



# Assessment of Value

## Lazard Investment Funds

• 30 September 2025

LAZARD  
ASSET MANAGEMENT



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# Foreword and Overview from our CEO



As an active fund manager, we strive to generate attractive long-term returns through our research-driven approach.

## Welcome to our sixth annual Assessment of Value report, which reviews the nine funds in the UK-domiciled Lazard Investment Funds range.

Within this report, we assess whether each fund provided our clients with value over the 12-month period ending 30 September 2025. This assessment is based on how the funds scored individually against seven metrics, which we call pillars of value.

One of the pillars of value is performance. As an active fund manager, we strive to generate attractive long-term returns through our research-driven approach. As reflected in the report's methodology, we believe long-term investment performance is crucial in assessing whether the funds provided value to our clients. We closely monitor fund performance through a regular review process, and we take appropriate action when performance falls short of our expectations and those of our clients.

**In summary, I am pleased to report that all funds offered value to our clients in 2025.**

## Background

In 2019, the Financial Conduct Authority (FCA), our regulator, introduced a requirement for all authorised fund managers (AFMs) to conduct a detailed annual assessment of whether their funds provide value to their clients, and to publish the findings.

Our 2025 assessment follows the same structure as previous years' reports. As such, it considers the findings from the FCA's 2021 and 2023 industry-wide reviews of AoV reports. It also reflects rules and guidance introduced by the FCA in 2023, known as Consumer Duty, which require financial services companies to ensure their products and services give fair value to retail customers, and act if they do not.

As required by the FCA, we scored the funds on seven different pillars of value: Performance, Quality of Service, Costs Charged by the AFM, Comparable Market Rates, Comparable Services, Economies of Scale, and Classes of Units.

We explain the pillars of value on page 6 and how they are weighted in each fund assessment. You will find a summary of the results on page 7, along with our scoring methodology.

Our report is based on analysis conducted by a Lazard Asset Management project team and the two non-executive directors of Lazard Fund Managers Limited (LFML). As the Authorised Corporate Director (ACD) of the Lazard Investment Funds, LFML is legally responsible for the day-to-day running of the funds.

As in previous years, the Non-Executive Directors, Nick Emmins and Hemen Tseayo, played a key role in this review, providing objective scrutiny in our clients' interests. Very sadly, I need to inform you that Nick died suddenly as the review process was concluding and before this report was published. Nick was an exemplary independent director to our fund range over the last six years and will be sorely missed both professionally and personally.

I hope this report provides you with clarity on your investments.

**Jeremy Taylor**

CEO, Lazard Asset Management Limited

# A Message from our Independent Non-Executive Director

As an Independent Non-Executive Director, my role is to provide effective oversight and constructive challenge to ensure the interests of investors remain central to the activities of Lazard Fund Managers Limited. I engage regularly with the executive team, and I am closely involved in the Assessment of Value (AoV) process during the year.

The 2025 AoV was again undertaken within the framework of the Consumer Duty regulatory regime. This requires authorised fund managers to demonstrate that their products provide fair value and demonstrate how outcomes for investors are monitored and improved over time. I regard the AoV as an important component of the Price and Value outcome and a significant accountability mechanism for the Board.

Having reviewed the detailed analysis across all seven value pillars, I am satisfied that all nine UK-domiciled funds provided value for investors. I also note that the overall distribution of scores in 2025 reflects a similar picture to the prior year, with six of the funds demonstrating value and three demonstrating good value.

From a performance perspective, while three funds improved their performance score and three funds recorded a lower score, the overall performance assessment was better than last year. In particular, the Lazard Global Equity Income Fund recorded a strong improvement in its performance, rising from two to four stars following changes to the team and investment approach.

Where performance has fallen short of expectations, I have challenged management on the causes of underperformance, the actions already taken, and any future improvement plans. I will continue to monitor fund performance closely during 2026 and expect timely and proportionate remedial action where required.

Beyond performance, my assessment confirmed that Lazard Fund Managers Limited continues to provide a high standard of service to investors. This includes the quality and depth of investment resources, the experience of portfolio management teams, and the effectiveness of client servicing and fund administration arrangements, including those delivered by third-party providers. I continue to be satisfied that these services represent good value for investors.

I also reviewed fund charges and costs through multiple lenses, including comparability with market peers and the extent to which economies of scale have been shared with investors. I am satisfied that the funds remain competitively priced.

Looking ahead, my focus will remain firmly on the provision of value and delivery of quality consumer outcomes. This includes ensuring that lessons from this year's assessment are translated into actions and that Lazard Fund Managers Limited continues to meet both the letter and the spirit of the Consumer Duty regulation.

I believe this report provides a clear and balanced view of how value is assessed across the fund range and how the Board exercises its oversight responsibilities on behalf of investors.

**Hemen Tseayo**  
Non-Executive Director

# Our Culture

## A History of Excellence

As a global firm that has grown from local roots in different countries, we have a deep tradition of respect for individual differences. This has been central to our success. For decades, Lazard Asset Management, the fund management business within the Lazard group, has served as a trusted steward of our clients' capital, helping them to navigate through various market cycles and historic global events.

## Research and Culture

On-the-ground, global fundamental research is the foundation of our investment approach. Our investment professionals collaborate on detailed fundamental analysis, integrating knowledge across regions, sectors and asset classes to arrive at unique insights. We empower our investment teams to make independent investment decisions, and we support them with global research capabilities and a strong operational infrastructure. Our culture supports and fosters both collaboration and an entrepreneurial spirit. This model allows our teams to focus on our main goal: to generate attractive long-term risk-adjusted returns that meet our clients' investment needs.

## Investment Stewardship

Our Investment Stewardship research approach combines financial and non-financial analysis with fundamental and quantitative capabilities to identify risks and opportunities that may affect portfolio performance. Guided by our fiduciary obligations, our investment professionals focus on the financially relevant human capital, natural capital, and governance issues most likely to influence an issuer's long-term valuation and returns.

## Risk Management

Lazard's independent global risk management function adds value to our portfolio construction. Our framework is designed to ensure the reduction and mitigation of business and financial risk within the global market in which we operate, ensuring our investment teams understand the balance of risk and return.

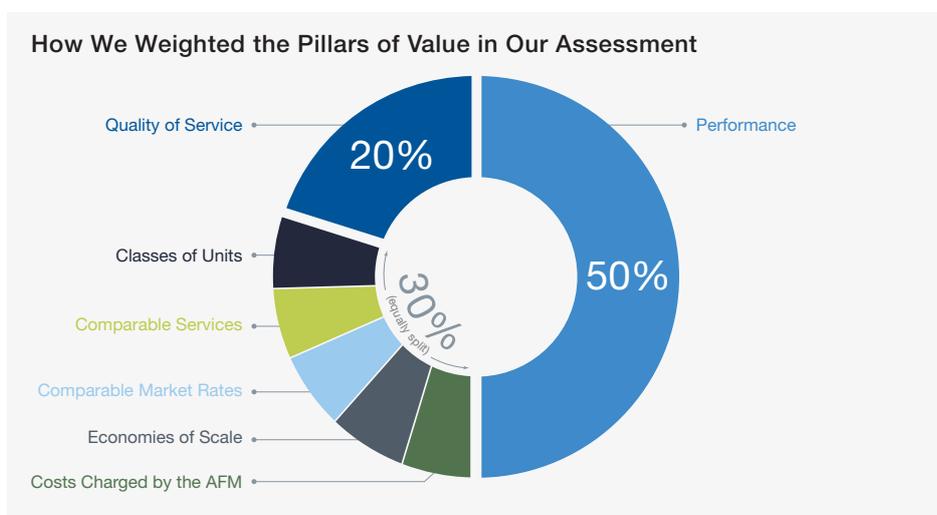
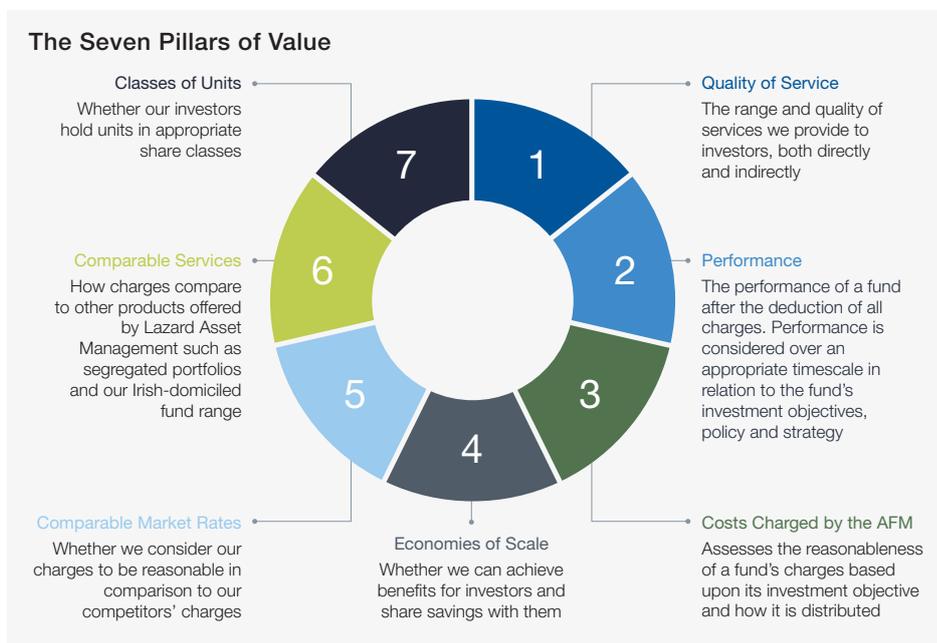
## Diversity

The value of diversity is ingrained in our culture and reflects our multicultural heritage. The ongoing cultivation of an inclusive, diverse and equitable culture is essential to the value we bring. We believe inclusion, diversity, equity, and allyship is a business imperative. Diversity can help us understand our clients' experiences and objectives, and even more importantly, we benefit from the power of cognitive diversity, which shapes our industry-leading research culture.

# Definition of the Seven Pillars of Value

The FCA has set out rules requiring fund management companies to assess whether their funds offer value and publish the findings, including any remedial action, if appropriate.

The FCA has outlined seven criteria for assessing value. Lazard Fund Managers Limited, as the ACD of the Funds, has assessed each of these criteria for each unit class of each fund that we manage, as outlined below.



# Summary of Results

Further details are provided later in this report

Fund	Quality of Service	Performance	AFM Costs	Economies of Scale	Comparable Market Rates	Comparable Services	Classes of Units	Total
Developing Markets	★★★★	★★★★	★★★★	★★★★	★★★	★★★	★★★★★★	★★★★
Emerging Markets	★★★★	★★★★	★★★★	★★★★	★★★	★★★	★★★★★★	★★★★
European Alpha	★★★★	★★	★★★★	★★★★	★★★	★★★	★★★★★★	★★★★
European Smaller Companies	★★★★	★★★★	★★★★	★★★★	★★★★	★★★	★★★★★★	★★★★
Global Equity Income	★★★★	★★★★	★★★★	★★★★	★★	★★★	★★★★★★	★★★★
Managed Balanced	★★★★	★★	★★★★	★★★★	★★★	★★★	★★★★★★	★★★★
Managed Equity	★★★★	★★	★★★★	★★★★	★★	★★★	★★★★★★	★★★★
Multicap UK Income	★★★★	★★	★★★★	★★★★	★★★	★★★	★★★★★★	★★★★
UK Omega	★★★★	★★★★	★★★★	★★★★	★★★	★★★	★★★★★★	★★★★

## Score Guide

- ★★★★★ Demonstrates outstanding value
- ★★★★ Demonstrates good value
- ★★★ Demonstrates value
- ★★ Falls short of expectations of value in certain areas
- ★ Has not demonstrated value

# Results by Pillar of Value

## Quality of Service

In our assessment of quality of service, we split the range of services into three broad categories:

### 1. Portfolio Management and Investment Process

In assessing the value that our portfolio management and investment teams offer to fund investors, we considered the size and experience of Lazard's investment teams, any relevant professional qualifications of the individuals running each fund, how many years' experience they each have, and their tenure at Lazard. We also considered the breadth of experienced investment professionals that support the portfolio management team, including our dedicated risk management team.

Each of our investment teams is supported by Lazard's global sector specialists, comprising portfolio managers/analysts and research analysts, who provide their teams with additional industry knowledge and insights as well as investment-related recommendations. Our portfolio management teams also draw upon investment and intellectual resources across Lazard's global platform, which includes monthly meetings, analyst meetings, global views and commodity/currency views. We concluded that across each fund the level of professional experience of our investment teams is beneficial.

Lazard's investment philosophy has a robust and consistent framework. Every stock in a portfolio is carefully considered against a fund's objectives to maximise returns while ensuring no style drift. Our funds typically operate within a clearly defined set of rules that restrict risk in the form of stock and/or sector weights. Restrictions on the number of positions that a fund can own ensure it does not just mimic its benchmark in its composition and returns.

As part of our assessment, we monitored how consistently each fund's investment philosophy was applied. We also considered our risk management process and the governing mechanisms we have in place to monitor risks.

One area that was carefully considered in our assessment was the environmental, social and governance (ESG) considerations that each investment team considers. As a fund management company with a diverse range of investment products, the implementation and incorporation of ESG issues into our investment processes is reflected differently across asset classes and strategies. The continued integration of ESG considerations into each of our funds' investment philosophies is therefore an evolving process. For further information, please refer to the latest [Lazard Sustainable Investment Report](#).

### 2. Fund Administration

As part of our assessment, we analysed the services that The Bank of New York Mellon (International) Limited (BNY Mellon) provides as fund administrator. BNY Mellon provides several services on behalf of the Funds, including custody, fund accounting and transfer agency. It also serves as trustee and depositary, providing oversight and protection of fund assets. Having one supplier perform all these functions offers value to investors, both through cost efficiencies and ACD oversight.

We assessed these services against the key performance indicators (KPIs) that we have in place in our service level agreement with BNY Mellon. The services were assessed for timeliness and accuracy of delivery. For the year to 30 September 2025, all KPIs met the agreed service levels, and there were no significant issues.

The complaints rate across all our funds was very low, as were the breaches reported for each fund for the year ended 30 September 2025.

We carefully considered our oversight of the fund administrator and other outsourced service providers. A monthly call takes place with key outsourced service vendors as well as a due diligence exercise once a year. Lazard also has quarterly outsourcing committee meetings attended by senior management. This committee in turn reports to the ACD's board.

We concluded that the administrative services provided by the fund administrator and other third parties and Lazard's oversight of these services demonstrated value to investors.

### 3. Investor Access and Communication

We reviewed our website and the information investors receive about the funds. BNY Mellon produces semi-annual statements for investors. It has a contact centre that is open each business day with a dedicated telephone number for Lazard fund investors. We did not find any issues with how BNY Mellon communicated with investors or handled complaints against the KPIs that we set.

Our website contains marketing and regulatory information relating to the funds, including details of how to invest.

# Results by Pillar of Value (continued)

## Performance

We analysed the performance of each fund over the appropriate time frame of 1, 3 and 5 years, considering the proposed holding period of each fund as set out in the prospectus.

Each fund was compared against an appropriate passive alternative. Each fund was also compared against two relevant competitor peer groups: the relevant Investment Association (IA) fund sector and a narrower subset of funds in a predefined group selected by Morningstar, an investment research company, based on their comparative equity style. For our competitor analysis, we compared the funds against the primary share classes of the funds in the peer groups.

An analysis was undertaken assessing each fund's level of risk and a range of risk metrics across different time frames. Returns above the benchmark were compared to the volatility of those returns.

This metric is used as a measure of a portfolio manager's level of skill and ability to generate excess returns relative to a benchmark, but it also attempts to identify the consistency of the performance. An assessment of the maximum loss that occurred from peak to trough was also included. Please refer to the Assessment of Value by Fund sections for more comprehensive findings for each fund.

In assessing the performance of each fund, we asked the following relevant questions::

What was the performance after all charges?

- What have the returns been over the short, medium and long term?
- How does it compare to an appropriate passive alternative?
- How consistent is the performance of the fund?
- How does it perform against a low-risk alternative?
- How does it compare to its sector competitors?
- Does it offer additional downside protection versus similar funds?
- How does the return compare to the level of risk taken?
- How does the fund's performance compare to its stated benchmark?

We performed the above analysis over the appropriate time frame of 1, 3 and 5 years.

Whilst the above metrics were considered, the greatest emphasis in our analysis was placed on the 5-year data in the following five areas:

- benchmark-relative performance
- performance relative to an appropriate passive alternative
- performance relative to competitors
- performance relative to a risk-free investment option
- risk-adjusted performance

For a more detailed assessment of performance for each fund, please refer to the Assessment of Value by Fund section.

Internal oversight of fund performance is provided by Lazard's Equity, Fixed Income, or Multi-Asset management groups, depending upon which asset class the fund invests in.

## Costs

We have grouped the remaining five pillars of value under the heading 'Costs'. Each pillar contributes to our assessment of the cost of each fund and whether it provides value to investors.

### AFM Costs

We compared the charges that we levy on investors against the costs we incur in providing the services to which the charges relate. This includes annual management charges (AMC) and additional charges.

As part of our assessment, we continued to monitor the costs of our funds. We renegotiate with providers on a periodic basis. Administration fees were negotiated in 2022 to a lower-paying fee, with the savings reflected in the custody and trustee fees for the funds.

### Economies of Scale

We assessed to what extent each fund can achieve any savings arising from economies of scale.

We consider that there are three ways fund investors can share in economies of scale:

1. By being part of a global asset management group, we can pass on the benefits of Lazard's size and relationships with our vendors by negotiating lower fees than if we were solely running the funds.
2. By sharing costs across all the funds in the UK fund range where they are all supported by the same infrastructure.
3. By ensuring that if a fund grows, the costs of running that fund do not grow to the same extent.

Our analysis assessed that the funds and their investors benefit from resources of Lazard's £196.0 billion assets under management, which is far greater than the £1.7 billion combined assets under management within the UK-domiciled fund range only (*assets under management as of 30 September 2025*). Furthermore, Lazard provides many additional services to the funds, the costs of which are borne by Lazard rather than investors. For example, Lazard provides the funds with extensive global technology and operations support.

# Results by Pillar of Value (continued)

## Comparable Market Rates

We compared the costs of each fund against the costs charged by our competitors.

In establishing a suitable competitor group, we selected a relative subset defined by Morningstar. Each subset is based on each fund's IA sector. (The Investment Association, the trade body for UK-authorized funds, groups funds into 56 sectors. Sectors are typically defined by asset type, geography of investment, or investment strategy.)

Our funds were predominately in line with our competitors for the relevant share classes available to retail investors.

## Comparable Services

We assessed the charges that each fund incurs against the charges for comparable services provided to other funds or clients within the Lazard group. This included those charges levied on institutional mandates of a comparable size and with similar investment objectives, wherever relevant.

Compared to Lazard's Irish-domiciled fund range, which has more assets under management than the UK-domiciled fund range, wherever there is a comparable fund, our UK funds had a lower OCF.

In comparison to segregated mandates run to a similar strategy as the relevant fund, the cost of the fund is comparable to a mandate of under £100m.

However, for investments over £100 million the AMC of each fund would be marginally higher. This reflects the fact that a segregated mandate client only pays for the cost of investment management and not the ancillary costs (e.g. custodian and dealing costs) associated with a fund. Reporting (e.g. prospectus, report & accounts, factsheets, KIIDs, etc.) requirements are, in many cases, also greater for funds, with significant resource and cost implications.

## Classes of Units

We examined the different share classes available in each fund and the costs associated with them, as well as if it was in the best interests of retail investors to move them between share classes. From our analysis, each share class is appropriately priced.

# Assessment of Value by Fund

## Lazard Developing Markets Fund

The objective of the fund is to achieve capital growth over at least five years.

### Quality of Service ★★★★★

Our assessment considered the range and quality of our services. Additionally, the services offered by our external administrator BNY Mellon consistently add value for our clients. Our conclusion is that we provide a wide range of high-quality services through a safe and secure global infrastructure, experienced investment professionals, and effective risk management practices, all underpinned by a culture of client-centric continuous improvement.

### Performance ★★★

The fund is biased towards growth stocks and tends to perform well when large-cap value strategies are struggling.

Over one year, emerging markets growth stocks marginally outperformed the MSCI Emerging Markets index. This was helpful for the fund, and its 1-year relative return (versus the benchmark) improved.

#### Performance versus benchmark:

The fund outperformed the MSCI Emerging Markets Index over 1 year but underperformed over 3 and 5 years.

#### Performance versus competitors:

The fund outperformed the Large Blend peer group average over 1 and 3 years but underperformed the average over 5 years.

#### Performance versus a relevant passively managed fund:

The fund outperformed the Legal & General Global Emerging Markets Index Fund over 1 and 3 years but underperformed over 5 years.

#### Performance versus a risk-free investment:

The fund outperformed a relevant money-market fund over 1, 3 and 5 years.

#### Risk-adjusted performance versus competitors:

The fund's 5-year information ratio of -0.46, which was below the average of the IA Global Emerging Markets peer group.

## Overall Score ★★ ★

Our assessment is this fund merits a 3-star score. This means the fund offers value to investors.

## Costs

### AFM Costs ★★★★★

We compared the charges that we levy on investors against the costs we incur in providing the services to which the charges relate.

### Economies of Scale ★★★★★

We assessed to what extent the fund can achieve any savings arising from economies of scale, considering, amongst other factors, Lazard's extensive global knowledge and expertise, technology, and operations support. Our analysis indicates that investors in the fund benefit from Lazard's global resources and additional services.

### Comparable Market Rates ★★★

We compared the annual management charge (AMC) and ongoing charges figure (OCF) of the fund with those charged by our competitors. From this analysis, we found that the fund's charges offered value against our competition.

### Comparable Services ★★★

Given the fund had no segregated mandate or Irish-domiciled equivalent fund for comparison, we scored this pillar three stars so not to skew the overall fund score positively or negatively.

### Classes of Units ★★★★★

We examined different share classes in the fund and the costs associated with each, as well as if it was in the best interests of retail investors to move them between share classes. From our analysis, each share class is appropriately priced.

# Assessment of Value by Fund

## Lazard Emerging Markets Fund

The objective of the fund is to achieve capital growth over at least five years.

### Quality of Service ★★★★★

Our assessment considered the range and quality of our services. Additionally, the services offered by our external administrator BNY Mellon consistently add value for our clients. Our conclusion is that we provide a wide range of high-quality services through a safe and secure global infrastructure, experienced investment professionals, and effective risk management practices, all underpinned by a culture of client-centric continuous improvement.

### Performance ★★★★★

The fund is biased towards value stocks and tends to perform well when large-cap growth strategies are struggling.

Over one year, emerging markets value stocks slightly underperformed against the MSCI Emerging Markets index. This was unhelpful for the fund as the 1-year relative return (versus the benchmark) lagged. In addition, stock selection in China and South Africa hurt fund performance.

#### Performance versus benchmark:

The fund significantly outperformed the MSCI Emerging Markets Index over 3 and 5 years but underperformed over 1 year.

#### Performance versus competitors:

The fund outperformed the IA Global Emerging Markets peer group average over 3 and 5 years but underperformed the average over 1 year.

#### Performance versus a relevant passively managed fund:

The fund significantly outperformed the Legal & General Global Emerging Markets Index Fund over 1, 3 and 5 years.

#### Performance versus a risk-free investment:

The fund significantly outperformed a relevant money-market fund over 1, 3 and 5 years.

#### Risk-adjusted performance versus competitors:

The fund's 5-year information ratio was 0.94, significantly above the IA Global Emerging Markets peer group average.

## Overall Score ★★★★★

Our assessment is this fund merits a 4-star score. This means the fund offers good value to investors.

## Costs

### AFM Costs ★★★★★

We compared the charges that we levy on investors against the costs we incur in providing the services to which the charges relate.

### Economies of Scale ★★★★★

We assessed to what extent the fund can achieve any savings arising from economies of scale, considering, amongst other factors, Lazard's extensive global knowledge and expertise, technology, and operations support. Our analysis indicates that investors in the fund benefit from Lazard's global resources and additional services.

### Comparable Market Rates ★★★★★

We compared the annual management charge (AMC) and ongoing charges figure (OCF) of the fund with those charged by our competitors. From this analysis, we found that the fund's charges offered good value against our competition.

### Comparable Services ★★★★★

Compared to the equivalent Lazard Irish-domiciled fund, the OCF for the UK fund is lower. When compared with segregated mandates that Lazard offers to institutional clients, in some instances the costs associated with these mandates may be lower. This reflects the fact that a segregated mandate client only pays for the cost of investment management and not the ancillary costs associated with a fund.

### Classes of Units ★★★★★

We examined different share classes in the fund and the costs associated with each, as well as if it was in the best interests of retail investors to move them between share classes. From our analysis, each share class is appropriately priced.

# Assessment of Value by Fund

## Lazard European Alpha Fund

The objective of the fund is to achieve capital growth, net of fees, in excess of the FTSE World Europe ex UK Index, measured in sterling, over at least five years.

### Quality of Service ★★★★★

Our assessment considered the range and quality of our services. Additionally, the services offered by our external administrator BNY Mellon consistently add value for our clients. Our conclusion is that we provide a wide range of high-quality services through a safe and secure global infrastructure, experienced investment professionals, and effective risk management practices, all underpinned by a culture of client-centric continuous improvement.

### Performance ★★

The fund has a growth and quality bias and tends to perform well when value strategies are struggling. Over one year, European value stocks strongly outperformed the MSCI Europe index, while growth and quality stocks underperformed significantly. This was a challenge for the fund. In addition, stock selection in Germany, Netherlands and within the healthcare sector was unhelpful.

#### Performance versus benchmark:

The fund underperformed the FTSE Europe ex UK Index over 1, 3 and 5 years.

#### Performance versus competitors:

The fund underperformed the IA Europe excluding UK peer group average over 1, 3 and 5 years.

#### Performance versus a relevant passively managed fund:

The fund underperformed the Vanguard FTSE Developed Europe ex UK Index Fund over 1, 3 and 5 years.

#### Performance versus a risk-free investment:

The fund outperformed a relevant money-market fund over 1, 3 and 5 years.

#### Risk-adjusted performance versus competitors:

The fund's 5-year information ratio was -0.54, which was lower than the average for the IA Europe Excluding UK peer group.

## Overall Score ★★★

Our assessment is this fund merits a 3-star score. This means the fund offers value to investors.

## Costs

### AFM Costs ★★★★★

We compared the charges that we levy on investors against the costs we incur in providing the services to which the charges relate.

### Economies of Scale ★★★★★

We assessed to what extent the fund can achieve any savings arising from economies of scale, considering, amongst other factors, Lazard's extensive global knowledge and expertise, technology, and operations support. Our analysis indicates that investors in the fund benefit from Lazard's global resources and additional services.

### Comparable Market Rates ★★★

We compared the annual management charge (AMC) and ongoing charges figure (OCF) of the fund with those charged by our competitors. From this analysis, we found that the fund's charges offered value against our competition.

### Comparable Services ★★★

Given the fund had no segregated mandate or Irish-domiciled equivalent fund for comparison, we scored this pillar three stars so not to skew the overall fund score positively or negatively.

### Classes of Units ★★★★★

We examined different share classes in the fund and the costs associated with each, as well as if it was in the best interests of retail investors to move them between share classes. From our analysis, each share class is appropriately priced.

# Assessment of Value by Fund

## Lazard European Smaller Companies Fund

The objective of the fund is to achieve capital growth over at least five years.

### Quality of Service ★★★★★

Our assessment considered the range and quality of our services. Additionally, the services offered by our external administrator BNY Mellon consistently add value for our clients. Our conclusion is that we provide a wide range of high-quality services through a safe and secure global infrastructure, experienced investment professionals, and effective risk management practices, all underpinned by a culture of client-centric continuous improvement.

### Performance ★★★

The fund invests in companies with high or improving returns on capital where the portfolio managers consider the trade-off between financial productivity and valuation. Performance over the year improved, helped by exposure to industrials and financials stocks as well as stock selection in the German market.

#### Performance versus benchmark:

The fund outperformed the MSCI Europe Small Cap Index over 1 year but underperformed over 3 and 5 years.

#### Performance versus competitors:

The fund outperformed the IA European Smaller Companies peer group average over 1 year, underperformed the average over 3 years and performed in line with the average over 5 years.

#### Performance versus a relevant passively managed fund:

The fund outperformed the CT European Smaller Companies Fund over 1, 3 and 5 years.

#### Performance versus a risk-free investment:

The fund outperformed a relevant money-market fund over 1, 3 and 5 years.

#### Risk-adjusted performance versus competitors:

The fund's 5-year information ratio was -0.36, which was lower than the average of the IA European Smaller Companies peer group.

## Overall Score ★★★★★

Our assessment is this fund merits a 4-star score. This means the fund offers good value to investors.

## Costs

### AFM Costs ★★★★★

We compared the charges that we levy on investors against the costs we incur in providing the services to which the charges relate.

### Economies of Scale ★★★★★

We assessed to what extent the fund can achieve any savings as a result of economies of scale considering, amongst other things, Lazard's extensive global knowledge and expertise, technology, and operations support. Our analysis indicates that investors in the fund benefit from Lazard's global resources and additional services.

### Comparable Market Rates ★★★★★

We compared the annual management charge (AMC) and ongoing charges figure (OCF) of the fund with those charged by our competitors. From this analysis, we found that the fund's charges offered good value against our competition.

### Comparable Services ★★★

Given the fund had no segregated mandate or Irish-domiciled equivalent fund for comparison, we scored this pillar three stars so not to skew the overall fund score positively or negatively.

### Classes of Units ★★★★★

We examined different share classes in the fund and the costs associated with each, as well as if it was in the best interests of retail investors to move them between share classes. From our analysis, each share class is appropriately priced.

# Assessment of Value by Fund

## Lazard Global Equity Income Fund

The objective of the fund is to outperform the MSCI All Country World Value Index, while generating income, over at least five years.

### Quality of Service ★★★★★

Our assessment considered the range and quality of our services. Additionally, the services offered by our external administrator BNY Mellon consistently add value for our clients. Our conclusion is that we provide a wide range of high-quality services through a safe and secure global infrastructure, experienced investment professionals, and effective risk management practices, all underpinned by a culture of client-centric continuous improvement.

### Performance ★★★★★

The fund's relative (versus the benchmark) performance has improved since the change of investment team and investment process in July 2024. The fund's performance has improved versus competitor funds, a passively managed fund and on a risk-adjusted basis.

#### Performance versus benchmark:

The fund underperformed the MSCI ACWI Index over 3 and 5 years but outperformed over 1 year.

#### Performance versus competitors:

The fund outperformed the IA Global Equity Income peer group average over 1, 3 and 5 years.

#### Performance versus a relevant passively managed fund:

The fund outperformed the CT Global Equity Income Fund over 1, 3 and 5 years.

#### Performance versus a risk-free investment:

The fund outperformed a relevant money-market fund over 1, 3 and 5 years.

#### Risk-adjusted performance versus competitors:

The fund's 5-year information ratio was -0.08, which was higher than the IA Global Equity Income peer group average.

## Overall Score ★★★★★

Our assessment is this fund merits a 4-star score. This means the fund offers good value to investors.

## Costs

### AFM Costs ★★★★★

We compared the charges that we levy on investors against the costs we incur in providing the services to which the charges relate.

### Economies of Scale ★★★★★

We assessed to what extent the fund can achieve any savings arising from economies of scale, considering, amongst other factors, Lazard's extensive global knowledge and expertise, technology, and operations support. Our analysis indicates that investors in the fund benefit from Lazard's global resources and additional services.

### Comparable Market Rates ★★

We compared the annual management charge (AMC) and ongoing charges figure (OCF) of the fund with those charged by our competitors. From this analysis, we found that the fund's charges offered value against our competition.

### Comparable Services ★★★

Given the fund had no segregated mandate or Irish-domiciled equivalent fund for comparison, we scored this pillar three stars so not to skew the overall fund score positively or negatively.

### Classes of Units ★★★★★

We examined different share classes in the fund and the costs associated with each, as well as if it was in the best interests of retail investors to move them between share classes. From our analysis, each share class is appropriately priced.

# Assessment of Value by Fund

## Lazard Managed Balanced Fund

The objective of the fund is to deliver income and capital growth.

### Quality of Service ★★★★★

Our assessment considered the range and quality of our services. Additionally, the services offered by our external administrator BNY Mellon consistently add value for our clients. Our conclusion is that we provide a wide range of high-quality services through a safe and secure global infrastructure, experienced investment professionals, and effective risk management practices, all underpinned by a culture of client-centric continuous improvement.

### Performance ★★

The dominance of a small number of large US technology stocks has contributed to negative stock selection within the fund over 1 and 3 years.

#### Performance versus benchmark:\*

The fund underperformed its benchmark over 1, 3 and 5 years.

#### Performance versus competitors:

The fund underperformed its IA OE Mixed Investment 40-85% Shares peer group over 1, 3 and 5 years.

#### Performance versus a relevant passively managed fund:

The fund underperformed the Vanguard LifeStrategy 60% Equity Fund over 1 and 3 years and broadly matched it over 5 years.

#### Performance versus a risk-free investment:

The fund outperformed a relevant money-market fund over 1, 3 and 5 years.

#### Risk-adjusted performance versus competitors:

The fund's 5-year information ratio was -1.04, which was significantly below the peer group average.

## Overall Score ★★★

Our assessment is this fund merits a 3-star score. This means the fund offers value to investors.

## Costs

### AFM Costs ★★★★★

We compared the charges that we levy on investors against the costs we incur in providing the services to which the charges relate.

### Economies of Scale ★★★★★

We assessed to what extent the fund can achieve any savings arising from economies of scale, considering, amongst other factors, Lazard's extensive global knowledge and expertise, technology, and operations support. Our analysis indicates that investors in the fund benefit from Lazard's global resources and additional services.

### Comparable Market Rates ★★★

We compared the annual management charge (AMC) and ongoing charges figure (OCF) of the fund with those charged by our competitors. From this analysis, we found that the fund's charges offered good value against our competition.

### Comparable Services ★★★

Given the fund had no segregated mandate or Irish-domiciled equivalent fund for comparison, we scored this pillar three stars so not to skew the overall fund score positively or negatively.

### Classes of Units ★★★★★

We examined different share classes in the fund and the costs associated with each, as well as if it is in the best interests of retail investors to move them between share classes. From our analysis, each share class is appropriately priced.

\*Benchmark: 50% FTSE All Share Index/25% MSCI All Country World Index/25% FTSE Actuaries UK Conventional Gilt All Stock Index

# Assessment of Value by Fund

## Lazard Managed Equity Fund

The objective of the fund is to achieve capital growth.

### Quality of Service ★★★★★

Our assessment considered the range and quality of our services. Additionally, the services offered by our external administrator BNY Mellon consistently add value for our clients. Our conclusion is that we provide a wide range of high-quality services through a safe and secure global infrastructure, experienced investment professionals, and effective risk management practices, all underpinned by a culture of client-centric continuous improvement.

### Performance ★★

Security selection hurt the fund's performance, with half of the underperformance over the past year coming from the US market.

#### Performance versus benchmark:\*

The fund underperformed its benchmark over 1, 3 and 5 years.

#### Performance versus competitors:

The fund underperformed the IA Global peer group average over 1 and 3 years but outperformed over 5 years.

#### Performance versus a relevant passively managed fund:

The fund underperformed the Legal & General International Index Fund over 1, 3 and 5 years.

#### Performance versus a risk-free investment:

The fund outperformed a relevant money-market fund over 1, 3 and 5 years.

#### Risk-adjusted performance versus competitors:

The fund's 5-year information ratio was -1.35, which was significantly below the IA Global peer group average.

## Overall Score ★★★★★

Our assessment is this fund merits a 3-star score. This means the fund offers value to investors.

## Costs

### AFM Costs ★★★★★

We compared the charges that we levy on investors against the costs we incur in providing the services to which the charges relate.

### Economies of Scale ★★★★★

We assessed to what extent the fund can achieve any savings arising from economies of scale, considering, amongst other factors, Lazard's extensive global knowledge and expertise, technology, and operations support. Our analysis indicates that investors in the fund benefit from Lazard's global resources and additional services.

### Comparable Market Rates ★★

We compared the annual management charge (AMC) and ongoing charges figure (OCF) of the fund with those charged by our competitors. From this analysis, we found that the fund's charges fell short of our competition and will be reviewed.

### Comparable Services ★★★★★

Given the fund had no segregated mandate or Irish-domiciled equivalent fund for comparison, we scored this pillar three stars so not to skew the overall fund score positively or negatively.

### Classes of Units ★★★★★

We examined different share classes in the fund and the costs associated with each, as well as if it was in the best interests of retail investors to move them between share classes. From our analysis, each share class is appropriately priced.

\*Benchmark: 50% FTSE All Share Index/50% FTSE World ex-UK Index

# Assessment of Value by Fund

## Lazard Multicap UK Income Fund

The objective of the fund is to achieve income combined with capital growth.

### Quality of Service ★★★★★

Our assessment considered the range and quality of our services. Additionally, the services offered by our external administrator BNY Mellon consistently add value for our clients. Our conclusion is that we provide a wide range of high-quality services through a safe and secure global infrastructure, experienced investment professionals, and effective risk management practices, all underpinned by a culture of client-centric continuous improvement.

### Performance ★★

Stock selection has hurt fund performance, particularly over the past year with notable weakness in the portfolio's consumer discretionary and industrials holdings.

#### Performance versus benchmark:

The fund underperformed the FTSE All Share Index over 1, 3 and 5 years.

#### Performance versus competitors:

The fund modestly outperformed the IA UK Equity Income peer group over 1, 3 and 5 years.

#### Performance versus a relevant passively managed fund:

The fund underperformed the Vanguard LifeStrategy 60% Equity Fund over 1, 3 and 5 years.

#### Performance versus a risk-free investment:

The fund outperformed a relevant money-market fund over 1,3 and 5 years.

#### Risk-adjusted performance versus competitors:

The fund's 5-year information ratio was -0.21, which was in line with the peer group average.

## Overall Score ★★★

Our assessment is this fund merits a 3-star score. This means the fund offers value to investors.

## Costs

### AFM Costs ★★★★★

We compared the charges that we levy on investors against the costs we incur in providing the services to which the charges relate.

### Economies of Scale ★★★★★

We assessed to what extent the fund can achieve any savings arising from economies of scale, considering, amongst other factors, Lazard's extensive global knowledge and expertise, technology, and operations support. Our analysis indicates that investors in the fund benefit from Lazard's global resources and additional services.

### Comparable Market Rates ★★★

We compared the annual management charge (AMC) and ongoing charges figure (OCF) of the fund with those charged by our competitors. From this analysis, we found that the fund's charges offered good value against our competition.

### Comparable Services ★★★

Given the fund had no segregated mandate or Irish-domiciled equivalent fund for comparison, we scored this pillar three stars so not to skew the overall fund score positively or negatively.

### Classes of Units ★★★★★

We examined different share classes in the fund and the costs associated with each, as well as if it was in the best interests of retail investors to move them between share classes. From our analysis, each share class is appropriately priced.

# Assessment of Value by Fund

## Lazard UK Omega Fund

The objective of the fund is to achieve capital growth over at least five years.

### Quality of Service ★★★★★

Our assessment considered the range and quality of our services. Additionally, the services offered by our external administrator BNY Mellon consistently add value for our clients. Our conclusion is that we provide a wide range of high-quality services through a safe and secure global infrastructure, experienced investment professionals, and effective risk management practices, all underpinned by a culture of client-centric continuous improvement.

### Performance ★★★

Stock selection has hurt fund performance, particularly over the past year with notable weakness in the portfolio's consumer discretionary, consumer staples and industrials holdings.

#### Performance versus benchmark:

The fund underperformed the FTSE All-Share Index over 1, 3 and 5 years.

#### Performance versus competitors:

The fund underperformed the Large Blend peer group over 1 year but outperformed over 3 and 5 years.

#### Performance versus a relevant passively managed fund:

The fund underperformed the Vanguard FTSE UK All Share Index Fund over 1, 3 and 5 years.

#### Performance versus a risk-free investment:

The fund outperformed a relevant money-market fund over 1, 3 and 5 years.

#### Risk-adjusted performance versus competitors:

The fund's 5-year information ratio was -0.30, which was above the peer group average.

## Overall Score ★★★

Our assessment is this fund merits a 3-star score. This means the fund offers value to investors.

## Costs

### AFM Costs ★★★★★

We compared the charges that we levy on investors against the costs we incur in providing the services to which the charges relate.

### Economies of Scale ★★★★★

We assessed to what extent the fund can achieve any savings arising from economies of scale, considering, amongst other factors, Lazard's extensive global knowledge and expertise, technology, and operations support. Our analysis indicates that investors in the fund benefit from Lazard's global resources and additional services.

### Comparable Market Rates ★★★

We compared the annual management charge (AMC) and ongoing charges figure (OCF) of the fund with those charged by our competitors. From this analysis, we found that the fund's charges offered value against our competition.

### Comparable Services ★★★

There is no comparable fund in the Lazard Irish-domiciled fund range. When compared with segregated mandates that Lazard offers to institutional clients, in some instances the costs associated with these mandates may be lower. This reflects the fact that a segregated mandate client only pays for the cost of investment management and not the ancillary costs associated with a fund.

### Classes of Units ★★★★★

We examined different share classes in the fund and the costs associated with each, as well as if it was in the best interests of retail investors to move them between share classes. From our analysis, each share class is appropriately priced.

# Glossary

<b>ACD:</b> Lazard Fund Managers Limited, the Authorised Corporate Director of the Funds, or “us”	<b>IA:</b> The Investment Association, the trade body for authorised investment funds in the UK
<b>AFM:</b> The Authorised Fund Manager’s costs, being those of Lazard Fund Managers Limited	<b>KIID:</b> The Key Investor Information Document
<b>AMC:</b> Annual Management Charge	<b>Lazard:</b> The Lazard Asset Management group of companies
<b>AoV:</b> Assessment of Value	<b>OCF:</b> Ongoing Charges Figure, the overall cost to fund investors
<b>AUM:</b> Assets under management	<b>Quartile:</b> A statistical term that describes a division of observations into four defined intervals, based on the values of the data and how they compare to the entire set of observations. For example, a first quartile ranking means a fund is in the top 25% of funds in its IA sector, while a fourth quartile ranking means a fund in the bottom 25% of funds in its IA sector.
<b>BNY:</b> The Bank of New York Mellon (International) Limited, the depository and fund administrator	<b>Style Drift:</b> The divergence of a fund from its stated investment style or objective
<b>FCA:</b> Financial Conduct Authority, regulator of the UK’s finance industry	<b>Value Stocks:</b> Any share of a company that appears to trade at a low price relative to its fundamentals, such as the profits it makes or the value of its assets
<b>Funds:</b> The sub-funds of Lazard Investment Funds, Lazard’s UK-domiciled fund range and the subject of this Assessment of Value	
<b>Growth Stock:</b> Any share in a company that is anticipated to grow at a rate significantly above the average growth for the stock market	

# Important Information

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