NEUBERGER

Global Corporate Credit Engagement Report

June 2026

In recent years a variety of market-disrupting events have underscored the importance of active ownership and the analysis of financially material governance, social and environmental factors for pecuniary reasons in fundamental credit research and investment decision-making. In our view, asset managers who leverage their relationships with issuers are well positioned to manage these financially material risks and take advantage of opportunities. As highlighted in our prior engagement reports, Neuberger views direct issuer engagement as a critical tool to mitigate portfolio risks while seeking to generate long-term sustainable returns.

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Our Approach: Engaging on Material Topics to Reduce Credit Risk

Neuberger believes that managing material corporate risk factors, including but not limited to environmental, social and governance matters, can reduce credit risk. Our analysis focuses on financial materiality for each sector, thus we evaluate companies on factors that could create credit risk for their business or industry. These risks can impact the value of an investment or issuer in a number of ways depending on the nature of individual investments through, for example, physical damage to assets, policy or technological changes impacting the economics of the investment, or changes in consumer preferences. Therefore, we engage on these risks to promote their responsible and proper management.

As an active manager, stewardship is core to our investment process. We believe that engagement is an essential part of long-term, active ownership and that engaging on financially material topics can improve issuers' performance and reduce their risk profiles. As a firm, we embed stewardship and engagement responsibilities within our investment teams to integrate related insights into the investment process and inform investment decisions. This serves to deepen the integration of engagement insights into our internal proprietary rating system, the Neuberger Quotient. This rating is built using sector-specific criteria focusing on the factors that are the most financially material to credit risk in each industry. We believe insights from the Neuberger Quotient and our focused engagement efforts are important in identifying material credit risk factors that influence issuers' long-term costs of capital and drive value creation on behalf of our clients.

The fixed income investor has a far bigger voice at the table today than ever before due to pressing global challenges and the capital that companies will need to draw upon to transition products, services, supply chains and infrastructure.

Our platform maintains a deep commitment to developing and maintaining relationships with the management teams in which we invest. Throughout 2025, our established relationships with issuers in both developed and emerging markets helped us to engage meaningfully on financially material issues such as climate risk, supply chain management and government relations. We consider transparency and accountability to be a key starting point for companies, encouraging issuers to align their disclosures with external frameworks such as the International Sustainability Standards Board's (ISSB) IFRS S1 (General Requirements) and IFRS S2 (Climate-related Disclosures inclusive of the Task Force on Climate-related Financial Disclosures (TCFD)). As part of the IFRS Standards, the Sustainability Accounting Standards Board (SASB)[1] is a crucial tool for companies to identify material sustainability issues to report on and develop appropriate disclosures.

At Neuberger, we focus on incremental progress on financially material issues by providing guidance and support to issuers at all stages of their sustainability journeys through our engagement efforts. As an active manager, in many instances we prefer to engage rather than divest, which enables us to help them determine the appropriate disclosures and goals to increase our confidence in their financial futures. We also challenge companies to reduce their risk profiles by setting clear objectives and holding them accountable through our engagement process.

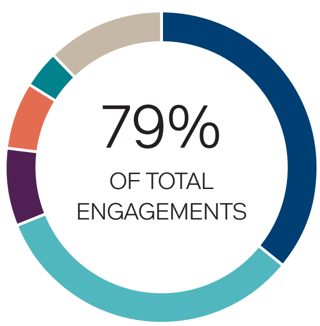
Further, our in-house management of engagement relationships is key to our strategy and is led by our credit analysts who maintain extensive knowledge of individual issuers and sectors.

[1] The Sustainability Accounting Standards Board (SASB) is part of the International Sustainability Standards Board (ISSB). In 2021, the Value Reporting Foundation, which included SASB and the International Integrated Reporting Council (IIRC), was consolidated into the ISSB under the auspices of the International Financial Reporting Standards (IFRS) Foundation. This move was intended to streamline and unify global sustainability reporting standards.

Summary of Our Engagement Efforts: Highlights

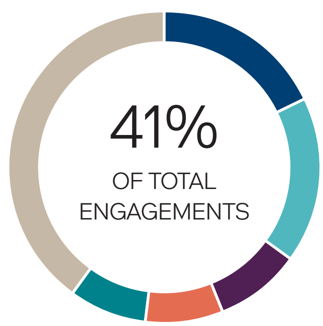
$222B	FIXED INCOME AUM[1]	★★★★★ 5 out of 5 stars	NEUBERGER PRI SCORE[2]
1,332	NUMBER OF MEETINGS	50%	ENGAGEMENTS WITH CEO OR CFO

GOVERNANCE



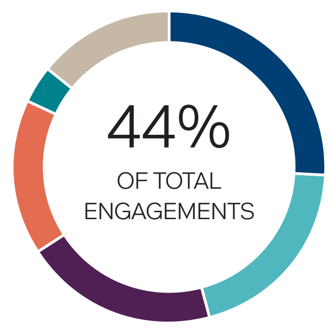
- Capital structure
- Long-term business strategy
- Risk management
- Financial disclosure and controls
- Corporate sustainability reporting
- Other

SOCIAL



- Government relations
- Human capital management
- Supply chain management
- Community relations
- Accessibility and affordability
- Other

ENVIRONMENTAL



- Climate risk management
- Environmental/climate reporting
- Energy management
- Green opportunities
- Circular economy and product/packaging life cycle
- Other

Source: Neuberger. Data as of January 1, 2025 – December 31, 2025. Figures may not add to 100 due to rounding.
[1] As of December 31, 2025.
[2] PRI grades are based on information reported directly by PRI signatories, of which investment managers totaled 3,605 for 2025. For more information on the PRI grades please see Additional Disclosures at the end of this piece.

Engagement Areas in Focus

1 Climate Transition

As an asset manager with a long-term perspective, Neuberger recognizes the potential financial impact of climate change. We consider climate change to be a systemic and financially material risk that will continue to impact companies across many sectors and geographies. Furthermore, where this poses a financially material risk, we actively engage with sectors and companies that may be misaligned with the broader global climate transition.

For many of our clients, the climate impact of their portfolio is an important consideration in conjunction with investment performance. Many investors recognize that to achieve a net-zero portfolio without sweeping divestments from high-emitting sectors, they and their asset managers can engage with companies to monitor and encourage credible strategies for alignment. Fundamental credit research capabilities and insights are particularly important in informing corporate engagement programs as well. These interactions allow us to better gauge the materiality and effectiveness of climate action plans, and we are then able to incorporate those insights into our proprietary tool, the Net-Zero Alignment Indicator. In a positive feedback loop, the evolving scores generated by the Indicator then help us to focus engagement on issuers' specific areas of weakness.

Priorities for engagement on climate transition:

- Encourage issuers to disclose Scope 1, Scope 2 and material Scope 3 emissions in alignment with the TCFD guidelines.
- Encourage issuers to establish science-based emissions reduction targets certified by a credible third party, such as the Science Based Targets initiative (SBTi).
- Understand the credibility and ambition of issuer climate transition plans and decarbonization strategies.
- Integrate material climate risks and opportunities into our investment thesis for issuers with outsized exposure to energy transition risks while tracking management responsiveness and progress toward goals.

CLIMATE TRANSITION ENGAGEMENT IN PRACTICE:

Background: Norwegian Cruise Line Holdings (NCLH) operates a fleet of passenger cruise ships, offering an array of cruise itineraries. Cruise lines generate emissions primarily from the combustion of diesel in ship engines, which poses material risk due to rising fuel costs and evolving emissions regulations. Thus, we engaged with NCLH on upgrading its cruise ships with sustainable technologies that will reduce its fleet emissions and costs over the long term.

Scope and Process: We have a longstanding relationship with NCLH, spanning over seven years. We had several discussions with the management team, including the CEO, CFO, Treasurer and Investor Relations.

Outcomes and Outlook: In 2022, NCLH informed us it was working to incorporate dual-fuel engines on its new ship orders to test alternative fuels. The issuer had not yet set quantified targets for the capex needed to increase ship efficiency. In 2023, the issuer's CFO and Treasurer confirmed that they expected their fleet to become significantly more fuel-efficient over time, but that they did not have a specific quantitative target or timeline for upgrading. In 2024, NCLH informed us it was beginning to consider new ship orders, as shipyards were once again becoming a "buyers' market" after a dearth of orders over the previous several years. In 2025, the issuer confirmed its plans to order one to two new ships per year over 10 years, which will be equipped with the most up-to-date and sustainable technology available leading to lower emissions. Our engagement with NCLH is ongoing as we continue monitoring its purchase of new, more energy- and fuel-efficient ships. We are also encouraging NCLH to align their capital allocation plans with their decarbonization strategy.

Neuberger's 2025 Task Force on Climate-related Financial Disclosures (TCFD) Report is an essential resource to help stakeholders understand how we assess climate-related risks and opportunities through our approach to governance, strategy, risk management, metrics and targets.

2 Community Relations

Neuberger believes companies should actively assess the material impacts of their business and operations on their employees, customers, local communities and society as a number of social issues can have a financially material impact for issuers. For example, mismanagement of physical assets and infrastructure can lead to community displacement and safety risks as witnessed with tailings dam failures and resulting financial penalties. Engagement with communities can also provide an opportunity for companies to grow and diversify their operations and customer base, as evidenced by communications companies who expand coverage to rural and underserved populations. An issuer's corporate strategy that includes a strong development framework for its local communities can mitigate reputational, regulatory and financial risks that can arise as a result of its business operations. Therefore, it is important that we incorporate these financially material factors into our investment analysis and engagement efforts to support risk mitigation and long-term investment returns.

Priorities for engagement on community relations:

- Understand how an issuer's operations affect the communities where they operate and any related controversies.
- Engage with issuers to promote sound risk-mitigation policies using industry-leading standards and benchmarking.
- Encourage disclosure of company action taken to mitigate risks and metrics used to measure the effectiveness of these efforts.
- Promote sound management of community impacts from business operations.

COMMUNITY RELATIONS ENGAGEMENT IN PRACTICE

Background: BHP Group (BHP) is the largest global metals & mining company in the world. BHP owns a 50% stake in Samarco, a 50/50 joint venture with Vale whose activities were suspended in November 2015 after the mine's dam failure originated an ecological disaster in Mariana, Brazil. We engaged with the issuer on improving human rights conditions in local communities through remediation activities. We encouraged BHP to improve financial support of Samarco's Renova foundation's remediation activities and to accelerate the pace of funding of reparations. We also asked BHP to fully comply with their commitment to local authorities and all other relevant stakeholders to assist in resettlement of communities affected by the dam failure of 2015. Accelerating reparations and improving community relations can reduce BHP's exposure to regulatory penalties and reputational risk.

Scope and Process: We have met with the CFO, Head of Sustainability and Investor Relations, holding over a dozen engagements since 2020.

Outcomes and Outlook: By the end of 2025, BHP had completed 92% of resettlement cases, disbursed $7.9 billion in remediation and compensation, and approximately 430,000 people had received compensation or financial assistance. Moving forward, we will continue to monitor the impact of BHP's remediation activities in Brazil as well as the transition of remediation efforts from the Renova Foundation to Samarco. We also plan to review progress on resolutions for ongoing litigations from the accident, particularly the still-pending lawsuits faced by the company in U.K. courts.

We believe companies should assess and manage the material impacts of their business and operations on communities to mitigate reputational, regulatory and financial risks.

We believe the inclusion of financially material sustainability metrics in executive compensation provides transparency for investors with respect to sustainability targets and business incentives.

3 Compensation Structure

Governance is an essential component of our issuer analysis and a financially material factor assessed in our fundamental credit research process. Additionally, we incorporate management analysis into our Governance scorecard, a crucial component of our proprietary Neuberger Quotient, which we use to assess governance quality across a number of factors for each corporate credit issuer. For example, we consider how companies incorporate factors such as capital allocation and cash flow management into corporate decision-making and executive remuneration. Linking sustainability performance goals to short-term and long-term incentive plans has been an emerging trend among companies in recent years. This growing practice stems partially from investor and related institutional demand for the inclusion of such metrics to better align management with sustainability objectives. Like all executive compensation plans, there is no one-size-fits-all solution; we guide companies to set ambitious yet achievable goals for topics that are financially material and relevant to the long-term strategy of their particular business. We believe the incorporation of performance of these metrics into short- and long-term variable compensation structures can strengthen the alignment between management's business incentives and its financially material sustainability targets, and can increase accountability for the issuer to make progress toward these goals.

Priorities for engagement on compensation structure:

- Gain an understanding of how an issuer's capital allocation decisions and operations are tied to executive compensation.
- When appropriate, encourage issuers to integrate financially material sustainability targets and performance into management compensation incentives.
- Where companies employ sustainability metrics in their executive compensation packages, these metrics should be clearly defined and financially material to the companies' operations and strategy.

COMPENSATION STRUCTURE ENGAGEMENT IN PRACTICE

Background: Westlake (WLK) is one of the world's largest commodity chemicals companies, with revenues and production sites spread across several regions, but predominantly in the U.S., where the bulk of its earnings are generated. WLK's peers incorporate sustainability KPIs into executive compensation, which we view as a tool to align a company's business incentives and its financially material sustainability targets. We encouraged WLK to incorporate performance toward its established sustainability goals into short- and long-term variable compensation.

Scope and Process: We have engaged with the CFO, VP of Sustainability and Investor Relations.

Outcomes and Outlook: In our engagements, WLK shared that some of its workforce bonuses are tied to performance on health and safety and environmental metrics. While the new CEO values and prioritizes health and safety and environmental factors, WLK emphasized the challenges of incorporating specific firm-level sustainability KPIs into executive compensation due to the complexity of different business lines, though sustainability is factored into the Economic Value Added (EVA) measure for executive compensation. We are encouraged that some sustainability-related performance measures are incorporated into employee bonuses. While sustainability is generally included in executive compensation, we continue to encourage WLK to specifically link its executive remuneration to progress toward its stated financially material sustainability targets, in line with best-in-class peer practices.

Engagement Partnerships

Neuberger climate week event with International Sustainability Standards Board (ISSB) Chair

Neuberger hosted an interactive roundtable discussion on the future of sustainability reporting during Climate Week NYC. Emmanuel Faber, Chair of the ISSB, shared his insights on the ISSB's work and direction. Together with Joe Amato, President & Chief Investment Officer—Equities, Jonathan Bailey, Global Head of Stewardship and Sustainable Investing (SSI), and members of the Neuberger SSI Advisory Council, we examined the adoption of ISSB's global baseline, including progress to date, challenges to further jurisdictional adoption and voluntary corporate uptake, and practical solutions for both investors and companies.

Neuberger and the ISSB Investor Advisory Group (IIAG)

Neuberger is committed to the importance of financially material, investor-relevant sustainability data. We are a longstanding supporter of the TCFD, SASB and now the ISSB, where our Global Head of Stewardship and Sustainable Investing was appointed Chair of the ISSB's Investor Advisory Group (IIAG) in May 2026. The IIAG unites over 60 leading asset owners and managers globally, representing more than US$54 trillion in assets. The group provides strategic guidance on developing ISSB Standards, ensuring that the investor perspective is clearly articulated and considered in the standard-setting process. As a global asset manager, Neuberger has long supported a more harmonized international framework for sustainability standards and advocates for the full adoption of IFRS S1 and S2 across all jurisdictions. In situations where mandatory requirements are not in place, we encourage voluntary implementation by companies. We also actively engage with national policymakers on ISSB implementation through public consultations. Additionally, we collaborate with companies at various stages of sustainability reporting maturity, providing guidance to our investment teams to support their engagement.

Policy advocacy and industry collaboration

Policymakers play an important role in setting reporting and disclosure standards and reducing greenwashing by clarifying sustainability-related terminology. We therefore proactively engage with them, through formal letters to financial regulators and responses to policy consultations, on topics ranging from corporate disclosure of sustainability metrics to fund disclosure and labelling regimes. To exchange insights and best practices with industry peers and bring our expert views to the table on policy/regulatory topics, we also find it valuable to be an active member in key investor trade associations and other bodies. We are members of the Investment Association's Climate Change Working Group, the Investment Company Institute's ESG Advisory Group, the European Fund and Asset Management Association's (EFAMA) ESG and Stewardship Committee and other groups that actively contribute to sustainable finance policy and regulatory discussions. On an annual basis, our Stewardship and Sustainable Investing Committee reviews the membership organizations we belong to in order to ensure our memberships do not conflict with our Stewardship and Sustainable Investing Policy. Where we believe our views on a particular policy topic diverge from those of our membership bodies, we may consider engaging with such organization to bring our views to the table and/or publishing our individual position.

Our contribution to climate-focused industry organizations

We recognize that we have a vested interest to improve the functioning of capital markets as a whole. We believe supporting best practices in stewardship and sustainable investing activities is an important part of this effort. We believe this can best be achieved by engaging with clients and others in the investment industry, including by conducting joint research on climate-related topics and supporting the creation and use of industry-standard tools. In light of this commitment, Neuberger Berman Asset Management Ireland Limited (NBAMIL) is a signatory to the Net-Zero Asset Managers Initiative. NBAMIL is authorized as an AIFM and UCITS Management Company by the Central Bank of Ireland and is Neuberger's principal investment management and distribution entity operating in the European Economic Area.

EXAMPLES OF THE ROLE WE PLAY IN KEY CLIMATE-RELATED ORGANIZATIONS

IIGCC — The Institutional Investors Group on Climate Change

- Member
- Work with IIGCC to support and help public policies, corporate action and investment practice required to address climate risk
- Bondholder Stewardship and EU Policy Working Group

Net Zero Asset Managers Initiative

- Signatory (NBAMIL)

Ceres

- Investor Network member
- Participate in Paris-Aligned Investment Working Group

Climate Action 100+ — Global Investors Driving Business Transition

- Individual engager

Transition Pathway Initiative

- Funding partner
- First North American Research Funding Partner encouraging companies to set practical targets to increase disclosure of progress in the transition to low-carbon economy

For further detail on our engagement with industry groups and trade associations, please refer to Principle 10 of our Investment Stewardship report.

Spotlight on Climate Transition

The Nuance in Net Zero

As many companies approach their first emission targets under the Paris Agreement, effective measurement of their progress has never been more important for investors who have expressed net zero ambitions. Over the past three years, we have continued to innovate our approach to measuring company alignment with their stated targets, especially through our proprietary Net-Zero Alignment Indicator. We published a white paper, in which we assessed the current state of net zero through the lens of the Indicator, share "lessons learned" from integrating the Indicator into our investment process, where appropriate and relevant, and explain how we have continually sought to improve the Indicator to better help investors with a net-zero objective assess their progress.

Neuberger Net-Zero Alignment Indicator[1]

Our proprietary Net-Zero Alignment Indicator ("the Indicator") uses multiple data sources and, importantly, applies judgment and knowledge to assess the alignment status of each company. The approach contains forward-looking analysis of management intention, including climate solutions capital allocation programs. Our team of 100+ equity and fixed income analysts is responsible for maintaining the Indicator for the issuers and companies in their coverage. We believe using the Indicator as the main way of measuring progress toward net zero on the overall portfolio level and for individual companies has strong merits. It is a fundamental part of our portfolios with net-zero objectives and a significant resource for all our portfolio managers. We continue to create strategic partnerships with clients seeking to achieve net-zero goals, now with over US$5 billion of assets deployed across strategies with net-zero objectives.

The Indicator's key uses:

- **Track portfolio commitment:** track aggregate net-zero alignment progress while targeting an accelerated pace of carbon footprint reduction.
- **Company analysis:** each company is allocated a quantitatively driven net-zero alignment status that is then qualitatively assessed and tracked on an ongoing basis by the credit research team.
- **Engagement:** company- and sector-specific engagements are informed by the Indicator to maximize company resilience to transition risks.
- **Reporting:** granular portfolio, sector-level and company reporting on net-zero alignment.

NET-ZERO ALIGNMENT INDICATOR – KEY ADVANTAGES

Proprietary Indicator assesses issuers' net-zero readiness and guides engagement targets to create positive feedback loop

1	**ROBUSTNESS** of Indicator methodology	**Diversified data that sources 40+** quantitative data points from multiple providers **Qualitative judgment from 125+** equity and credit research analysts Incorporation of **forward-looking elements**, e.g., decarbonization strategies, planned capital allocation
2	**ACCURACY** in reflecting real-world transition	**Capturing data anomalies** through data redundancy approach and **reducing information lag** with analysts' real-time insights, creating a more accurate picture of issuer transition plans **Net-zero engagement roadmap** informing engagement efforts with results fed back into the Indicator, which helps to address key weaknesses of transition plans
3	**EFFECTIVENESS** in improving issuer net-zero alignment	**Driving real-world outcomes** by investing in potential transition winners and through targeted engagement, with 1100+ climate-related meetings held in 2024 **Sector-specific engagement** driven by analysts' deep fundamental knowledge target relevant and impactful objectives, resulting in better net-zero alignment over time

[1] Neuberger's Net Zero Alignment Indicator is a proprietary tool developed by Neuberger that seeks to measure a company's climate transition readiness. Please see endnotes for additional information.

Engagement on Net Zero

As active managers, we strongly believe that our team of analysts provides important insights to a company's climate transition strategy and progress. Fundamental research capabilities and insights provided by our experienced research teams are particularly important as they inform our engagement on the climate transition. The engagement dialogues between our research team and issuer management teams allow us to better gauge the materiality of climate for each business. In turn, we incorporate those insights into our scoring of issuers' alignment statuses in real time. As a result, the scores generated by our Net-Zero Alignment Indicator help us focus our engagement efforts on issuers' specific areas of weakness.

When engaging with issuers who have made a net-zero commitment, we encourage disclosure around how they intend to deliver on their commitments and what capital allocation is required to support them. For utilities, this may mean investing in lower carbon-generating assets, which will require appropriate pacing and capital allocation. For those businesses where the technology to reach net zero is not yet available, attention to related risks and explanations of how the company is testing or considering future technologies becomes important. Additionally, if an issuer does decide to make a net-zero commitment, investors want to get a sense of the capital allocation decisions that support the goal as well as the strategic choices embedded within it. Further, we engage upon setting interim targets, as we consider this to be a best practice because it gives investors a sense of the progress they can expect over time, whether that includes a steady reduction in emissions over a consistent timeline or a set of specific actions that lead to a more dramatic reduction in emissions in the longer term.

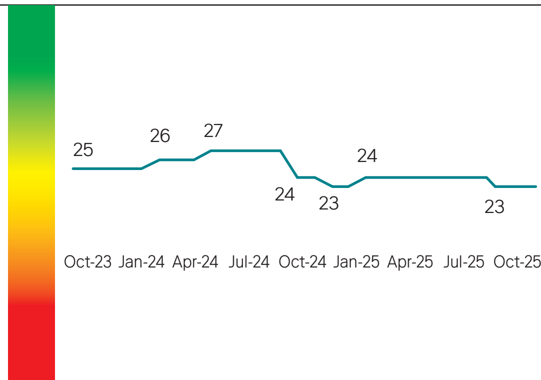
To summarize, we encourage companies to produce disclosure around the practical, tangible actions they will take to prepare for their planned future emissions reductions and, specifically, the capital allocation plans that will allow for those reductions. Company responsiveness to these suggestions is then input into our Net-Zero Alignment Indicator.

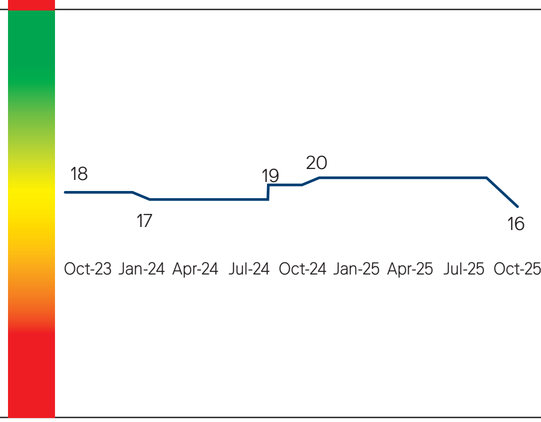
Our Net-Zero Alignment Indicator supports our direct engagement strategy with companies to set goals for transitioning business models to achieve net-zero emissions.

NET-ZERO ALIGNMENT CASE STUDIES

We believe analysts can bring invaluable real-time insights to the assessment of all six of the net-zero alignment sub-indicators. This analyst input, paired with active engagement, informs alignment status on a forward-looking basis and helps to enable investment insights.

<table>
<tr><th>COMPANY</th><th>NET-ZERO ALIGNMENT STATUS[1]</th><th>SUMMARY</th></tr>
<tr><td>General Motors

Current Status:
Aligning to a Net-Zero Pathway</td><td>
</td><td>Historically, General Motors has established third-party validated net-zero ambitions and decarbonization strategy. However, during 2025, General Motors announced a planned reduction in its EV manufacturing capacity. This pullback has created some uncertainty around its ability to align its future emissions with a net-zero scenario, bringing its status down from “Aligned” to “Aligning”.</td></tr>
<tr><td>ArcelorMittal

Current Status:
Committed to Aligning to a Net-Zero Pathway</td><td>
</td><td>ArcelorMittal has established net-zero ambitions and planned decarbonization capital allocation. Their decarbonization strategy primarily centers around low carbon steel and energy transformation. However, the company’s reliance on public funding and current policy uncertainty has created questions around the strategy’s achievability. As such, the status has been downgraded to Committed to Aligning.</td></tr>
</table>

[1] From October 2023 through January 2026.

Beyond Sustainability-Related Risks and Opportunities

Amplifying Corporate Contribution to the UN SDGs

In addition to our broader engagement philosophy, Neuberger has partnered with clients to create targeted engagement strategies informed by the 17 Sustainable Development Goals (SDGs). Created by the United Nations, these goals are intended as a blueprint to achieve a better and more sustainable future for all, and to address several global challenges including poverty, inequality, climate change, environmental degradation, peace and justice. As a society we are significantly off track when it comes to achieving the 17 SDGs by 2030. In fact, Barclays estimates US$3.9 trillion per year is needed to get us over the line and we believe the global bond markets have a significant opportunity to participate in funding the achievement of these goals.[4]

In 2022, we launched the Global High Yield Engagement strategy in partnership with a client looking to develop an engagement-focused strategy to support progress toward these SDGs. Within this strategy, our Research and Stewardship and Sustainable Investing teams collaborate in establishing engagement objectives using the SDGs as a framework to encourage meaningful contributions from issuers on topics that are financially material to their businesses. Our goal-setting process includes assigning SDG-linked targets specific to issuers' business models and operations to deliver maximum impact. These goals are always ambitious and specifically designed to challenge issuers. Additionally, we use Key Performance Indicators (KPIs) assigned to each engagement objective to measure issuers' progress over time.

Our research teams engage with portfolio issuers on these diverse, SDG-informed objectives and we closely monitor our engagement activity by assigning indicators that measure and track these engagements and issuer responses. Notably, these engagement efforts extend to both public and privately owned issuers. Given approximately 40% of issuers in the Global High Yield market are privately owned,[5] we believe our approach captures engagement opportunities not traditionally covered by market participants.

SDG ENGAGEMENT FRAMEWORK

Set Top-Down Portfolio Goals and Themes
- Establish portfolio engagement themes
- Map portfolio themes to specific SDGs and related sub-goals where applicable

Identify Issuer and Industry Opportunities
- Conduct Neuberger ESG Quotient process and identify areas for improvement
- Assess progress of management in understanding and establishing objectives, megatrends, industry initiatives and SDG impacts

Assess Likelihood of Engagement Success
- Assess issuer's willingness and ability to engage
- Assessment factors include relationship with management, impact of SDG engagement objectives on long-term business model, disclosure practices and financial constraints

Set Goals and Establish KPIs; Iterate as Needed
- Establish engagement objective and related KPIs for each issuer that reflect the combination of top-down goals, issuer and industry-specific opportunity, and an assessment of potential for engagement success

Engage with Issuer
- Meet with company management at least annually
- Timeline: Two to three years to see progress before we reevaluate
- Escalation: research analyst, engagement specialist, portfolio manager, Head of Non-IG business, Stewardship and Sustainable Investing Group

ENGAGEMENT TRACKING

Milestone 1 Launch of engagement analysis

Milestone 2 Initiation of outreach

Milestone 3 Acknowledgement of issue

Milestone 4 Partial action taken by company

Milestone 5 Sufficient action taken by company

[4] Barclays Equity Research Paper: 2023 SDG Summit Recap: Hanging on at Halftime, as of October 4, 2023.
[5] JP Morgan, as of December 31, 2025.

For illustrative purposes only. This material is intended as a broad overview of the portfolio managers' style, philosophy and investment process and is subject to change without notice. This material is intended as a broad overview of the portfolio managers' style, philosophy and investment process and is subject to change without notice. See Additional Information at the end of this presentation relating to the PRI assessment score and Disclosures, which are an important part of this presentation.

BROAD RANGE OF ENGAGEMENTS: GLOBAL HIGH YIELD ENGAGEMENT STRATEGY

For our Global High Yield Engagement Strategy, we engage on a diversified set of objectives which aimed at achieving incremental contributions to specific SDGs.

UN SDGs ADDRESSED BY GLOBAL HIGH YIELD ENGAGEMENT STRATEGY

No Poverty
End poverty in all its forms everywhere

Zero Hunger
End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Good Health and Well-being
Ensure healthy lives and promote well-being for all at all ages

Quality Education
Ensure inclusive and equitable quality education and promote life-long learning opportunities for all

Gender Equality
Achieve gender equality and empower all women and girls

Clean Water and Sanitation
Ensure availability and sustainable management of water and sanitation for all

Affordable and Clean Energy
Ensure access to affordable, reliable, sustainable and modern energy for all

Decent Work and Economic Growth
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Industry, Innovation and Infrastructure
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Reduced Inequalities
Reduce inequality within and among countries

Sustainable Cities and Communities
Make cities and human settlements inclusive, safe, resilient and sustainable

Responsible Consumption and Production
Ensure sustainable consumption and production patterns

Climate Action
Take urgent action to combat climate change and its impacts

Life Below Water
Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Life on Land
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Source: Neuberger. We assign engagement objectives aligned with UN SDGs 1-15 to corporate issuers. UN SDG 16 is a focus point for portfolios that own sovereign debt. Neuberger supports UN SDG 17 through its own field-building activities rather than engaging with issuers. Please note this strategy may only be offered for sale or sold in jurisdictions in which or to persons to which such an offer or sale is permitted. Please see the end of this material for the list of risk considerations.

ENGAGEMENT SPOTLIGHT

Engagement on Affordable Housing Development

Background

Miller Homes (MLRHOM) is a U.K. home builder focused predominantly on the buy-to-own, mid-market family sector. Neuberger engaged with MLRHOM on setting a target to increase the affordable housing it delivers, as the issuer considers this a financially material area for its business. Following our engagements, the issuer announced its intention to increase the proportion of its overall business mix dedicated to social housing and said it planned to increase affordable housing in 2025.

Engagement Scope and Process

We engaged with the CEO and CFO.

Outcomes and Outlook

- In our initial engagement in 2022, MLRHOM informed us they were working to set tangible development plans for the next year, specifically relating to affordable housing.
- In 2023, we discussed the issuer's recent announcement highlighting its new partnership model aimed at increasing the proportion of its overall business mix dedicated to social housing.
- The following year, MLRHOM informed us they plan to increase affordable housing in 2025, supported by both its earnings trends and a new U.K. government which has made affordable house building a top priority. We consider this positive progress; however, the issuer has not yet set a measurable target to increase affordable housing.
- Our engagement with MLRHOM is ongoing as we continue encouraging the issuer to set a quantitative target to increase affordable housing delivered and to report on progress toward this target

11 SUSTAINABLE CITIES AND COMMUNITIES

Sustainable Development Goal 11:
Make cities and human settlements inclusive, safe, resilient and sustainable

11.1: By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums

ENGAGEMENT SPOTLIGHT

Emerging Markets Engagement on Biodiversity and Nature

Background

CEMEX, a global leader in cement and concrete production, heavily depends on natural resources like limestone, aggregates, clay and water. Because CEMEX relies on natural resources, managing biodiversity and water risks is financially material to its costs, compliance and license to operate. Our engagement with CEMEX focused on biodiversity and nature-related disclosures, evaluating their progress in integrating biodiversity and water initiatives into their sustainability strategy. We assessed their ability to meet evolving regulatory requirements, enhance transparency in disclosures, and scale environmental initiatives across global operations.

Engagement Scope and Process

Our diligence process included discussions with the issuer's Sustainability and Investor Relations team.

Outcomes and Outlook

- Since 2008, CEMEX has worked with BirdLife International on biodiversity conservation through habitat mapping, quarry rehabilitation and circular resource use. By 2030, the company aims to implement Biodiversity Action Plans (BAPs) at all high-priority sites, covering 43 out of 51 sites as of 2024. Successes include grassland restoration, recovery of 70 mammal species, and exploration of biodiversity offsets at the El Carmen Nature Reserve. Scaling BAPs across quarry sites remains challenging due to economic fluctuations and site divestments.

- Aims to develop Water Action Plans for all high- to medium-stress sites by 2030, with 40% covered as of 2024. Future plans involve partnerships to improve basin-level management and meet CSRD requirements, though regulatory gaps and data collection challenges impede progress.

- Adopted sustainability-linked and green financing frameworks, issuing $1 billion in hybrid notes and funding 175 projects worth $340 million. However, green financing faces challenges such as complex qualification requirements, no discounted rates for compliance, and limited recognition in the U.S. market for lower-carbon products. However, CEMEX is exploring ecosystem-based financing options like carbon credits and biodiversity offsets. Despite challenges, sustainability-linked financing remains effective for advancing environmental goals while maintaining financial discipline.

- Our engagement with CEMEX is ongoing as we monitor their progress on biodiversity and water. We encourage CEMEX to continue addressing environmental challenges while maintaining transparency and accountability.

13 CLIMATE ACTION

Sustainable Development Goal 15:

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

15.1: By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements

ENGAGEMENT SPOTLIGHT

Engagement on Climate Risk Management

Background

Neuberger engaged with American International Group (AIG) on its climate transition plan, underwriting framework, and physical risk mitigation processes. AIG offers insurance solutions globally across commercial, institutional and individual sectors. We encouraged AIG to develop and disclose strategies for climate resilience and risk mitigation.

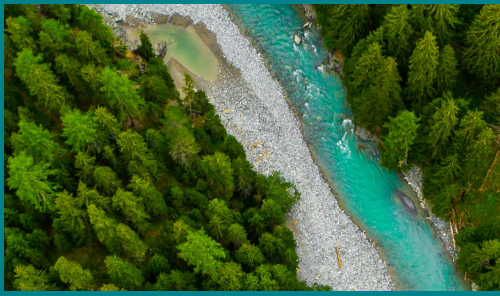
Engagement Scope and Process

Our diligence process included engagements with the General Council, Chief Sustainability Officer and Head of Investor Relations.

Outcomes and Outlook

- AIG's risk engineering teams play a critical role in supporting clients across various product lines, including property and energy, to improve climate resilience and develop effective risk-mitigation strategies. The teams work closely with clients at the beginning of relationships to identify opportunities for adaptation, loss prevention and resilience-building. This process involves collaboration to protect businesses and individuals from the impacts of climate-related risks.
- AIG is working to integrate climate and sustainability data into its underwriting processes.
- We will monitor progress toward AIG's climate transition plan and continue engaging with AIG's risk engineering team to advocate for best-in-class strategies related to climate resilience and risk mitigation.

Net-Zero Alignment Indicator: Committed to Aligning



As investors, we recognize the important role we hold to influence and support positive corporate decision-making.

Reflections From a Fixed Income Perspective

Fixed Income Investors’ Role in Engagement

Stewardship and engagement have traditionally been considered a shareholder tool, largely because of a general focus on proxy voting and ownership. However, fixed income investors are important providers of capital, particularly in periods of volatility. This, along with the scale and reach of the global income markets, provides bondholders with a powerful voice when engaging on financially material topics and the ability to meaningfully impact credit quality and broader corporate behavior. The engagement statistics we share in this report highlight our pivotal role in influencing corporate decision-making related to financial material sustainability factors.

Direct Engagement is Critical

At Neuberger, we prioritize ongoing one-on-one engagement to develop long-term, trusting relationships with issuers over time. Engagements are led by credit analysts who maintain extensive knowledge of individual issuers and sectors and can leverage their access to and deep relationship with senior management. Moreover, we find that access to senior management provides a superior ability for effectively driving change through these direct engagements.

Global Demand for Sustainability-Related Risk Integration Remains High

Issuers seek guidance from long-term partners and capital investors, and Neuberger is uniquely positioned as an active manager to provide this guidance because of our bottom-up research and investment-led engagement approach. Our engagement meetings provide opportunities to educate issuers on best-in-class standards and to share transparent feedback on the factors most material to specific industries and issuers. As part of our active engagement strategy for fixed income investments, we encourage issuers to set specific, measurable targets on financially material issues and to publicly report their progress within a specified timeframe to ensure accountability. Having objectives that are closely tied to financially material operational risks and opportunities for issuers helps gain traction in engagements to effectively influence and support positive corporate decision-making.

Conclusion

We believe Neuberger is well positioned to actively engage with issuers on material corporate risk factors because of the sector and industry knowledge of our research analysts, as well as the scale of our fixed income platform. We view this analysis and active engagement as crucial tools in identifying issuers' material credit risks, which can ultimately impact their cost of capital.

Looking ahead, we continue to monitor the global regulatory and sustainability disclosure landscape to support issuers in complying with these evolving standards. We will continue to engage with policymakers to provide our feedback on proposed regulatory schemes to support our clients and issuers, and to ensure we are prepared for impacts to the asset management industry.

At Neuberger, we work to build meaningful relationships with issuers through our established engagement frameworks and long-term relationships with management teams, further complemented by our rigorous fundamental research processes. Moreover, we continue to grow our capabilities across emerging and developed markets by enhancing our material risk analysis and anticipating future changes that will impact industries. In the coming years, we look forward to continuing to expand upon our engagement strategies and serve as a trusted resource for issuers and investors alike.

FOR MORE INFORMATION ABOUT NEUBERGER'S APPROACH TO STEWARDSHIP AND SUSTAINABLE INVESTING, PLEASE VISIT WWW.NB.COM/WHAT-WE-DO/STEWARDSHIP-OVERVIEW.

Important Information about PRI Grades: For illustrative and discussion purposes only. PRI grades are based on information reported directly by PRI signatories, of which investment managers totaled 3,605 for 2025, 2,651 for 2024, 3,123 for 2023, 2,791 for 2021, 1,545 for 2020 and 1,247 for 2019. For reporting cycle 2025, the PRI offered signatories the option to complete a partial report for signatories who had completed a full report the year before in part because there were no material changes to the assessment framework between 2024 and 2025. Neuberger Berman accepted this option and as a result the 2025 report is shorter and focuses on two modules which are not scored. All PRI signatories are eligible to participate and must complete a questionnaire to be included. The underlying information submitted by signatories is not audited by the PRI or any other party acting on its behalf. Signatories report on their responsible investment activities by responding to asset-specific modules in the Reporting Framework. Each module houses a variety of indicators that address specific topics of responsible investment. Signatories' answers are then assessed and results are compiled into an Assessment Report. Neuberger Berman pays a fee to be a member of PRI and the grades are only available to PRI members. Ratings referenced do not reflect the experiences of any Neuberger Berman client and readers should not view such information as representative of any particular client's experience or assume that they will have a similar investment experience as any previous or existing client. Awards and ratings are not indicative of the past or future performance of any Neuberger Berman product or service. Moreover, the underlying information has not been audited by the PRI or any other party acting on its behalf. While every effort has been made to produce a fair representation of performance, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for damage caused by use of or reliance on the information contained within this report. Information about PRI grades is sourced entirely from PRI and Neuberger Berman makes no representations, warranties or opinions based on that information.

ESG integration approaches may evolve over time.
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Examples included herein are provided for illustrative purposes only. Please note, we have chosen to provide narrative on these particular securities mainly on the basis that they offer a solid framework within which to describe Neuberger Berman's research process. The securities have not been chosen based on performance and do not represent the securities most recently added to any portfolios. Sustainable Development Goals (SDGs) reference in the examples are a part of the United Nation's 2030 Agenda for Sustainable Development.

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Investing entails risks, including possible loss of principal. Diversification does not guarantee profit or protect against loss in declining markets. Indexes are unmanaged and are not available for direct investment. **Past performance is no guarantee of future results.**

Neuberger's Net Zero Alignment Indicator is a proprietary tool developed by Neuberger that seeks to measure a company's climate transition readiness. It was created in partnership with our clients that have established decarbonization targets, and incorporates specific sub-indicators informed by the high-level expectations of the Institutional Investor Group on Climate Change (IIGCC). The Indicator assigns scores across six sub-indicators, relying on both qualitative and quantitative inputs, including input by Neuberger's research analysts. The total score across the sub-indicators results in the company's overall alignment status. The Indicator is used primarily to better inform engagement with companies on their climate transition plans and enable investment insights for portfolios with client-directed climate objectives. Assigned scores should not be interpreted as an endorsement of any company, a forecast of how a company and its securities may perform and is not a recommendation to buy, sell or hold such company's securities.

Please note the following risk considerations:
Market Risk: The risk of a change in the value of a position as a result of underlying market factors, including among other things, the overall performance of companies and the market perception of the global economy.

Credit Risk: The risk that bond issuers may fail to meet their interest repayments, or repay debt, resulting in temporary or permanent losses to the portfolio.

Liquidity Risk: The risk that the portfolio may be unable to sell an investment readily at its fair market value. In extreme market conditions this can affect the portfolio's ability to meet redemption requests upon demand.

Interest Rate Risk: The risk of interest rate movements affecting the value of fixed-rate bonds.

Derivatives Risk: The portfolio is permitted to use certain types of financial derivative instruments (including certain complex instruments). This may increase the portfolio's leverage significantly which may cause large variations in the value of your share. (Investors should note that the portfolio may achieve its investment objective by investing principally in Financial Derivative Instruments (FDI). Certain investment risks apply in relation to the use of FDI.

Emerging Markets Risk: Emerging markets are likely to bear higher risk due to a possible lack of adequate financial, legal, social, political and economic structures, protection and stability as well as uncertain tax positions which may lead to lower liquidity.

Counterparty Risk: The risk that a counterparty will not fulfil its payment obligation for a trade, contract or other transaction on the due date.

Operational Risk: The risk of direct or indirect loss resulting from inadequate or failed processes, people and systems, including those relating to the safekeeping of assets or from external events.

Currency Risk: Investors who subscribe in a currency other than the base currency of the portfolio are exposed to currency risk. Fluctuations in exchange rates may affect the return on investment. The past performance shown is based on the share class to which this presentation relates. If the currency of this share class is different from your local currency, then you should be aware that due to exchange rate fluctuations the performance shown may increase or decrease if converted into your local currency.

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