Reporting Date: 31 December 2023
Composite Inception Date: 01 November 2019
Reporting Currency: Japanese Yen

Composite Description

The composite returns represent the total returns of all fully discretionary portfolios with a Japanese Absolute Return Strategy investment mandate. Lazard Japan Absolute Return Strategy ("LJAR") is a Japan focused fundamental equity long/short strategy with opportunistically uses a derivative overlay to enhance returns and to also protect capital. The individual stock shorts are fundamental positions. Typically, there are 20-30 positions weighted between 1 to 4%. 5% position limit. Likely exposure range the product is +50% to -50%. Our range has been +40% to -20% or so. The derivatives on individual positions are for return enhancement (e.g., covered call writing). Index derivatives are used for hedging purposes. Derivatives are not included in the gross exposure limit of 200%. However, the delta adjusted value is included in the net exposure limit.

Calculation of Performance Returns

Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request. The composite and benchmark returns are reported net of foreign withholding taxes on dividends, interest and capital gains. The composite returns presented represent past performance and is not a reliable indicator of future results, which may vary. A complete list and description of all Lazard composites and pooled funds is available upon request.

Fee Schedule

Lazard's standard fee schedule for the Japan Absolute Return strategy is a 1% management fee with a 20% incentive fee. The incentive fee crystallizes annually at the end of December and accrues monthly. Losses are carried forward to subsequent crystallization periods. Unless otherwise noted, actual account fees, inclusive of performance-based fees and VAT (if applicable) are used in the construction of composite net of fee performance. For non-fee paying portfolios and sleeves of funds, net of fee performance has been calculated using the strategy's standard fee

Benchmark Information

There is no benchmark for this composite as it is an absolute return strategy.

GIPS Compliance and Verification Status

Lazard Asset Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Lazard Asset Management has been independently verified for the periods January 1, 1993 through December 31, 2023. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. Lazard Asset Management is the "Firm" to which the GIPS Standards apply (Frankfurt office included in Firm definition as of January 1, 2003). In March 2023, LAM acquired all of the membership interests of Truvvo Investment Partners, LLC ("Truvvo"), a registered investment adviser that offers wealth management services to sophisticated families with complex balance sheets. The personnel who joined LAM in the acquisition now conduct their wealth management activities as a wholly-owned division of LAM named Lazard Family Office Partners. GIPS® is a registered trademark of CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. The composite creation date is October 2020.

	Calendar				
	2023	2022	2021	2020	Nov 19 - Dec 19
Lazard Rate of Return (%; Gross of Fees)	6.53	1.51	11.90	-13.87	3.07
Lazard Rate of Return (%; Net of Fees)	5.16	0.51	10.78	-14.75	2.32
Composite Standard Deviation Gross (3-yr. Ann.)	5.34	8.36	N/A	N/A	N/A
# of Portfolios	1	1	1	1	1
Composite Dispersion Gross (Asset Wtd. Std. Dev.)	N/A	N/A	N/A	N/A	N/A
Composite Assets (JPY Millions)	210.8	176.8	150.4	120.5	145.3
Total Firm Assets (JPY Billions)	26,880.7	22,293.0	25,579.8	21,996.0	22,328.3