

# Neuberger Berman

## Global Sustainable Equity Fund – Class W

NEUBERGER BERMAN

ARSN 641 099 738 | APIR Code NBA2220AU

### Product Disclosure Statement

1 August 2024

#### About this PDS

This Product Disclosure Statement ("PDS") has been prepared and issued by **Neuberger Berman Australia Ltd** ("**Neuberger Berman Australia**", "**we**", "**us**" or the "**Responsible Entity**") and is a summary of the significant information relating to an investment in the Neuberger Berman Global Sustainable Equity Fund (the "**Fund**"). It contains a number of references to important information (including a glossary of terms) contained in the Neuberger Berman Funds Reference Guide ("Reference Guide"), which forms part of this PDS. This PDS relates to the class of interests known as the Neuberger Berman Global Sustainable Equity Fund – Class W ("**Class W**"). The Responsible Entity has issued other classes of interests in the Fund which differ, and may in the future issue further classes of interests in the Fund. You should carefully read and consider both the information in this PDS, and the information in the Reference Guide, before making a decision about investing in the Fund.

The information provided in this PDS is general information only and does not take account of your personal objectives, financial situation or needs. You should obtain financial and taxation advice tailored to your personal circumstances and consider whether investing in the Fund is appropriate for you in light of those circumstances.

The offer to which this PDS relates is only available to persons receiving this PDS (electronically or otherwise) in Australia.

This PDS does not constitute a direct or indirect offer of securities in the United States ("**U.S.**") or to any U.S. Person as defined in Regulation S under the U.S. Securities Act of 1933 as amended ("**U.S. Securities Act**"). We may vary this position and offers may be accepted on merit at our discretion. The units in the Fund have not been, and will not be, registered under the U.S. Securities Act unless otherwise approved by the Responsible Entity and may not be offered or sold in the U.S. to, or for, the account of any U.S. Person (as defined in the Reference Guide) except in a transaction that is exempt from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

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#### The Reference Guide

Throughout the PDS, there are references to additional information contained in the **Reference Guide**. You can obtain a copy of the PDS and the **Reference Guide**, free of charge, by calling us on +61 3 9649 0910 or going to <https://www.nb.com/NBFunds-AU>.

The information contained in the **Reference Guide** may change between the day you receive this PDS and the day you acquire the product. You must, therefore, ensure that you have read the **Reference Guide** current as at the date of your application.

#### Updated information

Information in this PDS is subject to change. We will notify you of any changes that have a materially adverse impact on you. Any changes to the information that are not materially adverse to you may be published updated on our website at <https://www.nb.com/NBFunds-AU>. To find out about any updated information not contained in this PDS, please contact your IDPS Operator (for Indirect Investors) or your financial adviser, or call us on +61 3 9649 0910 or go to <https://www.nb.com/NBFunds-AU>. A paper copy of the updated information will be provided free of charge on request.

#### Responsible Entity

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Melbourne VIC 3000  
Phone: +61 3 9649 0910  
Fax: +61 3 9923 6672

#### Custodian & Fund Administrator

J.P. Morgan Chase Bank N.A (Sydney Branch)  
ABN 43 074 112 011, AFSL 238367  
Level 18 J.P. Morgan House  
85 Castlereagh Street, Sydney NSW 2000  
Phone: +61 2 9003 8888  
[www.jpmorgan.com.au](http://www.jpmorgan.com.au)

#### Unit Registry

Link Market Services Limited  
ABN 54 083 214 537  
Level 12, 680 George Street  
Sydney NSW 2000  
Phone: +61 2 8280 7100  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

# 1. About Neuberger Berman

## Responsible Entity

Neuberger Berman Australia Ltd ("**Neuberger Berman Australia**", "**we**", "**us**" or the "**Responsible Entity**") is:

- the responsible entity of the Neuberger Berman Global Sustainable Equity Fund (the "**Fund**"); and
- the issuer of units in the Fund and this PDS.

Neuberger Berman Australia is a wholly owned subsidiary of Neuberger Berman Group LLC (referred to in this PDS, together with its subsidiaries and affiliates, including Neuberger Berman Australia and the Investment Manager, as "**Neuberger Berman**").

Founded in 1939, Neuberger Berman is a private, independent, employee-owned global asset management firm with a primary objective: to deliver compelling investment results for its clients over the long term. From offices in 39 cities globally, and with more than 700 investment professionals and over 2,800 employees in total, Neuberger Berman takes an active approach to the management of equity, fixed income, private equity and debt, hedge fund and quantitative strategies, along with the multi-asset class portfolios that bring them together. As of 30 June 2024, institutions, advisors, families and individuals around the world have entrusted Neuberger Berman with US\$481 billion of their assets.

Neuberger Berman has a long-standing belief that material environmental, social and governance ("**ESG**") factors are an important driver of long-term investment returns from both an opportunity and a risk-mitigation perspective. It integrates ESG considerations across its investment platform and offers a range of solutions to meet investor objectives.

Neuberger Berman Australia's responsibilities and obligations as the Fund's responsible entity are governed by the Fund's constitution ("**Constitution**"), the Corporations Act 2001 (Cth) ("**Corporations Act**") and general trust law. It has appointed Neuberger Berman Asset Management Ireland Limited ("**Investment Manager**") to manage the investments of the Fund. It has also appointed JPMorgan Chase Bank, N.A., Sydney Branch (ABN 43 074 112 011) as the custodian ("**Custodian**") and the administrator ("**Administrator**") for the Fund.

## Investment Manager

The Investment Manager is a private limited liability company, incorporated under the laws of Ireland, which maintains a branch in the Netherlands in which the investment team responsible for managing Neuberger Berman's Global Sustainable Equity strategy (the "**Investment Team**") is based.

As at 30 June 2024, the highly experienced Investment Team comprises 3 portfolio managers and 4 dedicated research analysts, collectively averaging 20+ years' experience, and is supported by Neuberger Berman's:

- Global Equity Research Department, comprising 45 senior research analysts with 17 years' average experience; and
- ESG Investing Team, comprising 26 full-time professionals, (together the "**GSE Team**").

# 2. How the Neuberger Berman Global Sustainable Equity Fund works

The Fund is a managed investment scheme governed by the Constitution and is registered (ARSN 641 099 738) with the Australian Securities and Investments Commission ("**ASIC**").

The registered name of the Fund is "AUT/Neuberger Berman Global Sustainable Equity Fund". However, for the purposes of this PDS and any material prepared and published for use with investors, the Fund is referred to as "Neuberger Berman Global Sustainable Equity Fund".

When you invest in the Fund, your investment is pooled with investments from other investors and then used to acquire assets for the Fund to be managed by us in accordance with the Fund's investment strategy on behalf of all investors. In general, each unit represents a proportional beneficial interest in the assets of the Fund subject to liabilities; however, it does not give investors an interest in any particular asset of the Fund and we retain control over the Fund's assets, management and operation on your behalf.

## Investors

We authorise the use of this PDS as disclosure for both investors investing directly in the Fund ("**Direct Investors**") and investors accessing the Fund indirectly ("**Indirect Investors**") through an investor directed portfolio service,

IDPS-like scheme (commonly known as a master trust or wrap account), a nominee or custody service or any other trading platform authorized by the Responsible Entity (collectively referred to in this PDS as an "IDPS").

A Direct Investor receives units in the Fund when he/she invests and becomes a unitholder in the Fund.

An Indirect Investor does not become a unitholder in the Fund. The operator or custodian of the IDPS ("**IDPS Operator**") will be the unitholder entered in the Fund's register and will be the only person who is able to exercise the rights and receive the benefits of a unitholder. Please direct any queries and requests relating to your investment to your IDPS Operator.

"You" or "your" refers to Direct Investors (including IDPS Operators) and/or Indirect Investors in the Fund, as the context requires.

## Investments and withdrawals

### Direct Investors

#### Investments

You can acquire units in the Fund by completing the Application Form that accompanies this PDS. The minimum initial investment amount for the Fund is \$25,000.

Your completed and signed Application Form should be sent along with your customer identity verification documents (if applicable) to:

Neuberger Berman Australia Ltd  
C/- LINK Market Services Limited  
Locked Bag 5038  
Parramatta NSW 2124

Please pay the investment amount as instructed in the Application Form. Please also note that cash and cheques cannot be accepted.

We reserve the right to accept or reject applications in whole or in part at our discretion. We have the discretion to delay processing applications where we believe this to be in the best interest of the Fund's investors. The price at which units are acquired is determined in accordance with the Constitution ("**Application Price**"). The Application Price on a Business Day is, in general terms, equal to the Net Asset Value ("**NAV**") of the Fund, divided by the number of units on issue and adjusted for transaction costs ("**Buy Spread**"). At the date of this PDS, the Buy Spread is 0.10%. The Application Price will vary as the market value of assets in the Fund rises or falls.

#### Making additional investments

You can make additional investments into the Fund at any time by sending your additional investment amount together with a completed Application Form to:

Neuberger Berman Australia Ltd  
C/- LINK Market Services Limited  
Locked Bag 5038  
Parramatta NSW 2124

The minimum additional investment into the Fund is \$1,000.

#### Withdrawals

You can generally withdraw all or part of your investment in the Fund at any time by completing a written request to withdraw from the Fund and mailing it to:

Neuberger Berman Australia Ltd  
C/- LINK Market Services Limited  
Locked Bag 5038  
Parramatta NSW 2124

The minimum withdrawal amount is \$1,000. Once we receive and accept your withdrawal request, we may act on your instruction without further enquiry if the instruction bears your account number or investor details and your (apparent) signature(s), or your authorised signatory's (apparent) signature(s).

We will generally remit your withdrawal proceeds to your nominated bank account in Australia within 7 Business Days of acceptance of a withdrawal request. However, we are allowed to reject withdrawal requests, and also to make payment up to 30 Business Days after acceptance of a request (which may be extended in certain circumstances), as outlined in the Constitution and Reference Guide. The price at which units are withdrawn is determined in accordance with the Constitution ("**Withdrawal Price**"). The Withdrawal Price on a Business Day is, in general terms, equal to the NAV of the Fund, divided by the number of units on issue and adjusted for transaction costs ("**Sell Spread**"). At the date of this PDS, the Sell Spread is 0.10%. The Withdrawal Price will vary as the market value of assets in the Fund rises or falls.

We reserve the right to accept or reject withdrawal requests in whole or in part at our discretion. We also reserve the right to redeem your investment fully if your investment balance in the Fund falls below \$25,000 as a result of processing your withdrawal request.

In certain circumstances, for example, when there is a freeze on withdrawals; where accepting a withdrawal is not in the best interests of investors in the Fund, including due to one or more circumstances outside its control; or, where the Fund is not liquid (as defined in the Corporations Act), we can deny or suspend a withdrawal request and you may not be able to withdraw your funds in the usual processing times or at all. When the Fund is not liquid, an investor can only withdraw when we make a withdrawal offer to investors in accordance with the Corporations Act. We are not obliged to make such offers.

#### Indirect Investors

You can invest in or withdraw from the Fund by directing your IDPS Operator to lodge an investment application or withdrawal request, as applicable, with us. Please refer to your IDPS Operator for the details and terms of that IDPS relating to, among other things, investments and withdrawals.

#### Distributions

An investor's share of any distributable income is calculated in accordance with the Constitution and is generally based on the number of units held by the investor at the end of the distribution period.

The Fund usually distributes income annually at the end of June, however, we may change the distribution frequency without notice. Distributions are calculated effective the last day of each distribution period and are normally paid to investors as soon as practicable after the distribution calculation date.

#### Direct Investors

You can choose to have your distributions:

- reinvested in the Fund; or
- directly credited to your nominated bank account in Australia.

If you do not indicate a preference or if we are unable to credit to your nominated bank account, your distributions will be automatically reinvested in the Fund. Applications for reinvestment will be taken to be received immediately prior to the next Business Day after the relevant distribution period. There is no Buy Spread on distributions that are reinvested. In some circumstances, the Constitution may allow for an investor's withdrawal proceeds to be taken to include a component of distributable income.

#### Indirect Investors

You should review your IDPS Guide for information on how and when they receive any income distribution.

#### Value of your investment

When you invest, you will be allotted units in the Fund. The value of your investment in the Fund will vary as the Fund's daily unit price changes to reflect increases or decreases in the market value of the Fund's assets.

#### Additional information

If and when the Fund has 100 or more direct investors, it will be classified by the Corporations Act as a 'disclosing entity'. As a disclosing entity, the Fund will be subject to regular reporting and disclosure obligations. You will then have a right to obtain a copy, free of charge, of any of the following documents:

- the most recent annual financial report lodged with ASIC ("Annual Report");
- any subsequent half yearly financial report lodged with ASIC after the lodgment of the Annual Report; and
- any continuous disclosure notices lodged with ASIC after the Annual Report but before the date of this PDS.

We will comply with any continuous disclosure obligation by lodging documents with ASIC as and when required. Copies of these documents lodged with ASIC in relation to the Fund may be obtained from ASIC through ASIC's website.

#### Further reading

You should read the important information in the **Reference Guide** (available at <https://www.nb.com/NBFunds-AU>) about: *Application cut-off times; Application terms; Authorised signatories; Reports; Withdrawal cut-off times; Withdrawal terms; and Withdrawal restrictions*, under the "Investing in the Neuberger Berman Funds", "Managing your investment" and "Withdrawing your investment" sections before making a decision. The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

## 3. Benefits of investing in the Fund

The Fund is a long only, actively managed, concentrated, but diversified portfolio of global equity holdings that contribute to both environmental and social objectives. In pursuing the Fund's investment objective, the Investment Team takes appropriate measures to ensure that (i) the Fund's investments do not significantly harm any of the environmental and/or social objectives; and (ii) that companies in which the Fund invests follow good governance practices. An investment in the Fund offers a range of benefits, including:

- Exposure to a "best ideas", high conviction, concentrated portfolio of 40-60 quality global companies.
- Access to a highly experienced Investment Team in active global equities, comprising 7 dedicated investment professionals, of which the 3 portfolio managers average over 27 years' experience.
- Support from Neuberger Berman's Global Equity Research Department, comprising over 45 senior research analysts with 17 years' average experience, and Neuberger Berman's dedicated ESG Team, comprising 26 full-time professionals.

## 4. Risks of managed investment schemes

All investments carry risks. Different investment strategies may carry different levels of risk, depending on the assets acquired under the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk. The significant risks below should be considered in light of your risk profile when deciding whether to invest in the Fund. Your risk profile will vary depending on a range of factors, including your age, the investment time frame (how long you wish to invest for), your other investments or assets and your risk tolerance.

The Responsible Entity does not guarantee the liquidity of the Fund's investments, repayment of capital or any rate of return or the Fund's investment performance. The value of the Fund's investments will vary. Returns are not guaranteed and you may lose money by investing in the Fund. The level of returns will vary and future returns may differ from past returns. Laws affecting managed investment schemes may change in the future. The structure and administration of the Fund is also subject to change.

In addition, we do not offer advice that takes into account your personal financial situation, including advice about whether the Fund is suitable for your circumstances. If you require personal financial or taxation advice, you should contact a licensed financial adviser and/or taxation adviser.

#### Sustainable investment style risk

The Fund's application of ESG criteria is designed and utilised to help identify companies that demonstrate the potential to create economic value or reduce risk; however, as with the use of any investment criteria in selecting a portfolio, there is no guarantee that the criteria used by the Fund will result in the selection of issuers or securities that will outperform other issuers or securities, or help to reduce risk in the Fund. The implementation of the Fund's ESG criteria could also affect the Fund's exposure to certain sectors or industries, and could impact the Fund's investment performance depending on whether the ESG criteria applied are ultimately reflected in the market.

The ESG criteria considered by the Investment Manager may result in forgoing opportunities to buy certain securities when it might otherwise be advantageous to do so and/or selling securities due to their sustainable characteristics when it might not be advantageous to do so. As such, the application of ESG criteria may restrict the ability to acquire or dispose of investments at a price and time that the Investment Manager wish to do so and may therefore result in a loss to the Fund.

Information used to evaluate the Fund's application of ESG factors, like other factors used to identify companies in which to invest, may not be readily available, complete, or accurate, which could negatively impact the Fund's performance or create additional risk in the Fund.



Under Australian law, there is no prescribed ESG evaluation methodology and the way in which different funds will apply ESG criteria may vary, as there are not yet commonly agreed principles and metrics for assessing the sustainable characteristics of investments of ESG funds. The lack of a prescribed or agreed ESG evaluation methodology may also affect the Investment Manager's ability to measure and assess the environmental and social impact of a potential investment for the Fund in a similar way to its peers.

The Fund also relies, in part, on third party data in relation to the adherence of a company to relevant ESG criteria. If the data is not correct, the Fund may inadvertently invest in companies that do not fully meet the criteria set out in this PDS.

### Market risk

The market price of investments may go up or down, sometimes rapidly or unpredictably. Assets may decline in value due to factors affecting markets generally or particular industries represented in the markets. The value of an investment may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, supply and demand for particular securities or instruments, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. During a general market downturn, multiple asset classes may decline in value simultaneously. Further, changes in tax, legal and economic policy, political events and technology failure can all directly or indirectly create an environment that may influence the value of the investments of the Fund, and your investment in them.

### International investing risk

The Fund will hold investments in global securities. Certain countries may impose restrictions on the ability of locally domiciled companies to make payments of principal, dividends or interest to investors located outside the country, due to blockage of foreign currency exchanges or otherwise. Generally, there may be less publicly available information about foreign companies due to less rigorous disclosure or accounting standards and regulatory practices. In addition, the Fund could be subject to risks associated with adverse political and economic developments in certain countries, which could cause the Fund to lose money on these investments.

### Emerging markets risk

Emerging markets are markets in certain countries which may not be as developed, efficient or liquid as Australian markets. Therefore, the value of securities in these markets may often be more volatile. Emerging markets risk is also caused by exposure to economic structures that are less diverse and mature, and to political systems that are less stable, than those of developed countries. In addition, issuers in emerging markets may experience a greater degree of change in earnings and business prospects than would companies in developed markets.

### Currency risk

The Fund may invest in securities denominated in currencies other than AUD. If these currencies change in value relative to the Australian dollar, the value of the investment can change. The Responsible Entity will not typically hedge currency risk to AUD.

### Security specific risk

There may be instances where a security will fall in price because of security specific factors (for example, where a company's major product is subject to a product recall). The value of investments can vary because of changes to management, product distribution or the company's business environment.

### Liquidity risk

There may be times when there may be a limited secondary market for the securities in which the Fund may invest and that may affect the ability of the Fund to realise investments or to meet withdrawal requests (for example, in a falling market where companies may become less liquid). Small-capitalisation companies tend to be less liquid than larger capitalisation companies. The Responsible Entity attempts to mitigate the liquidity risk factor by generally investing in securities that are believed to offer sufficient liquidity.

### Derivatives risk

Derivative market values can fluctuate significantly and, as a result, potential gains and losses can be magnified. Losses can occur where the value of the derivative fails to move in line with the underlying asset or where a greater exposure to a market is created through the derivative position that is backed by the assets of the Fund. Other risks applying to derivatives include counterparty risk and liquidity risk, or where the derivative position is difficult or costly to reverse. A counterparty may also be required to take collateral from the Fund's assets to support a derivatives contract. Therefore, there is a risk that if the counterparty becomes insolvent, the Fund's assets may not be returned in full.

### Counterparty risk

A loss may occur if the other party (counterparty) to a contract, including derivatives contracts, fails to meet its obligations under the contract. Counterparty risk arises primarily from "over-the-counter" transactions involving derivatives.

### Fund risk

Risks particular to the Fund include that it could terminate, the fees and expenses could change, the Responsible Entity could be replaced and the Investment Manager could change. There is also a risk that investing in the Fund may give different results than investing directly in the underlying assets of the Fund themselves because of income or capital gains accrued in the Fund and the consequences of investment and withdrawal by other investors.

### Investment Manager risk

The Investment Manager may not achieve the Fund's stated investment objectives and/or it may make investment decisions that result in under performance. Many factors can negatively impact an investment manager's ability to generate acceptable returns, including for example, loss of key staff.

### Regulatory risk

This is the risk that domestic or international laws or regulations are changed adversely or that regulatory supervision of transactions and reporting is performed by Neuberger Berman at less than an appropriate standard. The Responsible Entity aims to manage this risk by regularly and closely reviewing changes in the regulatory environment.

### Pandemic and other unforeseen event risk

Health crises, such as pandemic and epidemic diseases, as well as other catastrophes that interrupt the expected course of events, such as natural disasters, war or civil disturbance, acts of terrorism, power outages and other unforeseeable and external events, and the public response to or fear of such diseases or events, have and may in the future have an adverse effect on the economies and financial markets either in specific countries or worldwide and consequently on the value of the Fund's investments. Further, under such circumstances the operations, including functions such as trading and valuation, of Neuberger Berman and other service providers could be reduced, delayed, suspended or otherwise disrupted.

## 5. How we invest your money

**Warning:** When choosing to invest in the Fund, you should consider the likely investment returns, the risks of investing and your investment time frame.

### Investment objective

The Fund aims to achieve a minimum excess annualised return of 2% over the Benchmark before fees over a 3-5 year investment horizon.

### Benchmark

MSCI World Net Total Return Index (AUD) (before fees and taxes)

### Minimum suggested time frame

The minimum suggested investment time frame for the Fund is 5 years.

### Risk level

**SRM Risk band 6 – High**

(Please refer to the *Standard Risk Measure* description under the "Other important information" section of the **Reference Guide**.)

## Investor suitability

This Fund is likely to be appropriate for an investor seeking capital growth and where the investor has a minimum 5 year investment horizon, is higher risk in nature and can accept higher potential losses (e.g. has the ability to bear up to 6 negative returns over a 20 year period (SRM 6)) in order to target a higher target return profile.

## Investment approach, philosophy and process

The Investment Manager's high conviction investment approach will focus on corporate quality, as reflected in the economic business models as well as the material ESG merits of each holding in the Fund.

Its investment philosophy centres around the belief that 'quality' companies provide superior risk-return characteristics. Sustainability is a key driver of corporate quality as companies with a strong management of ESG factors will likely show better long-term investment returns from both an opportunity and a risk perspective. Companies that 'do no harm' to society, as reflected in activities and behaviour, adapt to change and focus on continuous improvement, are highly likely to hold on to their durable competitive position and will remain future winners. As a result, the Investment Team prefers companies that demonstrate a commitment to sustainability in their behaviour, operations, products, and services.

In seeking to achieve the Fund's investment objective, the Investment Manager will employ an investment process which focuses on in-depth, bottom-up, fundamental research with the aim of identifying high quality companies, which

(i) provide attractive sustainable products or services, (ii) demonstrate a commitment to sustainability in their operations, and (iii) are economically competitive, i.e. companies with resilient business models, are capable of maintaining high returns on invested capital and demonstrate durable growth. The process includes a financial screening, a sustainability screening and a materially focussed fundamental bottom-up financial/ESG analysis.

## Asset allocation

The Fund will adhere to the following asset allocation ranges:

- Equities: 90 – 100%
- Cash: 0 – 10%

If at any stage the actual asset allocation of the Fund varies from these limits it will be brought back within these ranges as soon as practical.

The Fund will invest primarily in equity and equity-linked securities issued by companies in any sector globally (including: common and preferred shares, rights and warrants to purchase common shares, convertible bonds convertible preferred shares and American, European and Global Depositary Receipts), which are listed or traded on various global exchanges and markets. The Fund will be managed subject to the following restrictions:

- Maximum deviation to a country relative to the Benchmark will not exceed 15% of the Fund's NAV.
- Maximum exposure to emerging markets will not exceed 10% of the Fund's NAV.
- The Fund will not utilize securities lending, repurchase and reverse repurchase agreements or margin lending, and will not engage in short selling.
- In actively managing the Fund, the Investment Manager does not intend to track the Benchmark. The Benchmark is referenced above for performance comparison purposes and because certain of the Fund's investment guidelines restrict the extent to which the Fund's holdings may deviate from the Benchmark.

## Derivatives

The Investment Manager may use derivatives to manage foreign exchange or interest rate risk, and may, subject to specific restrictions, use exchanged-traded derivatives for efficient portfolio management purposes. The Fund will not engage in short selling. For further details please refer to *Use of Derivatives* under the "Additional information on how we invest your money" section of the Reference Guide.

## Changing the investment strategy

The investment strategy and asset allocation parameters may be changed. If a change is to be made, investors in the Fund will be notified in accordance with the Corporations Act.

## Labour standards and environmental, social and ethical considerations

The Investment Manager takes into account environmental and social considerations in the selection, retention and realisation of investments relating to the Fund, in accordance with its ESG processes as summarised below and as further described in the Reference Guide. The Investment Manager applies two levels of exclusions and also conducts bottom-up ESG analysis on the remaining investment universe.

**ESG exclusions and ESG exclusion and involvement policies:** The Investment Manager will apply its Sustainable Exclusion Policy, Controversial Weapons Policy, Thermal Coal Involvement Policy and Global Standards Policy (which excludes identified violators of the following international standards: (i) the UNGC Principles, (ii) the OECD Guidelines, (iii) the UNGPs and (iv) the ILO Standards) when considering investments for the Fund.

In addition, the Investment Manager endeavours to prohibit investment in companies that (i) have expansion plans for coal extraction; or (ii) derive more than 5% of their revenue from thermal coal mining related activities. The Investment Manager will also prohibit the initiation of new investment positions in securities issued by companies with expansion plans for unconventional oil and gas or that derive more than 5% of revenue from unconventional oil and gas-related activities. Other exclusions apply. Please see the Reference Guide for a full list of exclusions and a summary of the Investment Manager's divestment policy.

**Overall ESG ratings:** The Investment Manager will exclude companies from the investment universe that show poorly on their overall ESG assessment, measured using the NB ESG Quotient and third-party ratings. These third-party ratings, together with the Investment Manager's proprietary NB ESG Quotient help form the Investment Manager's overall ESG rating for a particular company. See further detail in the Reference Guide.

**Bottom-up ESG analysis:** The Investment Manager prefers to analyse the world looking through a "Value Chain Lens". This lens allows the Investment Manager to view and understand sustainability issues from multiple perspectives via a bottom-up ESG assessment, to better understand the role of technological developments and disruptions, to identify the full playing field of competitive forces in a value chain and to select the winners from those dynamics. The Investment Manager has defined five value chains: Energy Transition, Access to Healthcare, Conscious Consumer, FinTech and Financial Inclusion and Digital Enterprise which are considered as part of their bottom-up ESG assessment. See further detail in the Reference Guide.

Other than as set out in this PDS and the Reference Guide, the Responsible Entity and the Investment Manager do not take into account any labour standards or environmental, social or ethical considerations in connection with the Fund.

As this is a key feature of the Fund, please read the further important details set out under 'Additional information on labour standards and environmental, social and ethical considerations' in the "Additional information on how we invest your money" section of the Reference Guide (available at <https://www.nb.com/NBFunds-AU>).

## Fund performance

Up to date information on the performance of the Fund will be available by calling us on +61 3 9649 0910. A free paper copy of the information will also be available on request.

You should read the important information in the Reference Guide (available at <https://www.nb.com/NBFunds-AU>) about: Use of derivatives and Additional information on labour standards, environmental, social and ethical considerations and sustainability considerations under the "Additional information on how we invest your money" section before making a decision.

The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

## 6. Fees and costs

### DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your investment balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

You may be able to negotiate to pay lower fees. Ask the fund or your financial adviser.

### TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** Moneysmart website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out different fee options.

### Fees and other costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from the assets of the managed investment scheme as a whole.

Taxes are set out in another part of this document.<sup>1</sup>

You should read all the information about fees and costs because it is important to understand their impact on your investment

The information in the following Fees and Costs Summary can be used to compare costs between different simple managed investment schemes.

### Fees and Costs Summary

#### Neuberger Berman Global Sustainable Equity Fund - Class W

Type of fee or cost	Amount	How and when paid
<b>Ongoing annual fees and costs</b>		
<i>Management fees and costs</i> The fees and costs for managing your investment <sup>2</sup>	0.85% per annum of the NAV of the Class	The management fees component of management fees and costs are accrued daily and generally paid from the Class six-monthly in arrears within one month of the end of the six month period. They are deducted directly from the Class's assets and the daily accruals are reflected in the unit price.  You may be able to negotiate the management fees <sup>3</sup> with us.  Otherwise, the fees and costs are variable and deducted and reflected in the unit price of the Class as they are incurred. See a further description in the "Additional explanation of fees and costs" section in the <b>Reference Guide</b> .

<i>Performance fees</i> Amounts deducted from your investment in relation to the performance of the product	Not applicable	Not applicable
<i>Transaction costs</i> The costs incurred by the scheme when buying or selling assets	0.11% per annum of the NAV of the Class	Transaction costs are variable and deducted from the Class as they are incurred and reflected in the unit price. They are disclosed net of amounts recovered by the buy-sell spread described below. Any transaction costs at the interposed vehicle level are reflected in the value of the Class's investment in the relevant interposed vehicle, and therefore reflected in the unit price.

#### Member activity related fees and costs (fees for services or when your money moves in or out)<sup>4</sup>

Type of fee or cost	Amount	How and when paid
<i>Establishment fee</i> The fee to open your investment	Not applicable	Not applicable
<i>Contribution fee<sup>2</sup></i> The fee on each amount contributed to your investment	Not applicable	Not applicable
<i>Buy-sell spread</i> An amount deducted from your investment representing costs incurred in transactions by the scheme	0.10% upon entry/buy and 0.10% upon exit/sell	These costs are an additional cost to the investor but are incorporated into the unit price and arise when investing application monies and funding withdrawals from the Class and are not separately charged to the investor. The Buy Spread is paid into the assets of the Class as part of an application and the Sell Spread is left in the assets of the Class as part of a redemption.
<i>Withdrawal fee<sup>2</sup></i> The fee on each amount you take out of your investment	Not applicable	Not applicable
<i>Exit fee<sup>2</sup></i> The fee to close your investment	Not applicable	Not applicable
<i>Switching fee</i> The fee for changing investment options	Not applicable	Not applicable

<sup>1</sup> See Section 7 of this PDS.



- <sup>1</sup> All fees quoted above are inclusive of Goods and Services Tax (GST) and net of any Reduced Input Tax Credits (RITC). See below and the “Additional Explanation of Fees and Costs” in the **Reference Guide** for more details as to how the relevant fees and costs are calculated.
- <sup>2</sup> This fee includes any amount payable to an adviser. Adviser remuneration” in the “Additional Explanation of Fees and Costs” in the **Reference Guide**.
- <sup>3</sup> The management fee component of management fees and costs can be negotiated by certain investors. See “Differential fees” in the “Additional Explanation of Fees and Costs” in the **Reference Guide**.
- <sup>4</sup> Additional fees may be charged by your financial adviser and, if you are an indirect investor, by your service operator, for investing in the Fund. See the information in the “Additional explanation of fees and costs” in the **Reference Guide**.
- <sup>5</sup> This excludes any abnormal or extraordinary expenses. See the information in the “Additional explanation of fees and costs” section in the **Reference Guide**.

**Note that additional fees may be paid to a financial advisor if a financial advisor is consulted.**

## Additional Explanation of Fees and Costs

### Can the fees change?

Yes, all fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution. The current maximum management fee to which Neuberger Berman Australia is entitled is 2.00% of the NAV of the Class. However, Neuberger Berman Australia does not intend to charge that amount and will generally provide investors with at least 30 days' notice of any proposed increase to the management fees component of management fees and costs. In most circumstances, the Constitution defines the maximum level that can be charged for fees described in this PDS. Neuberger Berman Australia also has the right to recover all reasonable expenses incurred in relation to the proper performance of its duties in managing the Fund and as such these expenses may increase or decrease accordingly, without notice.

The amount of indirect costs, transaction costs and buy-sell spread may also change without a member's consent. We will give you at least 30 days prior notice of any materially adverse increase if legally required to do so.

All fees and costs in this section 6 are based on information available as at the date of this PDS. You should refer to the Fund's website <https://www.nb.com/NBFunds-AU> from time to time for any updates which are not materially adverse to the members.

### Example of annual fees and costs for an investment option

This table gives an example of how the ongoing annual fees and costs in the investment option for this product can affect your investment over a 1-year period. You should use this table to compare this product with other products offered by managed investment schemes.

#### EXAMPLE – Neuberger Berman Global Sustainable Equity Fund - Class W

#### BALANCE OF \$50,000\* WITH A CONTRIBUTION OF \$5,000 DURING THE YEAR

Contribution Fees	Nil	For every additional \$5,000 you put in, you will be charged \$0
<b>Plus</b> Management fees and costs	0.85% p.a.	<b>And</b> , for every \$50,000 you have in the Neuberger Berman Global Sustainable Equity Fund - Class W you will be charged or have deducted from your investment \$425 each year

<b>Plus</b> Performance fees	Not applicable	<b>And</b> , you will be charged or have deducted from your investment \$0 in performance fees each year
<b>Plus</b> Transaction costs	0.11% p.a.	<b>And</b> , you will be charged or have deducted from your investment \$55 in transaction costs
<b>Equals</b> Cost of Neuberger Berman Global Sustainable Equity Fund - Class W	0.96% p.a.	If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during that year, you would be charged fees and costs of: \$480** What it costs you will depend on the investment option you choose and the fees you negotiate.***

\* Certain costs will be on a pro-rata basis and will vary depending on when you have made the additional investment during the year. This example is prescribed by the Corporations Act 2001 (Cth), and is based on an assumption that the additional \$5,000 is invested at the end of the year (and therefore, the management costs are calculated using the \$50,000 balance only). This example also assumes that the value of your investment remains the same during the year.

\*\* Additional fees may apply, such as the Buy-sell Spread of 0.10% upon entry and 0.10% upon exit which is not expressed in this example. The dollar value of these costs based on an application or a withdrawal of \$50,000 is \$50 for each individual transaction. Additional fees may be payable to third parties including financial advisers (if you have consulted one) and if you are an indirect investor, additional fees may be charged by your financial adviser or service operator (as applicable) for investing in the Fund. Please refer to the relevant Statement of Advice or service operator PDS in which details of the relevant fees should be set out. The transaction costs are based on the Responsible Entity's reasonable estimate of the relevant costs for the financial year ending 30 June 2023. As a result, the total fees and costs that you are charged may differ from the figures shown in the table.

\*\*\* The management fee component is negotiable for certain investors, see the “Additional explanation of fees and costs” in the **Reference Guide**.

ASIC provides a fee calculator on [www.moneysmart.gov.au](http://www.moneysmart.gov.au), which you may use to calculate the effects of fees and costs on account balances.

### Further reading

You should read the important information in the Reference Guide (available at <https://www.nb.com/NBFunds-AU>) about fees and costs, including: Management fees and costs, Transaction costs, Adviser remuneration, Advice fees, Payment to IDPS Operators and Differential Fees, under the “Additional Explanation of Fees and Costs” section before making a decision.

The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.

## 7. How managed investment schemes are taxed

**Warning:** Investing in a registered managed investment scheme (such as the Fund) is likely to have tax consequences. You are strongly advised to seek your own professional tax advice about the applicable Australian tax (including income tax, GST and duty) consequences and, if appropriate, foreign tax consequences which may apply to you based on your particular circumstances before investing in the Fund.

The Fund is an Australian resident for tax purposes and does not generally pay tax on behalf of its investors. Australian resident investors are assessed for tax on any income and capital gains generated by the Fund to which they become presently entitled or, where the Fund has made a choice to be an Attribution Managed Investment Trust ("AMIT") and the choice is effective for the income year, are attributed to them.

### Further reading

You should read the important information in the Reference Guide (available at <https://www.nb.com/NBFunds-AU>) about Taxation under the "Other important information" section before making a decision.

## 8. How to apply

### Who can invest?

If you are eligible as detailed in the 'About this PDS' section on the front cover of this PDS, you can invest in the Fund as a Direct Investor or an Indirect Investor. However, if you are an individual, you must be 18 years of age or over.

### Direct Investors

For your **initial investment**, you should:

- Read this PDS and the **Reference Guide** at <https://www.nb.com/NBFunds-AU>;
- complete and sign the Application Form accompanying this PDS, and include all required customer identity verification documents; and
- send funds (see details in the Application Form) and your completed Application Form to:

Neuberger Berman  
Australia Ltd C/- LINK  
Market Services Limited  
Locked Bag 5038  
Parramatta NSW 2124

**Additional investments** can be made at any time according to the then current PDS. The PDS may be updated or replaced from time to time and you should read the current version before you make an additional investment. You can obtain a copy of the current PDS, free of charge, at <https://www.nb.com/NBFunds-AU> or by contacting us on +61 3 9649 0910.

### Indirect Investors

If you are an Indirect Investor investing through an IDPS, you should complete the application documentation provided by the IDPS Operator.

### Cooling-off rights

#### Direct Investors

If you are a Retail Client (as defined in the Corporations Act), who has invested directly in the Fund, you may have a cooling-off right in relation to your investment in the Fund whereby you can change your mind about your investment and ask for your money to be repaid. This cooling-off right must be exercised within 14 days ("cooling-off period") from the earlier of:

- when you receive confirmation of your investment; and
- the end of the fifth business day after the day on which your units are issued to you.

The amount repaid will be adjusted for any increase or decrease in the value of your investment, as well as any other tax and other reasonable

administrative expenses and transaction costs associated with the acquisition and disposal of your investment.

Your cooling-off right does not apply in certain limited situations, such as if:

- the issue of units to you was made under a distribution reinvestment plan, switching facility or represents additional contributions required under an existing agreement;
- you exercise any of your rights or powers as a unitholder in the Fund during the cooling-off period (e.g. selling part of your investment); or
- you are a **Wholesale Client** (as defined in the Corporations Act).

If you'd like to exercise your cooling-off right, please write to us (referencing your account number) during the cooling-off period stating that you want to be repaid. Your request must reach us before the end of the cooling-off period.

### Indirect Investors

No cooling-off rights apply in respect of any investment in the Fund placed through an IDPS Operator on behalf of an Indirect Investor. For information about any cooling-off rights that may apply to you in respect of the IDPS through which you invest, you should seek advice from your IDPS Operator or their disclosure document.

## 9. Other information

### Target Market Determination

The Target Market Determination for the Neuberger Berman Global Sustainable Equity Fund is available at <https://www.nb.com/NBFunds-AU>. A Target Market Determination describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.

### Inquiries and complaints

We have established procedures for dealing with inquiries and complaints relating to your investment in the Fund and are committed to considering properly and resolving all inquiries and complaints.

#### Direct Investors

If you have an inquiry or complaint about your investment, we encourage you to contact us at:

**Phone:** 02 8044 9201

**Email:** [NBAus-Complaints@nb.com](mailto:NBAus-Complaints@nb.com)

**Mail:** Level 22, Suite 22.02, 9 Castlereagh St, Sydney NSW 2000

We will acknowledge receipt of the complaint within 1 Business Day or as soon as possible after receiving the complaint. We will seek to resolve your complaint as soon as practicable but not more than 30 calendar days after receiving the complaint.

If you are not satisfied with our response to your complaint, you may be able to lodge a complaint with the Australian Financial Complaints Authority ("AFCA"). AFCA is the external dispute resolution scheme established by the Commonwealth Government to deal with complaints from consumers in the financial system. AFCA provides a free service for consumers. Contact details for AFCA are as follows:

**Phone:** 1800 931 678

**Email:** [info@afca.org.au](mailto:info@afca.org.au)

**Mail:** GPO Box 3, Melbourne VIC 3001

**Website:** [www.afca.org.au](http://www.afca.org.au) / [www.afca.org.au/make-a-complaint](http://www.afca.org.au/make-a-complaint)

#### Indirect Investors

You should direct any inquiries or complaints to your IDPS Operator in the first instance. If your IDPS Operator is unable to answer your inquiry or resolve your complaint on your behalf, you can contact us directly at the contact details specified above.

### Further reading

You should read the important information in the Reference Guide (available at <https://www.nb.com/NBFunds-AU>) about Your privacy, the Constitution, Anti-Money Laundering and Counter Terrorism Financing ("AML/CTF"), Indirect Investors, Information on underlying investments, the Foreign Account Tax Compliance Act ("FATCA") and the Common Reporting Standard ("CRS"), under the "Other important information" section before making a decision.

**The material relating to these matters may change between the time when you read this PDS and the day when you acquire the product.**