redemptions (net of redemption fees retained by the Fund)	-111 215 572,59	-164 284 682,17
Realised capital gains on deposits and financial instruments	34 809 474,22	78 919 222,02
Realised capital losses on deposits and financial instruments	-28 560 550,77	-16 669 827,75
Realised capital gains on forward financial instruments		
Realised capital losses on forward financial instruments		
Transaction charges	-2 774 111,00	-2 983 350,39
Exchange rate differences	-25 557 626,52	-3 762 861,44
Changes in valuation difference of deposits and financial instruments	-6 148 106,68	-55 351 621,13
<i>Valuation difference for financial year N</i>	29 884 943,47	36 033 050,15
<i>Valuation difference for financial year N-1</i>	-36 033 050,15	-91 384 671,28
Changes in valuation difference of forward financial instruments		
<i>Valuation difference for financial year N</i>		
<i>Valuation difference for financial year N-1</i>		
Distribution of prior year's net capital gains and losses		
Dividends paid in the previous financial year		
Net profit/loss for the financial year prior to income adjustment	5 748 110,29	5 001 677,00
Interim dividend(s) paid on net capital gains/losses during the financial year		
Interim dividend(s) paid on net income during the financial year		
Other items		
NET ASSETS AT END OF YEAR	435 296 268,31	544 340 018,23

3. ADDITIONAL INFORMATION

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC STATUS

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
TOTAL BONDS AND SIMILAR SECURITIES		
DEBT SECURITIES		
TOTAL DEBT SECURITIES		
LIABILITIES AND SHAREHOLDERS' EQUITY		
SALES OF FINANCIAL INSTRUMENTS		
TOTAL SALES OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGING TRANSACTIONS		
TOTAL HEDGING TRANSACTIONS		
OTHER TRANSACTIONS		
TOTAL OTHER TRANSACTIONS		

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

	Fixed rate	%	Variable rate	%	Revisable rate	%	Other	%
ASSETS								
Deposits								
Bonds and similar securities								
Debt securities								
Temporary securities transactions								
Financial accounts							394 693,98	0,09
LIABILITIES AND SHAREHOLDERS' EQUITY								
Temporary securities transactions								
Financial accounts								
OFF-BALANCE SHEET								
Hedging transactions								
Other transactions								

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

	< 3 months	%]3 months-1 year]	%]1 – 3 years]	%]3 – 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities										
Debt securities										
Temporary securities transactions										
Financial accounts	394 693,98	0,09								
LIABILITIES AND SHAREHOLDERS' EQUITY										
Temporary securities transactions										
Financial accounts										
OFF-BALANCE SHEET										
Hedging transactions										
Other transactions										

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

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

	Currency 1 SEK		Currency 2 DKK		Currency 3 NOK		Currency N OTHER	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities	147 697 902,10	33,93	96 902 580,12	22,26	69 756 680,40	16,03	12 654 694,43	2,91
Bonds and similar securities								
Debt securities								
UCI								
Temporary securities transactions								
Receivables	677 820,68	0,16			407 732,79	0,09		
Financial accounts								
LIABILITIES AND SHAREHOLDERS' EQUITY								
Sales of financial instruments								
Temporary securities transactions								
Liabilities								
Financial accounts								
OFF-BALANCE SHEET								
Hedging transactions								
Other transactions								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Debit/credit item	31/03/2023
RECEIVABLES		
	Subscription receivables	31 626,06
	Retrocession of management fees	101 598,00
	Coupons and dividends in cash	1 516 962,77
TOTAL RECEIVABLES		1 650 186,83
LIABILITIES		
	Redemptions payable	201 449,43
	Fixed management fees	751 251,17
TOTAL LIABILITIES		952 700,60
TOTAL LIABILITIES AND RECEIVABLES		697 486,23

3.6. SHAREHOLDERS' EQUITY

3.6.1. Number of securities issued or redeemed

	In equity	In amounts
Shares subscribed during the financial year	107 976,424	24 654 633,13
Shares redeemed during the financial year	-484 097,539	-111 215 572,59
Net balance of subscriptions/redemptions	-376 121,115	-86 560 939,46
Number of shares outstanding at the end of the financial year	1 831 584,312	

3.6.2. Subscription and/or redemption fees

	In amounts
Total fees acquired	
Subscription fees acquired	
Redemption fees acquired	

3.7. MANAGEMENT FEES

	31/03/2023
Guarantee fees	
Fixed management fees	9 298 639,69
Percentage of fixed management fees	2,00
Retrocessions of management fees	419 709,21

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the Fund:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. OTHER INFORMATION

3.9.1. Present value of financial instruments held temporarily

	31/03/2023
Securities held under repurchase agreements	
Borrowed securities	

3.9.2. Present value of financial instruments representing security deposits

	31/03/2023
Financial instruments given as security and retained under their original classification	
Financial instruments received as security and not recorded on the balance sheet	

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

	ISIN code	Name	31/03/2023
Equities			
Bonds			
Negotiable debt securities			
UCI			32 786 364,75
	FR0011291657	LAZARD EURO SHORT TERM MONEY MARKET	9 837 374,75
	FR0013344892	NORDEN FAMILY ACTION IC	3 136 740,00
	FR0011474980	NORDEN SMALL	19 812 250,00
Forward financial instruments			
Total group securities			32 786 364,75

3.10. APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Table of appropriation of distributable income pertaining to net income

	31/03/2023	31/03/2022
Remaining amounts to be allocated		
Retained earnings		
Net income	5 048 510,85	4 763 788,82
Interim dividends paid on net income for the financial year		
Total	5 048 510,85	4 763 788,82

	31/03/2023	31/03/2022
Appropriation		
Distribution		
Balance brought forward for the financial year		
Accumulation	5 048 510,85	4 763 788,82
Total	5 048 510,85	4 763 788,82

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

	31/03/2023	31/03/2022
Remaining amounts to be allocated		
Undistributed net capital gains and losses recognised in previous years		
Net capital gains and losses for the year	-2 938 585,97	53 988 617,66
Interim dividends paid on net capital gains/losses for the financial year		
Total	-2 938 585,97	53 988 617,66

	31/03/2023	31/03/2022
Appropriation		
Distribution		
Undistributed net capital gains and losses		
Accumulation	-2 938 585,97	53 988 617,66
Total	-2 938 585,97	53 988 617,66

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

	29/03/2019	31/03/2020	31/03/2021	31/03/2022	31/03/2023
Net assets in EUR	787 743 545,57	434 782 354,31	614 403 786,13	544 340 018,23	435 296 268,31
Number of shares	4 076 121,675	2 659 201,165	2 496 205,305	2 207 705,427	1 831 584,312
Net asset value per unit	193,25	163,50	246,13	246,56	237,66
Accumulation per unit pertaining to net capital gains/losses	-2,12	-10,69	15,60	24,45	-1,60
Accumulation per unit pertaining to income	2,05	2,74	0,43	2,15	2,75

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS in EUR

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
Equities and similar securities				
Equities and similar securities traded on a regulated or similar market				
BERMUDA				
AUTOSTORE HOLDINGS LTD-W/I	NOK	3 244 400	6 406 966,47	1,47
TOTAL BERMUDA			6 406 966,47	1,47
DENMARK				
ALK-ABELLO A/S	DKK	555 000	7 904 836,70	1,82
CHR.HANSEN HOLDING	DKK	101 600	7 105 848,87	1,64
COLOPLAST B	DKK	100 000	12 105 835,45	2,78
DSV A/S	DKK	47 900	8 529 573,25	1,96
GN GREAT NORDIC	DKK	205 000	4 235 230,16	0,97
NOVO NORDISK AS	DKK	236 500	34 471 923,54	7,92
PANDORA A/S	DKK	58 100	5 111 720,56	1,17
ROYAL UNIBREW AS	DKK	163 000	13 084 987,85	3,00
SYDBANK	DKK	105 000	4 352 623,74	1,00
TOTAL DENMARK			96 902 580,12	22,26
FINLAND				
ELISA COMMUNICATION OXJ - A	EUR	139 300	7 739 508,00	1,78
KESKO OYJ B	EUR	478 900	9 484 614,50	2,18
KONE OY B NEW	EUR	314 600	15 100 800,00	3,47
NESTE OYJ	EUR	198 100	8 999 683,00	2,07
SAMPO OYJ A	EUR	290 000	12 609 200,00	2,90
VALMET OYJ	EUR	517 600	15 445 184,00	3,55
WAERTSILAE CORPORATION	EUR	578 600	5 026 876,80	1,15
TOTAL FINLAND			74 405 866,30	17,10
NORWAY				
DNB BANK ASA	NOK	650 000	10 702 421,23	2,46
EQUINOR ASA	NOK	441 300	11 584 682,52	2,66
GJENSID FORSIKR	NOK	749 800	11 288 020,39	2,59
KONGSBERG GRUPPEN	NOK	340 600	12 655 945,86	2,91
NORDIC SEMICONDUCTOR ASA	NOK	789 500	11 066 946,43	2,54
TELENOR	NOK	561 200	6 051 697,50	1,39
TOTAL NORWAY			63 349 713,93	14,55
UNITED KINGDOM				
ASTRAZENECA PLC	GBP	99 000	12 654 694,43	2,91
TOTAL UNITED KINGDOM			12 654 694,43	2,91
SWEDEN				
AFRY AB	SEK	474 100	7 856 778,80	1,80
ALFA LAVAL	SEK	140 000	4 594 177,17	1,06
ATLAS COPCO AB	SEK	1 900 000	20 099 591,69	4,61
AUTOLIV SWED.DEPOSIT.RECEIPTS	SEK	100 000	8 572 696,61	1,97
EPIROC AB-B	SEK	1 238 400	19 396 030,53	4,45
ERICSSON(LM) B	SEK	1 876 900	10 095 876,09	2,32
ESSITY	SEK	238 100	6 264 232,20	1,44
HEXPOL AB	SEK	950 000	10 835 700,34	2,49
HUSQVARNA AB CL B	SEK	556 400	4 436 976,39	1,02
SKANDINAVISKA ENSKILDA BANKEN	SEK	1 140 000	11 571 010,12	2,66
SVENSKA HANDELSBANKEN AB	SEK	1 204 600	9 606 006,04	2,21
SWEDBANK AB	SEK	484 500	7 317 386,38	1,68

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

Description of security	Currency	Quantity No. or nominal	Present value	% Net assets
TELE2 AB	SEK	980 700	8 987 863,93	2,07
THULE GROUP AB	SEK	222 600	5 032 506,66	1,15
VOLVO AB-B-	SEK	686 500	13 031 069,15	3,00
TOTAL SWEDEN			147 697 902,10	33,93
TOTAL Equities and similar securities traded on a regulated or similar market			401 417 723,35	92,22
TOTAL Equities and similar securities			401 417 723,35	92,22
Undertakings for collective investment				
General UCITS and general AIFs aimed at non-professionals and their equivalent in other countries				
FRANCE				
LAZARD EURO SHORT TERM MONEY MARKET	EUR	4 949	9 837 374,75	2,26
NORDEN FAMILY ACTION IC	EUR	27 600	3 136 740,00	0,72
NORDEN SMALL	EUR	95 000	19 812 250,00	4,55
TOTAL FRANCE			32 786 364,75	7,53
TOTAL general UCITS and general AIFs aimed at non-professionals and their equivalent in other countries			32 786 364,75	7,53
TOTAL Undertakings for collective investment			32 786 364,75	7,53
Receivables			1 650 186,83	0,38
Liabilities			-952 700,60	-0,22
Financial accounts			394 693,98	0,09
Net assets			435 296 268,31	100,00

NORDEN SRI shares:	EUR	1 831 584,312	237,66
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TEXT OF RESOLUTIONS

NORDEN SRI

French open-end investment company (Société d'Investissement à Capital Variable)

Registered office: 10, avenue Percier - 75008 Paris

Paris Trade and Companies Register no. 399 380 997

RESOLUTION CONCERNING THE ALLOCATION OF DISTRIBUTABLE INCOME PROPOSED TO THE SHAREHOLDERS' MEETING

FINANCIAL YEAR ENDED MARCH 31ST, 2023

Second resolution

The Shareholders' Meeting approves the distributable income for the financial year, which amounts to:

€5 048 510,85	Distributable amount pertaining to net income
-€2 938 585,97	Distributable amount pertaining to net capital gains and losses

and allocates these amounts to the share capital pursuant to Article 28 of the articles of association.

No dividends will therefore be paid for this financial year.

Reminder: the distributable income for the past four financial years has been accumulated.

7. APPENDIX(ES)

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

Product name: NORDEN SRI

Legal entity identifier: 969500E1UBFIIVNQC729

Environmental and/or social characteristics

Sustainable investment

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

The EU Taxonomy

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

Did this financial product have a sustainable investment objective?

Yes

It made **sustainable investments with an environmental objective:**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made a minimum of **sustainable investments with a social objective**

No

It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 78,92% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**



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

To what extent were the environmental and/or social characteristics promoted by this financial product met?

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

Environmental policy:

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

Controlling environmental impacts

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

Managing the environmental impact of products and services:

- Ecodesign of products and services
- Environmental innovation

Moreover, the portfolio promotes the following social characteristics:

Respect for human rights:

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

Human resources management:

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

Value chain management:

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

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

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

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

In terms of valuation in the internal analysis model:

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

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

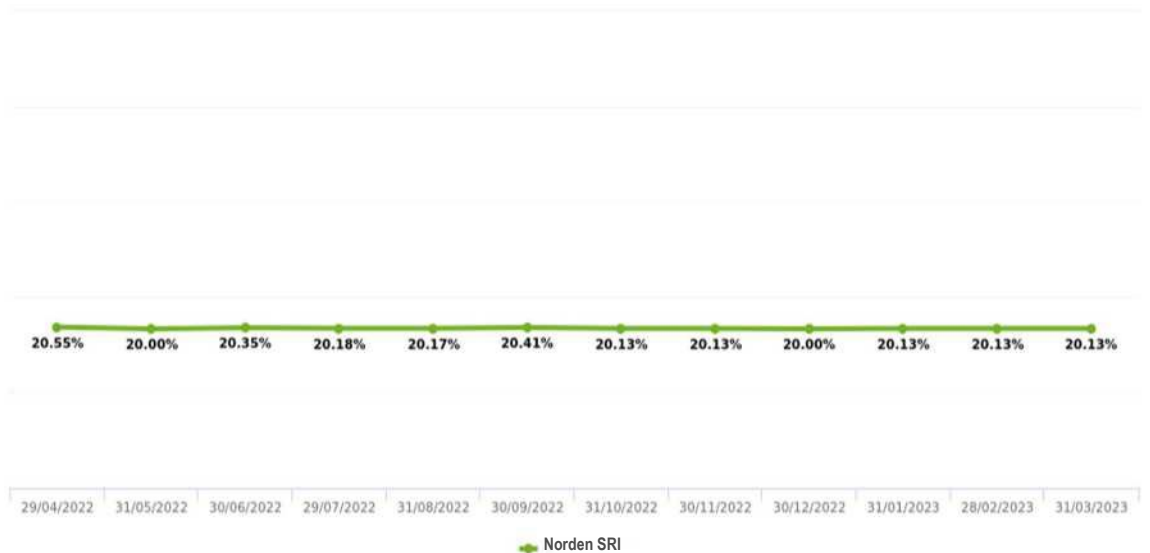
Each E, S and G pillar is rated from 1 to 5 based on a minimum of ten relevant key indicators per dimension.

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

In terms of controlling the elements of the investment strategy with an external data provider:

In addition, to confirm the robustness of the internal model, the analysts-managers in charge of management compare the portfolio's average ESG rating to that of its reference ESG universe using Moody's ESG Solutions ratings.

Change in exclusion rate



The portfolio's reference ESG universe is:
The Nordic equity universe provided by our ESG partners

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

Not applicable

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

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

The environmental indicators used are as follows:

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

The social indicators used are as follows:

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

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

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

	Rule	Average share of the portfolio
Carbon footprint in €m	Included in the lowest 20% of the sector	38,98%
GHG intensity	Included in the lowest 20% of the sector	36,76%
Implied temperature rise in 2100	≤2°C	57,19%
Number of low-carbon patents	Included in the top 20% of the universe	24,63%
% of women in executive management	Included in the top 20% of the universe	13,77%
Number of hours of training for employees	Included in the top 20% of the universe	8,69%
Benefits coverage	See sustainable investment presentation www.lazardfreresgestion.fr	11,46%
Diversity policies by management	See presentation www.lazardfreresgestion.fr	11,05%

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

The absence of significant harm is assessed on the basis of all the PAI indicators listed in Table 1 of Annex I to Delegated Regulation (EU) 2022/1288 of April 6th, 2022. In the event of insufficient coverage of the investment universe for certain indicators, alternative criteria may be used on an exceptional basis (such as for PAI 12, use of an indicator on management attention to diversity). Using alternative criteria is subject to the independent control of the Risks and Compliance department. Alternative indicators are also presented on the Lazard Frères Gestion website under the heading “Sustainable investment methodology”.

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

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

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

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.

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

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

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

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

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

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

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

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



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

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

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

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



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 01/04/2022 to 31/03/2023

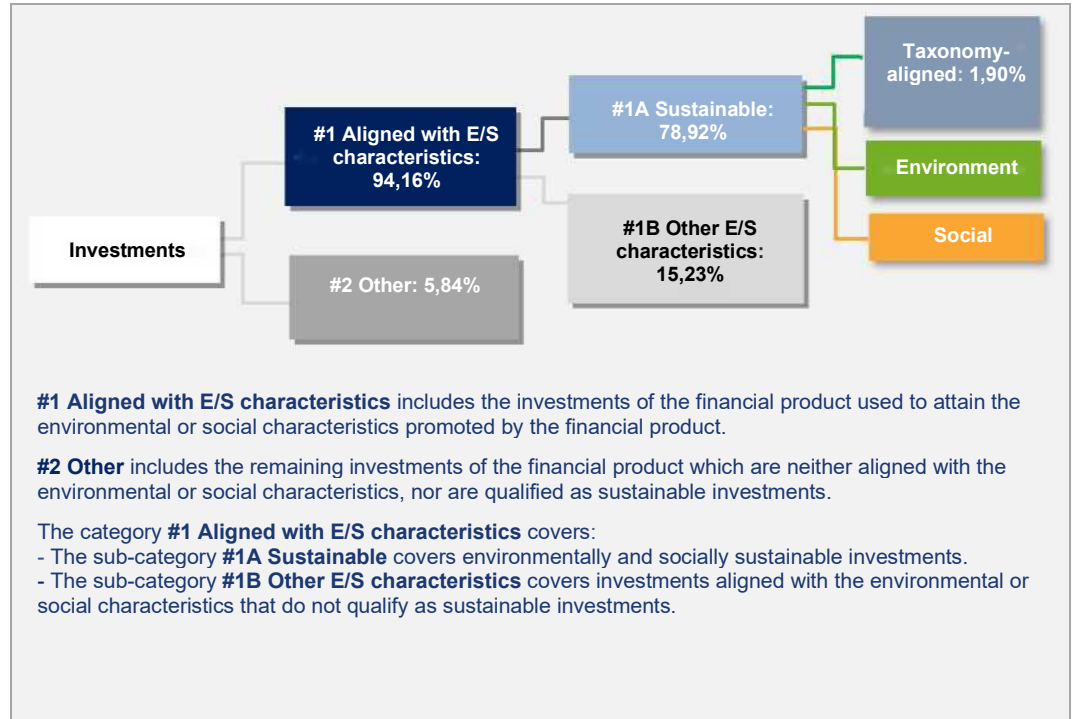
Largest investments	Sector	Percentage of assets	Country
1. NOVO NORDISK AS	Manufacturing	7,61%	Denmark
2. NORDEN SMALL	UCI	4,57%	France
3. EPIROC AB-B	Manufacturing	4,15%	Sweden
4. VALMET OYJ	Manufacturing	3,76%	Finland
5. SVENSKA HANDELSBANKEN AB	Financial and insurance activities	3,66%	Sweden
6. ATLAS COPCO AB	Manufacturing	3,30%	Sweden
7. SAMPO OYJ-A SHS	Financial and insurance activities	3,30%	Finland
8. ASTRAZENECA PLC	Manufacturing	3,27%	United Kingdom

Largest investments	Sector	Percentage of assets	Country
9. ROYAL UNIBREW AS	Manufacturing	3,08%	Denmark
10. VOLVO AB-B-	Manufacturing	3,01%	Sweden
11. GJENSID FORSIKR	Financial and insurance activities	2,90%	Norway
12. KONEOYJ-B	Manufacturing	2,89%	Finland
13. ERICSSON(LM) B	Manufacturing	2,86%	Sweden
14. SKANDINAVISKA ENSKILDA BANKEN	Financial and insurance activities	2,59%	Sweden



What was the proportion of sustainability-related investment?

- **What was the asset allocation?**

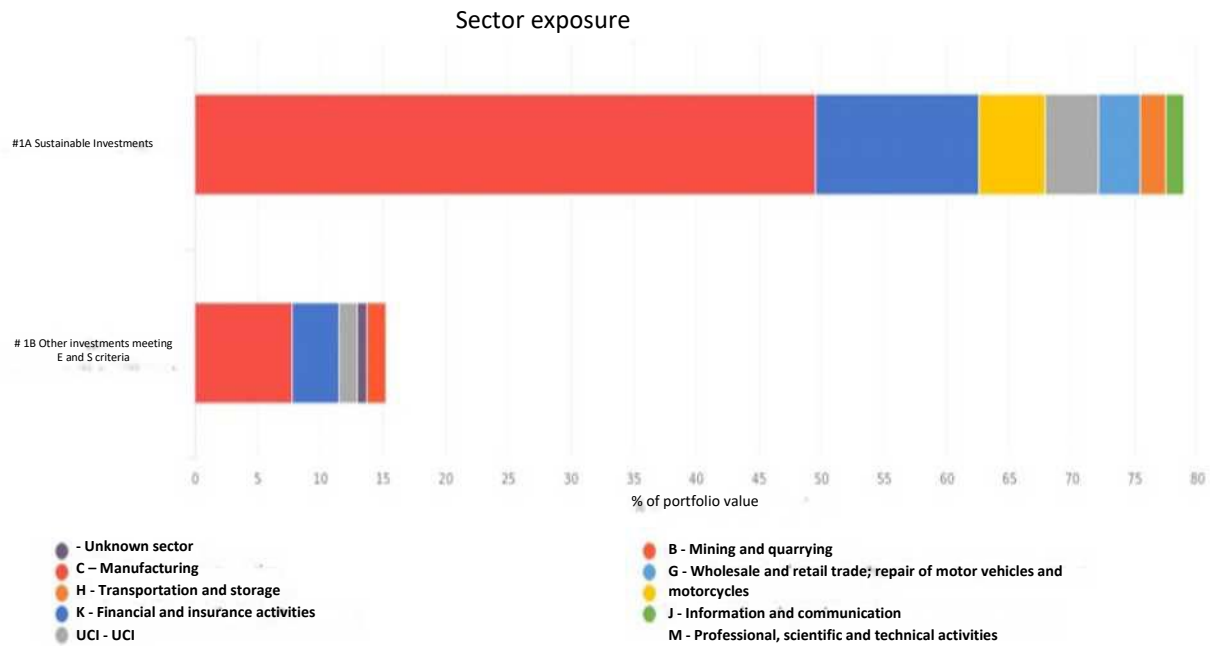


Asset allocation describes the share of investments in specific assets.

Details of sustainable investments	
Weight of sustainable investments in the portfolio	78,92%
Of which sustainable investments E	67,27%
Of which sustainable investments S	41,52%

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

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



Exposure to the fossil fuel sector averaged 5,38% over the period.

Taxonomy-aligned activities are expressed as a share of:

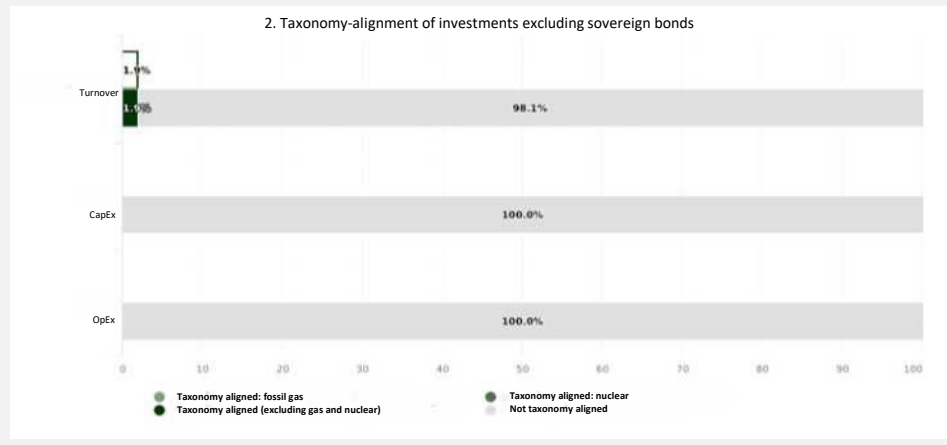
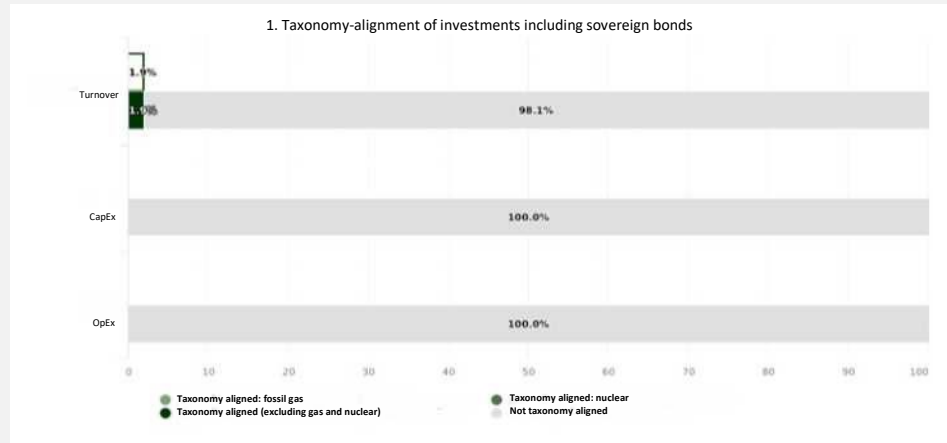
- **turnover** reflects the “greenness” of investee companies today;
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy;
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

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

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

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



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

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

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

- **What was the share of investments made in transitional and enabling activities?**

At the date of production of this document, Lazard Frères Gestion does not have the data needed to identify the share of transitional or enabling activities.

- **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

Not applicable



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



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

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy is 67,26%

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



What was the share of socially sustainable investments?

The share of socially sustainable investments is 41,52%

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



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

The "other" category consists mainly of money market UCIs and cash. Over the past period, the "other" segment represented on average 5,84%.



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

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

- The non-financial analysis rate

The non-financial analysis rate of the product's investments is over 90%.

This rate is expressed as a percentage of total assets.

Over the past period, the non-financial analysis rate was 94,16% on average.

- The portfolio's exclusion rate

The analyst-managers ensure that 20% or more of the lowest-rated securities in the portfolio's investment universe are excluded

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

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

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



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

Not applicable.

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

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.