LAZARD ASSET MANAGEMENT LIMITED (UK)

INFORMATION RELATING TO THE EU SUSTAINABLE FINANCE DISCLOSURE REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT

Lazard Asset Management Limited ("Lazard") is an asset management firm that offers funds and investment strategies to clients in the European Union states, and therefore is making the following website disclosures in connection with the EU's Sustainable Finance Disclosure Regulation ("SFDR").

Integration of Sustainability Risk

Lazard's Sustainable Investment and ESG Integration Policy (the "Policy") outlines its approach and commitment to incorporating environmental, social, and corporate governance ("ESG") considerations in investment processes to safeguard the interests of clients and other relevant stakeholders. In particular, the Policy requires Lazard's portfolio management teams to integrate the consideration of Sustainability Risks in their management of strategies and funds offered to investors in the European Union or United Kingdom pursuant to the SFDR. The Policy is supplemented by Lazard's Climate Change Investment Policy and its Global Governance Principles, among other documents.

Lazard's portfolio management teams have access to ESG data from internal and external resources, which allows them to assess the Sustainability Risks associated with prospective or existing investments for their relevant investment products. This data includes:

a. Our proprietary Materiality Mapping[1] analysis, which evaluates ESG issues facing specific industry groups.

b. Trucost[2], part of S&P Global, provides environmental ratings and research enabling the Investment Manager to assess a company's environmental impact and the overall environmental footprint of investment portfolios.

c. Sustainalytics ESG Research[3], provides Lazard with research that enhances the Investment Manager's understanding of a company's ESG practices, and risk ratings that allow for systematic comparison of ESG performance across companies.

d. Lazard's ESG watchlist, produced quarterly by its Global Risk Management team containing ESG ratings for a universe of more than 5,500 companies.

e. Proprietary research reports concerning investee companies prepared by Lazard investment professionals, which include an evaluation of the environmental, social and governance impacts and/or attributes of potential investments for the firm's

1 Based on the foundation of SASB's Materiality Map™
2 Copyright © 2018 S&P Trucost Limited, an affiliate of S&P Global Market Intelligence.
3 Sustainalytics© 2020

clients. Analysis in these reports is derived from, among other sources, engagement with the senior management of the investee companies.

Our firm offers actively managed investment products whose portfolios are constructed using investment processes that rely upon fundamental or quantitative research analysis. Both types of analysis incorporate consideration of Sustainability Risk into their security selection processes.

Generally, when selecting investments for a product managed using fundamental analysis, Lazard will employ some combination of the above-referenced data as well as other data to identify and assess the relevant Sustainability Risks. Our analysis of the Sustainability Risks and factors mitigating those Risks may result in various outcomes, including without limitation an adjustment to its valuation of an issuer's securities, a decision to overweight or underweight exposure to those securities in the relevant portfolio, or a decision to avoid investment in the securities. Lazard's assessment of the Sustainability Risks relating to an investment in such portfolios will evolve as it continues to conduct fundamental research concerning that issuer, its industry/sector, and other interested entities and stakeholders.

Similarly, when selecting investments for a product managed using quantitative analysis, Lazard will reference proprietary and external data about companies to identify and assess relevant Sustainability Risks. Our quantitative assessments of the Sustainability Risks and factors mitigating those Risks may result in various outcomes, including without limitation an adjustment to its expected valuation of an issuer's securities, the overweighting or underweighting of exposure to those securities in the relevant client portfolio, or avoiding investment in the securities. Lazard's assessment of the Sustainability Risks relating to such portfolios will evolve as it continues to generate quantitative analysis concerning an issuer, its industry/sector, and other interested entities and stakeholders based upon available data.

While Lazard believes that Sustainability Risks likely will have negative impacts on the business activities and financial performance of certain issuers in our investment universes over time, currently we do not believe that Sustainability Risks will have unique impacts on the future returns of our investment products. In particular, Lazard currently believes that its investment processes, when applied in normal market conditions to the universe of securities eligible for investment by the vast majority of our portfolio management teams, should help our portfolios avoid investments that present unacceptably high Sustainability Risks and investments whose valuations do not accurately reflect such Sustainability Risks.

Incorporating Sustainability Risks in Employee Remuneration

The remuneration policy for the above-referenced Lazard entity has been amended to require that senior management incorporate in remuneration decisions an assessment of how our investment professionals incorporate Sustainability Risks in investment decisions as required by SFDR. The policy also applies to the remuneration of members of management who supervise investment professionals. Our assessment will rely upon qualitative and quantitative observations, relying upon information collected using reasonable efforts. Integration of Sustainability Risks will be one of multiple factors considered to determine discretionary remuneration for our relevant investment professionals and their supervisors.

No Consideration of Sustainability Impacts

The above-referenced Lazard entity employs fewer than 500 individuals, which exempts it from mandatory estimation and disclosure of Adverse Sustainability Impacts under SFDR.

The SFDR provides for the adoption of regulatory technical standards which will mandate the content, methodologies and presentation of disclosures required under the SFDR (the RTS). Following a delay by the European Commission to the timeline for adoption and entry into force of the RTS, the application date of the RTS is presently uncertain. However, it is anticipated that the RTS will enter into force on or around 1 January 2022. The RTS will, once finalised, set down rules for the assessment and disclosure of adverse sustainability impacts in accordance with the SFDR. Pending the finalisation and entry into force of the RTS, Lazard has elected, pursuant to Article 4(1)(b) of the SFDR, to delay consideration, in accordance with the SFDR, of the adverse impacts of investment decisions on Sustainability Factors. Lazard considers this a pragmatic and economical approach to compliance with its obligations under the SFDR.

Once the RTS are finalised, adopted and in force Lazard may reassess this position (taking account of the availability of data required to comply with the relevant requirements) and determine the date from which it will comply with Article 4(1)(a) of the SFDR. Lazard will actively monitor relevant developments in this area.

Disclosures for Article 8 Products

Lazard offers selected funds and investment strategies which, in our view, over time will promote and/or prioritize certain environmental and socio-economic characteristics or generally will avoid exposures to investments with distinctly unfavorable environmental and socio-economic characteristics. We believe that those products are properly classified as Article 8 products under the SFDR. Descriptions of the characteristics promoted; the methodologies used to assess, measure and monitor them; how we expect the characteristics will be met; and relevant benchmark information are provided in the website pages devoted to each of the relevant funds and investment strategy platforms.