

LAZARD

LAZARD & CO., SERVICES LIMITED

Strategic Report **for the Year Ended 31 December 2024**

SECTION 172(1) STATEMENT

Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders in their decision making and their responsibilities to promote the success of the Company in accordance with section 172 of the Companies Act 2006.

As directors of Lazard & Co., Services Limited we are actively engaged in the running of the business and have a long term strategy in place in order to meet our objectives.

In doing so several factors are considered:

- The long term implications of any new initiatives;
- The need to foster the Company's business relationships with its clients, suppliers and others;
- The impact of the Company's operations on the surrounding community and the environment;
- The Company maintaining a reputation for the highest standards of business conduct;
- The interests of the Company's employees; and
- The need to act fairly as between members of the Company

The board regularly reviews its principal stakeholders to ensure the highest levels of engagement. The stakeholder voice is brought into the boardroom through direct engagement with the stakeholders themselves as well as through information provided from the management team.

We identify the following as key stakeholders;

Our employees

We believe that our people are our most important asset and we are committed to fostering an equitable and collaborative work environment where employees can thrive. The talent, integrity and engagement of all our colleagues has shaped our success to date, and they are instrumental in our ability to achieve sustainable growth.

Our aim is to cultivate a workplace culture that provides all employees with opportunities to grow and succeed, particularly through clear pathways for development and progression.

We believe our clients deserve the best possible advice, which is driven by the breadth and depth of perspectives. Our human capital efforts are overseen by the board, and include a focus on cultivating a workplace environment that attracts exceptional talent from a range of backgrounds and with varied perspectives. This culture is key in both maintaining the Company's reputation for high standards of business conduct, and the need to act fairly as between members of the Company.

We aim to implement best practices for attracting, developing, retaining, and promoting our talent and continue to invest in the well-being of our colleagues by offering benefits intended to meet the evolving needs of our workforce. This is addressed through the Work to Wellness program, an initiative that educates, motivates, and empowers colleagues to maintain a healthy and full life in and out of the workplace. We offer a wide range of resources including:

The Family Network Initiative which is an employee-led affinity group focused on fostering a family-friendly workplace where everyone can more easily fulfil their commitments to both their life at home, and at work. The Family Network aims to promote awareness and help create the flexible working environment that best enables all Lazard colleagues, regardless of their family circumstances, to manage their work and family life effectively. We have also made investments in technology that enable remote and hybrid working options.

The Lazard Plus Initiative is another employee-led group focused on enhancing, leveraging and developing Lazard's varied cultures. Lazard Plus aims to promote awareness through education and events that support the recruitment, networking, retention and progression of colleagues from varied cultural heritages and nationalities.

The Lazard Women's Leadership Network (LWLN) is comprised of employee-led groups that serve as a resource for women looking to grow professionally and personally through development programs, career advancement and European networking opportunities. LWLN provides a forum for women to share professional experiences and best practices with all colleagues across the organisation.

The board continues to enhance its methods of engagement with its colleagues primarily through employment engagement surveys, regular meetings, Town Hall events, the intranet, presentations, and electronic communications sent regularly throughout the year which aim to cover the following:

- providing colleagues systematically with information on matters of concern to them as colleagues
- consulting colleagues on a regular basis so that the views of colleagues can be taken into account in making decisions which are likely to affect their interests; and
- achieving a common awareness on the part of all colleagues of the financial and economic factors affecting the performance of the Company.

Our clients

As a service provider to Lazard & Co., Limited and other Lazard, Inc. subsidiaries the Company ensures regular forms of communication are maintained through meetings and electronic information. The Company ensures all services are being delivered at a high standard and are easily adaptable to the requirements of the client.

The wider community

The Company continues to proactively assess how it can increase environmental awareness and implement sustainable business practices ensuring Lazard is a more environmentally friendly place to work. Some of the initiatives implemented and ongoing include:

- Increased usage of video conferences instead of client and employee travel.
- A benefits scheme for ultra-low emission vehicles.
- Use of sustainable products when possible including reducing single-use plastic including water bottles and coffee cups.
- Identifying opportunities to avoid printing and where printing is necessary to use environmentally friendly ink and paper products for printers and copy centres.
- Use of renewable energy with 100% renewable electricity used.

By June 2025 we will have moved into the new Lazard UK Headquarters which will use renewable energy from solar panels on the roof and a rainwater harvesting system. Construction of our new building adheres to the UK Green Building Council framework for net-zero carbon emissions. Recycled, long-life materials with reduced replaceability have been used in construction, across floors, walls and ceiling finishes, with water efficient taps, showers and fixtures in place throughout. We will reuse our office furniture and artwork where we can, with any pieces we cannot house in the new building being donated to charity.

The board continues to promote community engagement through a number of actions and initiatives including Lazard Empowers. This program supports UK students from varied socio-economic backgrounds by inspiring them when it comes to thinking about their future careers, preparing them to have the skills to support their future career success and empowering them to fulfil their professional potential and aspirations. Lazard Empowers works with the non-profit 'SEO London' sponsoring its social mobility focused programme that works with secondary school students aged 15-18 years from varied socio-economic backgrounds.

Suppliers

It is the Company's intention to agree appropriate terms of payment with suppliers and to abide by those terms based on the timely submission of valid invoices. In the absence of agreed terms, the Company's policy is to pay within 30 days from receipt of a valid invoice.

Regulators and tax authorities

The Company insists on the highest standard of professionalism and integrity from employees who are expected to refrain from any conduct or behaviours that could be perceived unfavourably. This extends to dealing honestly and openly with regulators and tax authorities and in compliance with all the relevant laws and regulations in place.