NEUBERGER

Climate Report 2025

UK Annex for Neuberger Berman Europe Limited (NBEL)

REPORTED IN LINE WITH RECOMMENDATIONS BY THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

About this report

Neuberger Berman Europe Limited (NBEL) is wholly owned (via intermediate holding companies) by Neuberger Berman Group LLC (Neuberger Group). NBEL forms part of the wider group including Neuberger Group and its operating subsidiaries (collectively Neuberger) and is an FCA-authorised firm that provides portfolio-management services (among others).

As an active manager, Neuberger has a longstanding belief that financially material environmental, social and governance factors may be an important driver of long-term investment returns, both as a source of opportunity and as a means of risk mitigation. As a result, we take a comprehensive approach to managing client assets, including the integration of financially material factors into the investment processes for those strategies where this is disclosed.

Climate is considered in our investment-decision-making process in two main ways. First, in line with our fiduciary duty to clients, we analyse climate-related risks and opportunities where we believe they could affect the financial performance of issuers or portfolios. Recognising that climate risks may be financially material across many sectors and companies, we integrate these considerations alongside financial metrics that may impact client capital.

Second, we recognise that for some clients with climate-related objectives, the climate impact of their portfolios is an important consideration alongside investment performance. Therefore, for clients that have articulated climate-related objectives, we also aim to help them assess how climate-related risks and opportunities contribute to their requested sustainability outcomes.

This document describes NBEL's climate-related corporate strategy in line with disclosure recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) and the disclosure obligations in the ESG Sourcebook in the Financial Conduct Authority (FCA) Handbook. In particular, it identifies where NBEL's climate-related corporate strategy may differ from the wider Neuberger Group's climate-related strategy and presents metrics at the NBEL level. It also highlights our commitment to the Net Zero Asset Managers Initiative as well as our Investor Climate Action Plan (as defined by the Investor Agenda). NBAMIL (Neuberger Berman Asset Management Limited), which is a wholly owned subsidiary of NBEL, is a signatory to the Net Zero Asset Managers Initiative. NBAMIL is authorised 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.

The purpose of this document is to provide our current and future clients and any additional stakeholders with information to help them understand how we assess climate-related issues and opportunities through our approach to governance, strategy, risk management and metrics, and targets within NBEL.

References to the 'firm' or 'firmwide' in this report are to the group, including Neuberger Group and all its operating subsidiaries, and the group-wide position.

We encourage you to reference our global TCFD report for Neuberger Group, which covers Neuberger's worldwide operations and offers a broader view that encompasses the firm's global strategies, initiatives and climate-related financial disclosures, many of which are leveraged by NBEL. The Neuberger Group report can be found here.

SCOPE

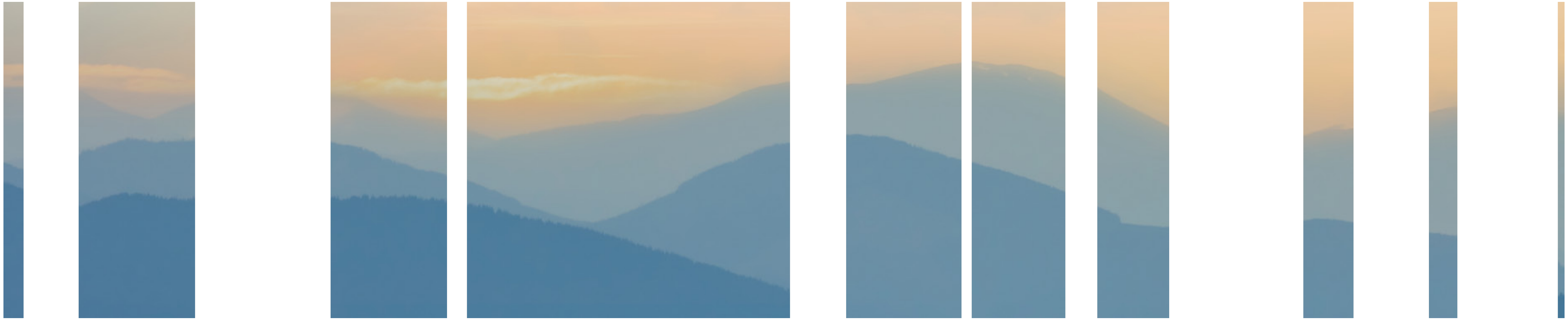
This report covers NBEL's activities that are in scope for reporting under the ESG Sourcebook, which is primarily portfolio-management activities. This report therefore covers NBEL's assets under management (AUM), which have been calculated based on:

- Any funds and separately managed accounts directly managed by NBEL as the contracting entity
- All funds and separately managed accounts managed by NBEL on a delegated basis
- Any funds and separately managed accounts managed by NBEL by virtue of an intra-group contractual arrangement together with the NBEL Portfolio (as described below)

For the avoidance of doubt, funds or separately managed accounts for which NBEL carried out currency-hedging services are not included in the scope of this report because NBEL did not provide portfolio-management services in relation to these funds or separately managed accounts.

Unless otherwise stated, the NBEL Portfolio contains listed public equities and fixed income. The NBEL Portfolio excludes look-through of underlying funds or ETFs held. The following asset classes are excluded from the NBEL Portfolio and its calculations due to gaps in underlying data and to avoid potentially inaccurate or misleading disclosures: Money Market Securities, Derivatives (e.g. OTC, CMO), Repo, Private Equity, Private Debt, Mortgages, Agencies and Municipals. For further information on data challenges and the steps that NBEL is taking to address such challenges, please see the Gaps in Underlying Data and Methodological Challenges section below.

The NBEL Portfolio amounts to approximately \$74.5 billion. This annex will cover the reporting period from 1 January 2025 to 31 December 2025. The calculation date for all reported metrics (including the various charts) is as of 31 December 2025. NBEL's climate-related corporate strategy will be reviewed annually and amended as appropriate.



Strategy

OUR APPROACH TO IDENTIFYING AND MANAGING
CLIMATE RISKS AND OPPORTUNITIES IN THE NBEL PORTFOLIO

We are committed to understanding climate-related risks and opportunities and managing risks material to NBEL's investment portfolio. Given the nature of the portfolios managed by NBEL, our approach to the assessment of these climate-related risks and opportunities is consistent across Neuberger. Below, we set out the assessment tools we use specifically in respect of NBEL.

OUR TOOLS

We have identified key channels through which climate risks and opportunities could impact portfolio companies and thus present a source of investment risk. As global investors, both the Neuberger Group and NBEL have exposure to many investment portfolios across different jurisdictions. For this reason, we have applied a top-down approach to identify the climate risk and opportunity channels for investment portfolios across the Neuberger organisation, including the portfolios managed by NBEL.

APPLICATION OF OUR CLIMATE TOOLS ACROSS SELECT ASSET CLASSES IN THE NBEL PORTFOLIO

	Climate Value-at-Risk	Carbon Emissions	Net-Zero Alignment Indicator	Natural Capital Assessment	Climate Solutions	Neuberger Quotient	Controversy Monitoring	Engagement	Sovereign Sustainability Assessment
CORPORATE FIXED INCOME									
Investment Grade Credit	●	●	●	●	●	●	●	●	
Non-Investment Grade Credit	●	●	●	●	●	●	●	●	
Emerging Market Debt	●	●	●	●	●	●	●	●	
SOVEREIGNS									
Developed Market Sovereigns		●	●	●		●		●	●
Emerging Market Sovereigns		●	●	●		●		●	●
LISTED PUBLIC EQUITY									
Developed Market Global Equity	●	●	●	●	●	●	●	●	
Small Cap Equity	●	●	●	●	●	●	●	●	
Emerging Market Equity	●	●	●	●	●	●	●	●	

We have segmented climate-related risks and opportunities into two categories, physical risk and transition risk, both of which affect NBEL portfolio companies in the same manner that they affect the portfolios managed by the wider Neuberger organisation. Detailed information on what we consider to be the short-, medium- and long-term climate risks and opportunities is set out on page 8 of our global TCFD report.

We are committed to innovating our analytical tools to meet client needs. These tools are available to portfolio managers across the firm, including the portfolios managed by NBEL. More information about each tool is available on pages 9-14 in the global TCFD report.

TRANSITION PRODUCT INNOVATION

We work in partnership with clients to design and manage portfolios that reflect their net-zero objectives and broader climate goals. These objectives vary across clients and asset classes, and their implementation is tailored to data availability, investment constraints, and the risk characteristics of each strategy. For more information about our approach to constructing investment portfolios with climate objectives across the firm, including NBEL, please refer to pages 18-20 in our global TCFD report.

ISSUER ENGAGEMENT

For more information about our stewardship and engagement approach to climate risks and opportunities across the firm, including NBEL, please refer to pages 21-23 in our global TCFD report. Our engagement process is guided by the assessment tools used by NBEL to identify and assess material climate-related risks and opportunities for products and investment strategies, including the Net-Zero Alignment Indicator, Climate Value-at-Risk (CVaR), carbon-emissions metrics, the Neuberger Quotient, climate-solutions metrics and natural-capital assessment.

INDUSTRY ENGAGEMENT

We recognise that policymakers play a crucial role in maintaining and enhancing the sustainability and stability of financial markets, as well as setting reporting and disclosure standards and reducing greenwashing by clarifying climate-related terminology. As a result, we regularly engage with policymakers on key policy and regulatory initiatives through public consultations, letters to policymakers, and by participating in UK-based industry groups such as the Investment Association and the UKSIF. In 2025, we engaged in a number of UK-focused policy discussions and consultations relevant to asset managers, our clients and investee companies. This included responding to the Financial Reporting Council's (FRC) public consultation on the UK Stewardship Code, as well as the UK Department for Business and Trade (DBT) consultation on the development of UK Sustainability Reporting Standards and Transition Plan requirements. For more information about our engagement with policymakers, please refer to page 24 in our global TCFD report. For more information about our engagement with the investment industry, please refer to page 25 in our global TCFD report.

Net Zero Asset Managers Initiative

We recognise that we have a vested interest in improving 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, NBAMIL is a signatory to the Net Zero Asset Managers Initiative.

Metrics, Targets and Scenario Analysis

MEASURING CLIMATE RISKS AND OPPORTUNITIES ACROSS THE NBEL PORTFOLIO

INVESTMENT PORTFOLIO EMISSIONS

The NBEL Portfolio is approximately $74.5 billion, of which approximately $53.3 billion is composed of corporate assets and approximately $21.2 billion is in sovereign holdings. For these holdings, consistent with TCFD guidance, we report total carbon emissions, carbon footprint and weighted average carbon intensity across Scope 1, 2 and material Scope 3 emissions. We report material Scope 3 emissions on a best-efforts basis according to the Partnership for Carbon Accounting Financials (PCAF) standards. In addition, we report the percentage of the NBEL Portfolio that has SBTi-validated targets.

Coverage of the NBEL Portfolio varies due to gaps in underlying data, as explained in the Gaps in Underlying Data and Methodological Challenges section in the disclaimers.

Carbon intensity is dependent on revenue and, in practice, is typically well covered across the in-scope asset classes, although some gaps may remain. In contrast, total carbon emissions and footprint rely on Enterprise Value Including Cash (EVIC) data, which is less widely available and therefore results in lower overall coverage.

Between 2024 and 2025, the picture across portfolio corporate emissions metrics was mixed. Total absolute apportioned emissions rose year on year, while total weighted average carbon intensity and carbon footprint both declined, although there was an increase in AUM coverage across all three metrics. The broader coverage base had a directionally negative effect on Scope 1 and 2 emissions, with apportioned emissions, weighted average carbon intensity, and carbon footprint each rising as a wider set of issuers was captured. Scope 3 weighted average carbon intensity and carbon footprint, however, declined despite the increase in coverage. This reduction reflects, at least in part, observed volatility in Trucost-estimated emissions factors and underlying revenue data, on which our Scope 3 modelled values rely[1].

These figures are estimated and backward-looking, and the mixed directional signals across metrics highlight the importance of reading them in context rather than in isolation. We therefore complement these metrics with our proprietary Net-Zero Alignment Indicator, alongside other analytical tools and signals, which provides a more forward-looking and comprehensive lens through which to assess transition progress across the portfolio, as outlined in the Strategy section of our global TCFD report.

Between 2024 and 2025, sovereign financed GHG emissions rose across all three measurement approaches: territorial plus imports, production-based, and consumption-based. Weighted average carbon intensity told a different story. Territorial plus imports and production-based WACI both declined year on year, suggesting that on an economic-output-adjusted basis, the sovereign holdings became less carbon intensive. Consumption-based WACI was slightly higher but remained broadly stable over the same period.

Please note that total values may not sum due to rounding.

METRICS FOR THE NBEL PORTFOLIO'S CORPORATE HOLDINGS[2]

INDICATOR	2022	2023	2024	2025
Total Emissions (tCO_2e)	**13,662,929**	**11,351,741**	**10,543,916**	**13,746,106**
Scope 1 & 2	3,450,351	2,973,127	2,413,261	4,143,176
Scope 3[3]	10,212,578	8,378,615	8,130,655	9,602,930
Weighted Average Carbon Intensity (tCO_2e/$ million revenue)	**3,652**	**1,982**	**2,731**	**1,522**
Scope 1 & 2	294	241	194	220
Scope 3[3]	3,652	1,741	2,537	1,302
Carbon Footprint (tCO_2e/$ million invested)	**1,304**	**1,178**	**1,273**	**901**
Scope 1 & 2	124	121	104	110
Scope 3[3]	1,180	1,057	1,169	791
SBTi-Validated Targets (Market Value %)	**18**	**23**	**27**	**27**

Source: Neuberger (Holdings), S&P Trucost (emissions), MSCI (EVIC).

METRICS FOR THE NBEL PORTFOLIO'S SOVEREIGN HOLDINGS

INDICATOR	2022	2023	2024	2025
Financed GHG Emissions ($tCO2_2e$ per $million GDP-PPP)			**incl. LULUCF**	**incl. LULUCF**
Financed GHG Emissions - Territorial + Imports-Based (MV / GDP-PPP) * GHG Emissions	7,610,314	10,298,507	4,974,528	6,676,585
Financed GHG Emissions - Production-Based (MV / GDP-PPP) * GHG Emissions	6,300,952	8,335,308	3,918,035	5,055,986
Financed GHG Emissions - Consumption-Based (MV / GDP-PPP) * GHG Emissions	6,787,677	7,452,836	4,468,060	6,023,171
Weighted Average Carbon Intensity ($tCO2_2e$ per $million GDP-PPP)[4]				
Weighted Average Carbon Intensity – Territorial + Imports Emissions per PPP-GDP	483	630	381	328
Weighted Average Carbon Intensity – Production Emissions per PPP-GDP	400	510	300	248
Weighted Average GHG Emissions – Consumption Emissions per Capita	12	6	9	10

Source: Neuberger (Holdings), S&P Trucost (emissions, GDP, population)

1. Scope 3 results can change not only because of portfolio composition but also because of which companies have available data and how that data is estimated. With incomplete coverage, results may be skewed by a smaller group of companies, such as if higher-emitting companies made up a larger share of the data in the prior year. As coverage expands to include a broader and more representative mix of companies, this concentration effect typically diminishes. While this can move results in either direction, in this case it contributed to a reduction in the overall Scope 3 figure. In addition, Scope 3 estimates rely heavily on third-party data (including Trucost), which are periodically updated, meaning changes in emissions factors or revenue assumptions can drive year-on-year movements independent of portfolio changes. Neuberger complements these metrics with additional analytical tools and signals, as outlined in the Strategy section of the global TCFD report.
2. The following asset classes are excluded from calculations: Money Market Securities, Derivatives (e.g. OTC, CMO), Repo, Private Equity, Private Debt, Mortgages, Agencies, and Municipals.
3. Scope 3 included company investments in NACE sectors L2: 05-09, 10-18, 19, 20,21-33, 41-43, 49-53, 81).
4. The normalisation factor for assessing sovereign carbon intensity has been debated in the investment industry, so we have included a description of the advantages and disadvantages of each type of factor in the appendix.

SCENARIO ANALYSIS – CLIMATE VALUE-AT-RISK

We have implemented top-down scenario analysis for modelling transition and physical risks at the NBEL level in line with the recommendations of the TCFD. Climate Value-at-Risk (CVaR) provides a top-down scenario-based framework for assessing the potential long-term financial impacts of the climate-related transition and physical risks on investment portfolios. The analysis models how changes in policy, technology costs and climate hazards under different warming scenarios could affect company valuations over time. Security-level outputs can be aggregated to support comparative risk assessment across sectors and regions.

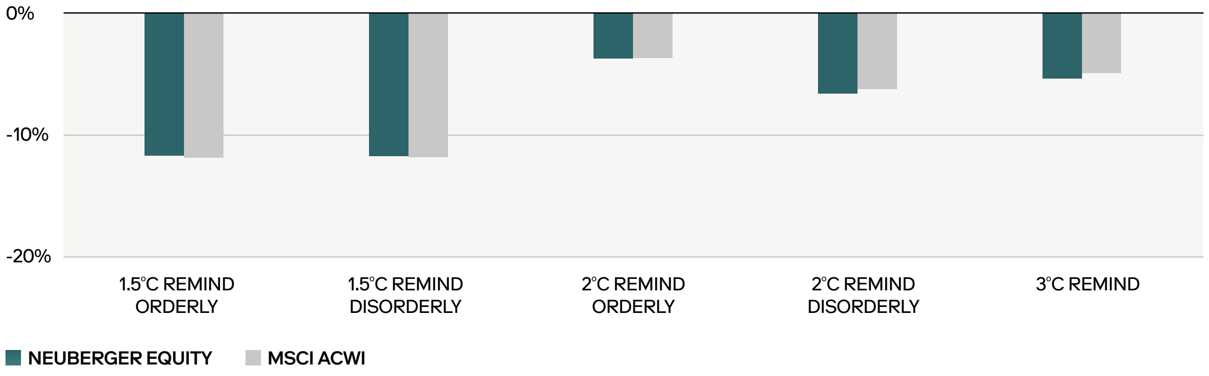
At the NBEL level, we review the aggregated CVaR results of the NBEL Portfolio. We use the REMIND model under the Network for Greening the Financial System (NGFS) scenarios in line with industry recommendations to understand the impact of orderly vs. disorderly scenarios. Our standard approach when assessing CVaR results centres around a 2°C orderly scenario. We also have the capability to estimate climate impacts across 1.5°C orderly, 1.5°C disorderly, 2°C disorderly and 3°C scenarios. The details of each REMIND scenario can be found in our global TCFD report appendix. However, for many asset classes, industry-wide gaps in underlying data meant that NBEL did not have adequate, reliable and verifiable CVaR data. NBEL did not consider CVaR data that was not adequate, reliable and verifiable as this could lead to inaccurate or misleading disclosures. For further information on data challenges and the steps that NBEL is taking to address such challenges, please see the Gaps in Underlying Data and Methodological Challenges section in the disclaimers.

While CVaR offers a useful high-level view of climate exposure, it depends on assumptions related to future costs, policy trajectories and valuation impacts. As a result, its outputs can be less precise in sectors with complex physical-risk transmission channels or where impacts depend on asset-level characteristics. In addition, scenario-based models may not fully capture non-linear physical risks or the compounding effects of higher-warming pathways. We therefore view CVaR as an important starting point for identifying areas of climate exposure, which must be complemented by more granular analysis to assess financial materiality.

Across the subset of the NBEL Portfolio's equity and fixed-income exposure as of 31 December 2025, CVaR results are broadly benchmark-like for both asset classes, with a clearer split between equity and fixed income: in fixed income, the portfolio shows a modestly higher modelled downside than the benchmark in all pathways (1.5°C orderly and disorderly, 2°C orderly and disorderly, and 3°C REMIND). In equities, the portfolio is very close to the benchmark across all scenarios, showing slightly worse resilience in the 2°C disorderly and 3°C REMIND scenarios.

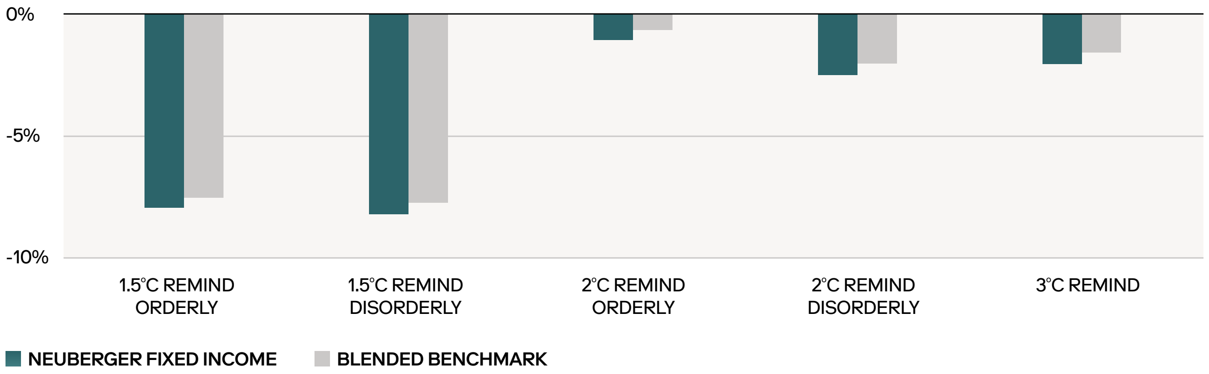
We find that the firmwide fixed-income exposure demonstrates greater resilience to climate risks than the fixed-income subset of the NBEL Portfolio. There are a number of factors that could explain this. In particular, as the NBEL Portfolio's exposure represents a subset of the firmwide exposure, this means that there are proportionally fewer companies that comprise and can affect the NBEL Portfolio's resilience to climate risks. This results in a higher concentration (when compared with the firmwide exposure) across securities and sectors due to the NBEL Portfolio's smaller size. Nevertheless, we consider the NBEL Portfolio's fixed-income exposure to be resilient to climate risks.

NBEL EQUITY EXPOSURE TO AGGREGATED CLIMATE RISK



Source: MSCI.

NBEL FIXED-INCOME EXPOSURE TO AGGREGATED CLIMATE RISK

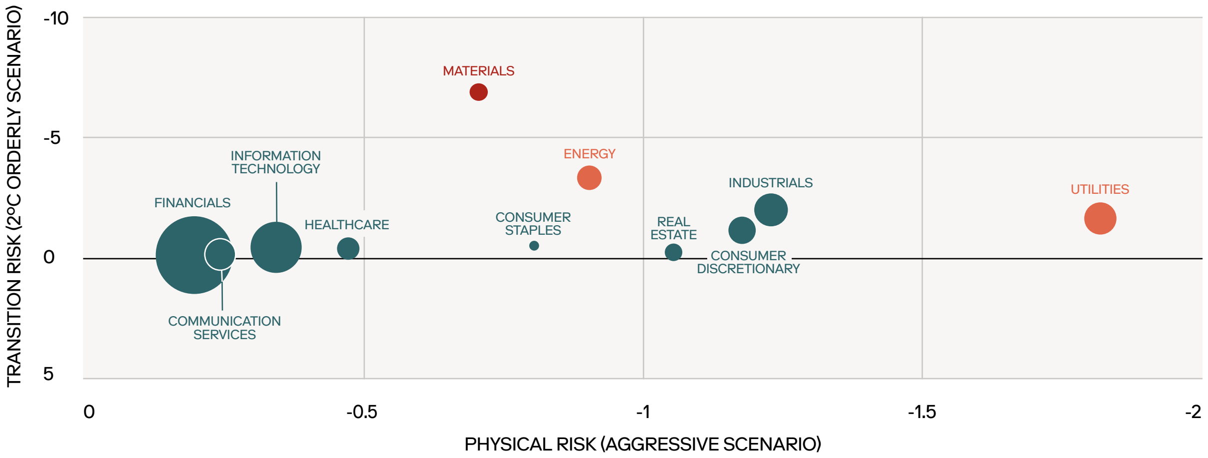


Note: Blended Benchmark: 65% BBG Global Aggregate Corporate Index/25% ICE BofA Global High Yield Index (HW00)/10% JP Morgan Corporate Emerging Markets Bond Index - Regular Diversified.
Source: MSCI.

In addition, the holdings-level CVaR data allow us to identify key sectors and regions within the NBEL Portfolio with the highest financial exposure to climate risk overall, as well as specific types of physical risks as of 31 December 2025. While some sector/region combinations within the NBEL Portfolio face significant climate risk, we have a lower level of exposure to those sectors relative to overall investment in the region.

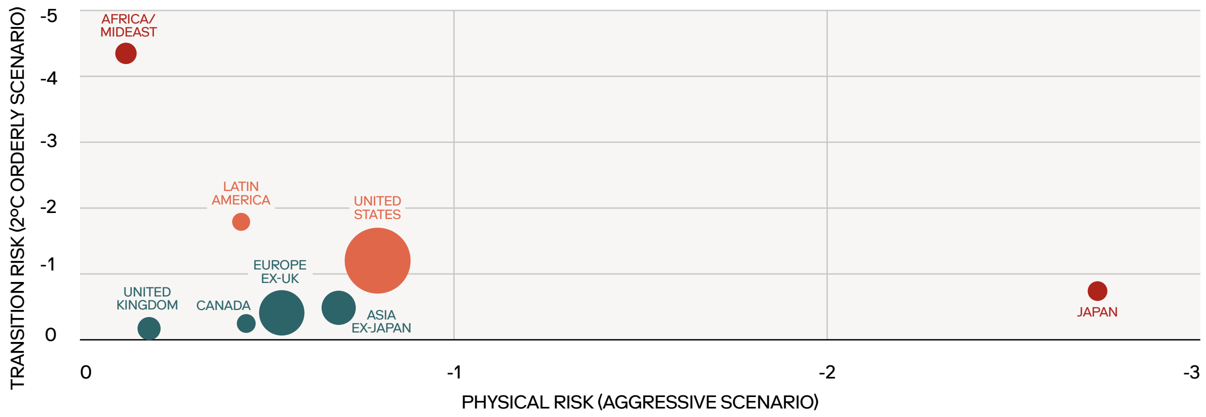
This can be observed in the following charts where sectors/regions with the best overall climate risk are in green and the worst overall climate risk are in red. The size of our investments in each sector/region is denoted by the size of the circles in the following charts. In addition, our holdings in certain regions appear to have lower climate risk than the expected risk for those regions. In terms of physical risk, the assets we manage face lower physical risk than MSCI ACWI in all categories, and face less of an impact from extreme cold and extreme snowfall.

LOWER LEVEL OF FINANCIAL EXPOSURE ACROSS NBEL HOLDINGS TO THE HIGHEST-CLIMATE-RISK SECTORS



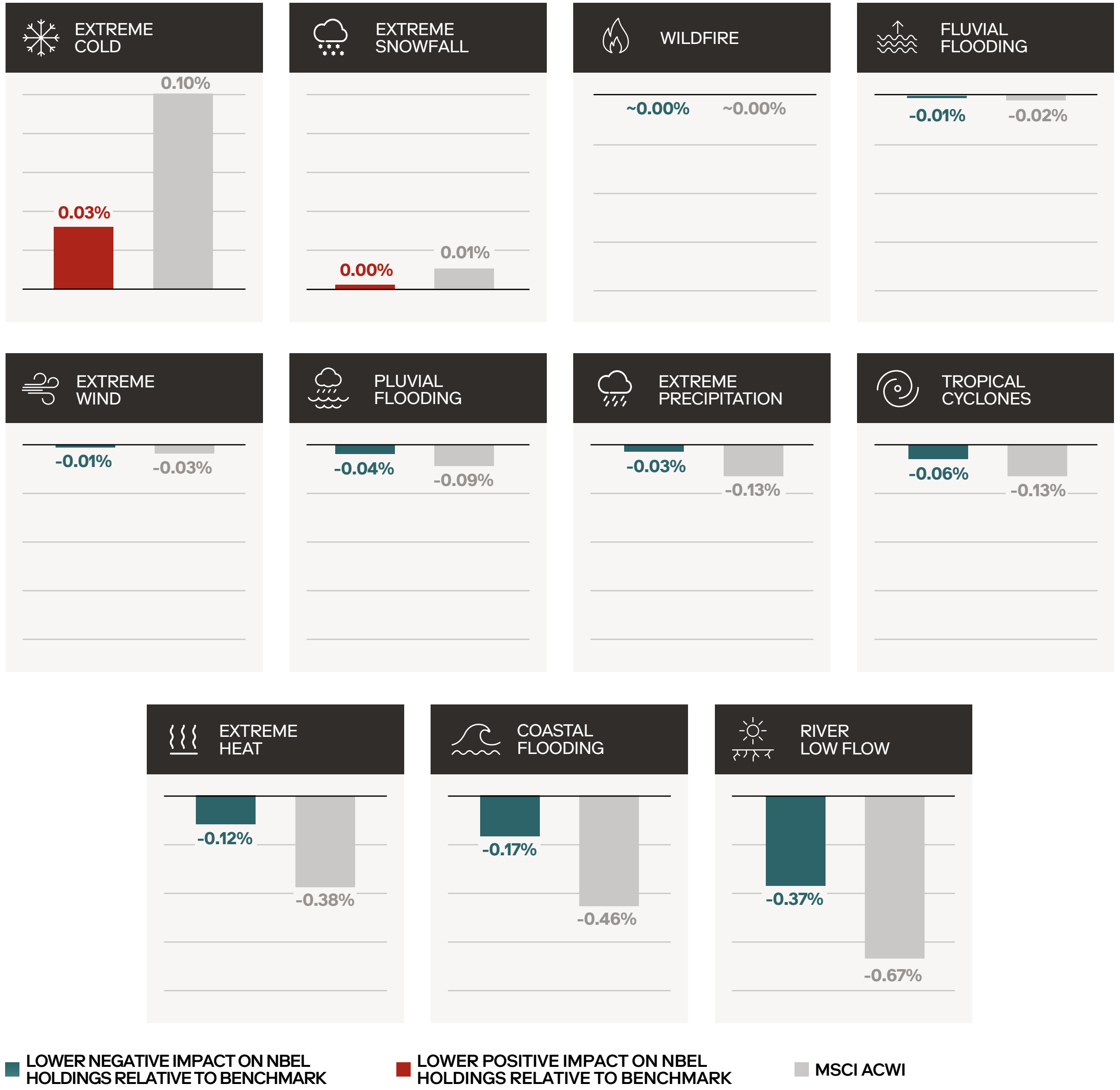
Source: MSCI. Climate impact by sector. Climate risk is shown from lowest risk overall (green) to highest risk overall (red). The circles represent holdings size.

LOWER LEVEL OF FINANCIAL EXPOSURE ACROSS NBEL HOLDINGS TO THE HIGHEST-CLIMATE-RISK REGIONS



Source: MSCI. Climate impact by region. Climate risk is shown from lowest risk overall (green) to highest risk overall (red). The circles represent holdings size.

LOWER IMPACT FROM MOST PHYSICAL RISKS ACROSS NBEL HOLDINGS COMPARED WITH MSCI ACWI



NET-ZERO ALIGNMENT

The Neuberger Net-Zero Alignment Indicator is applied across the entirety of the NBEL Portfolio's corporate holdings (not just across net-zero-committed products)[5] at both the portfolio and security level. This enables us to assess, where relevant, a company's net-zero transition readiness and its ability to mitigate climate risks. Using our indicator at the NBEL level, we found that the majority of issuers are 'Committed to Aligning', 'Aligning Toward a Net-Zero Pathway' or 'Aligned to a Net-Zero Pathway'. For issuers that are currently 'Not Aligned', the indicator aims to help us understand issuers' transition plans and inform future engagement.

Between 2023 and 2024, the NBEL Portfolio's corporate holdings exhibited a broadly positive trend, with the 'Not Aligned' share declining from 40% to 37% and the 'Committed to Aligning' category growing to 34%. While the combined 'Aligned' and 'Aligning' share remained relatively stable at around 29%, the overall shift reflected progress in issuers' transition efforts alongside the challenges of maintaining credible climate commitments in a more demanding assessment environment.

The 2024 to 2025 period shows further improvement. The combined share of AUM in the 'Aligned' and 'Aligning' categories increased to 33%, while the 'Not Aligned' share—incorporating unclassified securities defaulted to 'Not Aligned'—remained at 37%. The 'Committed to Aligning' category edged down to 30%, suggesting some issuers in this category progressed into the higher alignment tiers. Taken together, the trajectory over three years reflects a gradual but directionally consistent improvement in the portfolio's net-zero alignment profile.

In 2025, approximately 80% of market value was unchanged in net-zero alignment status year on year, with 20% of the portfolio seeing a change in status. Of those that did change, the direction was broadly positive, with improvements outpacing deteriorations across the majority of sub-indicators.

Disclosure and short- and medium-term targets showed net-positive momentum in 2025, albeit with a broader spread of outcomes. On disclosure, the majority of issuers that changed improved their scores, likely reflecting growing regulatory and investor expectations under frameworks such as TCFD and ISSB. On short- and medium-term targets, net-positive movement points to continued progress in translating longer-term ambitions into actionable near-term commitments, although improvement remains uneven across the portfolio.

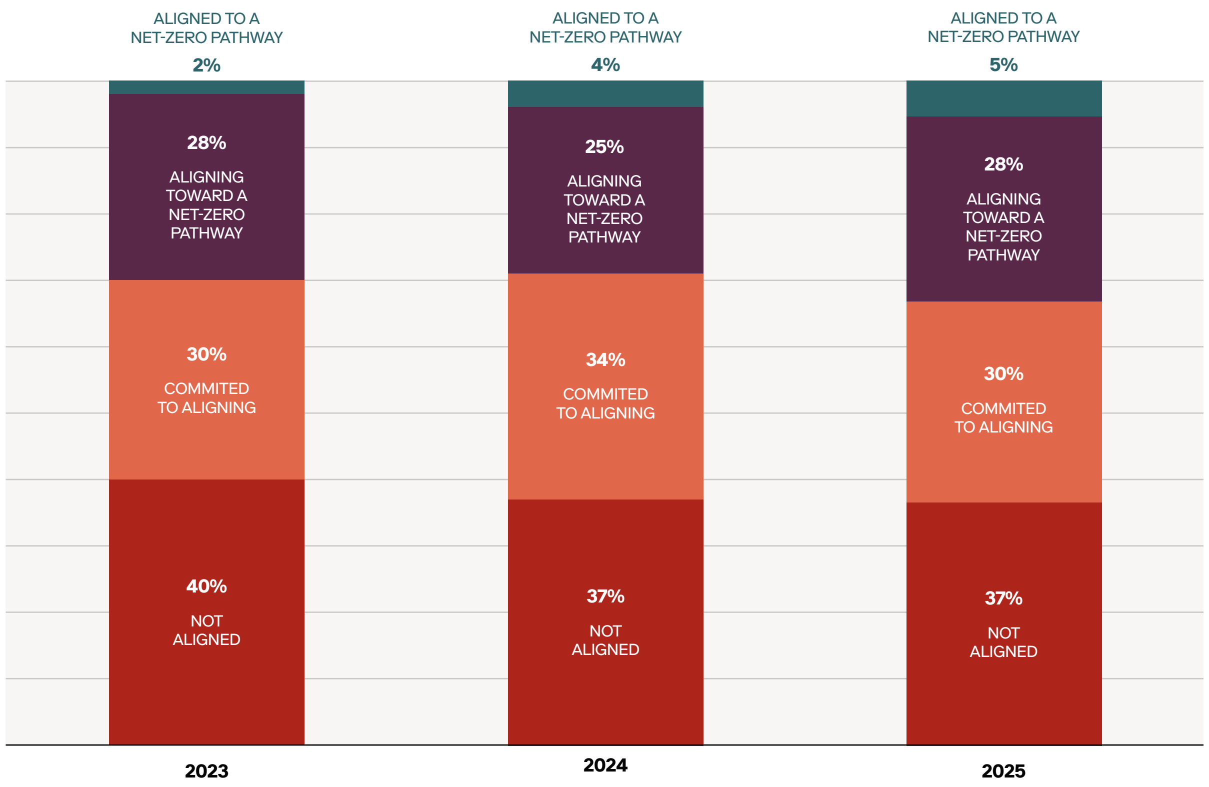
Long-term ambition saw the highest overall volume of change and the most bifurcated pattern. Many issuers strengthened their net-zero commitments, while a substantial subset experienced sharp downgrades, driven both by corporate pullback on previously stated ambitions and by a newly introduced credibility adjustment that penalises long-term targets unsupported by a concrete decarbonisation strategy. The breadth of movement on this indicator underscores the growing divergence between issuers building genuinely credible transition plans and those whose commitments remain aspirational in nature.

Emissions performance was evenly balanced between upgrades and downgrades, reflecting the inherent sensitivity of reported emissions data to methodology revisions, scope changes and fluctuations in economic activity.

Decarbonisation strategy and capital allocation showed the strongest net-upgrade rates, although movements in these areas are in part driven by qualitative analyst overrides. Standardised datasets often cannot fully capture the quality of a transition or capital-allocation plan, and data coverage in these areas remains incomplete, making analyst judgement an important consideration to ensure assessments are as accurate and comprehensive as possible.

For detailed insights into how the indicator is applied and its key advantages, please refer to pages 12-14 in our global TCFD report.

NET-ZERO ALIGNMENT STATUS FOR THE NBEL PORTFOLIO



5. The Indicator is not applied to the sovereign holdings in the NBEL Portfolio.

NATURAL-CAPITAL ASSESSMENT

Alongside our tools for assessing climate-related risks, we have also created a top-down tool to assess where the NBEL Portfolio could be exposed to financially material risks associated with dependencies and pressures on nature.

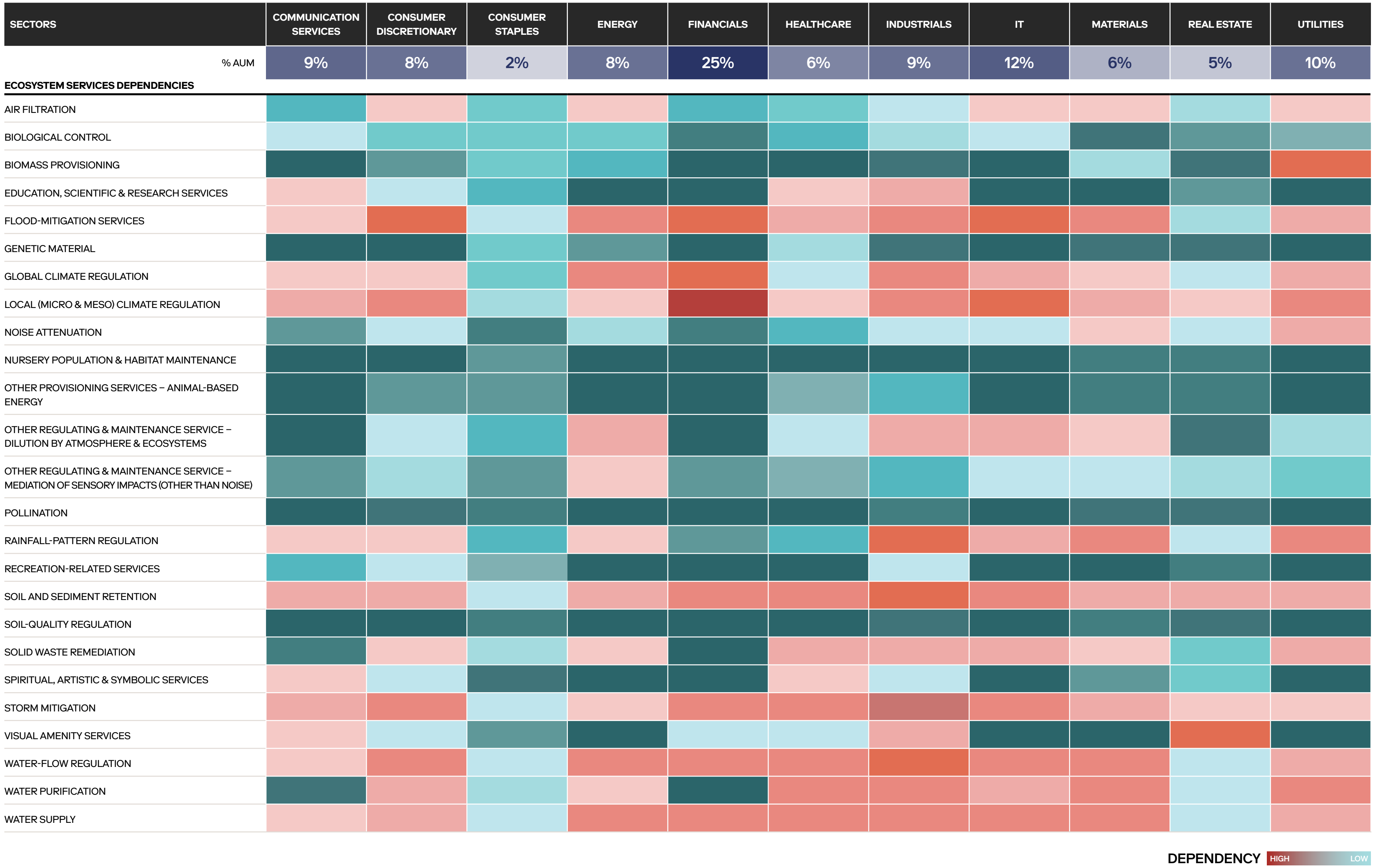
Using ENCORE[6], we have developed a top-down natural-capital heatmap that identifies sectors with the highest relative potential exposure to processes that are dependent on and impact ecosystem services. First, we create a coefficient at the sub-industry and ecosystem-service level based on the ENCORE data, which averages all the processes within the sub-industry and their level of dependency and impact on nature. Second, we multiply the coefficient by the NBEL client AUM invested in the sub-industry to get relative exposure. Finally, we sum up the exposure at the sector level.

Where the NBEL Portfolio Depends Most on Nature

The NBEL Portfolio's dependency exposure is most concentrated in utilities, industrials, energy and information technology, with materials also contributing. The dominant attributes are water-related—water-flow regulation, water supply, water purification, flood mitigation and storm mitigation—alongside biomass provisioning and rainfall-pattern regulation. This reflects a portfolio with a meaningful AUM exposure to capital-intensive infrastructure-oriented sectors that are closely tied to the availability and stability of natural water systems.

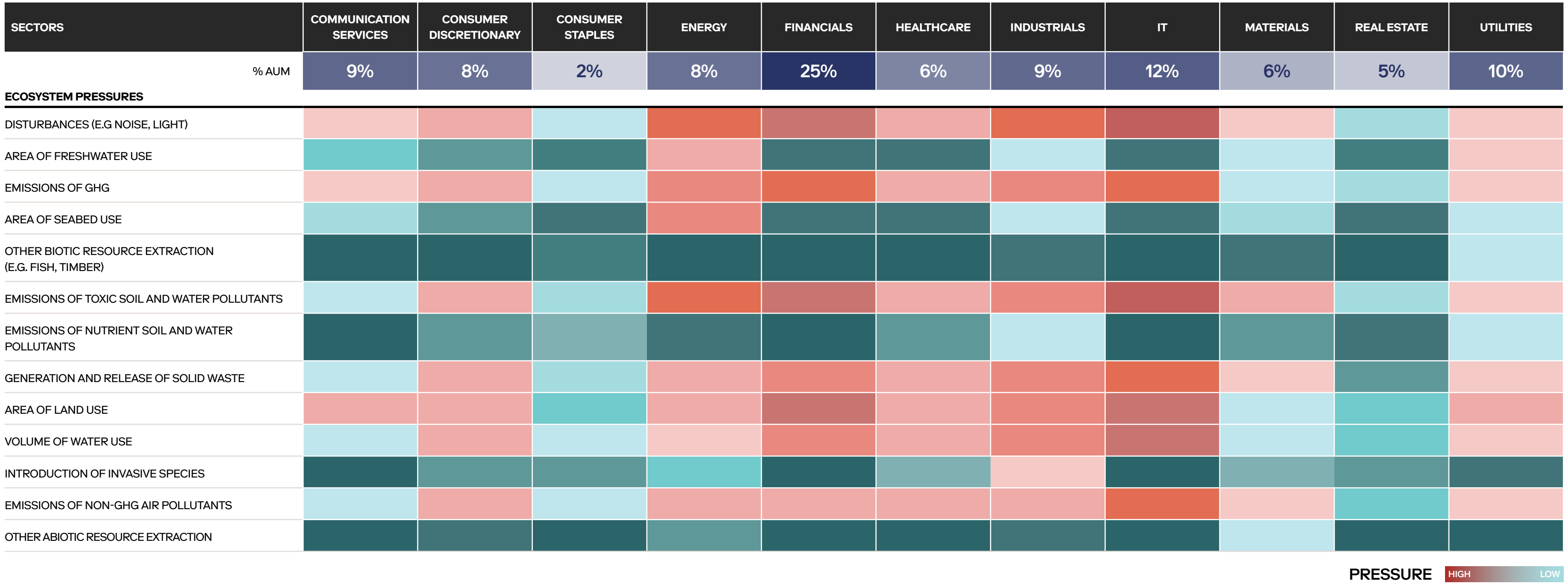
Electric utilities is the most material single source of dependency. Power-generation infrastructure relies on a range of ecosystem services simultaneously, including biomass provisioning for bioenergy, water-flow regulation and flood mitigation for hydropower and cooling, and broader catchment stability to maintain supply consistency.

NATURAL-CAPITAL HEATMAP SHOWING RELATIVE EXPOSURE TO DEPENDENCIES ACROSS THE NBEL PORTFOLIO[7]



6. ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) is a free online tool that helps organisations explore their exposure to nature-related risk and take the first steps to understand their dependencies and impacts on nature. ENCORE sets out how the economy – sectors, sub-sectors, and activities – depends and impacts on nature. The ENCORE tool is maintained and continuously improved by Global Canopy, UNEP FI and UNEP-WCMC, who together form the ENCORE Partnership, which was previously known as The Natural Capital Finance Alliance (NCFA).
7. This assessment covers corporate holdings for which sufficient data are available and excludes look-through exposure to funds and ETFs held in the portfolio.

NATURAL-CAPITAL HEATMAP SHOWING RELATIVE EXPOSURE TO PRESSURES ACROSS THE NBEL PORTFOLIO[8]



As physical climate pressures on water availability increase, these dependencies carry growing operational relevance. Semiconductors also carries high dependency and is driven by water supply and purification. Chip manufacturing is one of the most water-intensive industrial processes, with a single fabrication plant capable of consuming as much water as a small city. The sector's expansion into increasingly water-stressed geographies has made this a more visible supply-chain risk in recent years.

Pharmaceuticals features prominently, with water purification and supply as key drivers alongside research and scientific services, reflecting both the water intensity of drug manufacturing and the sector's broader reliance on biodiversity and natural compounds as inputs to drug development. Multi-utilities mirrors the electric utilities picture, with biomass provisioning, water purification and rainfall regulation all contributing. Integrated oil and gas is notable for its dependency on flood mitigation and climate-regulation services, reflecting the exposure of extraction and processing infrastructure to physical climate and ecosystem disruption.

Where the NBEL Portfolio Has the Largest Pressure Footprint

Utilities, financials, energy and materials account for the largest share of aggregate pressure, with information technology also contributing. The dominant pressure attributes across the portfolio are disturbances (noise and light pollution), toxic emissions to soil and water, land use, freshwater use, and GHG emissions, a profile that reflects the physical and chemical footprint of infrastructure-heavy industries operating at scale.

Electric utilities is again the most significant sub-industry on the pressure side, with disturbances, freshwater use and biotic-resource extraction as the primary drivers. Power-generation infrastructure—whether thermal, nuclear or large-scale renewable—occupies significant land, consumes large volumes of water, and creates meaningful disturbance to surrounding ecosystems. This dual presence at the top of both dependency and pressure rankings makes the utilities sector a particularly important area of focus for nature-related engagement in this portfolio.

Diversified banks feature prominently on pressure, driven by disturbances, GHG emissions and toxic emissions. As with the firmwide portfolio, this largely reflects the amplifying effect of a large AUM allocation to the financials sector on moderate per-unit scores, which is a useful reminder that aggregate nature risk is a product of both exposure intensity and position size. Semiconductors scores highly on toxic emissions and solid-waste generation alongside its already-noted water pressures, confirming its position as a high-combined-risk sub-industry across both dimensions.

Integrated oil and gas, and oil and gas storage and transportation, contribute through disturbances, GHG emissions and toxic emissions, reflecting the broad environmental footprint of extraction, processing and pipeline infrastructure. Specialty chemicals scores highly on toxic soil and water emissions, which is closely tied to the chemical-intensive nature of production processes.

For more information about this tool, please refer to page 10 in our global TCFD report.

8. This assessment covers corporate holdings for which sufficient data are available and excludes look-through exposure to funds and ETFs held in the portfolio.

Governance and Risk Management

OVERSIGHT AND MANAGEMENT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES

BOARD OVERSIGHT

The NBEL Board of Directors currently consists of six members, four of whom also sit on our group-level Operating and/or Partnership Committees.

As a subset of all enterprise-wide risks, the Board oversees climate-related enterprise risk and reviews NBEL's approach to climate-related risks and opportunities. This oversight is carried out through several governance mechanisms, including reporting by the EMEA ESG Product Committee to the EMEA Product Governance Committee (which reports directly to the NBEL Board) and senior NBEL employees. The Board receives regular updates on the wider Neuberger Global ESG regulatory programme. The Head of Europe Sustainable Investing provides updates to the Board on the TCFD requirements, climate risks and opportunities, as well as an overview of the Stewardship and Sustainable Investing Advisory Council meetings and their findings.

NBEL directors receive training on Director's Duties and Liabilities, Senior Managers & Certification Regime, Internal Capital Adequacy and Risk Assessment (ICARA), and climate-related topics and/or issues.

Where relevant and appropriate, senior management has integrated financially material environmental, social and governance risk factors and climate-related risks into day-to-day operations at NBEL, including into budget, overall strategy, capital management, risk management, and other matters that the Board oversees, and this is reflected in the materials that are provided to the Board.

On an annual basis, the Neuberger Stewardship and Sustainable Investing Group presents the Stewardship and Sustainable Investing Strategy to the Board and NBEL CEO. The Stewardship and Sustainable Investing Strategy is an internal Neuberger document outlining Neuberger's environmental, social and governance priorities for the year ahead to relevant internal stakeholders and includes an update on NBAMIL's commitment to the Net Zero Asset Managers Initiative.

MANAGEMENT RESPONSIBILITY

Senior management is responsible for overseeing NBEL's operations, risk department and investment professionals. As a subset of overall management of NBEL, senior management also oversees climate-related risks and opportunities. The Board are updated on climate-related risks and opportunities considered material by the following NBEL subject-matter experts: the Global Head of Stewardship and Sustainable Investing, the Head of Europe Sustainable Investing, Head of Investment Risk, the Sustainable Investing Policy and Regulation Lead, and EMEA Counsel. The NBEL CEO is invited to attend the Stewardship and Sustainable Investing Advisory Council, which was established in 2021 and currently consists of six industry experts, including three members with experience in climate non-profits, academia and investing.

The Head of Europe Sustainable Investing is responsible for ensuring appropriate climate expertise and analytical capabilities are in place to support portfolio managers and research analysts in understanding the potential implications of climate change for security analysis and portfolio construction.

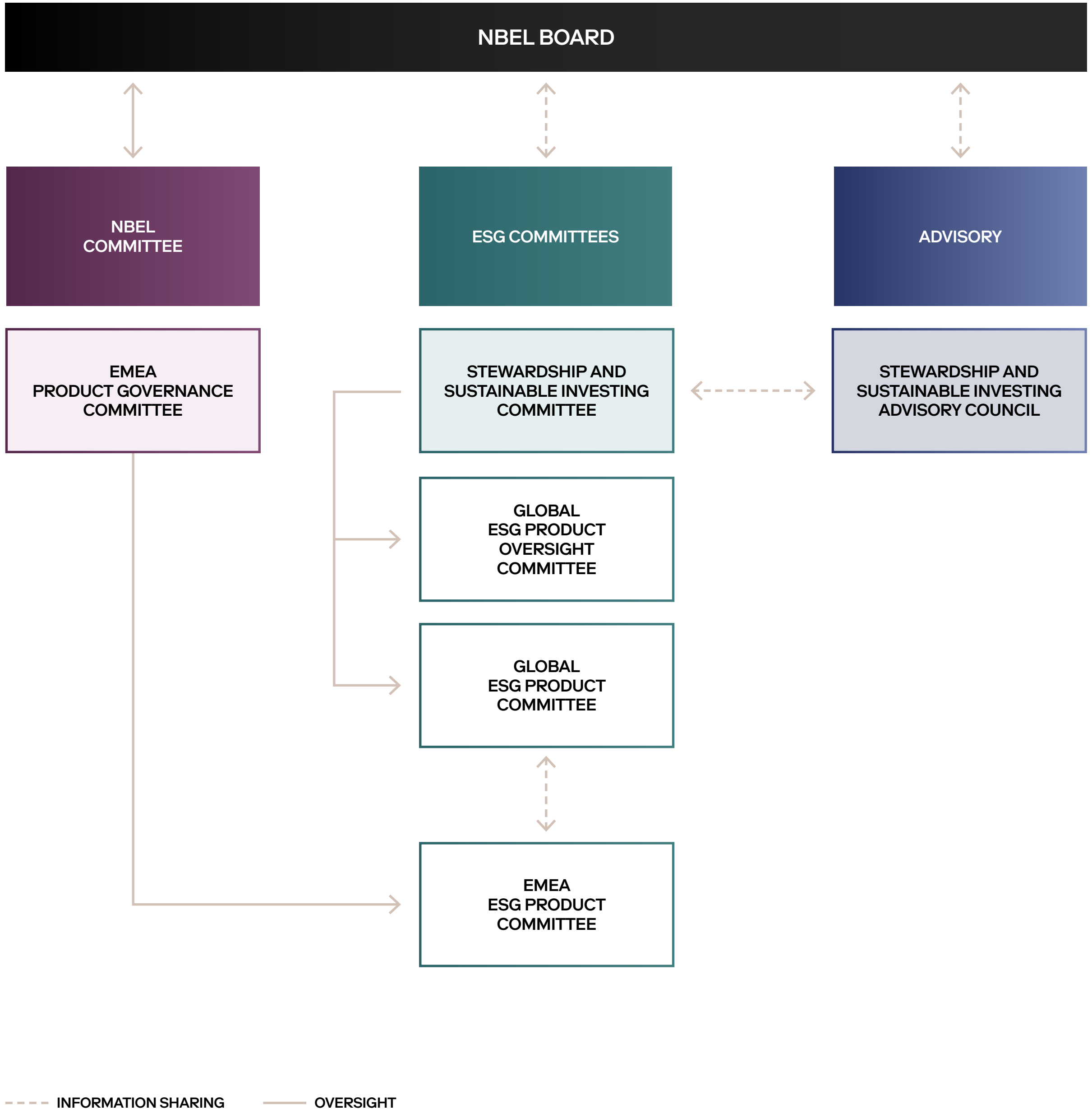
Neuberger Berman Europe Limited Committees

The committees that oversee and guide our initiatives are predominantly global in scope, encompassing and addressing the needs of NBEL alongside our broader organisational objectives. In this section, we specifically highlight the unique committee that is dedicated to NBEL, distinguishing it from our comprehensive global framework. For detailed insights into our global committees and their overarching environmental, social and governance strategies, please refer to page 36 in our global TCFD report.

EMEA ESG Product Committee

The EMEA ESG Product Committee is chaired by the Head of Product Strategy EMEA & APAC. It includes the Head of Europe Sustainable Investing, Head of Investment Risk EMEA and Asia, EMEA Counsel and other senior employees. The EMEA ESG Product Committee is responsible for the approval of Sustainable Finance Disclosure Regulation (SFDR) classifications for products launched or being marketed in EMEA, consideration of climate risks and opportunities, UK stewardship-related matters, and third-party European ESG-product labelling. The EMEA ESG Product Committee reports to the EMEA Product Governance Committee, which reports directly to the NBEL Board.

NBEL's approach to considering climate risks and opportunities is consistent across Neuberger and guides our decision-making and engagement process, including in respect of decisions over the affiliates to which we delegate and third parties outside Neuberger on which we rely as service providers. We recognise the risks of climate change to NBEL's business strategy, financial planning and operations, which determines how we design investment solutions in response to client demand, choose our facilities, and access capital.



RISK MANAGEMENT

Neuberger, including NBEL, focuses on identifying and managing risks to our clients, risk to our portfolios, and risk to our reputation. Our overall risk-management structure operates under a 'three lines of defence' model:

First Line: Business management (investment teams, CIOs, COOs, etc) personnel are responsible for the identification and mitigation of risks, as well as taking the lead with respect to implementing and maintaining appropriate controls.

Second Line: The control oversight functions within the Risk, Legal & Compliance groups that oversee investment, operational and counterparty risks, as well as compliance with guidelines and regulatory/legal requirements. We also have a Stewardship and Sustainable Investing Group, which is responsible for providing guidance on environmental, social and governance matters, including climate risk.

Third Line: Independent assurance by the Internal Audit Group, which is independent of any business or operational responsibilities and reports to the Neuberger Group Audit Committee.

More information about how we assess and manage climate risks and opportunities can be found on page 38 in our global TCFD report.

Relevant Policies

We have a number of policies that are designed to meet client climate and sustainability objectives and comply with regulations in specific jurisdictions. For more information about the avoidance policies we may apply, please refer to page 39 in our global TCFD report.

Operations

ASSESSING AND MANAGING CLIMATE RISKS AND OPPORTUNITIES IN OUR BUSINESS

In addition to investment portfolios, we are aware that climate change may also impact NBEL's own business strategy. Indeed, we may have to change how we design investment solutions in response to client demand, how we choose our facilities and how we access capital.

OPERATIONAL RISK & BUSINESS CONTINUITY

To embed our proprietary climate tools into our research, our Business Risk team operates across the firm to minimise operational risk and ensure business continuity. Our London office, which is NBEL's headquarters, has dedicated operational-risk professionals. For more information about our firmwide approach, please refer to page 42 in our global TCFD report.

Considering Climate Risks in Operations

We actively seek to identify and monitor potential operational exposures to climate-related physical risks and are aware that NBEL's facilities, data centres and key locations may be at risk. For example, NBEL's headquarters in London could be vulnerable to river flooding. We consider climate risks in operations at the firm level through top-down climate modelling and proxy data.

OPERATIONAL EMISSIONS

We employ several metrics across our own operations to track progress against our climate strategy and ensure we are managing financially material risks associated with climate. We partner with a sophisticated carbon platform to measure Scope 1, 2 and operational Scope 3 emissions across our offices globally.

In 2025, we expanded the scope of our operational emissions measurement to include Scope 3.1 emissions (Purchased Goods and Services) at group level, strengthening our understanding of upstream value-chain impacts.

We recognise that our own operational carbon footprint could subject us to transition risks. Both our clients and our employees expect NBEL to be prepared for these scenarios, and we have taken steps to minimise our exposure in this regard by carefully considering energy efficiency and other sustainability metrics when selecting buildings for our offices. NBEL's London headquarters is certified by BREEAM, a UK-based certification for sustainable buildings.

OFFSETTING OUR OPERATIONAL EMISSIONS

We are committed to addressing our operational emissions in line with wider efforts to achieve global net-zero emissions by 2050. Neuberger has achieved net-zero operational emissions for our Scope 1 and Scope 2 GHG emissions, and carbon neutrality for our Scope 3 Category 6 (business travel) emissions.

To address our Scope 1 emissions, we sourced high-quality carbon-removal credits from Indigo Ag's Soil Carbon Program, which supports farmers in adopting regenerative agricultural practices that sequester carbon directly into the soil. For our Scope 2 emissions, we procured renewable energy certificates (RECs) matched to our global electricity consumption, supporting the transition to clean energy across our operating locations. To offset our Scope 3 business-travel emissions, we purchased avoided-emissions credits from the Ascend N_2O Abatement Project, which tackles a core superpollutant.

ENVIRONMENTAL METRICS ACROSS NBEL'S BUSINESS OPERATIONS

INDICATOR	2022	2023	2024	2025
Scope 1 & 2 NBEL (mtCO_2e)	**170**	**338**	**312**	**332**
Scope 1 NBEL	37	76	15	80
Scope 2 NBEL	133	262	297	252
Scope 3 Global Operational Emissions[9] (mtCO_2e)	**11,286**	**18,400[10]**	**20,081**	**36,895**
3.1 Purchased goods and services[11]	-	-	-	18,285
3.3 Fuel and energy-related categories	1,494	1,443	924	1,085
3.5 Waste generated in operations	233	216	234	243
3.6 Business travel	6,689	14,059[12,13]	15,396	13,330
3.7 Employee commuting	2,862	2,677	3,526	3,927
3.8 Upstream leased assets	8.3	5.3	1	25

Above, we have reported our NBEL emissions for Scope 1 and 2. We have reported on NBEL's business operations: (i) that are material to Neuberger as a financial institution; and (ii) where we had access to sufficiently robust data within the reporting period.

9. Scope 3 emissions for NBEL are not included as the available data (e.g., for employee business travel) cannot be accurately attributed to NBEL. As a result, we are unable to provide an accurate figure for NBEL at this time and have elected to report Scope 3 emissions at the global firm level where data is sufficiently robust for disclosure.
10. Total Scope 3 emissions for 2023 have been restated from 27,668 to 18,400 to reflect the restated Scope 3.6 business-travel emissions.
11. In 2025, we expanded the scope of our operational emissions measurement to include Scope 3.1 emissions (Purchased Goods and Services), strengthening our understanding of upstream value-chain impacts.
12. Between 2022 and 2023, our firm's business-travel emissions increased significantly as travel activities returned to pre-COVID 19 levels.
13. Scope 3.6 business-travel emissions for 2023 have been restated from 23,236 to 14,059.

Indigo Ag

Indigo Ag operates a platform focused on measuring and verifying soil carbon outcomes. Since 2018, its programme has reported over two million metric tonnes of CO_2e reductions or removals across US croplands, with payments made to participating farmers.

Ascend N_2O Abatement

This project at Ascend Performance Materials' adipic acid facility in Florida targets the reduction of nitrous oxide (N_2O) emissions through upgrades to an existing Thermal Reduction Unit. Emissions are reduced via high-temperature destruction of N_2O at the point of generation. The project operates under the Climate Action Reserve protocol, with monitoring and third-party verification in place, and ongoing performance depends on operational effectiveness.

COMPLIANCE STATEMENT

The disclosures in this report comply with the requirements set out in Chapter 2 of the ESG Sourcebook, which forms part of the FCA Handbook.

Matthew Malloy, NBEL CEO

DISCLAIMER

Gaps in Underlying Data and Methodological Challenges

Across the industry, carbon emissions and climate-risk data face limitations, including—but not limited to—lack of standardisation of data reported and data aggregation methodologies, gaps in data coverage for private and emerging markets, time-lags in reported data, and reliance on estimates by third-party ESG data vendors.

We have taken specific steps to mitigate these limitations, including—but not limited to—utilising third-party data and proxy data along with internal research; developing a proprietary ESG rating (the NB ESG Quotient), which supplements third-party data with internally generated research and knowledge; developing a Net-Zero Alignment Indicator; engaging directly with issuers and policymakers to advocate for greater standardised disclosures; developing an internal climate physical-risk assessment; and engaging our third-party ESG data vendors on improving data coverage.

For certain asset classes adequate, reliable and/or verifiable data coverage was not available to Neuberger to meet the TCFD reporting standards and these asset classes were thus excluded.

They include:

- **Private markets:** Private-markets funds currently face challenges that inhibit our ability to disclose carbon emissions and related risks specifically in relation to such funds. Currently, we request portfolio-company metrics of general partners (GPs) across private-equity primaries, co-investments and select secondaries on a look-through basis. However, we have received a low response rate for such metrics. Overall, portfolio-company-level data of primaries and secondaries tends to be inconsistent across both data coverage and frequency of reporting. Specifically for secondaries, obtaining data on a look-through basis is even more challenging where our private-markets funds are a secondary buyer of private-equity-fund positions. In response, our private-markets funds have developed a methodology for estimating the carbon footprint of such funds' investments (limited to certain direct and primary fund investments). However, we continue to request and encourage the disclosure of actual data as we believe that the available estimated data may be limited in its accuracy and application to the full portfolio.
- **Senior Floating Rate Loans (including CLOs), Municipals, Currency and Cash Management:** For these asset classes, Climate Value-at-Risk (CVaR) and carbon metrics are generally not made available by our data vendors, so we were unable to generate TCFD metrics for dedicated strategies for these asset classes.
- **Alternatives:** Our key public-markets alternatives strategies include hedge funds, options, commodities, diversified real assets and long/short real estate. For these asset classes CVaR or carbon metrics are also not made available by our data vendors. However, where such strategies hold substantial equity and fixed-income assets, they have been included in our TCFD reporting.

Where proxied emissions data has been used, we have relied on third parties to gather this data. While we use best efforts to ensure the accuracy of the data reported, we cannot verify third-party data.

All information is as of 31 December 2025 unless otherwise indicated. The measuring and reporting of climate data and metrics inevitably involves a degree of estimation. Neuberger is committed to improving its climate reporting and to ensuring that it reports in line with internationally recognised standards. This means that our reported climate metrics may be subject to re-calculation as data quality, calculation or aggregation methodologies, and/or disclosure improve over time, particularly with respect to Scope 3 emissions. In exceptional circumstances, we may publish restatements. Whether a restatement will be published will be assessed on a case-by-case basis, focusing on circumstances where an error has been identified that, in our subjective analysis, is likely to have a material impact on the total emissions figure reported. This assessment will be guided by external reporting standards and available guidance.

In the United Kingdom and outside the European Economic Area (EEA): This document is issued by Neuberger Berman Europe Limited, which is authorised and regulated by the Financial Conduct Authority and is registered in England and Wales at The Zig Zag Building, 70 Victoria Street, London SW1E 6SQ. Neuberger Berman Europe Limited is also a registered investment adviser with the Securities and Exchange Commission in the US. The Dubai branch is regulated by the Dubai Financial Services Authority in the Dubai International Financial Centre.

In the EEA: This is issued by Neuberger Berman Asset Management Ireland Limited, which is regulated by the Central Bank of Ireland and is registered in Ireland at 2 Central Plaza, Dame Street, Dublin D02 T0X4.

This material is provided for informational purposes only and nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell or hold a security. This material is also not intended to be a research report and should not be relied upon as a basis for making any investment decision. Information is obtained from sources deemed reliable but there is no representation or warranty as to its accuracy, completeness or reliability. All information is current as of the date of this material and is subject to change without notice. Any views or opinions expressed may not reflect those of the firm as a whole. Neuberger products and services may not be available in all jurisdictions or to all client types. Investing entails risks, including possible loss of principal. Investments in hedge funds and private equity are speculative and involve a higher degree of risk than more traditional investments. Investments in hedge funds and private equity are intended for sophisticated investors only. Indexes are unmanaged and are not available for direct investment. **Past performance is no guarantee of future results.**

NEUBERGER

The Zig Zag Building
70 Victoria Street,
London, SW1E 6SQ
United Kingdom

www.neuberger.com