

NEUBERGER BERMAN INVESTMENT FUNDS PLC

Registered Office
70 Sir John Rogerson's Quay
Dublin 2, Ireland

An umbrella fund with segregated liability between sub-funds

The directors of Neuberger Berman Investment Funds plc (the "Directors") accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement misleading.

This circular is important and requires your immediate attention. If you are in doubt as to the action you should take you should seek advice from your stockbroker, bank manager, solicitor, accountant, tax adviser or other independent financial adviser. If you have sold or transferred all of your Shares please pass this circular at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee as soon as possible.

7 June 2023

Dear Hong Kong Shareholder,

NEUBERGER BERMAN INVESTMENT FUNDS PLC (THE "COMPANY")

- **NEUBERGER BERMAN GLOBAL BOND FUND**
- **NEUBERGER BERMAN STRATEGIC INCOME FUND**
- **NEUBERGER BERMAN HIGH YIELD BOND FUND**
- **NEUBERGER BERMAN SHORT DURATION HIGH YIELD SDG ENGAGEMENT FUND**
- **NEUBERGER BERMAN EUROPEAN HIGH YIELD BOND FUND**
- **NEUBERGER BERMAN EMERGING MARKET DEBT – LOCAL CURRENCY FUND**
- **NEUBERGER BERMAN EMERGING MARKET DEBT – HARD CURRENCY FUND**
- **NEUBERGER BERMAN SUSTAINABLE EMERGING MARKET CORPORATE DEBT FUND***
(THIS IS NOT CLASSIFIED AS AN ESG FUND IN HONG KONG)
- **NEUBERGER BERMAN SHORT DURATION EMERGING MARKET DEBT FUND**
- **NEUBERGER BERMAN EMERGING MARKET DEBT BLEND FUND**
- **NEUBERGER BERMAN US MULTI CAP OPPORTUNITIES FUND**
- **NEUBERGER BERMAN US SMALL CAP FUND**
- **NEUBERGER BERMAN CHINA EQUITY FUND**
- **NEUBERGER BERMAN EMERGING MARKETS EQUITY FUND**
- **NEUBERGER BERMAN US REAL ESTATE SECURITIES FUND**
- **NEUBERGER BERMAN NEXT GENERATION MOBILITY FUND**
- **NEUBERGER BERMAN 5G CONNECTIVITY FUND**
- **NEUBERGER BERMAN GLOBAL REAL ESTATE SECURITIES FUND**
- **NEUBERGER BERMAN CHINA BOND FUND**
- **NEUBERGER BERMAN SUSTAINABLE ASIA HIGH YIELD FUND**
- **NEUBERGER BERMAN ASIAN DEBT – HARD CURRENCY FUND**
- **NEUBERGER BERMAN GLOBAL SUSTAINABLE EQUITY FUND**
- **NEUBERGER BERMAN EUROPEAN SUSTAINABLE EQUITY FUND**
- **NEUBERGER BERMAN NEXT GENERATION SPACE ECONOMY FUND**
- **NEUBERGER BERMAN GLOBAL EQUITY MEGATRENDS FUND**
- **NEUBERGER BERMAN US LARGE CAP VALUE FUND (COLLECTIVELY, THE "PORTFOLIOS")**

* This Portfolio is not classified as an ESG fund in Hong Kong pursuant to the "Circular to management companies of SFC-authorized unit trusts and mutual funds – ESG funds" issued by the SFC dated 29 June 2021, as may be revised from time to time.

Directors: Gráinne Alexander, Tom Finlay, Michelle Green (UK), Naomi Daly and Alex Duncan (UK)
Companies Registration Office Number 336425

We are writing to you in your capacity as a Shareholder in the Company. The purpose of this circular is to notify you of a number of key changes to the Company and to certain sub-funds (the “**Portfolios**”), which will be reflected in the revised Hong Kong offering documents (comprising the Hong Kong Covering Document, the Prospectus, the relevant Supplements and the Product Key Facts Statements) (collectively referred to as the “**Hong Kong Offering Documents**”), which are expected to be noted by the Central Bank on or about 2 August 2023. The changes to the Hong Kong Offering Documents will take effect from such date (the “**Effective Date**”), unless otherwise stated in this circular. All capitalised terms used in this circular and not defined herein shall have the meanings ascribed to them in the existing Hong Kong Offering Documents.

1. **Changes to the Prospectus**

(a) *Updates to the existing risk disclosures regarding ESG classification & regulation risk and cessation of LIBOR*

The “*Investment Risks*” section of the Prospectus has been updated to make some passage of time changes and include further information, where required, to the risks associated with ESG classification & regulation and the cessation of LIBOR.

(b) *Updates to the Sustainable Investment Criteria section*

The “*Sustainable Investment Criteria*” section of the Prospectus has been updated to amend the meaning of the term “*Sustainable Criteria*”. Going forward, the term “*Sustainable Criteria*” will be used when either the Sustainable Exclusion Policy or the Enhanced Sustainable Exclusion Policy is applied to a Portfolio or when both the Sustainable Exclusion Policy and the Enhanced Sustainable Exclusion Policy are applied to a Portfolio. The applicable policies applied by a Portfolio will be specified in the relevant Supplement.

A disclosure has also been included to clarify that there are circumstances in which cash held by an Article 8 Portfolio may not be included in the asset allocation calculations contained in the respective SFDR Annexes. These are typically where a Portfolio holds a larger than usual amount of cash temporarily before employing it.

In addition, another disclosure has also been added to provide for a 30-day window following the adoption of an ESG exclusion or ESG exclusion policies by a Portfolio or following a change to one of those policies, during which the Portfolio's existing holdings can be brought into compliance with the adopted or changed policy. This is designed to avoid the need to sell securities on short notice, to the detriment of investors' interests.

(c) *Clarifications to the Distribution Policy*

The “*Distributing Classes*” disclosure within the “*Distributing Policy*” section of the Prospectus has been updated to clarify the fact that the Directors may declare dividends in respect of any Shares out of net income (including dividend and interest income) and/or the excess of realised and unrealised capital gains over realised and unrealised losses in respect of investments of the Company (collectively “**Net Income**”) **and/or** also out of capital and corresponding changes have been made throughout the Prospectus, where required. Please note that this amendment does not represent any change to the existing distribution policy for any of the Distributing Classes and is being made for clarification purposes only. Please note that methodology for calculating the composition of dividend (i.e. the relative amounts paid from “net distributable income” and “capital”) according to the guidance as promulgated by the SFC is different from the above calculation for “Net Income” and “capital” and is clarified in the “Distribution Policy”

section of the Hong Kong Covering Document. There is no change in the Hong Kong Covering Document disclosure notwithstanding the aforementioned amendments to the Prospectus.

(d) *Updates to the Subscriptions & Redemptions section*

Following the cessation of certain LIBOR rates, the “*Information specific to Subscriptions*” disclosure within the “*Subscriptions & Redemptions*” section of the Prospectus has been updated to reflect that, in the event that the Directors decide not to cancel a provisional allotment of Shares notwithstanding that cleared funds have not been received by the Company by the relevant cut-off time, the Directors reserve the right to charge interest (at a rate equal to USD SOFR (rather than LIBOR which was the rate used prior to its cessation) + 3.5% or such other rate as the Directors may from time to time determine) on such subscription monies commencing on the third Business Day following the relevant Dealing Day.

(e) *Updates in relation to the Manager*

The Prospectus has been updated to reflect changes to the board of directors of the Manager as well as its registered address.

(f) *Amendment to Miscellaneous Fees, Costs and Expenses disclosure*

The “*Miscellaneous Fees, Costs and Expenses*” disclosure within the “*Fees and Expenses*” section of the Prospectus has been amended to expand on the examples of the types of fees and expenses that the Company and the Portfolios may incur in their operation, to include the levies incurred by any regulatory authority in jurisdictions where the Company and/or the Portfolios are registered, as well as any applicable external modelling and applicable consulting fees that may arise from time to time.

(g) *Additional Definitions included*

The “*Definitions*” section of the Prospectus has been updated to include additional definitions for the words “*Impact*” and “*Sustainable*”, both of which have their everyday meaning unless the context of the relevant sentence demands otherwise.

(h) *Updates to Annex VI - Sustainability Related Disclosures*

The “*Neuberger Berman ESG Quotient*” disclosure within the “*Sustainability Related Disclosures*” section of the Prospectus has been updated to include further information on the NB ESG Quotient that is used as part of the investment processes for each Article 8 Portfolio, to reflect that this is also used in respect of sovereign issuers. This disclosure has also been updated to reflect that, although the Manager and/or the Sub-Investment Manager(s) will aim for all issuers held by a Portfolio to have an NB ESG Quotient rating, there may be some issuers held by a Portfolio that do not have an NB ESG Quotient rating applied. The number of issuers that do not hold an NB ESG Quotient rating is expected to be minimal. In such instances, the ESG analysis is performed internally, with the support of third-party data, and is not outsourced. For the avoidance of doubt, the enhanced disclosures do not impact the ways in which any of the relevant Portfolios are currently managed.

2. Changes to the Supplements

(a) *General updates applicable to all Portfolios*

The definition of “*Dealing Deadline*” has been updated for each of the Portfolios to allow a director of the Manager (in addition to the existing powers of the Directors), in exceptional circumstances, to authorise the acceptance of a subscription or redemption application, up to the relevant time set out in the applicable Supplement on the relevant Dealing Day.

The “*SFDR Annex*” for each Article 8 Portfolio has been updated to reflect the latest template required to be used pursuant to the Commission Delegated Regulation (EU) 2023/363 which includes an additional question in relation to fossil gas and nuclear energy related to activities that comply with the EU Taxonomy. However, this question is not relevant for any of the impacted Portfolios as they do not currently commit to investing in investments that qualify as environmentally sustainable for the purposes of the EU Taxonomy. In addition, further information has been included in the “*SFDR Annex*” for each Article 8 Portfolio to assist the Shareholders’ understanding. However, save for the changes expressly disclosed in this circular, none of the changes made to the “*SFDR Annex*” for each Article 8 Portfolio represent a change to the existing investment strategies for these Portfolios.

The descriptions of the Stock Connect and Qualified Foreign Investors regimes for investment in China have been updated in each of the relevant Supplements.

(b) *Updates to the Neuberger Berman China Equity Fund*

To take into account the closure of the markets on which the underlying holdings of this Portfolio are listed, dealt or traded due to bad weather conditions, the definition of “*Business Day*” for this Portfolio has been updated (with amendments highlighted in bold and underlined) to “*a day (except Saturday or Sunday) on which the relevant financial markets in London, Hong Kong, Shanghai and Shenzhen are open for business provided that, if on any such day, the period during which banks in Hong Kong are open for normal trading is reduced as a result of a tropical cyclone warning signal (number 8 or higher), a black rainstorm warning signal or other similar event, such day shall not be a Business Day unless the Directors otherwise determine*”. As a result of this change, the number of Business Days in a calendar year for this Portfolio may be reduced.

The “*Investment Approach*” section for this Portfolio has been updated to remove reference to the Portfolio’s historical exposure to China A Shares and China B Shares. For the avoidance of doubt, the Portfolio will continue to have exposure to China A Shares and China B Shares.

The “*Instrument / Asset Classes*” section for this Portfolio has been updated to clarify that structured notes are included in the types of hybrid and equity-related securities which the Portfolio may invest in. For the avoidance of doubt, this does not represent a change to the existing investment strategy of this Portfolio.

(c) *Updates to the Neuberger Berman Emerging Market Debt – Local Currency Fund, the Neuberger Berman Emerging Market Debt – Hard Currency Fund, the Neuberger Berman Short Duration Emerging Market Debt Fund and the Neuberger Berman Emerging Market Debt Blend Fund*

The “*SFDR Annex*” for each of the Portfolios has been updated to reflect the fact that the Portfolios exclude securities issued by issuers which derive 5% or more of revenues from the

manufacture of tobacco products and issuers that derive more than 10% of revenue from oil sands extraction are also excluded.

(d) *Updates to the Neuberger Berman Sustainable Emerging Market Corporate Debt Fund*

The Supplement and “*SFDR Annex*” for this Portfolio has been updated to remove reference to the carbon emission intensity reduction being validated over a 12-month period.

The “*SFDR Annex*” for this Portfolio has been updated to reflect the fact that the Portfolio excludes securities issued by issuers which derive 5% or more of revenues from the manufacture of tobacco products or the production of conventional weapons and issuers that derive more than 10% of revenue from oil sands extraction are also excluded.

In addition, the “*Thermal Coal Involvement Policy*” disclosure within the “*Sustainable Investment Criteria*” section of the Prospectus has been updated to note the fact that the Portfolio applies the Sustainable Exclusion Policy which prohibits investment in securities issued by companies that derive more than 10% of revenue from thermal coal mining and places restrictions on investments in issuers in the power generation industry that use thermal coal, liquid fuels or natural gas.

(e) *Updates to the Neuberger Berman European High Yield Bond Fund*

The Supplement has been updated to provide that the Portfolio's investments comply with the terms of the Sustainable Exclusion Policy.

(f) *Updates to the Neuberger Berman Short Duration High Yield SDG Engagement Fund*

The “*SFDR Annex*” for this Portfolio has been updated to reflect that the Portfolio is now committing to investing a minimum of 10% of its Net Asset Value in Sustainable Investments and the relevant questions on Sustainable Investments have been answered to provide the Shareholders with the required information on such investments.

Furthermore, the Supplement has been updated to provide that the relevant engagement with the corporate issuers (which is described in the Supplement already) will take place within 12 months of purchasing the securities issued by the corporate issuer.

(g) *Updates to the Neuberger Berman Next Generation Mobility Fund, the Neuberger Berman 5G Connectivity Fund and the Neuberger Berman Next Generation Space Economy Fund*

The Supplements for each of these Portfolios have been updated to provide for the ability to invest in recently issued equity and equity-linked securities, which are unlisted but have been issued with an undertaking to apply for admission to listing on a Recognised Market within a year of issue.

(h) *Updates to the Neuberger Berman Next Generation Space Economy Fund*

The Supplement for this Portfolio has been rehoused within the Thematic Equity Supplement.

(i) *Updates to the Neuberger Berman Global Real Estate Securities Fund*

To take into account the markets on which the underlying holdings of this Portfolio are listed, dealt or traded, and the closure of such markets due to bad weather conditions, the definition of

“*Business Day*” for this Portfolio has been updated to (with amendments highlighted in bold and underlined) to “a day (except Saturday or Sunday) on which the relevant financial markets in London, ~~and~~ New York **and Hong Kong** are open for business **provided that, if on any such day, the period during which banks in Hong Kong are open for normal trading is reduced as a result of a tropical cyclone warning signal (number 8 or higher), a black rainstorm warning signal or other similar event, such day shall not be a Business Day unless the Directors otherwise determine;**”. As a result of this change, the number of Business Days in a calendar year for this Portfolio may be reduced.

The “*Instrument / Asset Classes*” section for this Portfolio has been updated to clarify that the Portfolio may invest in equity warrants and rights in the list of equity and equity-linked securities disclosed in the Supplement. For the avoidance of doubt, this does not represent a change to the existing investment strategy of this Portfolio.

In addition, the list of environmental and social characteristics promoted by the Portfolio and disclosed in the “*SFDR Annex*” has been updated as follows:

- **Environmental Characteristics:** air quality; biodiversity & land use; energy management; environmental risk exposure; fuel economy; greenhouse gas (“GHG”) emissions; opportunities in clean technologies; toxic emissions & waste; water management and materials sourcing.
- **Social Characteristics:** access to healthcare; community relations; employee incentives & risk taking; health & safety; human capital development; labour management; product safety & integrity; supply chain labour standards and workforce diversity & inclusion.

(j) *Updates to the Neuberger Berman US Real Estate Securities Fund*

The list of environmental and social characteristics promoted by the Portfolio and disclosed in the “*SFDR Annex*” has been updated as follows:

- **Environmental Characteristics:** air quality; biodiversity & land use; energy management; environmental risk exposure; fuel economy; greenhouse gas (“GHG”) emissions; opportunities in clean technologies; toxic emissions & waste; water management and materials sourcing.
- **Social Characteristics:** access to healthcare; community relations; employee incentives & risk taking; health & safety; human capital development; labour management; product safety & integrity; supply chain labour standards and workforce diversity & inclusion.

(k) *Updates to the Neuberger Berman Sustainable Asia High Yield Fund*

The Supplement and “*SFDR Annex*” for this Portfolio have been updated to remove reference to the carbon emission intensity reduction being validated over a 12-month period.

They have also been updated to reflect the fact that the Portfolio excludes securities issued by issuers which derive 5% or more revenue from the production of conventional weapons.

In addition, the “*Thermal Coal Involvement Policy*” disclosure within the “*Sustainable Investment Criteria*” section of the Prospectus has been updated to note the fact that the Portfolio applies

the Sustainable Exclusion Policy which prohibits investment in securities issued by companies that derive more than 10% of revenue from thermal coal mining and places restrictions on investments in issuers in the power generation industry that use thermal coal, liquid fuels or natural gas.

The maximum limit on investment grade securities for this Portfolio has been increased from 15% to 25% of the Portfolio's Net Asset Value. In addition, the previous limit on investment in any one corporate issuer of 5% of the Portfolio's Net Asset Value will no longer apply. However, the Portfolio cannot invest more than 10% of its Net Asset Value in any one corporate issuer.

(I) *Updates to the Neuberger Berman US Large Cap Value Fund*

The Portfolio will be able to invest in securities of issuers located in Emerging Market Countries, subject to a limit of 10% of its Net Asset Value.

Investors should note that other than the Neuberger Berman European Sustainable Equity Fund, the Neuberger Berman Global Sustainable Equity Fund, the Neuberger Berman Short Duration High Yield SDG Engagement Fund and the Neuberger Berman Sustainable Asia High Yield Fund, the Portfolios are currently not recognised by the SFC as ESG funds in Hong Kong, and will not be recognised as such as a result of the above changes.

Please note that a number of additional, minor amendments, including conforming, consistency and clarification edits to the Hong Kong Offering Documents as well as some passage of time changes have also been made and are not specifically referenced in this circular.


Save as otherwise disclosed in this circular and for the avoidance of doubt, the changes as mentioned above will not (a) have a material impact on (i) the investment objectives and policies of the Portfolios; (ii) the manner in which the Portfolios are being operated and managed; and (iii) the features and the overall risk profiles of the Portfolios; and (b) increase the level of fees payable by the Portfolios and the Shareholders, or materially change the fee level/cost in managing the Portfolios. It is also not expected that the Shareholders will be materially affected or prejudiced as a result of the above changes. The Directors accept responsibility for the information contained in this circular. Finally, the costs incurred in relation to the changes discussed above will be borne by each relevant Portfolio in proportion to its fund size and are estimated to be less than 0.25 basis points of the total Net Asset Value of all sub-funds of the Company.

Please note that you do not need to respond to this circular as it is for notification purposes only. Shareholders who do not wish to remain invested in the Portfolios as a result of the above changes as set out in this circular may request the redemption or switching of their Shares on any Dealing Day in accordance with the normal procedures as set out in the Hong Kong Offering Documents. Currently, no redemption or switching fee is charged by the Company on redemption or switching of Shares. However, please note that additional fees and service charges in respect of redemption or switching of Shares may be payable by Shareholders to intermediaries/distributors through whom they invest such amount as they may agree with the relevant intermediaries/distributors.

Once the revised Hong Kong Offering Documents are noted by the Central Bank and authorised by the SFC, the revised Hong Kong Offering Documents will be available for inspection free of charge at the offices of the Hong Kong Representative at 20th Floor, Jardine House, 1 Connaught Place, Central, Hong Kong, during normal business hours as well as being available on the Hong Kong Representative's website at www.nb.com (Hong Kong investors should note that this website has not been reviewed by the SFC and may contain information on funds not authorised by the SFC).

Should you have any queries in relation to this matter please do not hesitate to contact your sales representative, or contact Neuberger Berman's Client Services team in Hong Kong at +852 3664 8868.

Yours sincerely,



Director
Neuberger Berman Investment Funds plc