

4Q
2022

Lazard US Small-Mid Cap Equity Portfolio

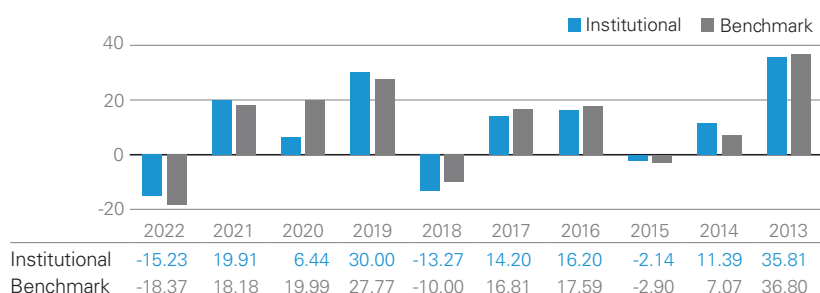
The **Lazard US Small-Mid Cap Equity Portfolio** offers investors single-manager exposure to the small- and mid-cap segments of the US market. It seeks long-term capital appreciation by investing in companies with strong and/or improving financial productivity¹ at attractive valuations.

	Institutional	Open	R6
Ticker	LZSCX	LZCOX	RLSMX
Inception Date	10/30/91	01/30/97	01/08/20
Benchmark	Russell 2000/2500 ²		
Total Net Assets	\$42.7 million ³		

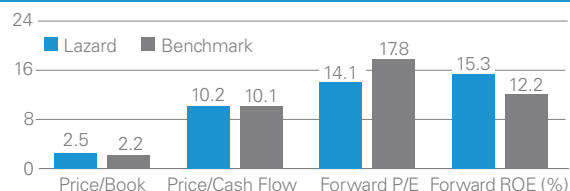
Performance Review (%; net of fees. As of December 31, 2022)

	Annualized				
	3M	1Y	3Y	5Y	10Y
Institutional	8.92	-15.23	2.66	4.06	9.13
Open	8.82	-15.49	2.36	3.74	8.80
Benchmark	7.43	-18.37	5.00	5.89	10.03

Calendar Year



Characteristics (As of December 31, 2022)



	Lazard	Benchmark
Number of Holdings	75	2,448
Weighted Average Market Cap (\$B)	7.7	6.0
Beta (3-year)	Institutional Open	0.96 N/A
Standard Deviation (%; 3-year)	Institutional Open	24.63 25.16
Active Share (%)	93.1	N/A
Turnover Rate (%; 1-year)	36.4	N/A

Source: Lazard, FactSet, Russell Investments

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. Calendar year returns reflect only full-year performance. An investor may obtain performance data current to the most recent month-end online at 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.

Allocations⁴

Top Ten Holdings

	Lazard (%)	Sector
New Jersey Resources	2.4	Utilities
Home BancShares	2.2	Financials
Reinsurance Group of America	2.2	Financials
Commerce Bancshares	2.1	Financials
Wintrust Financial	2.1	Financials
East West Bancorp	1.9	Financials
Leidos Holdings	1.9	Industrials
Brown & Brown	1.8	Financials
Middleby	1.8	Industrials
Alexandria Real Estate Equities	1.8	Real Estate

For a complete list of holdings, please visit www.lazardassetmanagement.com.

Sector

Sector	Lazard (%)	Benchmark (%)
Industrials	17.0	18.1
Financials	15.2	16.1
Information Technology	14.2	13.7
Health Care	12.8	12.9
Consumer Discretionary	10.3	11.3
Materials	6.7	5.8
Real Estate	5.9	8.0
Energy	5.0	5.2
Communication Services	4.1	2.5
Consumer Staples	3.2	3.4
Utilities	2.4	3.1
Cash & Equivalents	3.1	0.0

Source: Lazard, FactSet, Russell Investments

Portfolio Management Team

Daniel Breslin

Director
Portfolio Manager/Analyst
29 years of investment experience

Janice Davies

Director
Portfolio Manager/Analyst
22 years of investment experience

Martin Flood

Managing Director
Portfolio Manager/Analyst
28 years of investment experience

Michael DeBernardis

Senior Vice President
Portfolio Manager/Analyst
25 years of investment experience

Team membership is current as of 31 December 2022. Personnel data are calculated as of year-end 2021.

Expenses

Minimum Initial Investment

Institutional: \$10,000
Open: \$2,500
R6: \$1,000,000

Total Expense Ratio

Institutional: 0.94%
Open: 1.22%
R6: 2.53%

Net Expense Ratio

Institutional: 0.94%
Open: 1.22%
R6: 0.94%

* The net expenses reflect a contractual agreement by the Investment Manager to bear expenses of the R6 Shares, through April 29, 2023, to the extent the Total Annual Portfolio Operating Expenses of the R6 Shares of the Portfolio exceed the Total Annual Portfolio Operating Expenses of the Portfolio's Institutional Shares.

Notes

- Measures of financial productivity include, but are not limited to, return on equity, return on assets, cash return on equity, and operating margin.
- As of August 25, 2008, the Portfolio changed its name from US Small Cap Equity Portfolio and adopted the Portfolio's current investment strategy which compares its performance to the Russell 2500 Index. Prior to August 25, 2008, the Portfolio focused on US small-cap companies and compared its performance to the Russell 2000 Index. As such, the Portfolio compares its past performance to a linked index (Russell 2000/2500 Linked Index), composed of the Russell 2000 Index from inception to August 24, 2008 and the Russell 2500 Index from August 25, 2008 to the present.
- As of December 31, 2022.
- As of December 31, 2022. 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.

Important Information

Published on 17 January 2023.

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

The Russell 2000 Index is designed to represent the small cap market of US equity securities, composed of approximately 2,000 of the smallest securities in the Russell 3000 Index. (The Russell 3000 Index measures the performance of the 3,000 largest US companies, representing most of the investable US equity market.) The Russell 2500 Index measures the

performance of the small-to mid-cap segment of the US equity universe, commonly referred to as "smid" cap. The Russell 2500 Index is a subset of the Russell 3000 Index. (The Russell 3000 Index measures the performance of the largest 3000 US companies, representing approximately 98% of the investable US equity market.) It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership.

Indices are unmanaged and have no fees. One cannot invest directly in an index.

Understanding Investment Risk: Equity securities will fluctuate in price; the value of your investment will thus fluctuate, and this may result in a loss. 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.

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.

The Portfolio's investment strategy may involve high portfolio turnover. A portfolio turnover rate of 100%, for example, is equivalent to the Portfolio buying and selling all of its securities once during the course of the year. A high portfolio turnover rate (such as 100% or more) could result in high brokerage costs and an increase in taxable capital gains distributions to the Portfolio's shareholders.

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. 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: 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 benchmark is the amount (and direction) the fund has historically moved when the benchmark moved by one unit. **Standard deviation** measures the dispersion or "spread" of individual observations around their mean. Standard deviation of returns measure a fund's historical volatility, where a higher number is evidence of greater volatility (i.e., higher risk). **Active share** is a measure of the percentage of stock holdings in a 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 protect against losses.

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. 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.