

Q3 2025

Why International Equities

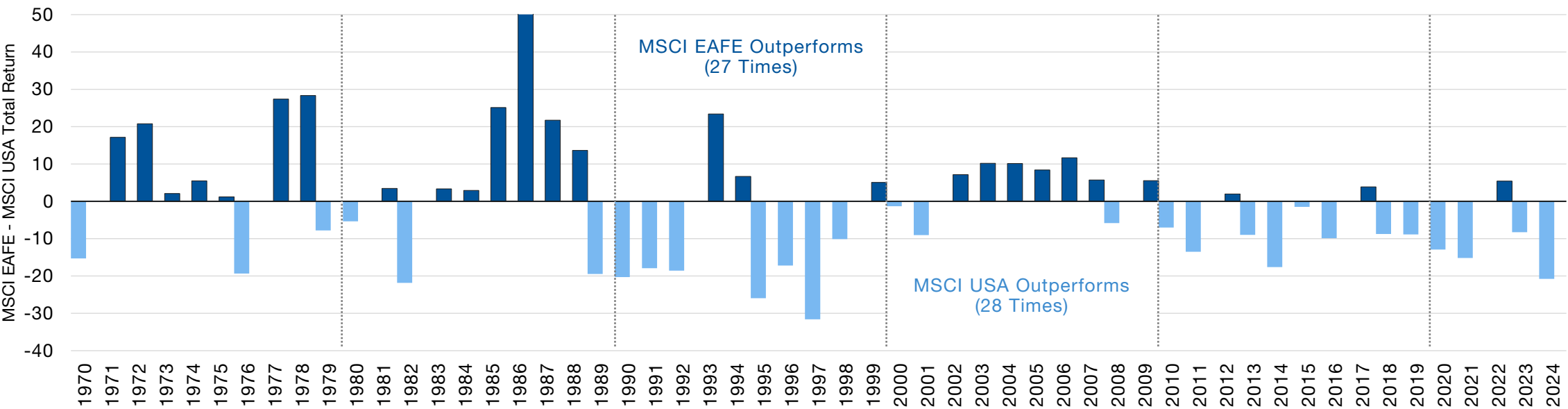
This presentation and all research and materials enclosed are property of Lazard Asset Management LLC. Information and opinions presented have been obtained or derived from sources believed by Lazard to be reliable. Lazard makes no representation as to their accuracy or completeness. All opinions expressed herein are as of the date of this presentation and are subject to change. Please refer to the Important Information section for additional information about risks.

For the sole use of the recipient. Not for Further Distribution.

Looking Back ...

US and EAFE Returns Are Very Similar over the Long Term

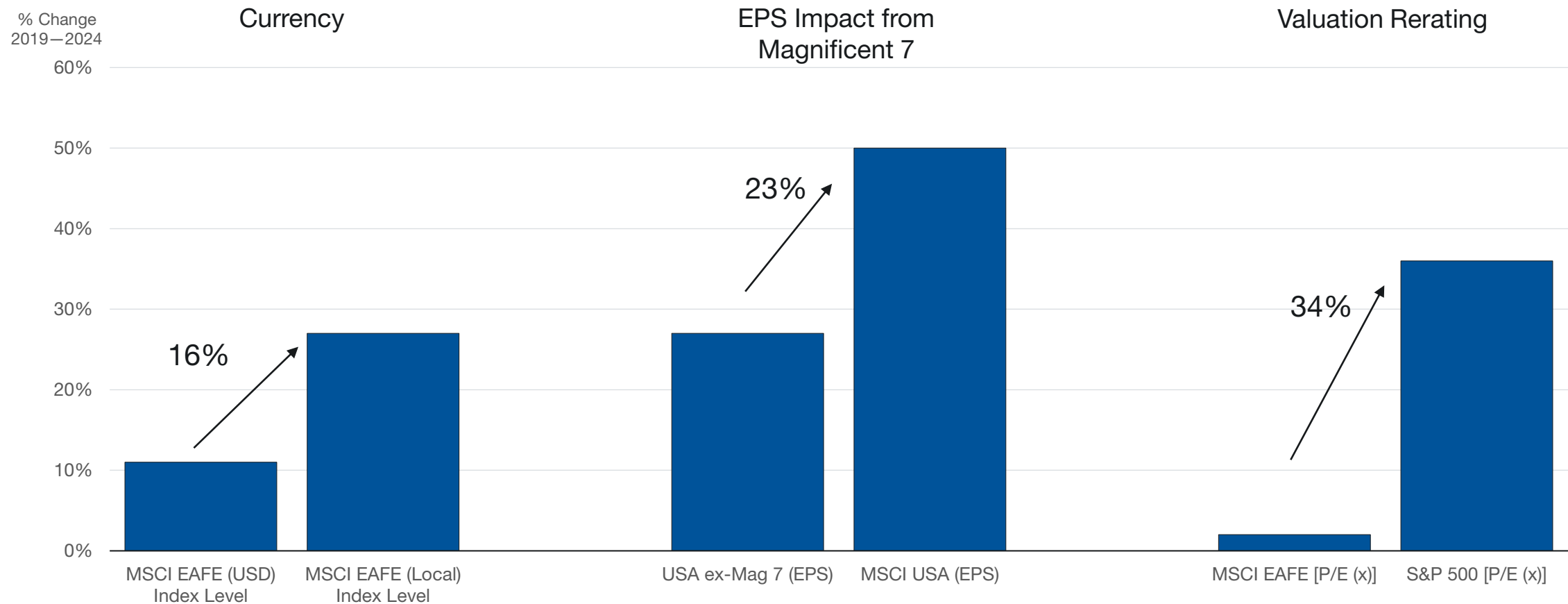
EAFE vs. USA Returns



Dec 1969 through Dec 2009:		Dec 1969 through Dec 2024:	
MSCI US	+8.5%	MSCI US	+9.3%
MSCI EAFE	+9.5%	MSCI EAFE	+7.9%

As of 31 December 2024. Returns since 1969 are annualized.
Information and opinions are as of the date of this presentation and are subject to change. The performance quoted represents past performance. Past performance is not a reliable indicator of future results. This information is for illustrative purposes only and does not represent any product or strategy managed by Lazard. It is not possible to 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.
Source: Lazard, MSCI

Three Factors Have Impacted US Outperformance

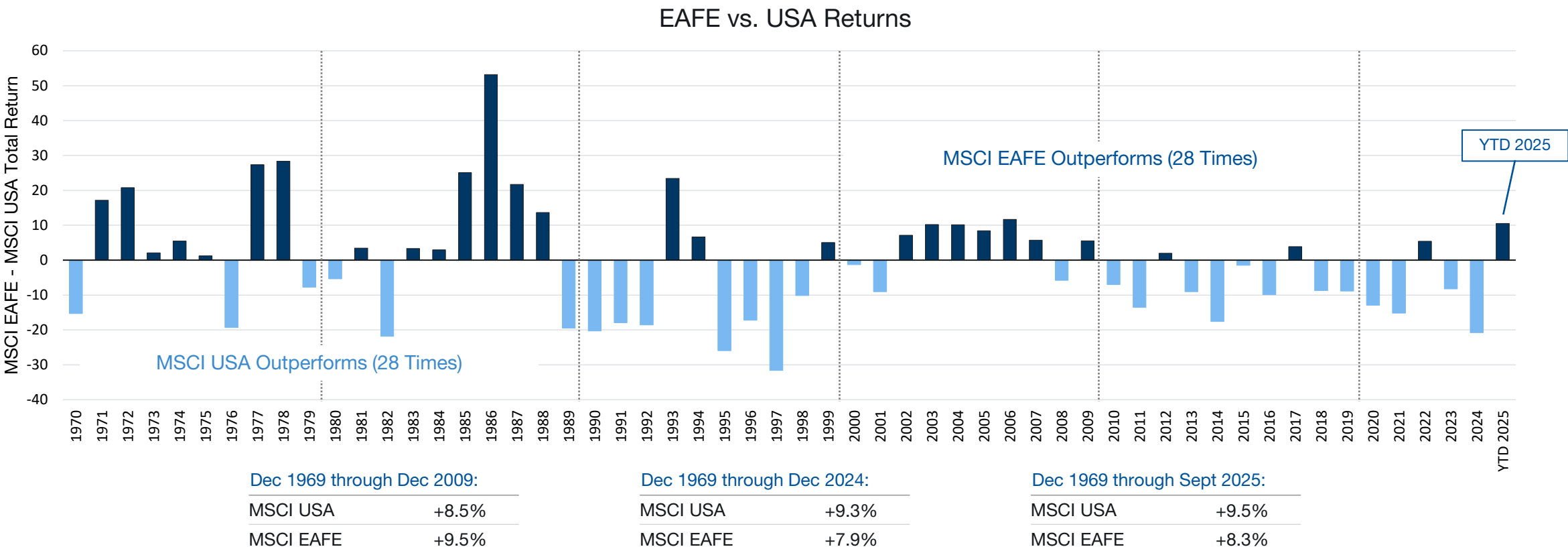


Applying the US PE multiple on 2024 EAFE EPS, the MSCI EAFE Index would be about 66% higher.

As of 31 December 2024.
Information and opinions are as of the date of this presentation and are subject to change. The performance quoted represents past performance. Past performance is not a reliable indicator of future results. This information is for illustrative purposes only and does not represent any product or strategy managed by Lazard. It is not possible to invest directly in an index.
Source: Lazard, Bloomberg, FactSet, MSCI

Is the Tide Starting to Shift?

The MSCI EAFE Index YTD Performance Has Outperformed the MSCI USA Index by the Second-Largest Magnitude in 30+ Years



As of 30 September 2025. Returns since 1969 are annualized. Information and opinions are as of the date of this presentation and are subject to change. The performance quoted represents past performance. Past performance is not a reliable indicator of future results. This information is for illustrative purposes only and does not represent any product or strategy managed by Lazard. It is not possible to 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. Source: Lazard, MSCI

Strong International Absolute Returns May Endure

EAFE (Rolling 9-Month since 1970)

After any EAFE 9-month absolute return

	Forward 12 Months
Average ¹	+10.73%
Hit Rate ²	70%

After any EAFE 9-month absolute return that is >1 standard deviation above the mean*

	Forward 12 Months
Average ¹	+20.56%
Hit Rate ²	84%

Following periods of similar performance, EAFE has historically returned another 20.6% the following year.

As of 30 September 2025
1. represents on average the forward 12-month return, not annualized return of the index
2. Hit Rate defined as the number of periods that have positive forward 12-month absolute return divided by the total number of forward 12-month periods
*. 9m absolute return of EAFE ending 09/30/2025 represents ~1 standard deviation relative to history
Source: Lazard, FactSet, MSCI

Currency Headwind Has Become a Tailwind

United States Dollar Index (DXY, Inverted)



Tariff uncertainty and plans for EU fiscal stimulus strengthened international currencies.

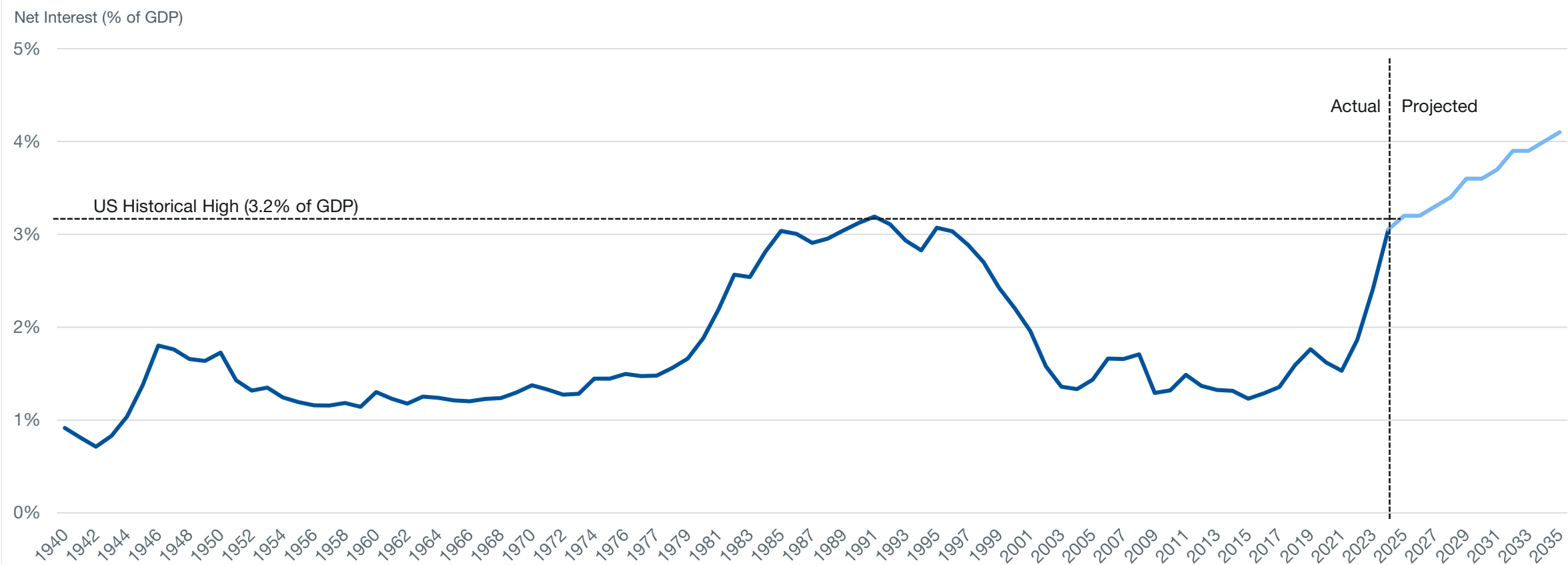
What Could Cause USD Weakness to Continue? (1 of 3)

Will deficits make a difference?

Country/Region	2025 Est. Current Account Balance	2025 Est. General Government Net Lending/Borrowing	“Twin Deficit”
United States	-3.7	-6.5	-10.2
United Kingdom	-3.7	-4.4	-8.1
China	1.9	-8.6	-6.7
Emerging Markets	0.3	-6.1	-5.9
France	0.2	-5.5	-5.3
Italy	0.9	-3.3	-2.4
Canada	-0.1	-1.9	-2.0
European Union	2.9	-3.3	-0.4
Japan	3.4	-2.9	0.5
Germany	5.2	-3.0	2.3

Source: International Monetary Fund, World Economic Outlook Database, April 2025

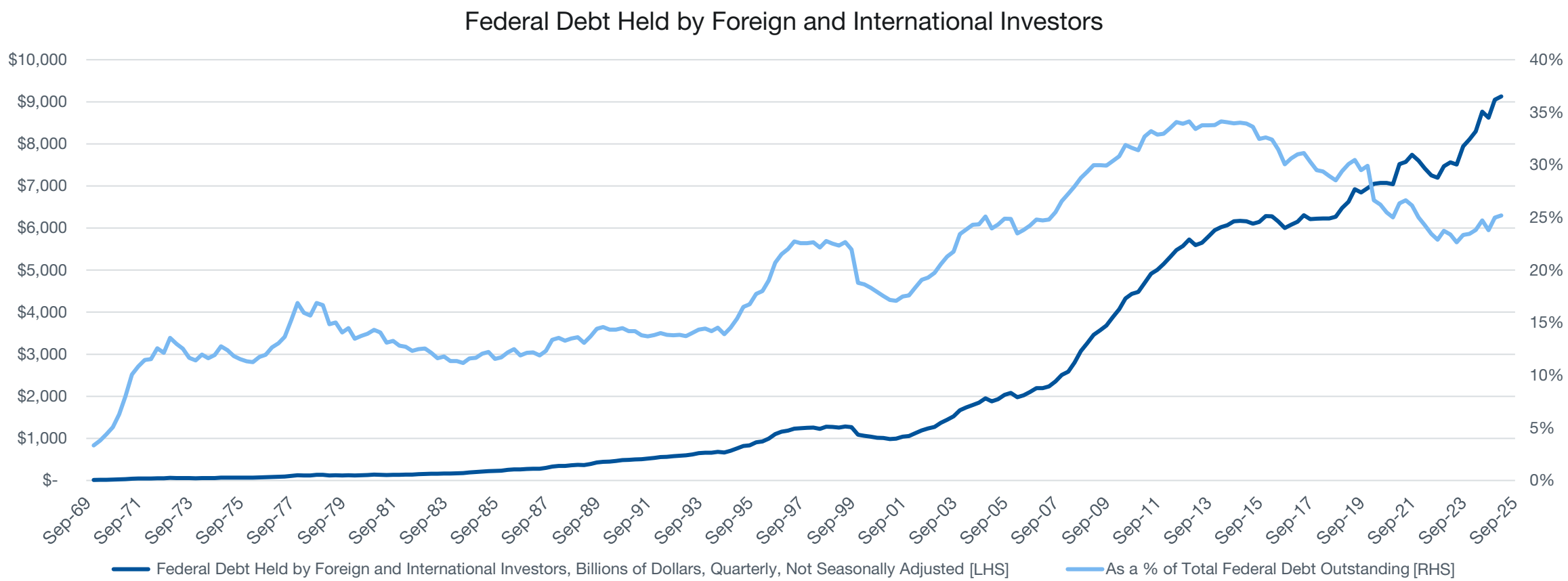
What Could Cause USD Weakness to Continue? (2 of 3)



Net interest costs are projected to exceed the previous high relative to the size of the economy in 2026.

As of 30 September 2025
Source: Lazard, Congressional Budget Office, European Central Bank, International Monetary Fund, Office of Management and Budget, Peter G. Peterson Foundation ([“What Are Interest Costs on the National Debt?”](#))

What Could Cause USD Weakness to Continue? (3 of 3)

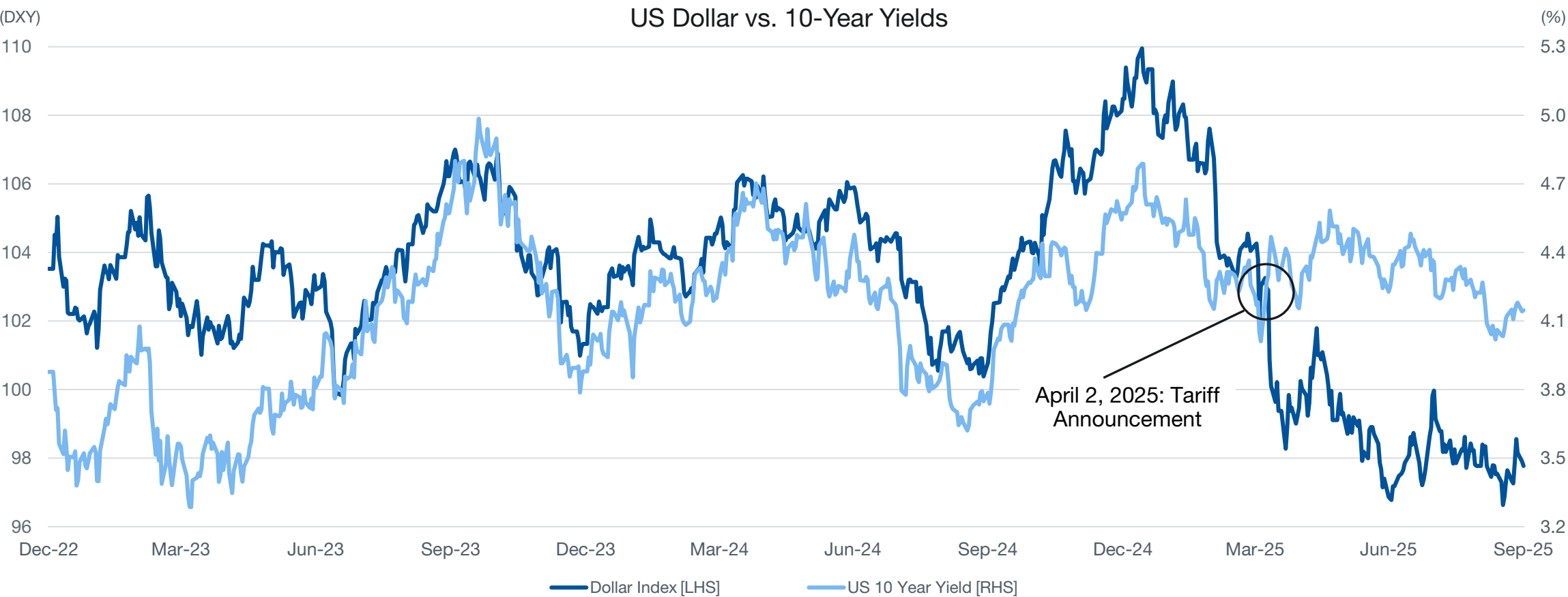


Total federal debt has more than doubled since 2014, while foreign investors have been purchasing a smaller share.

As of 1 April 2025
Source: Lazard, U.S. Department of the Treasury, collected by The St. Louis Federal Reserve

Geopolitics May Be Driving Diversification Away from US Dollar-Denominated Holdings

The US dollar's relationship with US yields has weakened.



As of 30 September 2025
Source: FactSet

International Earnings Growth is Increasingly Attractive

The influence of the Magnificent 7 diminished.

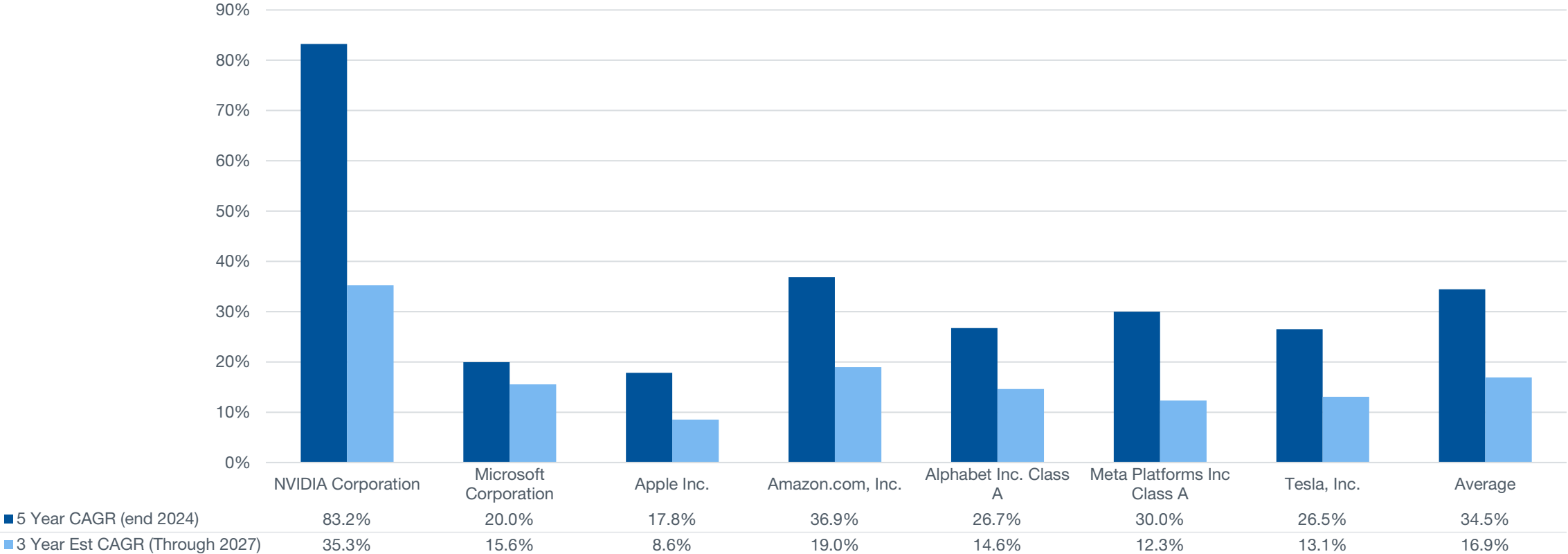


As of 30 September 2025
Source: Lazard, Bloomberg

Projected Earnings Growth

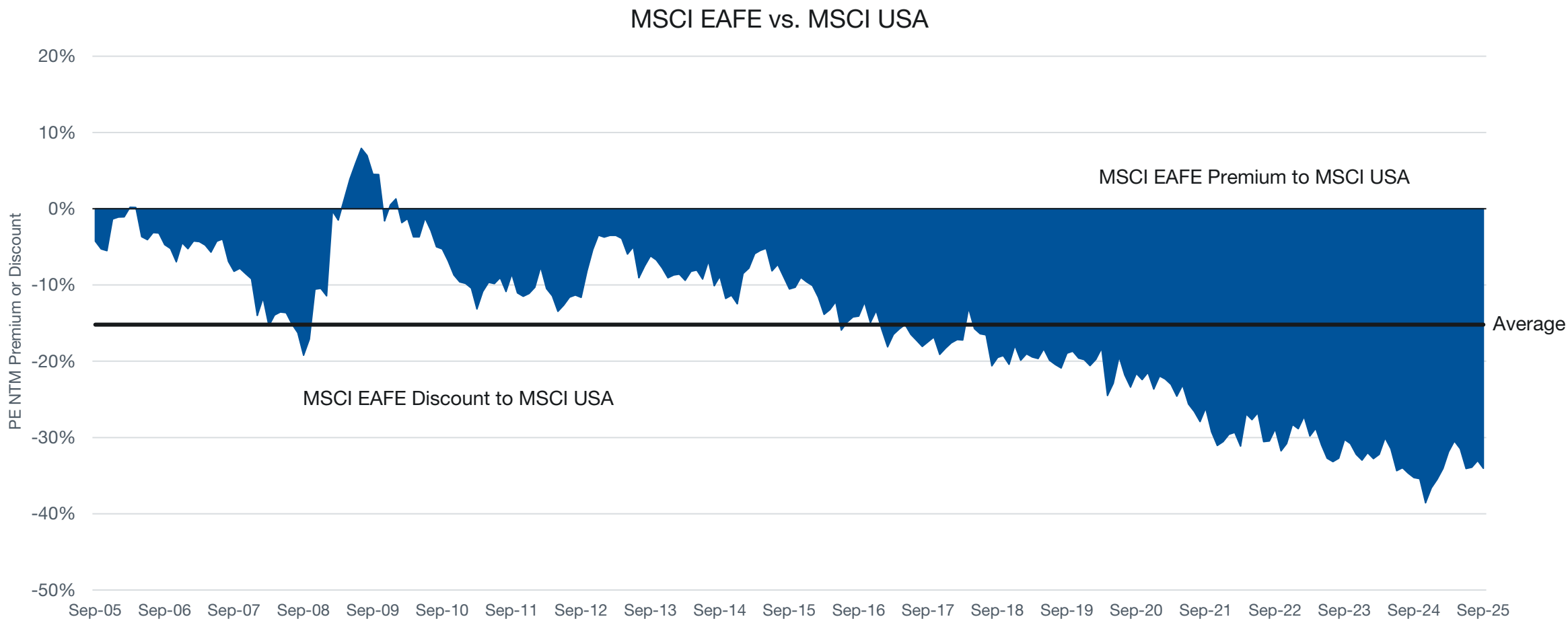
Growth for Magnificent 7 stocks is expected to taper.

Magnificent 7 EPS Growth



As of 30 September 2025
Tesla is 4-year CAGR due to negative earnings in 2019.
Mention of these securities should not be considered a recommendation or solicitation to purchase or sell the securities. 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. There is no assurance that any securities referenced herein are currently held in the portfolio or that securities sold have not been repurchased. The securities mentioned may not represent the entire portfolio.
Source: Lazard, FactSet

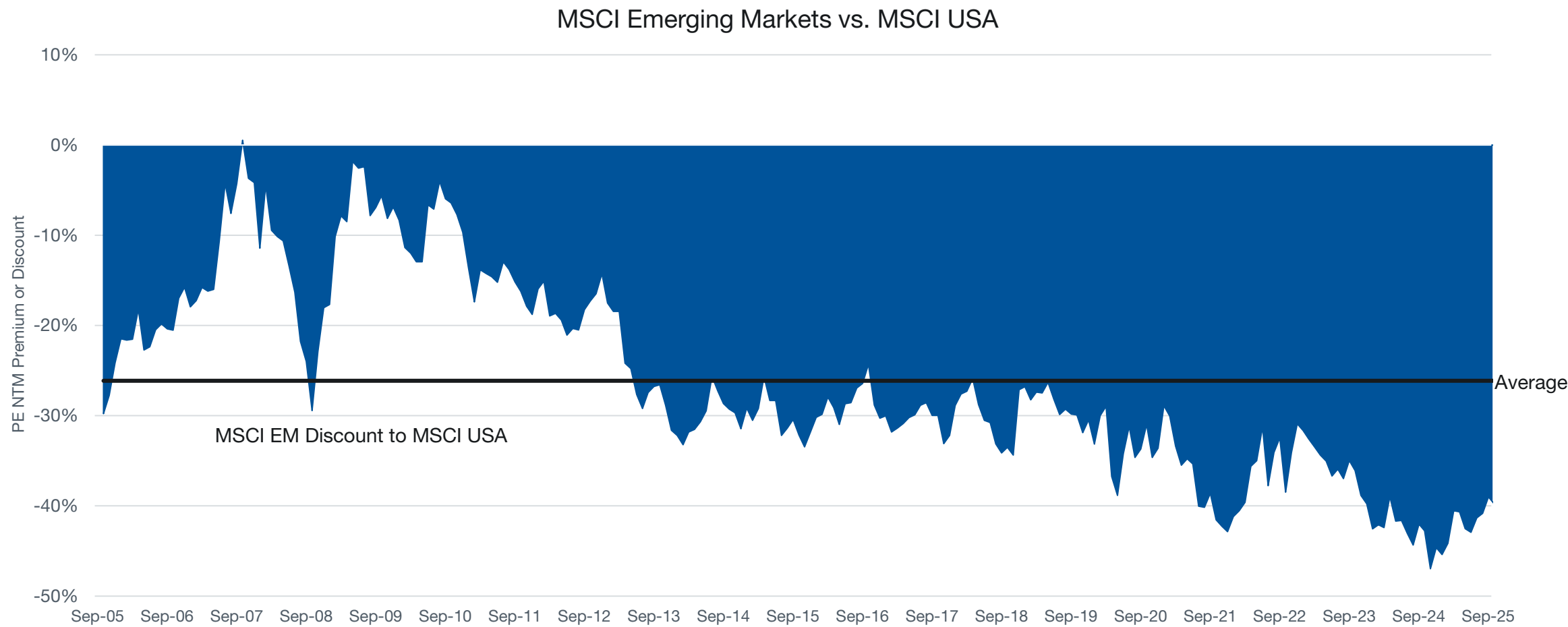
The MSCI EAFE Index's Historic Discount Could Continue to Support International Market Returns



As of 30 September 2025
Source: Lazard, FactSet, MSCI

A Closer Look at Valuations (1 of 3)

The MSCI EAFE Index is near its long-term average valuation while the US approaches multidecade highs.

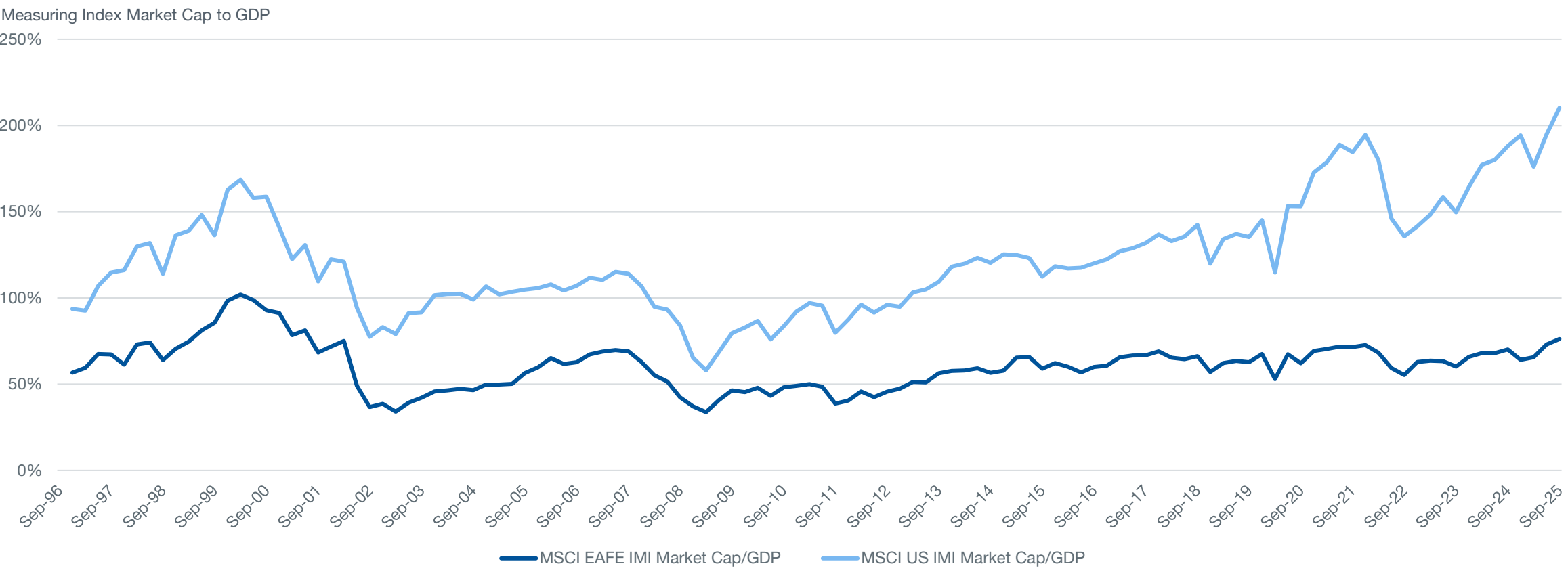


As of 30 September 2025
Source: Lazard, FactSet, MSCI

A Closer Look at Valuations (2 of 3)

The MSCI EAFE Index is near its long-term average valuation while the US approaches multidecade highs.

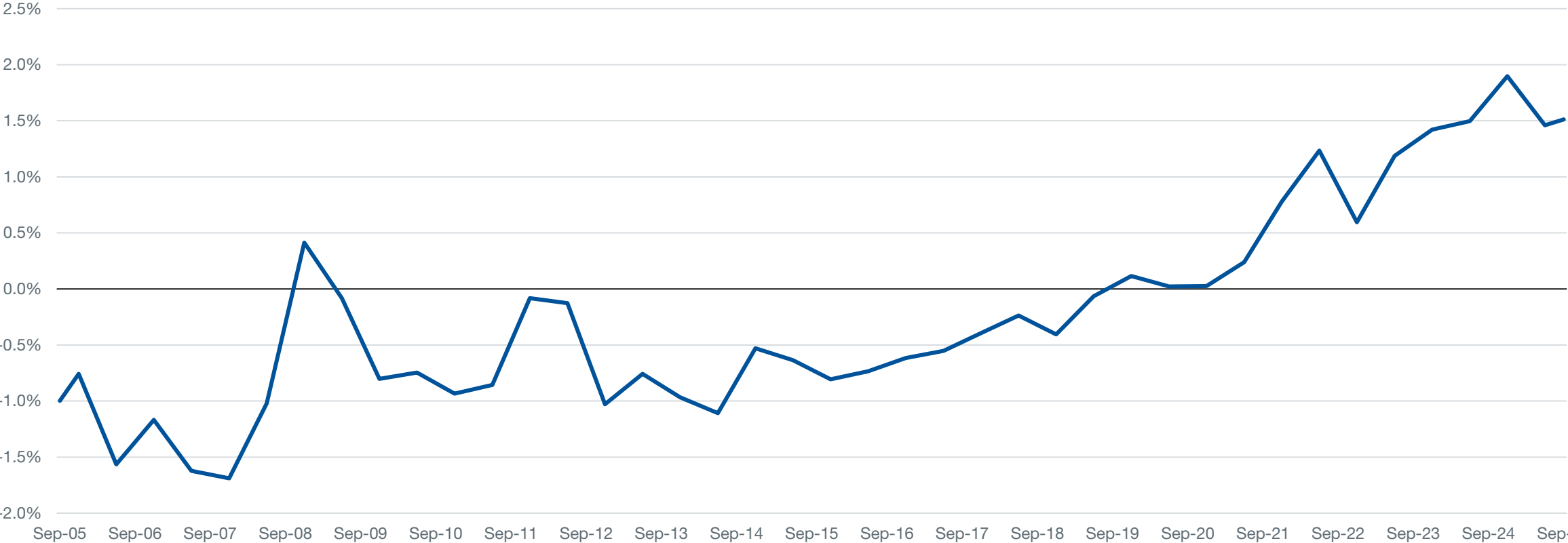
Buffett Valuation Indicator



As of 30 September 2025
Source: FactSet Economics Nominal GDP, IMF World Economic Outlook (Nominal GDP, as of April 2025), MSCI

EAFE vs. US Shareholder Yield Is Near Its Highest Level in 20 Years

EAFE-USA Total Shareholder Yield (Buybacks + Dividends)



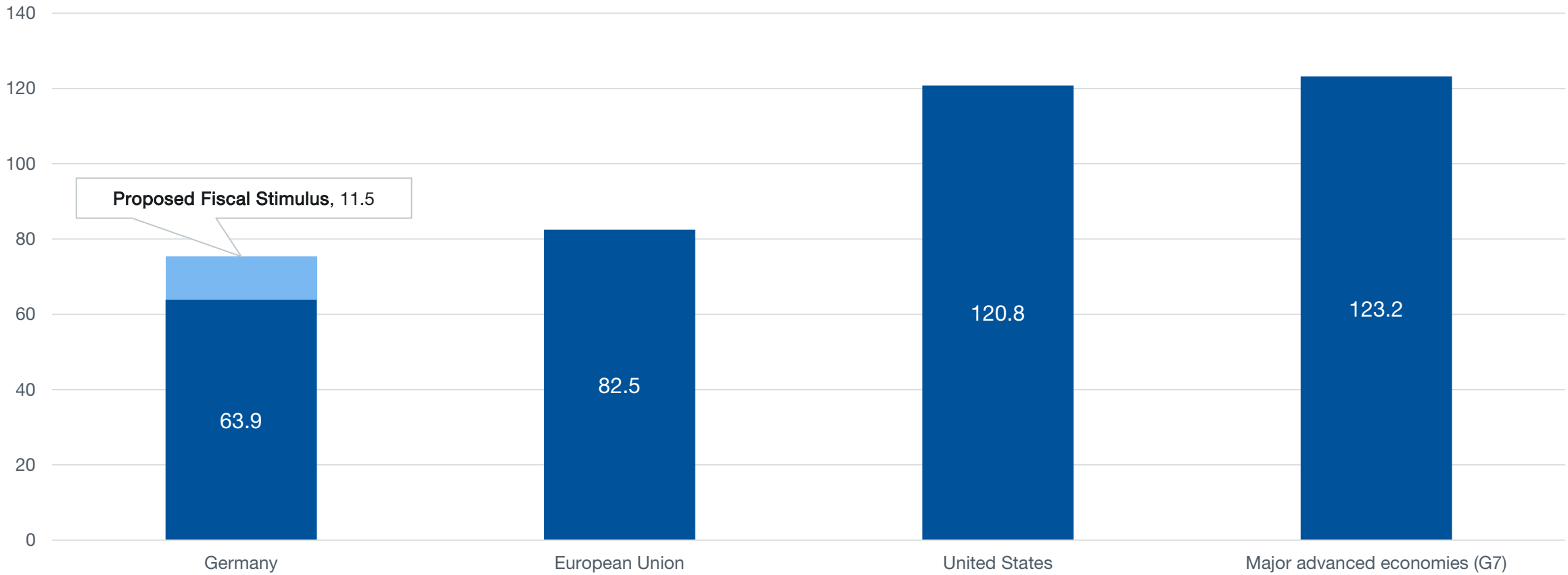
The MSCI EAFE Index shareholder yield should support non-US equities.

As of 30 September 2025
Source: Lazard, FactSet, MSCI

Europe Has Enough Fiscal Stimulus Capacity to Drive Growth

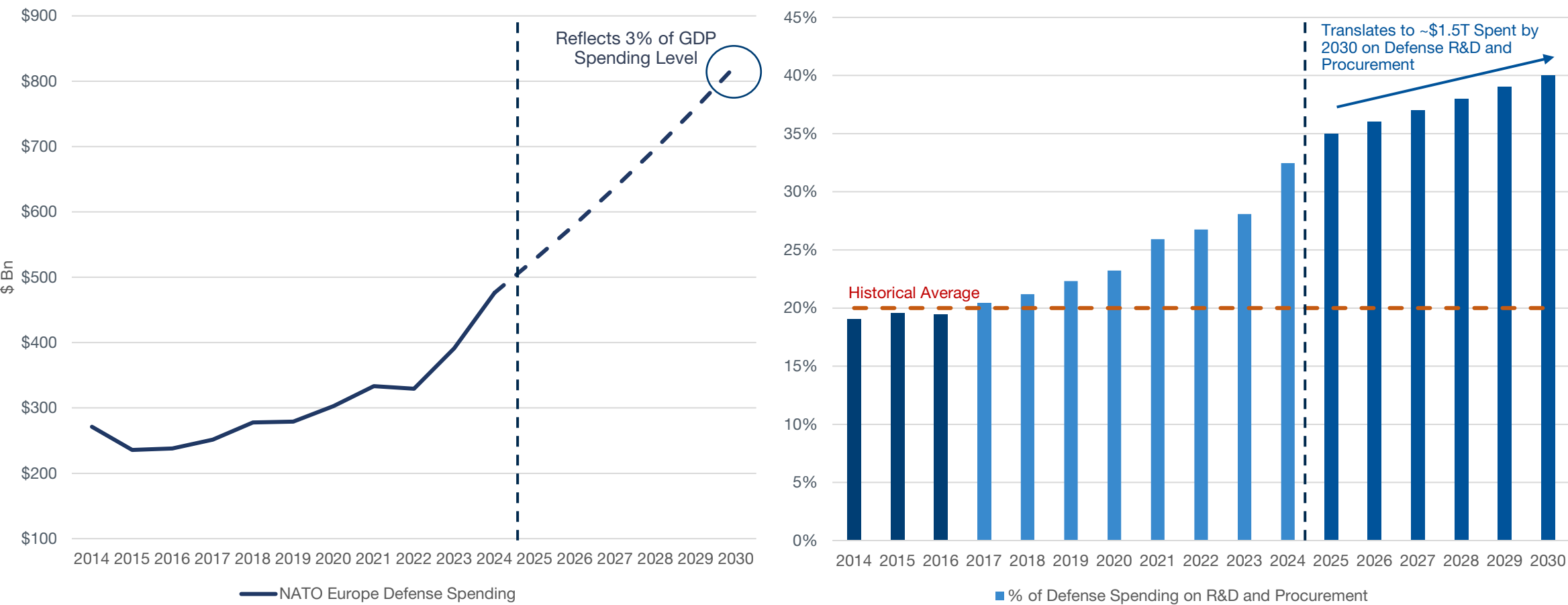
General Government Gross Debt Level vs. GDP

General Government Gross Debt (% of GDP, 2024)



Source: Lazard, Fitch, IMF WEO April 2025

European Defense Spending Is Set to Significantly Increase

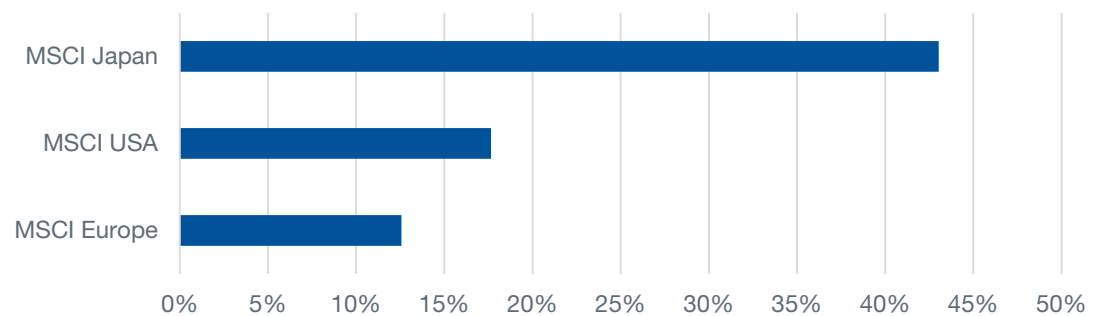


The base case defense spending level is expected to reach 3% of GDP by 2030.

Left Chart: As of December 2024, Total NATO Europe Defense Spending vs. 3% of GDP NATO Guideline
Right Chart: As of December 2024, % of NATO Europe Defense Investment as a Proportion vs. Total NATO Europe Defense Spending. 2024 figures are NATO Estimates
Forecast analysis assumes 3% nominal GDP growth
Source: Lazard, NATO

In Japan, Strategic Capital Deployment Could Boost Returns

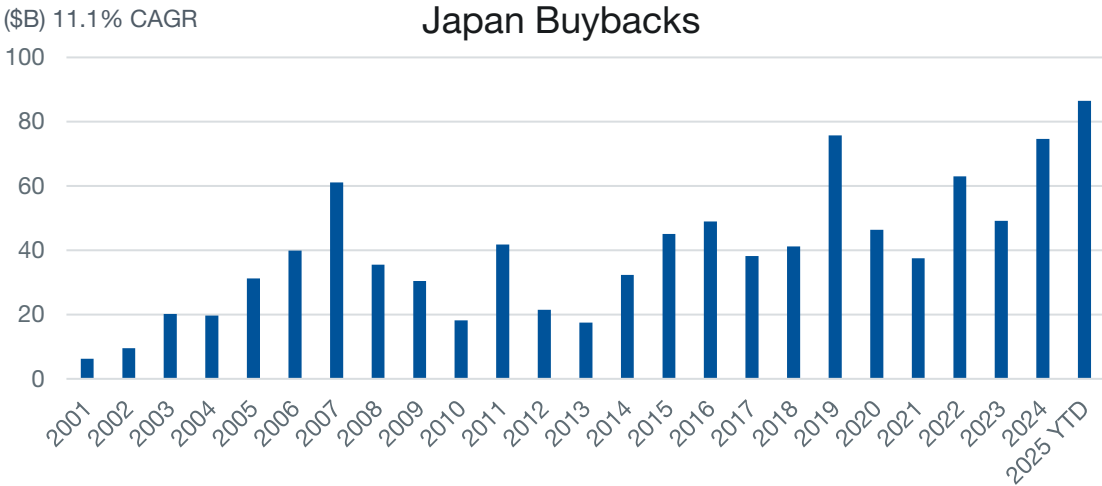
% of Companies with Net Cash (ex-Financials)



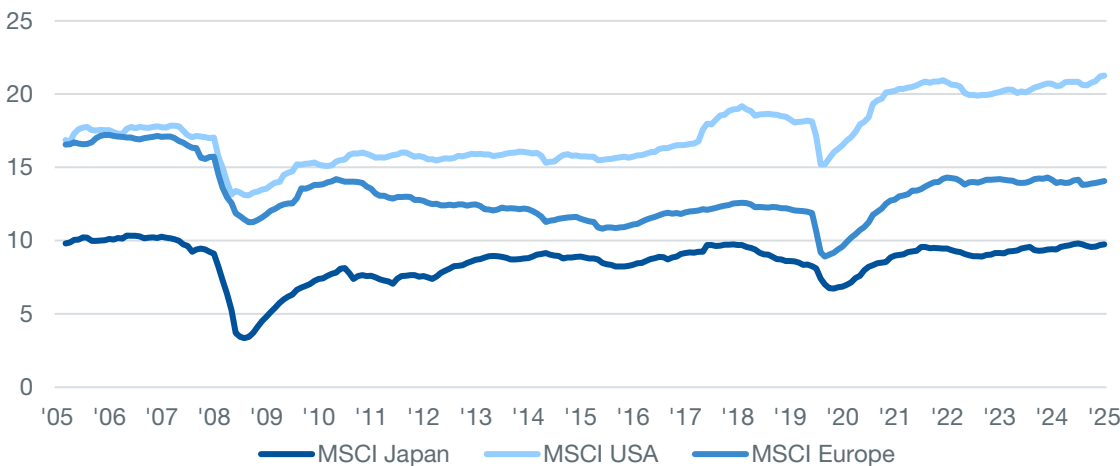
Japan Cash Dividends



Japan Buybacks



Japan's ROE Could Catch Up



As of 30 September 2025
Source: Lazard, FactSet, MSCI

Why Active?

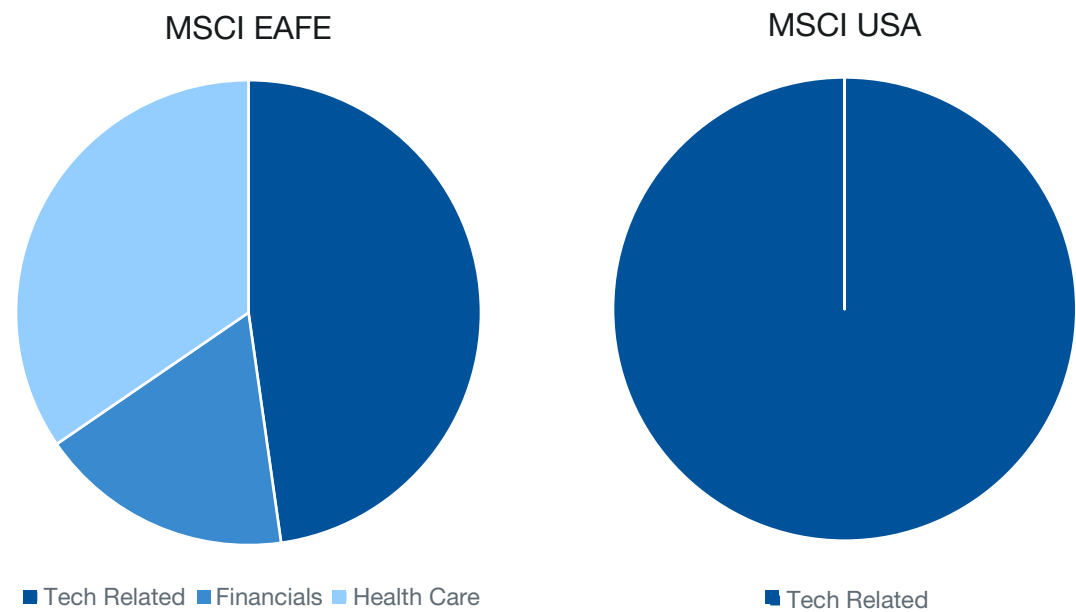
Valuations of Non-US Companies Are Consistent across Market Caps

	US	EAFE
Median P/E Top 25%	32.8x	16.2x
# of companies	5	27
Median P/E Bottom 75%	20.7x	15.9x
# of companies	539	666

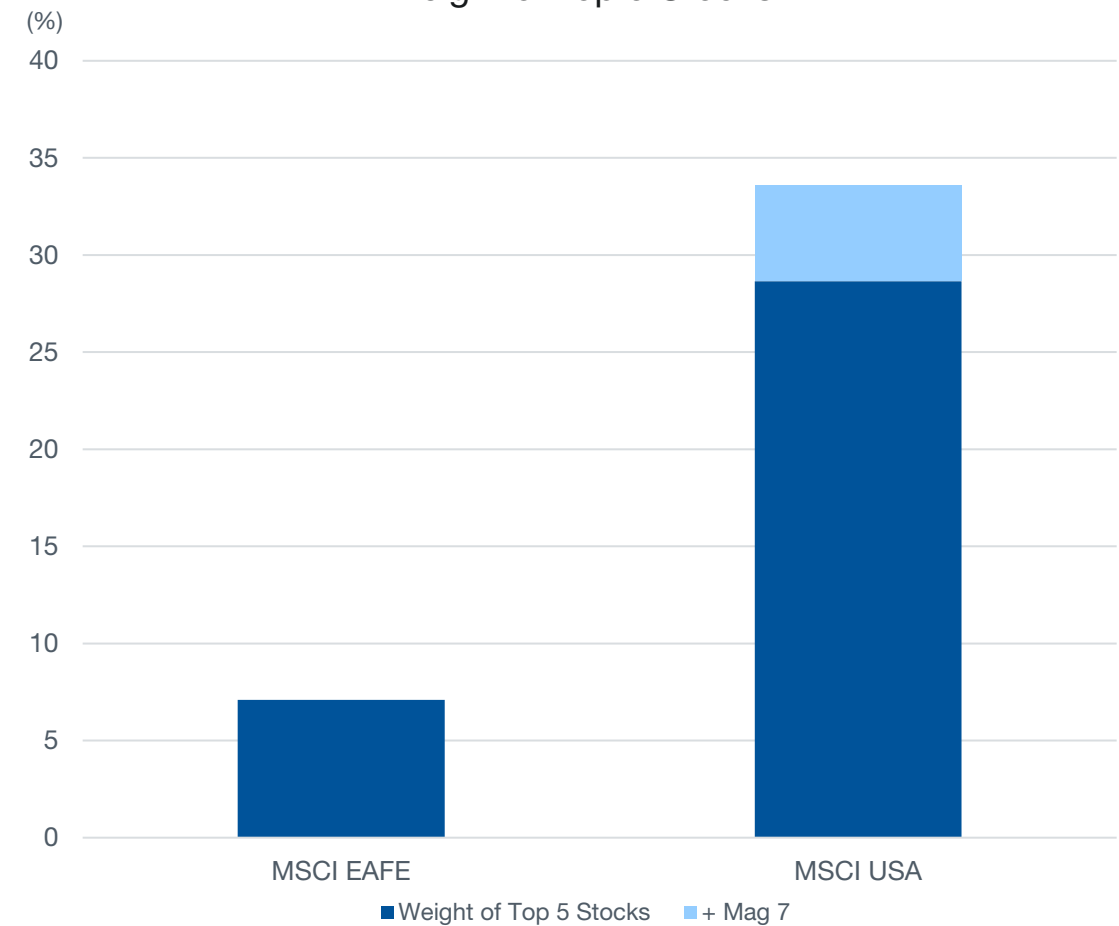
As of 30 September 2025
Global Benchmark is MSCI ACWI IMI
Source: Lazard, FactSet, MSCI

International Markets Offer Greater Diversity—and More Opportunities for Active Managers

Industry Composition of Top 5 Stocks

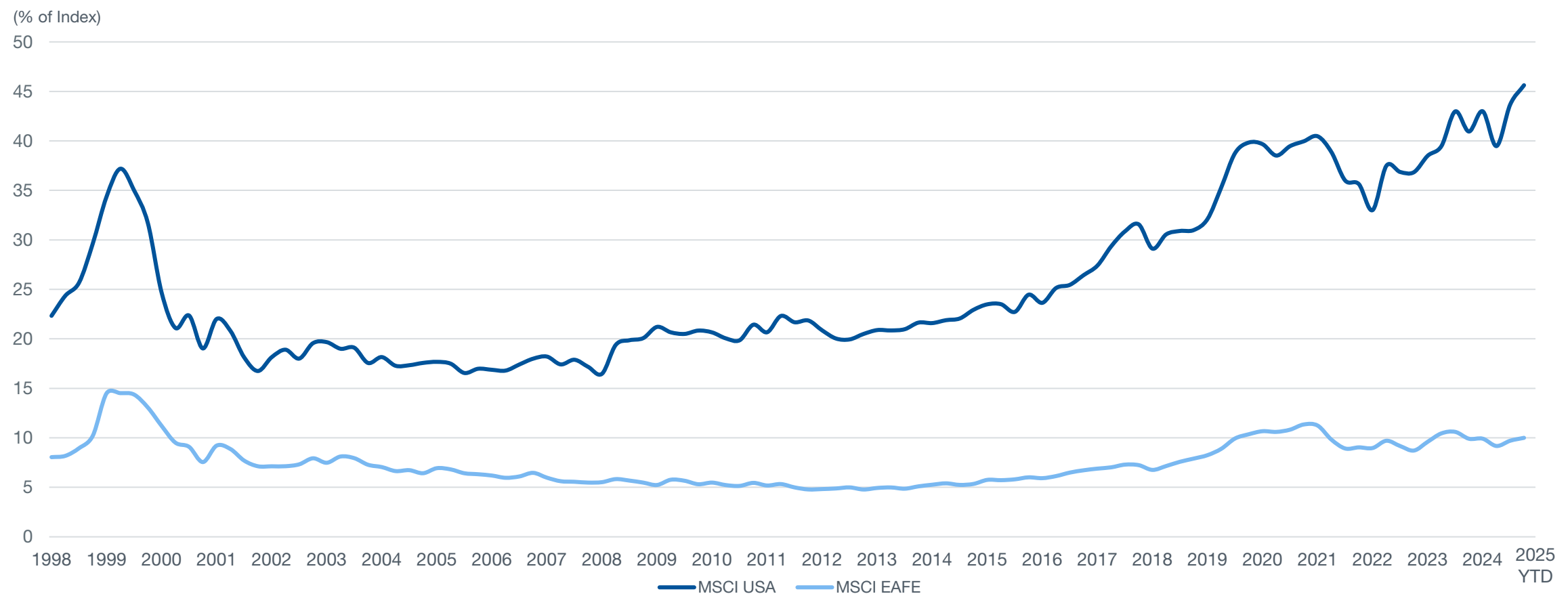


Weight of Top 5 Stocks



As of 30 September 2025
Source: Lazard, FactSet, MSCI

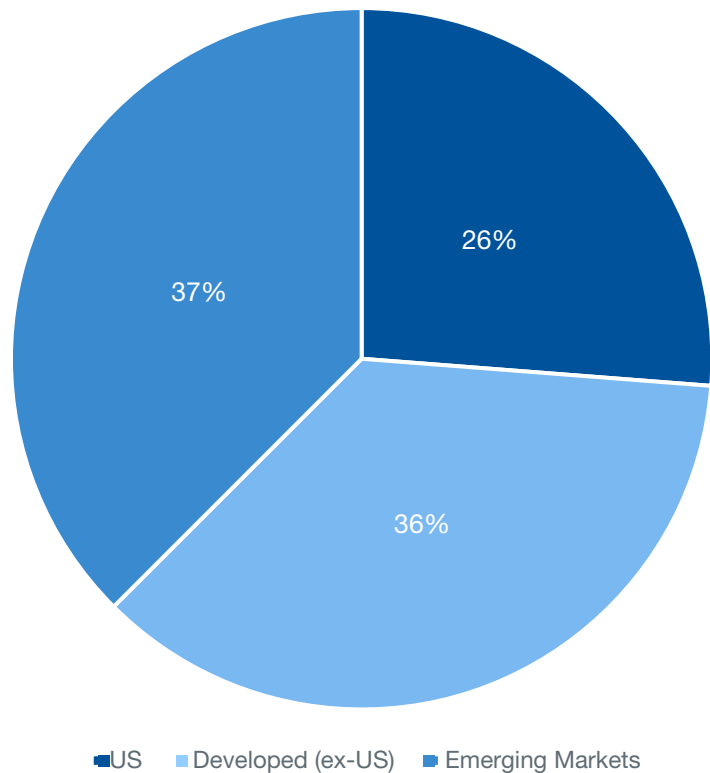
Lower Technology & Internet Concentration May Boost EAFE Outperformance Potential



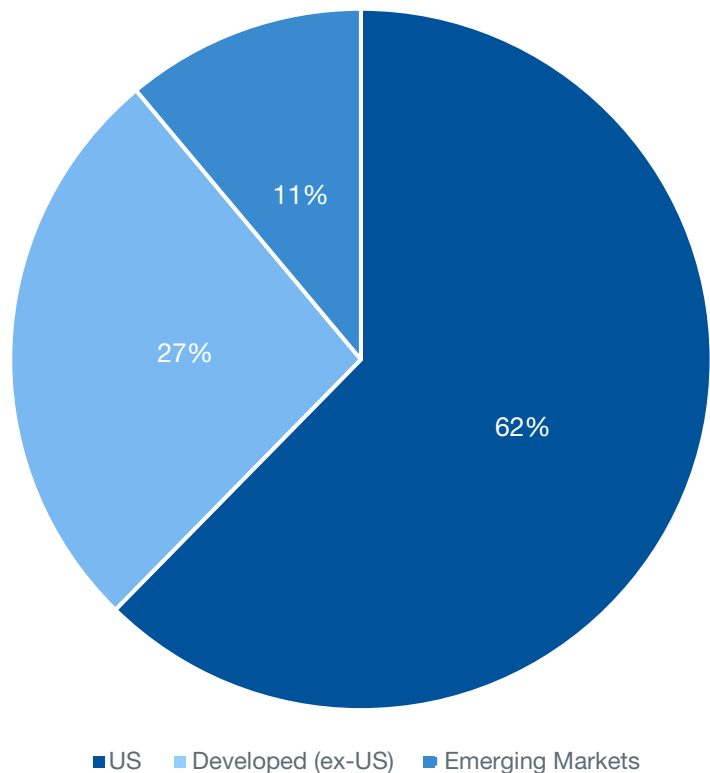
As of 30 September 2025
Weights are end-of-period classifications using GICS Level 3 (Interactive Media & Services and Broadline Retail) and GICS Level 1 (Information Technology).
Source: Lazard, FactSet, MSCI

Opportunity Set Outside of the United States

Number of Companies as a Proportion of ACWI IMI



% of Market Cap

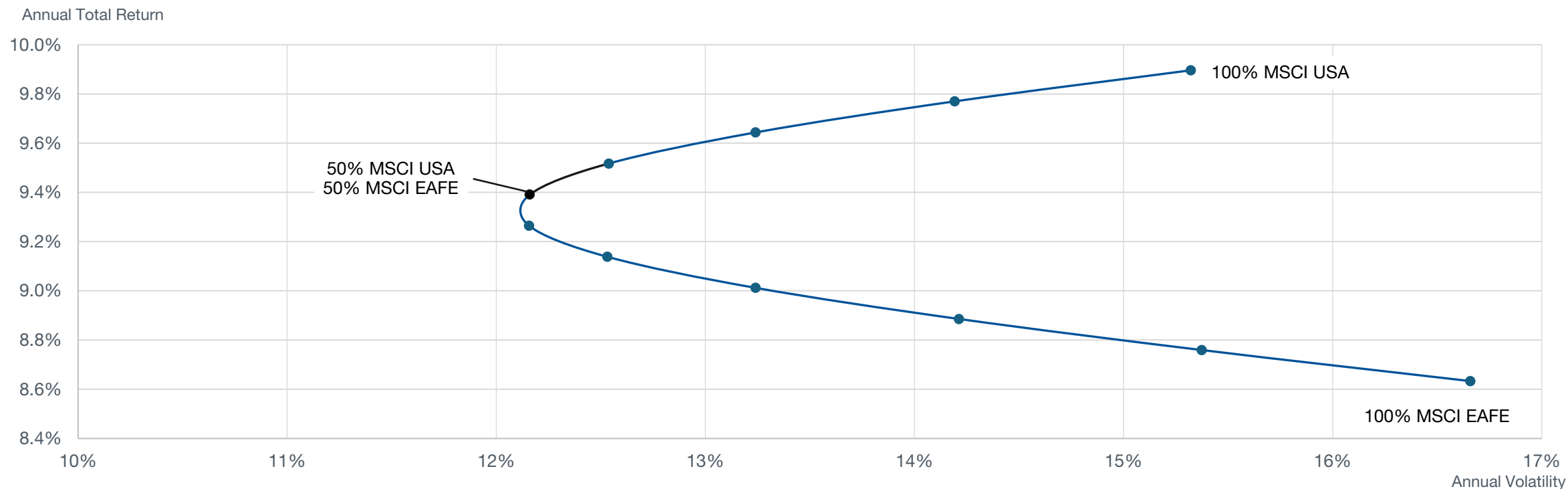


US listed companies represent only 26% of the global companies but 62% of global market capitalization.

As of 30 September 2025
Global Benchmark is MSCI ACWI IMI
Source: Lazard, FactSet, MSCI

50% US, 50% Non-US: Optimal Risk/Return Characteristics

Efficient Frontier between US and Non-US Opportunities (Risk/Return since December 1969)



As of 30 September 2025. Data since MSCI EAFE Index inception of 31 December 1969. The performance quoted represents past performance. Past performance is not a reliable indicator of future results. This information is for illustrative purposes only and does not represent any product or strategy managed by Lazard. It is not possible to invest directly in an index.

Source: Lazard, FactSet, MSCI. No risk management technique or process can guarantee return or eliminate risk in any market environment.

Important Information

Published on 3 December 2025.

For the sole use of the recipient. Not for Further Distribution.

The performance quoted represents past performance. Past performance is not a reliable indicator of future results.

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.

No risk management technique or process can guarantee return or eliminate risk in any market environment.

The S&P 500 Index is a market capitalization-weighted index of 500 companies in leading industries of the US economy.

The MSCI EAFE Index (Europe, Australasia, Far East) is a free-float-adjusted market capitalization index that is designed to measure developed market equity performance, consisting of developed market country indices excluding the United States and Canada.

The MSCI World Index is a free-float-adjusted market capitalization index that is designed to measure global developed market equity performance comprised of developed market country indices.

The MSCI USA Index is designed to measure the performance of the large and mid-cap segments of the US market.

The MSCI Emerging Markets Index is a free-float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The MSCI Emerging Markets Index consists of emerging markets country indices including: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey, and United Arab Emirates.

The MSCI All Country World Index (ACWI) is a free-float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets.

These indices are unmanaged and have 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.

Certain information contained herein constitutes "forward-looking statements" which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "target," "intent," "continue," or "believe," or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events may differ materially from those reflected or contemplated in such forward-looking statements.

This document is provided by Lazard Asset Management LLC, Lazard Frères Gestion, or its affiliates (“Lazard”) for informational purposes only. Nothing herein constitutes investment advice or a recommendation relating to any security, commodity, derivative, investment management service, or investment product. Investments in securities, derivatives, and commodities involve risk, will fluctuate in price, and may result in losses. Certain assets held in Lazard’s investment portfolios, in particular alternative investment portfolios, can involve high degrees of risk and volatility when compared to other assets. Similarly, certain assets held in Lazard’s investment portfolios may trade in less liquid or efficient markets, which can affect investment performance. Past performance does not guarantee future results.

This document is intended only for persons residing in jurisdictions where its distribution or availability is consistent with local laws and Lazard’s local regulatory authorizations. The Lazard entities that have issued this document are listed below, along with important limitations on their authorized activities.

Australia: Issued by Lazard Asset Management Pacific Co., ABN 13 064 523 619, AFS License 238432, Level 12 Gateway, 1 Macquarie Place, Sydney NSW 2000, which is licensed by the Australian Securities and Investments Commission to carry on a financial services business. This document is intended for wholesale investors only. **Canada:** Issued by Lazard Asset Management (Canada) Inc., 30 Rockefeller Plaza, New York, NY 10112 and 130 King Street West, Suite 1800, Toronto, Ontario M5X 1E3, a registered portfolio manager providing services to non-individual permitted clients. **Dubai:** Issued and approved by Lazard Gulf Limited, Index Tower, Floor 10 Office 1008 DIFC, PO Box 506644, Dubai, United Arab Emirates. Registered in Dubai International Financial Centre 0467. Authorised and regulated by the Dubai Financial Services Authority to deal with Professional Clients only. **EU Member States:** Issued by Lazard Asset Management (Deutschland) GmbH, Neue Mainzer Strasse 75, D-60311 Frankfurt am Main. **France:** Issued by Lazard Frères Gestion, 25, rue de Courcelles, F-75008 Paris. **Hong Kong:** Issued by Lazard Asset Management (Hong Kong) Limited (AQZ743), Suites 506-508, Level 5, One International Finance Centre, No. 1 Harbour View Street, Central, Hong Kong. Lazard Asset Management (Hong Kong) Limited is a corporation licensed by the Hong Kong Securities and Futures Commission to conduct Type 1 (dealing in securities) Type 4 (advising on securities) and Type 9 (asset management) regulated activities only on behalf of “professional investors” as defined under the Hong Kong Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and its subsidiary legislation. **Korea:** Issued by Lazard Korea Investment Management Co. Ltd., 21F Seoul Finance Center, 136 Sejong-daero, Jung-gu, Seoul, 04520. **People’s Republic of China:** Issued by Lazard Asset Management. Lazard Asset Management does not carry out business in the P.R.C. and is not a licensed investment adviser with the China Securities Regulatory Commission or the China Banking Regulatory Commission. This document is for reference only and for intended recipients only. The information in this document does not constitute any specific investment advice on China capital markets or an offer of securities or investment, tax, legal or other advice or recommendation or, an offer to sell or an invitation to apply for any product or service of Lazard Asset Management. **Saudi Arabia:** Issued and approved by Lazard Saudi Arabia, 15th Floor, Nakheel Tower, King Fahad Road, Nakheel District, Riyadh 12381, Saudi Arabia. Commercial Registration No: 1010297437 with a unified number: 7001642417, License of the Ministry of Investment No: 102031098747. Regulated and authorised by the Capital Market Authority (CMA). **Singapore:** Issued by Lazard Asset Management (Singapore) Pte. Ltd., Unit 15-03 Republic Plaza, 9 Raffles Place, Singapore 048619. Company Registration Number 201135005W, which provides services only to “institutional investors” or “accredited investors” as defined under the Securities and Futures Act, Chapter 289 of Singapore. **Switzerland:** Issued by Lazard Asset Management Schweiz AG, Uraniastrasse 12, CH-8001 Zurich. **United Kingdom:** Issued or approved by Lazard Asset Management Ltd., 20 Manchester Square, London, W1U 3PZ. Registered in England Number 525667. Authorised and regulated by the Financial Conduct Authority (FCA), providing services only to persons classified as eligible counterparties or professional clients under the rules of the FCA. **United States:** Issued by Lazard Asset Management LLC, 30 Rockefeller Plaza, New York, NY 10112.