

4Q  
2022

# Lazard International Small Cap Equity Portfolio

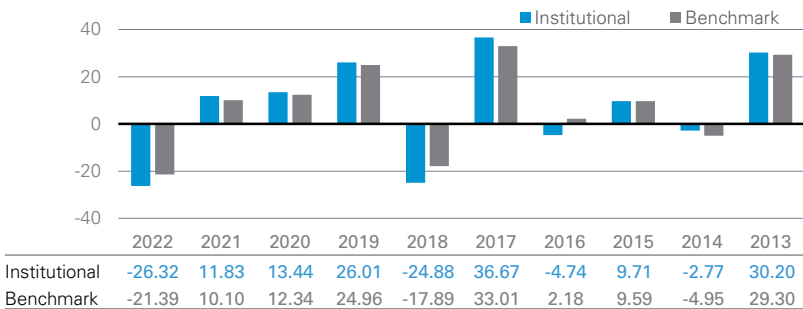
The **Lazard International Small Cap Equity Portfolio** follows a disciplined bottom-up approach to stock selection, seeking to achieve long-term capital appreciation by exploiting potential price inefficiencies in small cap companies. The portfolio management team uses a relative value investment style in an attempt to identify companies with strong financial productivity (as measured by return on equity) at attractive valuations.

	Institutional	Open	R6
Ticker	LZISX	LZSMX	RLICX
Benchmark	MSCI EAFE Small Cap Index		
Total Net Assets	\$14.7 Million		

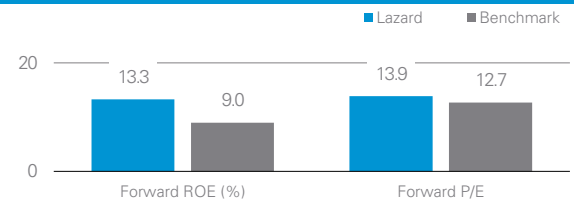
## Performance Review (%; net of fees. As of December 31, 2022)

	Annualized						Since Inception 12/2/1993	Since Inception 2/14/1997
	3 M	1 Y	3 Y	5 Y	10 Y			
Institutional	15.75	-26.32	-2.23	-2.42	4.81	5.97	-	
Open	15.74	-26.49	-2.45	-2.65	4.53	-	5.45	
Benchmark	15.79	-21.39	-0.93	-0.05	6.21	5.25	5.46	

## Calendar Year



## Characteristics



	Lazard	Benchmark
Number of Securities	87	2,277
Weighted Average Market Cap (\$B)	3.7	2.6
Beta (3 Yrs)	Institutional 1.00 Open 1.00	N/A
Active Share (%)	95.3	N/A
Turnover – Trailing 12 Months (%)	44.7	N/A

Please see "Important Information" for definitions.

**The performance quoted represents past performance. Past performance does not guarantee future results. The current performance may be lower or higher than the performance data quoted. An investor may obtain performance data current to the most recent month-end online at [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com). The investment return and principal value of the Portfolio will fluctuate; an investor's shares, when redeemed, may be worth more or less than their original cost. Returns of certain share classes reflect reimbursement of expenses as described in the prospectus. Had expenses not been reimbursed, returns would have been lower and the expense ratio would have been higher.**

## Allocations

Sector	Lazard (%)	Benchmark (%)	Region	Lazard (%)	Benchmark (%)
Industrials	25.6	22.9	Continental Europe	37.6	34.7
Financials	13.0	11.9	Japan	28.3	31.7
Consumer Discretionary	11.4	12.3	United Kingdom	17.1	15.1
Information Technology	10.9	9.2	Asia ex-Japan	6.8	15.8
Real Estate	8.8	11.0	North America	5.6	-
Consumer Staples	6.7	6.5	Emerging Markets	1.6	-
Materials	6.4	9.4	Middle East	0.6	2.8
Health Care	5.7	6.8	Cash & Equivalents	2.4	-
Utilities	3.3	3.2			
Communication Services	3.0	3.9			
Energy	3.0	2.9			
Cash & Equivalents	2.4	-			

As of 31 December 2022  
Source: Lazard, FactSet, MSCI

Allocations and security selections are subject to change. The information provided should not be considered a recommendation or solicitation to purchase or sell any particular Security. It should not be assumed that any investment in these securities was, or will prove to be, profitable, or that the investment decisions we make in the future will be Profitable or equal to the investment performance of securities referenced herein. The securities mentioned may not represent the entire portfolio.

## Top Ten Holdings

	Lazard (%)	Sector
BAWAG Group	2.3	Financials
MatsukiyoCocokara	2.0	Consumer Staples
Arcadis	1.9	Industrials
Bankinter	1.8	Financials
NIPPON GAS	1.7	Utilities
JOST Werke	1.7	Industrials
Stelco	1.7	Materials
Relo Group	1.6	Real Estate
Jumbo	1.6	Consumer Discretionary
Jafco	1.6	Financials

For a complete list of holdings, please visit [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com)

## Expenses

Minimum Initial Investment	Total Expense Ratio	Net Expense Ratio*
Institutional: \$10,000	Institutional: 1.24%	Institutional: 1.14%
Open: \$2,500	Open: 1.51%	Open: 1.39%
R6: \$1,000,000	R6: 1.24%	R6: 1.09%

### Important Information

Re-published on 23 January 2023.

Information and opinions presented have been obtained or derived from sources believed by Lazard to be reliable.

The MSCI EAFE Small Cap Index consists of developed market country indices and targets all companies with market capitalizations below that of the companies in the MSCI EAFE Index and up to 99% coverage of the free-float-adjusted market capitalization in each market (subject to minimum investability criteria and a universal minimum size range). **The index is unmanaged and has no fees. One cannot invest directly in an index.**

Certain information included herein is derived by Lazard in part from an MSCI index or indices (the "Index Data"). However, MSCI has not reviewed this product or report, and does not endorse or express any opinion regarding this product or report or any analysis or other information contained herein or the author or source of any such information or analysis. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any Index Data or data derived therefrom. The MSCI Index Data may not be further redistributed or used as a basis for other indices or any securities or financial products.

### Understanding Investment Risk:

Equity securities will fluctuate in price; the value of your investment will thus fluctuate, and this may result in a loss. Securities in certain non-domestic countries may be less liquid, more volatile, and less subject to governmental supervision than in one's home market. The values of these securities may be affected by changes in currency rates, application of a country's specific tax laws, changes in government administration, and

economic and monetary policy. Small- and mid-capitalization stocks may be subject to higher degrees of risk, their earnings may be less predictable, their prices more volatile, and their liquidity less than that of large-capitalization or more established companies' securities. Emerging markets securities carry special risks, such as less developed or less efficient trading markets, a lack of company information, and differing auditing and legal standards. The securities markets of emerging markets countries can be extremely volatile; performance can also be influenced by political, social, and economic factors affecting companies in emerging markets countries. The Portfolio invests in stocks believed by Lazard to be undervalued, but that may not realize their perceived value for extended periods of time or may never realize their perceived value. The stocks in which the Portfolio invests may respond differently to market and other developments than other types of stocks.

**Market Risk** A Portfolio may incur losses due to declines in one or more markets in which it invests. These declines may be the result of, among other things, political, regulatory, market, economic or social developments affecting the relevant market(s). In addition, turbulence in financial markets and reduced liquidity in equity, credit and/or fixed income markets may negatively affect many issuers, which could adversely affect the Portfolio. Global economies and financial markets are increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers in a different country, region or financial market. These risks may be magnified if certain events or developments adversely interrupt the global supply chain; in these and other circumstances, such risks might affect companies worldwide.

## Portfolio Management Team

### Edward Rosenfeld Managing Director

Portfolio Manager/Analyst  
26 years of investment experience

### John R. Reinsberg Deputy Chairman

Head of International and Global Strategies  
41 years of investment experience

### Alex Ingham Director

Portfolio Manager/Analyst  
26 years of investment experience

\* Reflects a contractual agreement by Lazard Asset Management LLC (the "Investment Manager") to waive its fee and, if necessary, reimburse the Portfolio until April 29, 2023 to the extent Total Annual Portfolio Operating Expenses exceed 1.13%, 1.38% and 1.08% of the average daily net assets of the Portfolio's Institutional, Open and R6 Shares, respectively. Excluding Fees and Expenses Related to Filing Foreign Tax Reclaims, the Total Annual Portfolio Operating Expenses After Fee Waiver and/or Expense Reimbursement are 1.13%, 1.38% and 1.08%, respectively.

As a result, local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions or other events could have a significant negative impact on global economic and market conditions. The current novel coronavirus (COVID-19) global pandemic and the aggressive responses taken by many governments, including closing borders, restricting international and domestic travel, and the imposition of prolonged quarantines or similar restrictions, as well as the forced or voluntary closure of, or operational changes to, many retail and other businesses, has had negative impacts, and in many cases severe negative impacts, on markets worldwide. It is not known how long such impacts, or any future impacts of other significant events described above, will or would last, but there could be a prolonged period of global economic slowdown, which may be expected to impact the Portfolio and its investments.

**Definitions: Forward-looking figures** represent next twelve months expected returns. Expected returns do not represent a promise or guarantee of future results and are subject to change. **P/E** calculates the price of a stock divided by its earnings per share. **Beta** is a relative measure of the sensitivity of a fund's return to changes in the benchmark's return. The beta of the fund versus its benchmarks is the amount (and direction) the fund has historically moved when the benchmark moved by one unit. **Active share** is a measure of the percentage of stock holdings in the portfolio that differs from the index.

**Not a deposit. May lose value. Not guaranteed by any bank. Not FDIC insured. Not insured by any government agency. Diversification does not assure profit or protection against loss.**

Please consider a fund's investment objectives, risks, charges, and expenses carefully before investing. For more complete information about The Lazard Funds, Inc. and current performance, you may obtain a prospectus or summary prospectus by calling 800-823-6300 or going to [www.lazardassetmanagement.com](http://www.lazardassetmanagement.com). Read the prospectus or summary prospectus carefully before you invest. The prospectus and summary prospectus contain investment objectives, risks, charges, expenses, and other information about the Portfolio and The Lazard Funds that may not be detailed in this document. The Lazard Funds are distributed by Lazard Asset Management Securities LLC.