

Neuberger Berman Commodity Strategy ETF (NBCM)

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Performance Highlights

In the fourth quarter of 2024, the Neuberger Berman Commodity Strategy ETF (the "Fund") generated net asset value (NAV) and market price based cumulative total returns of 0.29% and 0.69%¹, respectively, outperforming its benchmark, the Bloomberg Commodity Index, which returned -0.45%.

Key Takeaways

We identify seven emerging mega investment risks that we believe simultaneously create opportunities in commodities as an investment:

- **Demographics:** Shifting population dynamics are driving increased demand for commodities, as a shrinking workforce supports a growing number of non-working consumers.
- **Deglobalization:** Rising trade frictions and tariffs, especially in a potential Trump 2.0 era, are making commodities more critical as supply chains face inflationary pressures.
- **Defense:** Increased defense spending, which is non-productive and inflationary, is likely to boost strategic stockpiling of raw materials.
- **Decarbonization:** The global push for energy self-sufficiency and cleaner technologies is driving demand for critical commodities like lithium, copper, and aluminum.
- **De-dollarization:** The shift away from dollar dependency, particularly by BRICS nations, is enhancing the appeal of gold and other commodities as stable assets.
- **Data Centers:** The AI and data center boom is increasing demand for copper, natural gas, and industrial metals, highlighting the need for robust commodity supply chains.
- **Divestment:** Ongoing underinvestment in long-cycle projects has made commodity supply chains fragile, creating opportunities for price increases even with minor disruptions.

As we start 2025, the "7 Ds" highlight the critical role of commodities in navigating global economic shifts. A diversified investment strategy that

includes commodities may be essential for capturing growth opportunities and mitigating risks in this complex landscape.

Embracing Opportunities in Uncertain Times

A famous Chinese blessing, "may you live in interesting times," captures the essence of both opportunity and challenge—a duality that defines change itself. Indeed, we are unmistakably living in interesting times, marked by rapidly shifting macroeconomic dynamics. These interesting times demand a vigilant approach to identifying emerging opportunities and the gradual emergence of mega risks. As we navigate these interesting times, we present some of the key factors at play and assert that commodities can offer substantial upside potential by aligning with these opportunities while also serving as an effective hedge against these evolving risks. Complacency in assuming that stocks and bonds alone will suffice in this new world can be wishful thinking. We believe that embracing the complexity of our interesting times through proper diversification, which includes commodities, will be crucial for future success.

The 7 Disruptive Ds: Developing Mega Macro Risks and Opportunities in Commodities

One of the most significant demographic changes we're witnessing is the persistent reshaping of the population pyramid. In the United States, for example, Figure 1 illustrates a dramatic shift: whereas in the 1960s, approximately seven workers supported each non-working elder, this ratio is projected to decrease to just 2.5. This monumental change implies two key outcomes:

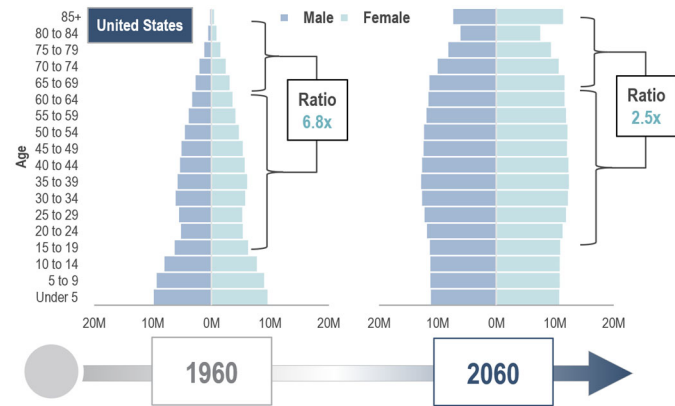
1. As baby boomers retire with significant savings and enjoy longer life expectancies, they form a substantial non-working consumer group with sustained demand for products and services. This scenario suggests a likely increase in commodity demand.

¹ Please see the performance table on page 9 for additional performance information for the definitions of market price and NAV.

- The relentless decline in fertility rates worldwide heralds future worker shortages, further exacerbating the demographic challenge.

(D)emographics: A shrunken work force + increasing non-producing consumers means higher wages and inflation

FIGURE 1: INSUFFICIENT WORKING-AGED SUPPORT FOR OLDER GENERATION



Source: United Nations, Department of Economic and Social Affairs, Population Division (2024). The potential support ratio (PSR) is the number of people age 15–64 per one older person aged 65 or older. This ratio describes burden placed on the working population (unemployment and children are not considered in this measure) by the non-working elderly population.

Addressing this pressing situation could involve increasing the number of immigrant workers from regions with growing populations or significantly enhancing worker efficiency. However, in a world increasingly influenced by populist policies, anti-immigration sentiments may prevail, aiming to protect shrinking local workforces. This trend could lead to a more unionized and powerful workforce, driving up wage demands.

On the other hand, while advancements in AI may promise efficiency gains, relying solely on this is risky, as the effectiveness of future technologies in reducing labor needs remains uncertain. For a deeper understanding of this major inflationary risk, we recommend the excellent book by Goodhart and Pradhan². These authors compellingly argue for the strategic inclusion of commodities in portfolios as a hedge against demography-driven-inflation, complementing stocks and bonds.

(D)eglobalization: More tariffs mean more trade frictions and more expensive ... everything

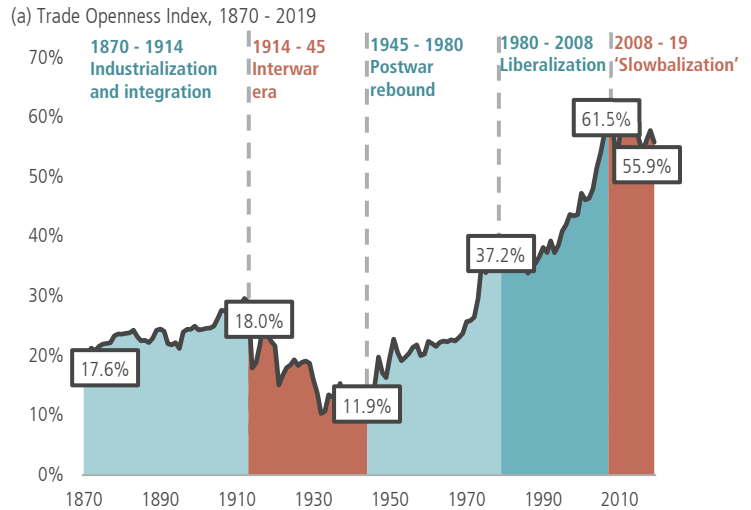
Recent data suggests that the era of globalization we've enjoyed for decades has come to an end, with deglobalization intensifying in recent years. Figure 2 highlights several metrics that illustrate this shift: the number of international trade deals is declining, restrictions on trade and investments are increasing, and as a result, trade openness—measured by the world's exports and imports as a percentage of global GDP—is decreasing. The tariffs of a potential Trump 2.0 era are likely to accelerate this deglobalization trend.

Tariffs can significantly impact the commodities landscape, as they tend to be inflationary by raising costs and restricting supply. This dual effect makes

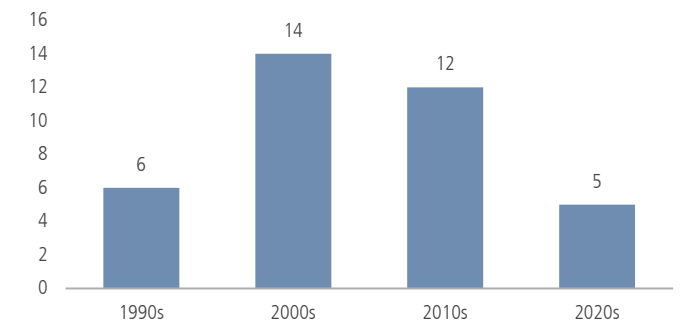
² Goodhart, C., & Pradhan, M. (n.d.). *The Great Demographic Reversal: Ageing Societies, Waning Inequality, and an Inflation Revival*. Palgrave Macmillan.

tariffs a complex economic tool. While they may support inflation, extensive tariffs also carry the risk of inducing recessionary pressures. The global context further complicates matters, particularly with potential responses from major players like China and Europe. How these regions might counter aggressive tariff strategies is crucial. Until specifics of tariff implementations are disclosed, markets and stakeholders are expected to remain cautious.

FIGURE 2: THE TREND TOWARD DEGLOBALIZATION IS BECOMING INCREASINGLY EVIDENT



(b) Decreasing Number of Trade Deals Since 2000



(c) Increase of Harmful Restrictions on Trade and Investment



Source: (Top) The trade openness index is defined as the sum of world exports and imports divided by world GDP. 1870 to 1949 data are from Klasing and Milionis (2014); 1950 to 2017 data are from Penn World Tables (9.0). (Middle) Citi Research, WTO, (Bottom) IMF, Global Trade Alert.

China's current restraint in implementing meaningful stimulus measures suggests they are conserving resources for future use. We anticipate that a growth-focused administration in China will take decisive actions to bolster the local economy, with a strong emphasis on green projects, from electric vehicles to expanding the electricity grid, to fuel a self-sufficient, efficient economy.

Moreover, we believe that any new Trump 2.0 tariffs will have less impact on global trade than those from the Trump 1.0 era. Today's world is different: as trade declines in the West, emerging markets and notably the BRICS nations are preparing for a world which is decoupled from the developed nations³. In sum, while Trump 2.0 policies may aim to boost local production, they may inadvertently foster better collaboration and trade outside U.S. borders, particularly among emerging markets.

(D)efense: More non-productive and therefore inflationary government spending

Globalization under the dominance of a single hegemon offers significant benefits. Nations enjoy the security of protected trade routes and reliable supplies, while companies maximize profits through efficient practices like just-in-time inventory management, often boosting their valuations to unprecedented levels. The British Empire once provided this stability, leveraging its vast navy and access to coal, and the United States assumed this role afterwards with intensifying dominance as a result of the WWII and the Cold War.

However, as the saying goes, all good things must come to an end. The world is transitioning from a single hegemon to a multipolar landscape, leading to heightened geopolitical risks, as depicted in Figure 3. Historically, in a multipolar world, competition for raw resources intensifies. The victors in such contests are typically those who can best secure trade routes and possess strong deterrent capabilities. Building these defense capabilities is essential to maintaining such deterrence.

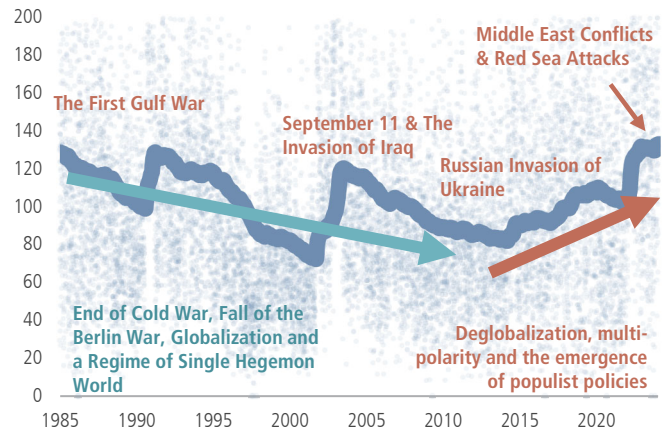
As Figure 3 also illustrates, while the U.S. continues to invest heavily in defense, other NATO nations have fallen short of their spending targets. The Trump administration previously sought to address this imbalance and is likely to enforce it in the future. Trump once suggested a defense spending target of 4% of GDP. While this is ambitious, a more reasonable target might be 3%, which, although less than the president-elect's aspiration, would still achieve a Cold War-era defense spending level. This would require about \$250 billion annually, an amount comparable to the funding expected from the Inflation Reduction Act (the "IRA"). However, unlike the IRA, defense spending does not constitute a productive use of capital and is inflationary, necessitating higher taxes and increased government borrowing.

We believe commodities can mitigate this new inflationary threat in two key ways. First, as competition grows, nations will likely increase strategic stockpiling of raw materials, driving up demand and, consequently, commodity prices. Second, as budgetary pressures mount, interest rates may

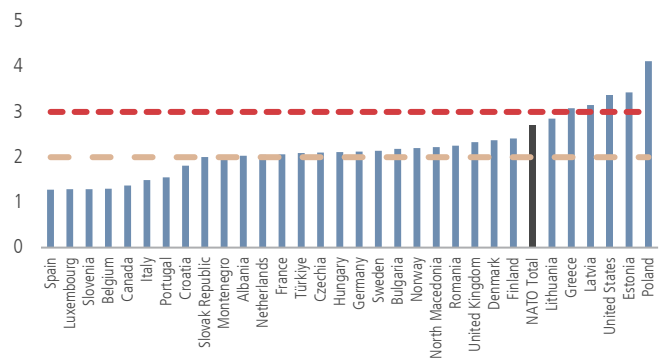
rise, and financial repression could become more prevalent. In such scenarios, real and tangible assets—those that cannot be easily devalued—serve as strong stores of value. In contrast, debasable currencies, government bonds, and stocks with distant future payoffs may not offer the same security and may need hedging through commodities.

FIGURE 3: AN ADDITIONAL 1% OF GDP IN DEFENSE SPENDING IS AN IRA LEVEL BURDEN ON GOVERNMENT BUDGETS

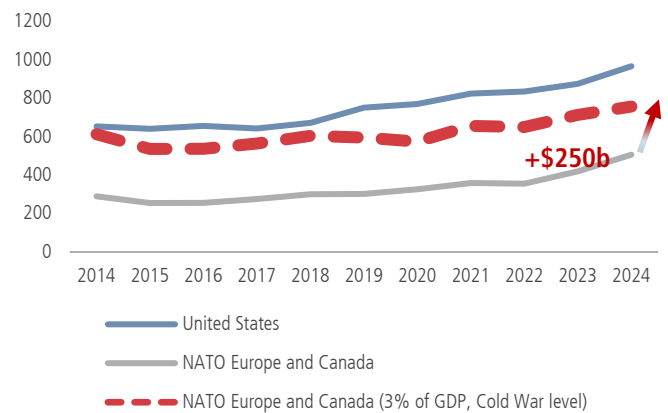
(a) Geopolitical Risk Index: Daily GPR Threats Index, 1985 – 2024



(b) NATO Members Ex US Spending Per GDP (2024 estimate)



(c) Defense spending has room to grow back to Cold War levels (2014 – 2024, billions of USD at current prices and exchange rates)



Source: NATO.

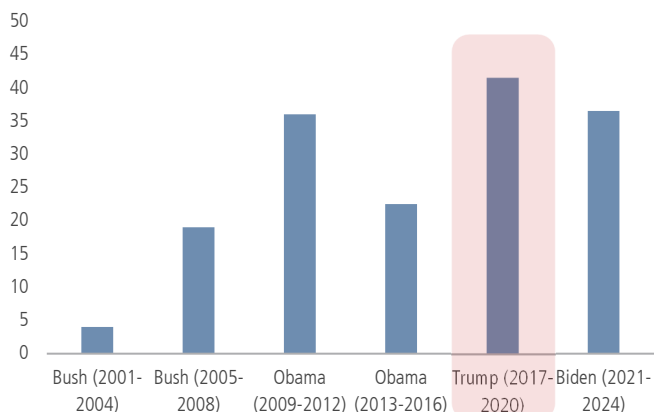
³ Trade is mentioned 17 times in the 33-page declaration of the XVI BRICS Summit [source](#). Please provide the full link

(D)ecarbonization: If not climate risks, desire for self-sufficiency will accelerate the energy transition

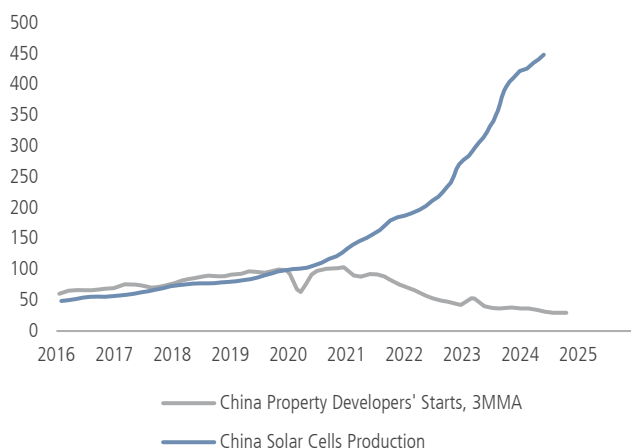
Decarbonization is not all about climate risks that may be put under the rug during a Trump presidency. To the contrary, the energy transition is influenced by a complex interplay of political, economic, and strategic factors, extending well beyond climate change considerations. Despite assumptions that a Trump presidency might impede progress, historical evidence suggests otherwise, as demonstrated by significant renewable energy investments, particularly in wind power, during his previous term (see Figure 4). That is why we believe the IRA will remain a pivotal force, fostering cleantech manufacturing and job creation, especially in politically significant regions, thus aligning economic incentives with political objectives.

FIGURE 4: DID YOU KNOW THAT A RECORD AMOUNT OF WIND FARMS WAS BUILT IN TRUMP'S FIRST TERM?

(a) New wind power capacity addition in the US GW, 2001 – 2024



(b) Rising green power demand is boosting copper demand in China while property markets are bottoming



Source: Bloomberg NEF. Data for 2024 as an estimate, Goldman Sachs Investment Research

On a global level, a key motivator for the energy transition is the pursuit of energy self-sufficiency, which enhances national security and economic stability by reducing reliance on foreign energy imports. This drive for independence is a strategic priority worldwide, as countries seek to secure

their energy futures amidst geopolitical tensions and supply chain vulnerabilities. Additionally, the renewable energy sector's potential for job creation aligns with populist government goals globally, providing substantial employment opportunities and making continued support politically advantageous. The quest for global leadership in innovation further propels nations to invest in advanced energy solutions, ensuring their competitiveness in the international market. That is why we believe government initiatives like the IRA, Net-Zero Industry Act, or Re-Power Europe will remain intact, if not enhanced.

Deregulation could streamline processes and reduce inefficiencies, supporting both existing energy infrastructures and the transition to cleaner sources. The dynamic interplay between policy adjustments and market forces is crucial in shaping the future energy landscape, with economic incentives expected to drive robust demand growth across commodities. Collectively, these factors ensure not just the continuation but the acceleration of the energy transition, making it an irresistible force for progress regardless of political shifts.

As we look ahead, we anticipate that the adoption of electric vehicles (EVs) and broader energy transition efforts will create substantial demand for a range of commodities. Metals such as lithium, cobalt, and nickel will be crucial for battery production, while clean energy technologies will drive demand for materials like copper and aluminum. Transition energy sources, including natural gas and uranium, will play a vital role in bridging the gap to a sustainable energy future. Biofuels will also see increased use as alternatives to traditional fossil fuels. These developments are expected to generate massive opportunities in the commodities market, reinforcing the energy transition as a pivotal force in shaping the global economic landscape.

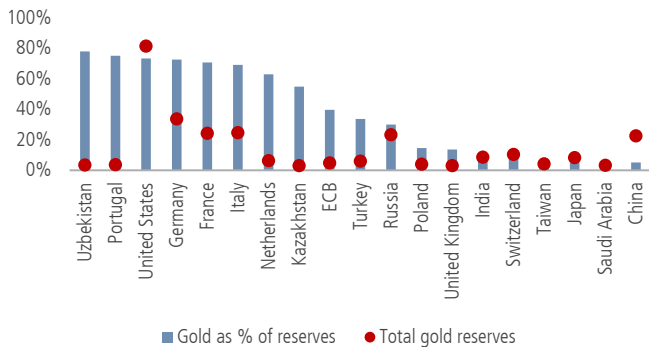
(D)e-dollarization: Dollar demand may decline in a multi-polar world— watch for potential Trump Fed Chair re-appointment risks testing Fed credibility

The outlook for gold is increasingly optimistic, driven by the accelerating trend of de-dollarization in a fragmented, multi-polar world. Central banks have notably increased their gold reserves, with unprecedented demand from major economies like China, India, and Russia. This strategic move aims to reduce reliance on the US dollar, offering protection against volatility and geopolitical risks tied to dollar dependency.

A significant development in this shift is the BRICS nations—Brazil, Russia, India, China, and South Africa—actively working to establish alternative payment systems to the SWIFT network. This initiative seeks to create a financial ecosystem that minimizes dollar dependence by using gold for settling transactions. Already in practice, China's substantial economic surpluses are being directed into gold purchases rather than US treasuries, marking a major shift in global financial flows. Jim O'Neal, who coined the term "BRICS" 23 years ago, might not have foreseen this trajectory, but current developments underscore a realignment in international trade practices.

FIGURE 5: SIGNIFICANT DEMAND POTENTIAL FROM EM CENTRAL BANKS: CHINESE AND INDIAN CENTRAL BANK % GOLD HOLDING ARE A FRACTION OF US AND EU LEVELS

Gold share of reserves for top 20 countries for holdings



Source: International Financial Statistics, Morgan Stanley. Data as of September 30, 2024

The de-dollarization movement is further accelerated by ongoing tariff wars and trade tensions, which inherently drive inflation. As countries impose tariffs, they seek stability in assets like gold to hedge against resulting economic uncertainties, thus diminishing the dollar's dominance and enhancing gold's appeal as a store of value.

Global market dynamics are also undergoing significant changes. With credit spreads tightening and stock valuations reaching extremes, investors are increasingly turning to alternative investments with currency debasement hedging kickers, such as gold. Unlike Bitcoin, often seen as a speculative asset, gold offers a time-tested hedge against fiat currency debasement, providing stability amid economic uncertainty.

Looking ahead, the potential for a new Federal Reserve Chair after Jerome Powell's term ends in May 2026 adds another layer of complexity. While President-elect Donald Trump is likely to allow Powell to complete his term, markets may start speculating on the implications of a new Fed Chair under a Trump administration. Concerns about Fed credibility under financial repression risks could further enhance the appeal of gold and other precious metals as hedges against potential threats to monetary policy stability.

In summary, we believe the ongoing trend of de-dollarization, driven by strategic central bank purchases and the BRICS' pursuit of alternative financial systems, positions gold as a key beneficiary in the emerging multi-polar world. As nations and investors navigate these changes, gold's intrinsic value and neutrality make it a fundamental asset in the evolving global financial landscape. This transformative era underscores gold's role not only as a hedge against uncertainty but also as a strategic reserve asset, offering both security and opportunity in an uncertain future.

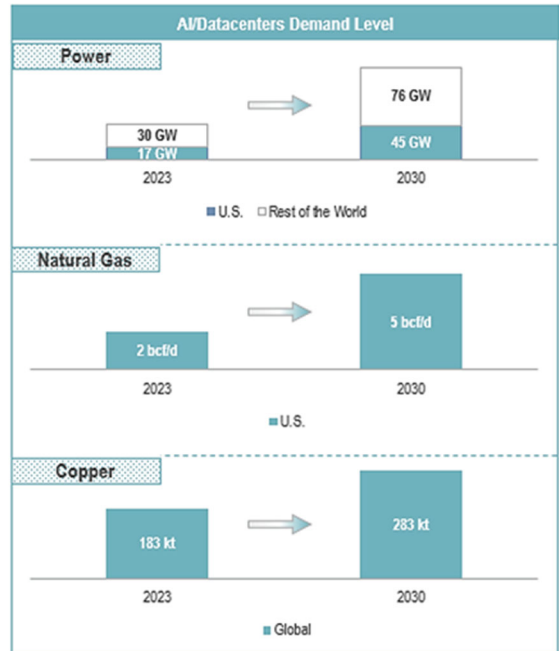
(D)ata centers: A new level unlocked... Data centers are hungry for power and copper

The burgeoning data center and AI boom is poised to significantly bolster the demand for key commodities, primarily due to the substantial infrastructure and energy requirements needed to support their growth. As data centers become increasingly central to the operations of AI technologies, their consumption of power and materials is set to drive up

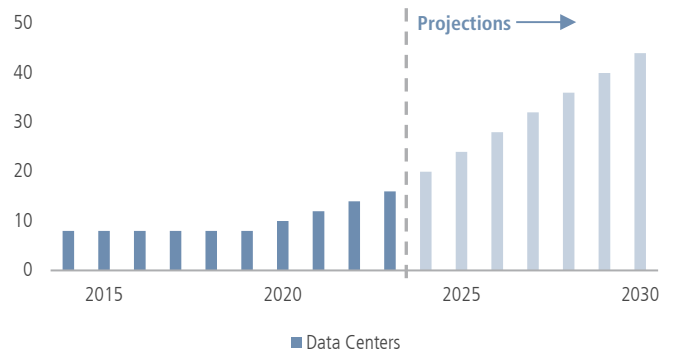
demand for commodities such as natural gas, copper, and other industrial metals.

FIGURE 6: DATA CENTERS ARE A NEW DEMAND SOURCE COMMODITIES FROM GAS TO COPPER

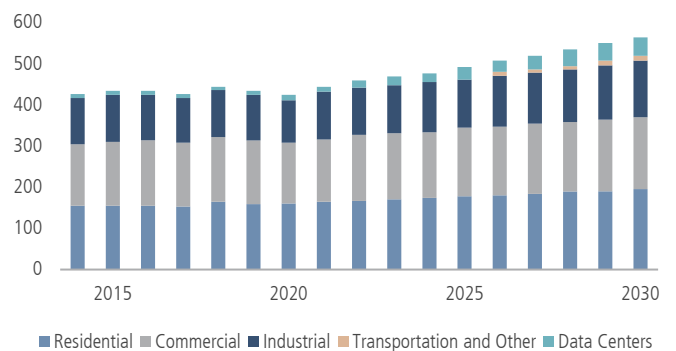
(a) Electricity, natural gas and copper are among the top winners from an AI boom



(b) Data Centers to Contribute 29 GW (30%) to the Total Power Consumption Growth in the US from 2023 to 2030



(c) US power demand by category (GW)



Source: Goldman Sach Investment Research, GS projections from 2024

Copper emerges as a major beneficiary of this trend. Data centers are known for their high copper intensity, with Schneider Electric estimating that such facilities require approximately 65 tons of copper per megawatt of installation. In 2023, data centers were estimated to demand about 450,000 tons of copper, which accounted for around 1.5% of global copper demand. With the anticipated growth in data center installations projected at 10-15% annually through 2030, copper demand from these centers alone could rise to between 900,000 and 1.2 million tons by the end of the decade. This growth trajectory underscores copper's critical role in the electrical infrastructure necessary for data centers and AI, making it a pivotal commodity in this tech-driven expansion

The AI and data center boom in the US has significantly increased energy demands, straining electricity excess capacity. Data centers require reliable and consistent power, making natural gas an attractive solution to meet these rising needs. This is exemplified by the 20-year contract to reopen and operate Three Mile Island Unit 1 to supply a Microsoft data center, highlighting the urgency in addressing power shortages. Given the constraints in bringing additional nuclear facilities online in the short term, expanding natural gas-fired power plants presents a viable and immediate solution. This approach not only addresses the growing electricity requirements but also has the potential to increase natural gas prices as demand rises to support these energy-intensive centers.

Industrial metals like aluminum and nickel also stand to gain from this trend. These metals are essential for the construction of data centers and the cooling systems necessary to maintain operational efficiency. The expansion of AI technologies requires robust and sophisticated infrastructure, thereby increasing the demand for these metals to build and sustain such facilities.

(D)ivestment: Ongoing underinvestment in production creates future supply fragilities

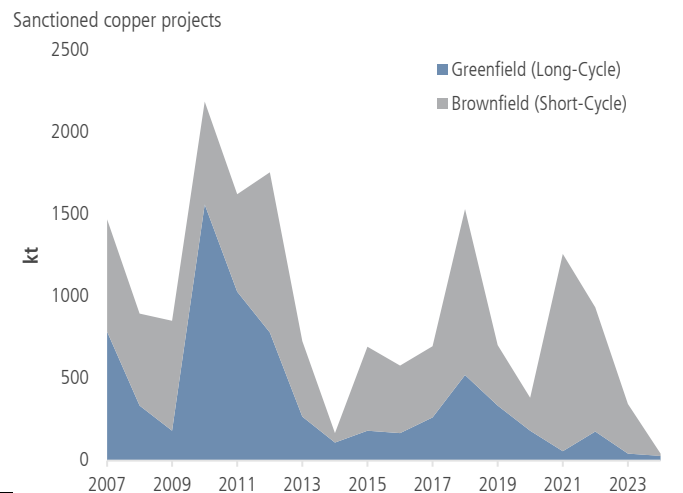
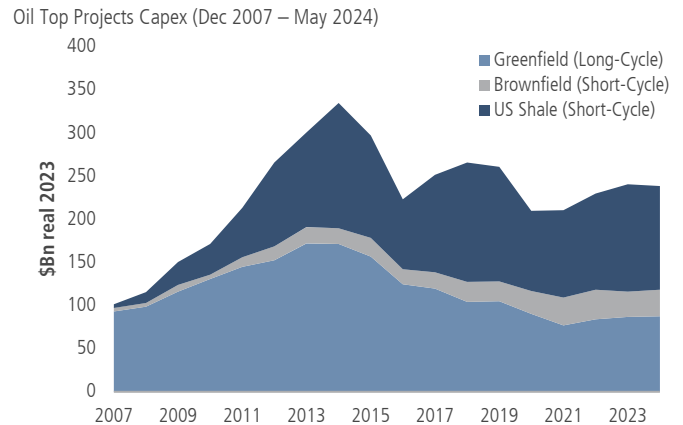
In essence, we believe the AI and data center boom is a catalyst for increased demand for commodities such as copper, natural gas, and industrial metals. Copper is indispensable for electrical infrastructure, natural gas is a key energy supply option, and industrial metals are crucial for building the physical frameworks of data centers. This technological advancement not only underscores the importance of these commodities but also highlights their integral role in supporting the rapidly evolving landscape of AI and data center operations. Rather than investing in exorbitantly priced AI stocks, data center REITs, or utilities concentrated with rate factors, commodities can be considered a more affordable and efficient proxy for capturing the benefits of this technological expansion.

Our team has long highlighted the significant decline in investment in commodity production capacity since the mid-2010s. This decrease is due to a decade of poor returns through 2020, alongside a higher cost of capital influenced by ESG pressures and uncertainties about long-term demand. These factors have shifted investment from long-term projects to short-term, high-turnover ventures, particularly in the tech sector.

The stock market's heavy focus on technology has further diverted capital away from traditional sectors like commodities, leaving them underfunded.

Investors' preference for short-cycle projects, with quicker returns, has led to a misallocation of capital, keeping commodity supply chains fragile, see Figure 7. This fragility makes them vulnerable to significant price increases even with minor supply disruptions or demand spikes caused by short-term macro factors.

FIGURE 7: CAPEX HAS SIGNIFICANTLY DECLINED, WITH LONG-CYCLE PROJECTS BEING PARTICULARLY AFFECTED



Source: Goldman Sachs Investment Research

A clear example of these trends is the 55% reduction in oil reserve life over the past decade, which measures how long existing reserves can meet production needs at the current rate of extraction. This decline suggests potential future supply constraints. While non-OPEC supply growth has delayed the bullish impact on crude oil, the lack of investment is already causing tightness in areas without short-cycle alternatives, such as mining of green base metals like copper and aluminum, oil refining, and oil tankers.

These challenges are tightening commodity supplies, potentially driving up prices. As demand continues to grow amid strained supply chains, commodities present a promising investment opportunity for those ready to navigate the associated risks.

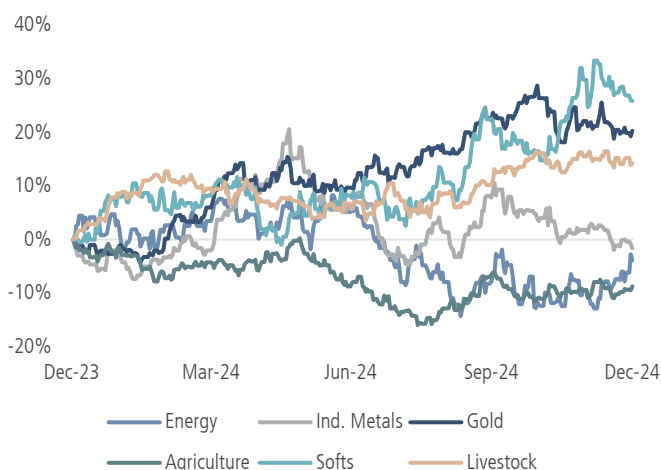
Market Overview

U.S. equities advanced in the fourth quarter of 2024, buoyed by investor enthusiasm following a decisive U.S. presidential election. Investors

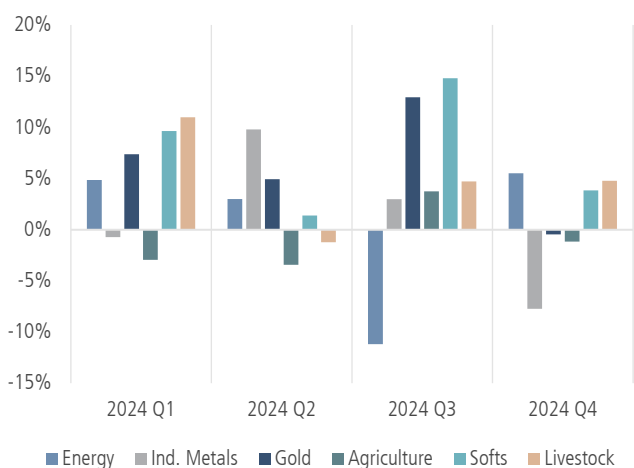
were optimistic that President-elect Donald Trump’s policies would boost growth, reduce taxes, and cut regulations. However, other regional markets, particularly in Europe and emerging markets, came under pressure amid concerns over trade tariffs. The Federal Reserve (Fed) lowered interest rates by 25 basis points (bps) in both November and December. However, in December, the Fed triggered a stock market sell-off after reducing the number of interest rate cuts anticipated for 2025 due to persistently high inflation. U.S. headline consumer prices rose by 2.7% year-over-year in November, while core prices remained at 3.3%, largely due to increases in shelter and vehicle costs. The Bloomberg U.S. Aggregate Bond Index declined by 3.06%. The Bloomberg Commodity Index fell by 0.45%, as declines in the prices of industrial metals, precious metals, and agriculture offset gains in energy, livestock, and softs prices.

FIGURE 8: COMMODITIES ADVANCE IN 2024, SOFTS TAKE THE LEAD

Bloomberg Commodity Index Sector Performance: January 2024 – December 2024



Bloomberg Commodity Index Sector: Last Four Quarters (As of December 31, 2024)



Source: Bloomberg. The underlying indices are based on the Bloomberg Commodity (BCOM) Index Total Return series for each sector.

ETF Commentary

NB COMMODITY STRATEGY ETF

As of December 31, 2024 (net)

	NB Commodity Strategy ETF (NAV) (%)	NB Commodity Strategy ETF (Market Price) (%)	Bloomberg Commodity Index (%)	Excess Returns (ETF NAV vs. Index) (%)
QTD	0.29	0.62	-0.45	0.74
YTD	6.47	6.61	5.38	1.09
1-Year	6.47	6.61	5.38	1.09
3-Year	5.37	5.45	4.05	1.32
5-Year	8.37	8.42	6.77	1.60
10 Year	2.92	2.94	1.28	1.64
Since Inception ¹	-0.15	-0.13	-1.60	1.45

Source: Neuberger Berman, Bloomberg.

Performance data quoted represent past performance, which is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original costs. Results are shown on a “total return” basis and include reinvestment of all dividends and capital gain distributions. Current performance may be lower or higher than the performance data quoted. For current performance data, including current to the most recent month end, please visit nb.com/ETFs. Please see the following page for standardized performance.

Energy prices rose over the quarter, and was the best performing sector on an absolute basis amid low oil inventories and forecasts of a particularly cold winter supported strong demand over the period. The Fund’s overweight position in the energy sector positively contributed to relative performance, primarily due to overweight positions in gasoline and Brent oil. Additionally, contract selections within these commodities further boosted performance. Positive contract selection in natural gas also contributed to gains. These gains offset the negative impact from an underweight position in natural gas and contract selection in heating oil. Roll yields remain robust and we are optimistic as we believe investors are overestimating the supply picture.

Industrial metal prices declined over the quarter, as investors have been disappointed by Chinese economic support. While the Fund’s overweight exposure in the sector detracted from performance, this was offset by excellent contract selection within the sector. The underweight position in nickel and favorable contract selections in copper, aluminum, and zinc were the primary contributors to relative performance. However, the Fund’s overweight position in copper negatively impacted performance within the industrial metals sector. We are optimistic yet cautious and we see infrastructure policy-driven demand in the US continuing with the next administration.

Precious metal prices also declined over the quarter on an absolute basis. Gold slipped slightly lower as the dollar continued to strengthen and as U.S. Treasury yields remain elevated. The Fund’s overweight exposure in the sector detracted from relative performance, largely due to an out-of-benchmark position in platinum and palladium. However, an underweight

exposure in silver contributed positively. We like gold as a low beta geopolitical hedge, and we like it as a safe haven in turbulent times.

Agricultural commodity prices declined over the quarter. Corn and soybeans moved higher as US crops look competitive versus international competitors, particularly in Argentina, as the USDA forecasted increased exports. Soybean oil weakened amid uncertainty around the impact of Trump tariffs on biofuels. Positive contributions from contract selection within the sector were sufficient to offset the negative impact from an overweight position in the sector. Overweight exposures in soybean and wheat, along with solid contract selections in soymeal and bean oil, contributed positively. However, the most significant detractor in the sector was an overweight position in bean oil. We are neutral on the sector.

Soft commodity prices rose over the quarter. Cocoa and coffee rallied and remained the two best performing commodities of the year, with supply concerns showing no signs of easing yet. The Fund's overweight position and contract selection in the sector was additive to relative performance. The out-of-benchmark position in cocoa was the biggest contributor to relative performance within the sector. We are cautious but optimistic and are carefully monitoring risk and scarcity.

Finally, livestock prices rose over the quarter. Cattle moved higher in December amid high input costs as herd sizes continue to dwindle, with the USDA pushing back inventory recovery from 2025 to 2027. Lean hogs slipped. The Funds overweight position was positive due to an out-of-benchmark position in feeder cattle. We are optimistic but cautious amid tight supplies.

The Path Forward: Positioning for Commodity Opportunities in 2025

As we look towards 2025, we believe the current landscape presents a distinctive and opportune time for commodities. With the world navigating the complexities of a potential Trump 2.0 era and the broader macroeconomic shifts outlined in the "7 Disruptive Ds," we believe that commodities stand poised to benefit. The persistent underinvestment in commodity production, driven by a decade of poor returns and a shift in capital towards short-cycle tech projects, has left traditional sectors underfunded and supply chains fragile. This fragility is evident in the reduced oil reserve life and tightness in critical areas like green base metal mining and oil refining.

As global demand continues to rise amid these supply constraints, commodities offer substantial upside potential. The increasing energy needs from AI and data center growth, coupled with geopolitical shifts towards deglobalization and defense spending, further bolster the case for commodities as a strategic hedge. Inflation and the stock market's focus on technology actually enhance the appeal of commodities. Inflation drives up commodity prices, while the tech sector's concentration underscores the lack of productive capital in commodities, making them more valuable due to constrained supply.

Reflecting on the words of Miguel De Cervantes, "To be prepared is half the victory." Investors should heed this wisdom by considering diversification into commodities, which in our view can serve as an effective hedge against evolving macroeconomic risks. With the potential for explosive price rallies even with minor disruptions, we believe commodities are not just a defensive play but a proactive strategy to capitalize on the unfolding opportunities of our "interesting times." By embracing this complexity through a balanced investment approach, investors can unlock significant returns and drive future success in 2025 and beyond.

Have a Prosperous New Year and Keep It "Real" with Commodities!

NB Commodity Investment Team

Hakan Kaya

David Wan

David Waugh

Raphael Mettle

NEUBERGER BERMAN COMMODITY STRATEGY ETF RETURNS (%)

	(ANNUALIZED AS OF 12/31/2024)							
	December 2024	Q4 2024	YTD	1 Year	3 Year	5 Year	10 Year	Predecessor Fund Inception 8/27/2012
NAV								
NBCM – NAV	0.97	0.29	6.47	6.47	5.37	8.37	2.92	-0.15
NBCM – Market Price	0.99	0.62	6.61	6.61	5.45	8.42	2.94	-0.13
Bloomberg Commodity Index	1.02	-0.45	5.38	5.38	4.05	6.77	1.28	-1.60

Performance data quoted represent past performance, which is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original costs. Results are shown on a "total return" basis and include reinvestment of all dividends and capital gain distributions. Current performance may be lower or higher than the performance data quoted. For current performance data, including current to the most recent month end, please visit nb.com/ETFs.

Prior to close of business on 10/21/2022, the ETF operated as an open-end mutual fund, Neuberger Berman Commodity Strategy Fund (the "Predecessor Fund"). The Predecessor's Fund inception date was 8/27/2012. The ETF has the same investment objective, strategy, restrictions and portfolio managers as the Predecessor Fund. Prior to the ETF's listing on 10/24/2022, the Institutional Class share NAVs of the Predecessor Fund are used to represent both the NAV and market price return history of the ETF. The **Market Price** is the official closing price as of the closing time of the NYSE Arca (typically 4 p.m., Eastern time). **Net Asset Value** is determined at the close of each business day, and represents the dollar value of one share of the Fund; it is calculated by taking the total assets of the fund, subtracting total liabilities, and dividing by the total number of shares outstanding. The NAV is not necessarily the same as the ETF's intraday trading value. ETF investors should not expect to buy or sell shares at NAV.

The table below describes the fees and expenses that you may pay if you buy, hold and sell shares of the Fund. You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the table below.

ANNUAL FUND OPERATING EXPENSES (%)

Gross Expense Ratio	0.76
Net Expense Ratio	0.65

Net expense represents the total annual operating expenses that shareholders pay (after the effect of any fee waivers and/or expense reimbursement). The Fund's investment manager has contractually undertaken to waive and/or reimburse certain fees and expenses of the Fund so that the total annual operating expenses are capped (excluding interest, brokerage commissions, acquired fund fees and expenses, taxes including any expenses relating to tax reclaims, dividend and interest expenses relating to short sales, and extraordinary expenses, if any; consequently, total (net) expenses may exceed the contractual cap) through 08/31/2028 at 0.64% (as a % of average net assets). Absent such arrangements, which cannot be changed without Board approval, the returns may have been lower. Information as of most recent prospectus dated December 18, 2024, as amended and supplemented. Portfolio holdings are expressed as a percentage and are calculated by taking the market value of each holding and dividing it by the Fund's NAV. Portfolio holdings are subject to change. For current portfolio holdings please download "Fund Holdings" as a CSV or PDF at nb.com/ETF. Portfolio holdings should not be considered as investment advice or a recommendation to buy, sell or hold any particular security. It should not be assumed that an investment in the securities identified was or will be profitable.

An investor should consider the Fund's investment objectives, risks and fees and expenses carefully before investing. This and other important information can be found in the Fund's prospectus and, if available, summary prospectus, which you can obtain by calling 877.628.2583. Please read the prospectus and, if available, the summary prospectus, carefully before making an investment. Investments could result in loss of principal.

The opinions expressed are as of December 31, 2024 and are subject to change at any time due to changes in market or economic conditions. These comments should not be construed as a recommendation of any individual sectors, holdings or securities.

The Bloomberg Commodity Index is composed of commodities traded on U.S. exchanges, with the exception of aluminum, nickel and zinc, which trade on the Long Metal Exchange (LME). The index is calculated on a total return basis and reflects the return on fully collateralized position in the underlying commodity futures.

The **S&P 500 Index** is a capitalization weighted index comprised of 500 stocks chosen for market size, liquidity, and industry group representation. The S&P 500 Index is constructed to represent a broad range of industry segments in the U.S. economy. The S&P 500 Index focuses on the large-cap segment of the market with over 80% coverage of US equities. Please note that indices do not take into account any fees and expenses of investing in the individual securities that they track, and that individuals cannot invest directly in any index. Data about the performance of this index are prepared or obtained by the Manager and include reinvestment of all dividends and capital gain distributions. The Fund may invest in many securities not included in the above-described indices.

Unless otherwise stated, information (including holdings and portfolio characteristics) is as of the end of the period indicated in the document title and is subject to change without notice.

All ETF products are subject to risk, including possible loss of principal. Stock prices fluctuate, sometimes rapidly and dramatically, due to factors affecting individual companies, particular industries or sectors, or general market conditions, including adverse issuer, political, regulatory, market, economic or other developments that may cause broad changes in market value, public perceptions concerning these developments, and adverse investor sentiment. An individual security may be more volatile, and may perform differently, than the market as a whole.

Unlike certain ETFs, the Fund may effect its creations and redemptions in cash or partially in cash. As a result, an investment in the Fund may be less tax-efficient than an investment in other ETFs.

The Fund invests in commodity-related instruments through its Cayman Islands subsidiary, Neuberger Berman Cayman Commodity Fund I Ltd (the "Subsidiary"). The Fund's and the Subsidiary's significant investment exposure to the commodities markets may subject the Fund and the Subsidiary to greater volatility than investments in traditional securities. The commodities markets are impacted by a variety of factors, including changes in overall market movements, resource availability, commodity price volatility, speculation in the commodities markets, domestic and foreign political and economic events and policies, war, acts of terrorism, changes in domestic or foreign interest rates and/or investor expectations concerning interest rates, domestic and foreign inflation rates and investment and trading activities in commodities. To the extent the Fund focuses its investments in a particular commodity in the commodities market, the Fund will be more susceptible to risks associated with the particular commodity. No active trading market may exist for certain commodities investments. Because the Fund's and the Subsidiary's performance is linked to the performance of potentially volatile commodities, investors should be willing to assume the risks of significant fluctuations in the value of the Fund's shares.

Unlike mutual funds, ETF shares are purchased and sold in secondary market transactions at negotiated market prices rather than at net asset value ("NAV") and as such ETFs may trade at a premium or discount to their NAV. As a result, shareholders of the Fund may pay more than NAV when purchasing shares and receive less than NAV when selling Fund shares. ETF shares may only be redeemed at NAV by authorized participants in large creation units. There can be no guarantee that an active trading market for shares will develop or be maintained or that the Fund's shares will continue to be listed. The trading of shares may incur brokerage commissions. The Fund has a limited number of Authorized Participants. To the extent they exit the business or are otherwise unable to proceed in creation and redemption transactions with the Fund and no other Authorized Participant is able to step forward to create or redeem, shares of the Fund may be more likely to trade at a premium or discount to NAV and possibly face trading halts or delisting.

Use of derivatives is a highly specialized activity that can involve investment techniques and risks greater than those associated with investing in more traditional investments. Derivatives can be highly complex and highly volatile and may perform in unanticipated ways. Futures contracts are subject to the risk that an exchange may impose price fluctuation limits, which may make it difficult or impossible to close out a position when desired.

Futures contracts are subject to the risk that an exchange may impose price fluctuation limits, which may make it difficult or impossible for a fund to close out a position when desired. High public debt in the U.S. and other countries creates ongoing systemic and market risks and policymaking uncertainty. These and other risks are discussed in more detail in the Fund's prospectus. Please refer to the prospectus for a complete discussion of the Fund's principal risks.

This material is intended as a broad overview of the portfolio managers' current style, philosophy and process. This material is presented solely for informational purposes and nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell or hold a security. No recommendation or advice is being given as to whether any investment or strategy is suitable for a particular investor. It should not be assumed that any investments in securities, companies, sectors or markets identified and described were, or will be, profitable. Any views or opinions expressed may not reflect those of the firm as a whole. All information is current as of the date of this material and is subject to change without notice. Investing entails risks, including possible loss of principal. **Past performance is no guarantee of future results.**

This material is general in nature and is not directed to any category of investors and should not be regarded as individualized, a recommendation, investment advice or a suggestion to engage in or refrain from any investment-related course of action. Neuberger Berman is not providing this material in a fiduciary capacity and has a financial interest in the sale of its products and services. Investment decisions and the appropriateness of this material should be made based on an investor's individual objectives and circumstances and in consultation with his or her advisors.

Beta is a measure of the systematic risk of a security or portfolio. Beta measures the historical sensitivity of portfolio or security excess returns to movement in the excess return of the market index. The value of beta is expressed as a percentage of the market where the market beta is 1.0. A security or portfolio with a beta above the market has volatility greater than the market.

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