



LAZARD

SASB

Index

2020





## Lazard SASB Disclosure Index

This Sustainability Accounting Standards Board (SASB) disclosure index is prepared in accordance with SASB Asset Management (AC) and Investment Banking (IB) industry standards. Lazard Ltd (Lazard) is committed to providing meaningful and transparent information on our long-term business strategy and evolving ESG topics of importance to our stakeholders. We disclose information based on the SASB framework below and link to corresponding sections in our Corporate Sustainability Report (CSR) and other public information posted on our website [www.lazard.com](http://www.lazard.com).

For more than 170 years Lazard has provided clients with trusted financial advice and investment solutions. Today we have approximately 3,100 employees in more than 40 cities serving clients across the globe. We aim to create a positive long-term financial, social and environmental impact for our stakeholders: clients, employees, shareholders and communities.

### Safe Harbor

This report may contain forward-looking statements. In some cases, you can identify these statements by forward-looking words such as “may”, “might”, “will”, “should”, “could”, “would”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “target,” “goal”, or “continue”, and the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to known and unknown risks, uncertainties and assumptions about us, may include projections of our future financial performance based on our growth strategies, business plans and initiatives and anticipated trends in our business. These forward-looking statements, including with respect to the current COVID-19 pandemic, are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by these forward-looking statements. These factors include, but are not limited to, those discussed in our Annual Report on Form 10-K under Item 1A “Risk Factors,” and also discussed from time to time in our reports on Forms 10-Q and 8-K. Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Neither we nor any other person assumes responsibility for the accuracy or completeness of any of these forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. We are under no duty to update any of these forward-looking statements after the date of this report to conform our prior statements to actual results or revised expectations and we do not intend to do so.

Inclusion of information in this report is not an indication that we deem such information to be material or important to an understanding of our business or an investment decision with respect to our securities.

### Photography: Lazard 2020 Employee Photo Challenge

Souy Taing, Financial Advisory

## Asset Management (AC) and Investment Banking (IB) Financials Sector Disclosures

Dimension	Category	Topic
Social Capital	Selling Practices & Product Labeling	Transparent Information & Fair Advice for Customers
Code	Accounting Metric	Disclosure
FN-AC-270a.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	<p>Material legal proceedings are disclosed</p> <ul style="list-style-type: none"> <li>• Lazard Ltd 2020 Form 10-K (Item 3, page 36)</li> <li>• LAM Form ADV (Item 9, page 43)</li> </ul>
FN-AC-270a.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers	<p>Material legal proceedings are disclosed</p> <ul style="list-style-type: none"> <li>• Lazard Ltd 2020 Form 10-K (Item 3, page 36)</li> <li>• LAM Form ADV (Item 9, page 43)</li> </ul>
FN-AC-270a.3	Description of approach to informing customers about products and services	<p>Lazard operates a global asset management business offering a wide range of actively managed investment products and services to a predominantly institutional client base. Lazard Asset Management (LAM) provides clients with an Investment Management Agreement and other contractual agreements that clearly delineate investment objectives, the capacities in which we act, and the fees we charge. In addition to contracts for products and services, and regulatory disclosures, we provide clients with an individualized investment prospectus outlining our services and associated fee structures.</p> <p>Our efforts to inform clients about our products and services emphasizes:</p> <ul style="list-style-type: none"> <li>• Transparency of procedures, performance and potential conflicts of interest;</li> <li>• Engagement to establish and monitor investment criteria;</li> <li>• Accuracy and completeness of information; and</li> <li>• Identification and disclosure of key risks in our materials.</li> </ul> <p>For more detailed information, please refer to Lazard Asset Management's <a href="#">Customer Information Policy</a> <a href="#">LAM Form ADV 2021</a></p>

Dimension	Category	Topic
Human Capital	Employee Engagement	Diversity & Inclusion
Code	Accounting Metric	Disclosure
FN-AC-330a.1 FN-IB-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	<p>Our global workforce includes 36% women and our U.S. workforce includes 33% minority representation. Approximately 50% of our workforce resides outside of the U.S. where it is generally not permissible to collect workforce demographic information. As part of our ongoing commitment to diversity, inclusion and equality across the firm, we have provided our management approach and detailed activities in our Corporate Sustainability Report (CSR), under the pillar “Our People and Culture”. Please see our CSR page 14.</p>



<b>Dimension</b>	<b>Category</b>	<b>Topic</b>
Business Model & Innovation	Product Design & Lifecycle Management	Incorporation of ESG Factors in Investment Management & Advisory

Code	Accounting Metric	Disclosure
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FN-AC-410a.1	Amount of assets under management (AUM), by asset class, that employ (1) integration of ESG issues, (2) sustainability themed investing and (3) screening	Lazard's total AUM was \$259 billion as of December 31, 2020. (\$Ms)																				
		<table border="1"> <thead> <tr> <th>Level</th> <th>% AUM</th> <th>Total</th> <th>Equity</th> <th>Fixed Income</th> </tr> </thead> <tbody> <tr> <td>ESG Integration</td> <td>93%</td> <td>\$240,017</td> <td>\$201,047</td> <td>\$38,969</td> </tr> <tr> <td>Sustainability Themed</td> <td>9%</td> <td>24,494</td> <td>18,864</td> <td>5,630</td> </tr> <tr> <td>Screening</td> <td>18%</td> <td>46,675</td> <td>32,273</td> <td>14,402</td> </tr> </tbody> </table>	Level	% AUM	Total	Equity	Fixed Income	ESG Integration	93%	\$240,017	\$201,047	\$38,969	Sustainability Themed	9%	24,494	18,864	5,630	Screening	18%	46,675	32,273	14,402
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FN-IB-410a.1	Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions incorporating integration of ESG factors, by industry	We do not allocate investment banking advisory revenue into an ESG categorization. We believe ESG factors may become a potentially significant catalyst in future strategic activity and will monitor the strategic rationale of our advisory assignments. Separately, we do not typically act as underwriter or securitization agent in transactions, and any such instances are immaterial to our Financial Advisory business.																				
FN-AC-410a.2 FN-IB-410a.3	Description of approach to incorporation of ESG in asset management and investment banking activities	Lazard advises clients on a wide range of long-term value-creation strategies that often involve evaluating evolving ESG risks and opportunities. In our Asset Management business, a majority of our AUM integrates ESG factors as part of our fundamental company and industry analysis. In our Financial Advisory business, we evaluate ESG factors, risks and opportunities as part of our due diligence prior to engagement and strategic assessment. It is an essential part of our financial and investment advisory mandates to analyze emerging trends and provide thought leadership, and we frequently publish research insights and perspectives on our public website which highlight ESG trends. We view sustainability as an important component to consider in connection with the evolution and valuation of the market and business environment. Please see our CSR pages 8, 21-36.																				
FN-IB-410a.2	(1) Number and (2) total value of investments and loans incorporating integration of ESG factors, by industry	We do not make material proprietary investments as part of our business activities.																				
FN-AC-410a.3	Description of proxy voting and investee engagement policies and procedures	<p>Lazard Asset Management engages directly with portfolio companies in order to evaluate long-term shareholder value on behalf of its investment advisory clients. As part of this, our investment professionals regularly participate in meetings with management teams and boards of directors to better understand a company's business strategy, use of shareholder capital and ESG practices. During these meetings, we engage on a variety of topics, including ESG issues that may present a potential material risk to a company's financial performance.</p> <p>Our proxy voting structure is designed to ensure that our proxy votes are in our clients' best interests. We believe that as a fiduciary, it is our responsibility to vote proxies based on what we believe will maximize long-term shareholder value. More information on our proxy voting and engagement practices is summarized in the following policies posted on Lazard Asset Management's website:</p> <table border="0"> <tr> <td><a href="#">Annual Sustainable Investment Report</a></td> <td><a href="#">Our Climate Change Investment Policy</a></td> </tr> <tr> <td><a href="#">TCFD Report</a></td> <td><a href="#">Lazard's Proxy Voting Policy Overview</a></td> </tr> <tr> <td><a href="#">Sustainable Investment and ESG Integration Policy</a></td> <td><a href="#">Global Voting Summary</a></td> </tr> <tr> <td><a href="#">Our Global Governance Principles</a></td> <td><a href="#">Principles of Responsible Investment (PRI) Report</a></td> </tr> </table>	<a href="#">Annual Sustainable Investment Report</a>	<a href="#">Our Climate Change Investment Policy</a>	<a href="#">TCFD Report</a>	<a href="#">Lazard's Proxy Voting Policy Overview</a>	<a href="#">Sustainable Investment and ESG Integration Policy</a>	<a href="#">Global Voting Summary</a>	<a href="#">Our Global Governance Principles</a>	<a href="#">Principles of Responsible Investment (PRI) Report</a>												
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Dimension		Category	Topic
Leadership & Governance		Professional Integrity	Professional Integrity
Code	Accounting Metric	Disclosure	
FN-AC-510a.1 FN-IB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice or other related financial industry laws or regulations	Material legal proceedings are disclosed: <ul style="list-style-type: none"> <li>• Lazard Ltd 2020 Form 10-K (Item 3, page 36)</li> <li>• LAM Form ADV (Item 9, page 43)</li> </ul>	
FN-AC-510a.2 FN-IB-510a.2	Description of whistleblower policies and procedures	Our <a href="#">Code of Business Conduct and Ethics</a> defines the firm's whistleblower policies and procedures. Lazard provides employees and the public with internal and anonymous channels through which concerns can be raised without reprisal. All matters are carefully reviewed and investigated with regard for discretion and in accordance with the firm's protocols for legal, regulatory and ethical compliance. More information is provided in the following policy posted on our website: <a href="#">Accounting Concern Reporting Procedures</a> and our CSR page 39.	
FN-IB-510b.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	Material legal proceedings are disclosed: <ul style="list-style-type: none"> <li>• Lazard 2020 Form 10-K (Item 3, page 36)</li> </ul>	
FN-IB-510b.2 FN-IB-510b.3	(1) Number of mediation and arbitration cases and (2) total amount of monetary losses as associated with professional integrity, including duty of care, by party	Lazard is involved from time to time in judicial, regulatory and arbitration proceedings and inquiries concerning matters arising in connection with the conduct of our businesses. We review such matters on a case-by-case basis and establish any required accrual if a loss is probable and the amount of such loss can be reasonably estimated. No pending matters have risen to a material level as disclosed in our 2020 Form 10-K (Item 3, page 36).	
FN-IB-510b.4	Description of approach to ensuring professional integrity, including duty of care	Our reputation relies on the ability of our people to act responsibly, deliver the best outcomes, and prudently manage risk. We strive for the highest standards of business ethics and personal accountability, and we take actions to ensure performance in accordance with these standards. Lazard maintains a <a href="#">Code of Business Conduct and Ethics</a> and administers training to employees on firm policies, procedures, legal and regulatory requirements. Each employee must certify annually they have reviewed, understood and will comply with the firm's policies and procedures. Throughout the year, we provide training programs that further educate our employees with respect to legal and regulatory requirements and the relevant policies and procedures. We promote adherence to a culture of the highest integrity and ethical conduct, as summarized in our CSR pages 37-41.	

Dimension		Category	Topic
Leadership & Governance		Systemic Risk Management	Systemic Risk Management
Code	Accounting Metric	Disclosure	
FN-AC-550a.1	Percentage of open-end fund assets under management by category of liquidity classification	As a fiduciary asset manager, liquidity is reviewed for each open-end portfolio as each portfolio invests independently. Aggregate liquidity classifications across funds would not provide meaningful insights as to how liquidity is managed at the fund level. Accordingly, we are omitting this information.	



Dimension		Category	Topic
Leadership & Governance		Systemic Risk Management	Systemic Risk Management
Code	Accounting Metric	Disclosure	
FN-IB-550a.1	Global Systemically Important Bank (G-SIB) score	None of Lazard's entities are designated as a Globally Systemically Important Bank.	
FN-AC-550a.2	Description of approach to incorporation of liquidity risk management programs into portfolio strategy and redemption risk management	Liquidity profiles are analyzed across asset management strategies and portfolios by the portfolio and risk management teams on a daily and monthly basis. Our Valuation and Liquidity Committee meets on a monthly basis to review portfolio-level liquidity statistics across all client portfolios. The Valuation and Liquidity Committee is comprised of members of Risk, Operations, Legal and Compliance, and senior management. As a registered investment adviser, we maintain liquidity-related policies and procedures informed by various U.S. regulations. Our Investment Oversight Committee reviews liquidity and ad hoc analyses in response to material market events or portfolio changes, as necessary. Our Global Risk Management team has a comprehensive liquidity monitoring process, used to calculate the time required to liquidate each portfolio across various scenarios, including stressed market conditions. We aim to ensure that no equity portfolio maintains a concentration in any holding of more than 20% of the total market capitalization of an equity security.	
FN-IB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Our businesses are subject to extensive global regulation and internal stress testing is an integral part of our capital planning and risk management framework. Many of our affiliates that participate in the capital markets are subject to comprehensive regulations that include some form of minimum capital retention requirements and customer protection rules. We provide detailed disclosure of Regulatory Requirements in our 2020 Form 10-K (pages 11-13, 61 and 128).	
FN-AC-550a.3	Total exposure to securities financing transactions	Lazard and its affiliates do not currently engage in securities financing transactions.	
FN-AC-550a.4	Net exposure to written credit derivatives	Lazard and its affiliates do not currently engage in written credit derivatives.	
FN-IB-550b	(1) Percentage of total remuneration that is variable for Material Risk Takers (MRTs), (2) percentage of variable remuneration of MRTs to which malus or clawback provisions were applied, and (3) discussion of policies around supervision, control, and validation of traders' pricing of Level 3 assets and liabilities	Variable, or at-risk, compensation for named executive officers accounted for approximately 88% of total compensation, as provided in our annual Proxy Statement 2021. We have a compensation clawback policy for executive officers, however, no clawback provisions related to malus or professional integrity were exercised in 2020 or in the prior three years. For further information on our compensation objectives and practices, please see our Proxy Statement 2021 (pages 29-71). Level 3 assets and liabilities represent less than 1% of total investments as reported in our 2020 Form 10-K (Note 7, page 96-102) thus we do not view this as a material risk area.	

### Activity Metrics

Code	Accounting Metric	Disclosure
FN-AC-000.A	(1) Total registered and (2) total unregistered assets under management (AUM)	\$56 billion registered AUM \$203 billion unregistered AUM \$259 billion total AUM as of December 31, 2020
FN-AC-000.B	Total assets under custody and supervision	Lazard Asset Management and Lazard Frères & Co. LLC do not maintain custody of client assets.



## Activity Metrics

Code	Accounting Metric	Disclosure
		\$18 billion assets under custody at Lazard Frères Banque as of December 31, 2020 \$271 billion assets under supervision/management as of December 31, 2020
FN-IB-000.A	(1) Number and (2) value of advisory transactions	In fiscal 2020, M&A transactions completed with values greater than \$500 million were 65 and net revenue was \$1,421 million as provided in our 2020 Form 10-K (page 51).
FN-IB-000.B	(1) Number and (2) value of proprietary investments and loans by sector	Lazard does not generally make proprietary investments. Private equity investments and seed capital represented 2% of total assets as reported in our 2020 Form 10-K (page 65).
FN-IB-000.C	(1) Number and (2) value of market making transactions in (a) fixed income, (b) equity, (c) currency, (d) derivatives, and (e) commodity products	Lazard does not currently act as a market maker in securities transactions.