

# Neuberger Berman Short Duration Income ETF (NBSD)

## FUND OBJECTIVE

The Neuberger Berman Short Duration Income ETF is an actively managed Exchange Traded Fund (ETF) that seeks the highest available current income consistent with liquidity and low risk to principal; total return is a secondary goal.

## FUND DESCRIPTION

- Multi-sector fixed income portfolio focused on the front-end of the curve
- Target average portfolio duration: 1-3 years
- Exposure to non-investment grade securities is capped at 20%

## FUND DETAILS

CUSIP: 64135A887

ETF Listing Date: 06/24/2024

Gross Expense Ratio<sup>1</sup>: 0.46%

Net Expense Ratio<sup>1</sup>: 0.35%

Exchange: NYSE Arca

Shares Outstanding: 3,701,382

Fund AUM: \$187.5mm

Investment Manager: Neuberger Berman Investment Advisers LLC

Distributor: Neuberger Berman BD LLC

Number of Holdings: 426

Weighted Average Duration (years): 1.88

Weighted Average Maturity (years): 2.92

30-Day SEC Yield<sup>2</sup>: 5.36%

30-Day SEC Yield Unsubsidized<sup>2</sup>: 5.27%

Learn more about  
Neuberger Berman's active  
ETF platform at [nb.com/ETF](https://nb.com/ETF)

## Why NBSD?



### INCOME FOCUS

Seeks to deliver a consistent and efficient income stream with a short duration investment grade risk profile



### DYNAMIC AND UNBIASED SECTOR ALLOCATION

Invests across rates and credit markets in search of the best income opportunities



### HIGH CONVICTION SECURITY SELECTION

Excellence in research is a foundational aspect of Neuberger Berman's Multi-Sector Fixed Income Platform

## FUND PERFORMANCE (%)

For Periods Ended  
3/31/2025

	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
NBSD – NAV	0.08	1.48	1.48	6.67	4.04	4.05	2.13	3.86
NBSD – Market Price	0.45	1.85	1.85	7.31	4.25	4.18	2.19	3.87
Bloomberg 1-3 Yr U.S. Government/Credit Bond Index	0.46	1.63	1.63	5.61	3.10	1.56	1.73	4.32

Performance data quoted represents past performance, which is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original costs. Current performance may be lower or higher than the performance data quoted. For current performance data, including current to the most recent month end, please visit [nb.com/ETFs](https://nb.com/ETFs). Return information shown for less than one year is cumulative, not annualized.

Prior to close of business on 6/21/24, the ETF operated as an open-end mutual fund (the "Predecessor Fund"). The ETF has the same investment objective, strategy, restrictions and portfolio managers as the Predecessor Fund. The NAV returns include returns of the Institutional Class Shares of the Predecessor Fund prior to the ETF's commencement of operations. Prior to the ETF's listing on 6/24/24, the Institutional Share Class NAVs of the Predecessor Fund are used to represent both the NAV and proxy market price return history of the ETF. The inception date for the Institutional Class of the Predecessor Fund is 6/21/10 and the for the Investor Class of the Predecessor Fund is 6/9/86. Performance prior to the inception date of the Institutional Class of the Predecessor Fund is that of the Investor Class of the Predecessor Fund. The inception date used to calculate benchmark performance is 6/9/86. The **Market Price** is the official closing price as of the closing time of the NYSE Arca (typically 4 p.m., Eastern time). **Net Asset Value** is determined at the close of each business day, and represents the dollar value of one share of the Fund; it is calculated by taking the total assets of the fund, subtracting total liabilities, and dividing by the total number of shares outstanding. The NAV is not necessarily the same as the ETF's intraday trading value. ETF investors should not expect to buy or sell shares at NAV.

## CREDIT QUALITY (%)<sup>3</sup>

Rating	Weight
AAA	15.9
AA	13.6
A	18.4
BBB	29.1
<BBB	11.5
NR	3.6
Cash	8.0

## SECTOR BREAKDOWN (%)

Sector	Weight
Agency MBS	10.7
Investment Grade Credit	37.1
Securitized Credit	34.1
Non-Investment Grade Credit	10.0
Emerging Market Debt	0.0
Cash	8.0

All statistics as of 3/31/25 unless otherwise indicated. Portfolio holdings are expressed as a percentage and are calculated by taking the market value of each holding and dividing it by the Fund's NAV. Portfolio holdings are subject to change. For current portfolio holdings please download "Fund Holdings" as a CSV or PDF at [nb.com/ETFs](https://nb.com/ETFs). Portfolio holdings should not be considered as investment advice or a recommendation to buy, sell or hold any particular security. It should not be assumed that an investment in the securities identified was or will be profitable.

1. Net expense ratio represents the total annual operating expenses that shareholders pay (after the effect of fee waivers). The Fund's investment manager has contractually undertaken to waive and/or reimburse certain fees and expenses of the Fund so that the total annual operating expenses (excluding interest, brokerage commissions, acquired fund fees and expenses, taxes including any expenses relating to tax reclaims, dividend and interest expenses relating to short sales, and extraordinary expenses, if any) of the Fund are limited to 0.34% of average net assets. It is projected that there will be 0.01% of expenses outside of the expense cap for an expected total net expense ratio of 0.35%. This undertaking lasts until 10/31/2028. Absent such arrangements, which cannot be changed without Board approval, the returns may have been lower. Information as of most recent prospectus dated February 28, 2025 as amended and supplemented. Please see the Fund's prospectus for additional details.

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

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## DURATION DISTRIBUTION (%)

Duration	Weight
Less than One Year	38.0
One to Two Years	24.0
Two to Three Years	19.9
Three to Five Years	15.9
Five + Years	2.2

## MANAGEMENT TEAM



**Ashok Bhatia**  
Senior Portfolio Manager  
Co-CIO of Fixed Income



**Dave Brown**  
Senior Portfolio Manager



**Michael Foster**  
Senior Portfolio Manager



**Matthew McGinnis**  
Portfolio Manager

2. A fund's 30-day SEC yield is similar to a yield to maturity for the entire portfolio. The formula is designated by the Securities and Exchange Commission (SEC). Past performance is no guarantee of future results. Absent any expense cap arrangement noted above, the SEC yields may have been lower. A negative 30-Day SEC yield results when a Fund's accrued expenses exceed its income for the relevant period. Please note, in such instances the 30-Day SEC yield may not equal the Fund's actual rate of income earned and distributed by the fund and therefore, a per share distribution may still be paid to shareholders.

3. Chart represents the ratings of the securities held by the Fund and does not imply any credit rating of the Fund itself. Credit-quality ratings are obtained from Barclays using ratings derived from Moody's, S&P, and Fitch. When calculating the credit quality breakdown, if a security is rated by each of these three rating agencies, then the middle rating will be used. If only two rating agencies rate a security, then the lower of the two ratings will be used. If only one rating agency rates a security, then that one rating will be used. Where none of the agencies rate a security, the security will be considered unrated. Portfolio holdings, underlying ratings of holdings and credit quality composition may change materially over time.

The **Bloomberg 1-3 Year U.S. Government/Credit Bond Index** is an unmanaged index of government and credit securities with maturities between 1 and 3 years (including corporate, sovereign, supranational and taxable municipal bonds). Please note that indices do not take into account any fees and expenses of investing in the individual securities that they track, and that individuals cannot invest directly in any index. Data about the performance of this index are prepared or obtained by the Manager and reflect the reinvestment of income dividends and other distributions, if any. The Fund may invest in many securities not included in the above-described index.

**Weighted Average Maturity** is the expected average life to worst or in other words the par-weighted average time (in years) to principal repayment for securitized assets or the time (in years) to probable call/put for non-securitized assets.

**Weighted Average Duration** can be a useful tool in measuring the price sensitivity of the portfolio to changes in interest rates and measures the % change in price for a 100 bps of shift in interest rates. Unlike other measures of duration, weighted average duration takes into account any optionalities (e.g. whether the instrument is callable at a certain price) embedded within each security in the portfolio. Generally, the larger the duration, the more sensitive the portfolio will be to a change in interest rates. Instruments with higher effective durations often carry more risk and have higher price volatility than those with lower durations.

### IMPORTANT RISK INFORMATION

#### Past performance does not guarantee future results.

Performance data shown represents past performance and is no guarantee of future results. Information (including holdings and portfolio characteristics) is as of the end of the period indicated in the document title and is subject to change without notice. There can be no guarantee that the Portfolio Managers will be successful in their attempts to manage the risk exposure of the Fund or will appropriately evaluate or weigh the multiple factors involved in investment decisions, including issuer, market and/or instrument-specific analysis, valuation and environmental, social and governance (ESG) factors.

Information (including holdings and portfolio characteristics) is as of the date indicated and is subject to change without notice.

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

Unlike mutual funds, ETF shares are purchased and sold in secondary market transactions at negotiated market prices rather than at net asset value ("NAV") and as such ETFs may trade at a premium or discount to their NAV. As a result, shareholders of the Fund may pay more than NAV when purchasing shares and receive less than NAV when selling Fund shares. ETF shares may only be redeemed at NAV by authorized participants in large creation units. There can be no guarantee that an active trading market for shares will develop or be maintained or that the Fund's shares will continue to be listed. The trading of shares may incur brokerage commissions. The Fund has a limited number of Authorized Participants.

To the extent they exit the business or are otherwise unable to proceed in creation and redemption transactions with the Fund and no other Authorized Participant is able to step forward to create or redeem, shares of the Fund may be more likely to trade at a premium or discount to NAV and possibly face trading halts or delisting.

Unexpected episodes of illiquidity, including due to market factors, instrument or issuer-specific factors and/or unanticipated outflows, could have a significant negative impact on the Fund's NAV, liquidity, and brokerage costs. To the extent the Fund's investments trade in markets that are closed when the Fund is open, premiums or discounts to NAV may develop in share prices.

Shares in the Fund may fluctuate, sometimes significantly, based on interest rates, market conditions, credit quality and other factors. Generally, bond values will decline as interest rates rise. Typically, the longer the maturity or duration of a debt security, the greater the effect a change in interest rates could have on the security's price. The market's behavior is unpredictable and there can be no guarantee that the Fund will achieve its goal.

Lower rated debt securities (also known as "junk bonds") involve greater risks and may fluctuate more widely in price and yield, and carry a greater risk of default, than investment grade debt securities. They may fall in price during times when the economy is weak or is expected to become weak. Derivatives involve risks different from, and in some respects greater than, those associated with more traditional investments.

Derivatives can be highly complex, can create investment leverage and may be highly volatile, and the Fund could lose more than the amount it invests. Derivatives may be difficult to value and may at times be highly illiquid, and the Fund may not be able to close out or sell a derivative position at a particular time or at an anticipated price. The Fund's investments in derivatives create counterparty risk.

Foreign securities involve risks in addition to those associated with comparable U.S. securities, including exposure to less developed or less efficient trading markets; social, political or economic instability; fluctuations in foreign currencies; nationalization or expropriation of assets; settlement, custodial or other operational risks; and less stringent auditing and legal standards. These risks may be more pronounced for emerging market securities, which involve additional risks and may be more volatile and less liquid than foreign securities tied to more developed economies. The Fund's performance could be affected if borrowers pay back principal on certain debt securities, such as mortgage- or asset-backed securities, before or after the market anticipates such payments, shortening or lengthening their duration and could magnify the effect of the rate increase on such security's price. When issued and forward-settling securities can have a leverage-like effect on the Fund, which may increase fluctuations in the Fund's share price and may cause the Fund to liquidate positions when it may not be advantageous to do so in order to satisfy its purchase obligations. Leverage amplifies changes in the Fund's net asset value.

These and other risks are discussed in more detail in the Fund's prospectus. Please refer to the Fund's prospectus for a complete discussion of the Fund's principal risks.

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