LAZARD
ASSET MANAGEMENT

Separately Managed Accounts

Tailored portfolios from Lazard Asset Management

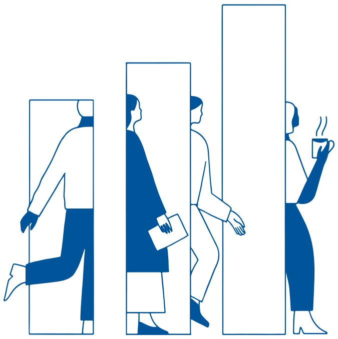
No two investors are the same. That's why separately managed accounts (SMAs) are specially designed to meet the unique needs of your clients.

Through direct ownership of a diversified collection of stocks, bonds, or other types of securities such as alternatives and real assets, SMAs are built to offer different things to different people.

With benefits like **enhanced tax efficiency, greater transparency, and flexibility**, SMAs can help address today's complex financial landscape while creating outcomes that have the potential to endure for generations.

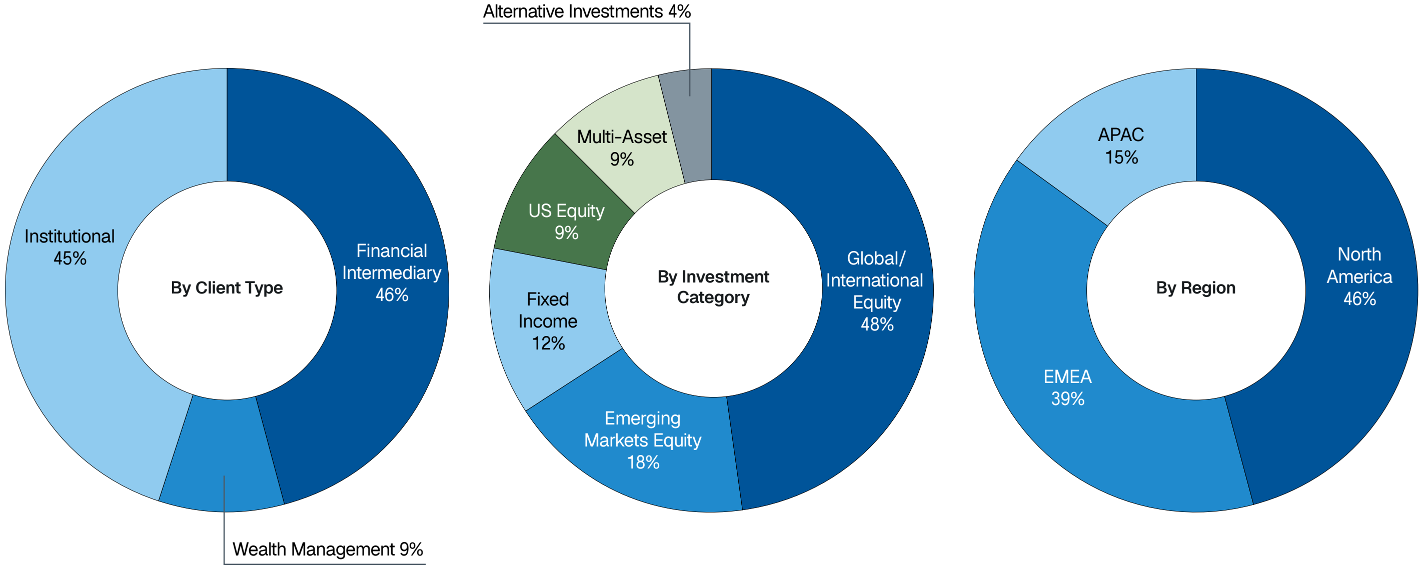
Our Mission

We deliver world-class investment solutions and **long-term value** for our clients. When clients engage with us, they gain a **trusted advocate** committed to championing their success and helping them **achieve their unique ambitions**.



We Deliver a Broad Range of Strategies to a Diverse Client Base

Total Firm Assets Under Management: **$285B**



As of 30 June 2026. AUM includes Lazard Asset Management and its global affiliates - of Lazard Frères Gestion (LFG), Lazard Frères Banque SA (LFB). Fluctuations in assets under management (AUM) may occur due to a variety of factors, including but not limited to, client transitions and strategy re-categorizations over time. Lazard does not attempt to re-state AUM on a historical basis to account for these transitions and re-categorizations and instead, seeks to incorporate these changes on a forward-looking basis.

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Separately Managed Accounts: Crafted for Quality and Clarity

At Lazard, our SMAs are professionally managed solutions that support a combination of customized investments and highly valued benefits.

Personalized Solutions

Built around each investor's goals and risk tolerance, direct-ownership portfolios address specific priorities and give clients greater control over their financial future.

Tax Efficiency

Year-round tax-loss harvesting and capital gains management can offset taxable income, carry losses forward, and reinvest proceeds to improve after-tax outcomes over time.

Increased Flexibility

Greater control over allocation, timing, and ownership decisions, with the potential to improve portfolio liquidity and adapt as each client's needs change.

Enhanced Transparency

Real-time insights into every trade, holdings, and account activity, with regular reporting that keeps clients connected to their investments.

What Is Tax-Loss Harvesting?

SMA assets are held directly, not pooled with other investors. This means an individual position can be sold to realize a loss without touching the rest of the portfolio. That loss may then be used to offset gains elsewhere, or carried forward to a future tax year.

Are SMAs Right for Your Clients?

SMAs are ideal for investors that want a professionally managed portfolio tailored to their individual needs. Investors often choose an SMA when they are:

- **Building wealth** and seeking a portfolio managed to their own financial goals.
- **Focused on tax efficiency** and greater control over capital gains.
- **Investing around concentrated single-stock positions** or **excluding specific securities** based on inherited or existing holdings.
- **Interested in transparency** and direct advisory—with full visibility into every holding and the team managing it.

What Advisors Should Know: SMAs vs. Mutual Funds vs. ETFs

Understanding the distinctions between SMAs, mutual funds, and exchange-traded funds (ETFs) can help you identify the right portfolio approach best aligned with your clients' individual investment objectives, preferences, and planning needs.

	SMAs	Mutual Funds	ETFs
Does an Investor Have Direct Ownership of Underlying Securities	Yes—an investor directly owns the individual securities in the account	No—an investor owns shares of the fund, not the underlying securities	No—an investor owns shares of the fund, not the underlying securities
Is Personalization Possible?	Yes—holdings can be tailored to investor preferences and objectives, subject to strategy	No—beyond fund choice	No—beyond fund choice
Capital Gains Distribution	No distribution—gains/losses are realized directly, based on the individual account's own activity	Gains may be distributed to all shareholders, regardless of when they invested	Gains distributions are generally minimized through the in-kind creation/redemption process
Tax-Loss Harvesting	Realized losses can be used to offset the individual investor's own gains elsewhere, delivering a direct tax benefit	Any harvesting is captured inside the fund; the investor cannot apply those losses against their own outside gains	Any harvesting is captured inside the fund; the investor cannot apply those losses against their own outside gains
Cost & Complexity	Fees are typically negotiated and often higher; the structure is more complex due to direct security ownership, customization, and account-level administration[1]	Fees range from low to high depending on active vs. passive management; the structure is pooled and standardized with potential sales charges and ongoing fund expenses	Fees are low-to-moderate with no sales loads; the structure is pooled and standardized with costs mainly limited to brokerage commissions and bid-ask spread

Comparison reflects general characteristics of each vehicle and is not tax advice.

1 SMA fees and terms vary by strategy and sponsor.

Terms, Explained

- **Direct ownership**—an investor holds an underlying security in their own name, rather than owning a share of a pooled fund
- **Cost basis**—the price paid for a security, used to calculate gains or losses when sold
- **Tax-loss harvesting**—selling a security at a loss to help offset taxable gains
- **In-kind transfer**—moving securities into or out of an account without first selling, which can help avoid a taxable event
- **Capital gains**—the profit made when a security is sold for more than its cost basis

Deep Commitment to Investment Excellence

We focus on high-conviction strategies aimed at delivering long-term value and personalized investment solutions. Our priority is always to put your clients' goals first.

Empowered Investment Teams

Independent investment decisions made in your clients' best interests

~400

Investment Professionals

High-Conviction Focus

Strategies grounded in differentiated research—and experience

4,500+

Company Meetings

Tailored Strategies

SMAs that span markets, regions, and styles to meet unique goals

100%

Active Management

Questions about SMAs?

Please contact our Sales Desk at 800-823-6300 or **financial.advisors@lazard.com** to learn more about separately managed accounts or to schedule a more in-depth conversation about your clients' goals.