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NEUBERGER BERMAN

# EU ESG Regulatory Methodology and Approach SFDR Level 2 Overview

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### 1. Neuberger Berman's Sustainable Investment Definition

While the Sustainable Finance Disclosure Regulation (“SFDR”) provides a high-level definition of a sustainable investment\*, the practical interpretation and application of this definition is largely left to financial market participants to determine.

Neuberger Berman (“NB”) has designed a sustainable investment framework for assessing investments in line with the three pillars of the SFDR’s definition:

1. An economic activity that contributes to an environmental / social objective;
2. Does No Significant Harm (“DNSH”) to the environmental / social objective; and
3. Demonstrates Good Governance.

We are guided by the SFDR definition of sustainable investment:

\*Article 2(17) of the Sustainable Finance Disclosure Regulation, defines sustainable investment as:

*‘Sustainable investment’ means an investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance.*

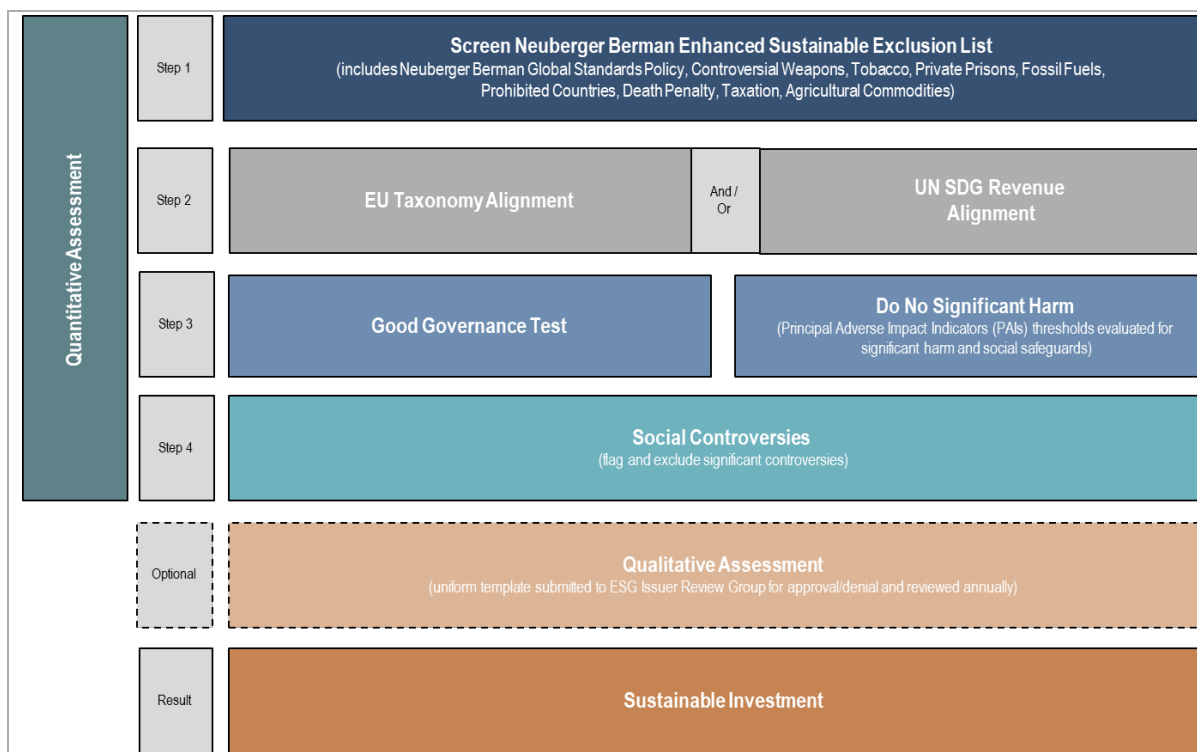
Our framework identifies issuers as either sustainable or not sustainable (i.e. a binary approach rather than revenue-weighted). We have implemented various quantitative and qualitative processes to identify sustainable investments across all in-scope portfolios and enable investment teams and supporting functions to monitor these on an ongoing basis.

See the next section for further information.

## 2. Neuberger Berman’s Sustainable Investment Framework – Corporate Issuers

### Quantitative Assessment

NB has designed the following classification framework in order to quantifiably assess whether an investment may be deemed as ‘sustainable’, as per the SFDR’s definition under Article 2(17):



Summary: SFDR Sustainable Investment Qualification Process

In determining whether an investment is a “sustainable investment” based on the definition set forth in the SFDR, NB uses multiple datapoints that measure the alignment of the issuer’s economic activities with environmental or social characteristics.

NB screens issuers for controversies, significant harm and violations of minimum safeguards. If the issuers pass this screen, our framework then measures the issuers’ environmental or social economic contribution.

As outlined in the diagrams above, we measure this in two ways:

- Revenue alignment to the EU taxonomy (if any); and
- Revenue alignment to the SDGs.

### Good Governance

The Good Governance test is intended to cover the four pillars defined under the SFDR of sound management structures, employee relations, remuneration of staff and tax compliance. In practice, this is met by (i) flagging and excluding issuers with severe controversies related to governance, as identified by third party data and internal research, and (ii) engaging with issuers on topics including but not limited to compensation and incentive alignment, shareholder rights, capital structure and investment, board composition, and transparent communication and internal controls.

Engagement is an important component of the investment process for most NB funds. NB leverages internal engagements with management teams of issuers through a robust ESG engagement program. This program is focused on in-person meetings and conference calls to understand risks, opportunities and assess good corporate governance practices of investee issuers.

The timing of the engagement may be reactionary in certain cases, opportunistic in cases of industry events or pre-planned meetings, or proactive where time allows and without undue restrictions such as during quiet periods or M&A events that may prevent outreach actions. Ultimately, NB aims to prioritise engagement that is expected to have a high impact on the protection of and improvement to the value of investments, be it through the advancement of actionable disclosure, understanding of risks and risk management at a company, or through influence and action to mitigate risks (including sustainability risks) and take advantage of investment opportunities.

### **Do No Significant Harm (“DNSH”)**

The Do No Significant Harm test is met by (i) identifying potential instances of significant harm using the mandatory principal adverse impact indicators, and (ii) identifying violations of minimum safeguards in line with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Please see the section ‘Consideration of the Principal Adverse Impacts (“PAIs”) at Product Level’ for more detail on how the PAIs are applied.

The positive contribution to an environmental or social objective, as well as the Good Governance and DNSH tests described above, are coded into our portfolio management and trading system in order to automatically flag issuers as sustainable and enable investment teams and supporting functions to continuously monitor a portfolio’s overall sustainable investment allocation.

### **Qualitative Assessment**

We recognise that data is only ever a starting point and can often be lagged, estimated or missing, therefore we believe it is vital to include qualitative judgement. If an issuer does not pass the quantitative assessment process described above, but an investment team believes the issuer should qualify as sustainable based on other evidence, the investment team may complete a qualitative assessment to propose the issuer be qualified as sustainable.

This assessment is submitted to a dedicated ESG Issuer Review Group – a group chaired by the CIO and Head of ESG and attended by the CRO and other senior members of the organisation – who will determine via a majority vote whether the issuer qualifies as a sustainable investment. Assessments must be re-submitted annually to maintain an issuer’s classification as a sustainable investment.

Generally, issuers that are deemed to have a negative impact on environmental or social factors (as identified using SDG-alignment scores and violations of the PAIs) will not be considered for this qualitative assessment.

In addition to evidence of a positive environmental or social contribution, the qualitative assessment must also include evidence the issuer meets good governance standards and does not significantly harm any environmental or social objective.

### 3. Neuberger Berman's Sustainable Investment Framework – Sovereign Issuers

NB considers a variety of sustainability indicators to measure the attainment of the sustainable objectives of Sovereign investments.

#### **Independent third party reports and assessments:**

NB uses the following third party reports, indexes and assessments to measure the Sovereign's progress towards achieving its sustainable investment objectives:

#### **Advancement in climate change adaptation and mitigation:**

- Notre Dame Global Adaptation Initiative Country Index ("ND-GAIN")
  - NB uses the ND-GAIN index to measure and assess a country's vulnerability to climate change and climate transition risks
  - NB will focus its assessment on income-adjusted climate change adaptation.
- GHG Sovereign Emissions:
  - NB tracks sovereign GHG Territorial Emissions defined as Tons of CO2 Emissions per \$ million invested. Carbon emission is apportioned to the portfolio based on the share of countries' Gross General Debt that is held by the Portfolio.
  - Issuers with the highest weighted carbon intensity – defined as bottom quartile and increasing – are excluded. This allows us to measure progress in reducing emissions per GDP.
- Net Zero Alignment – GermanWatch's Climate Change Performance Index ("CCPI") and Climate Action Tracker
  - NB tracks sovereign bonds issuing country's net-zero alignment according to CCPI and the Climate Action Tracker's measurement of national and global efforts towards mitigating global warming. This allows us to target countries with Net Zero commitments by 2050 or earlier.

#### **Advancement in UN Sustainable Development Goals, with emphasis on life expectancy, education and purchasing power parity income:**

- Sustainable Development Report Index
  - NB uses the Bertelsmann Stiftung and the Sustainable Development Solutions Network Sustainable Development Report Index to assess country performance on the SDGs. This allows us to target investment in Sovereigns which demonstrate better progress in achieving the SDGs.
- UNDP Human Development Index
  - NB uses the UNDP Human Development Index to measure achievements in key dimensions of life expectancy and education globally. This allows us to target investment in Sovereigns which demonstrate better progress in achieving human development.

1

### ENVIRONMENT

#### Preparedness and Resilience for Climate Transition Risks

- Sovereign issuers which demonstrate better advancement in climate change adaptation and mitigation, reducing GHG emissions and net zero alignment.

2

### SOCIAL

#### Progress Towards Achieving the SDGs

- Sovereign issuers which demonstrate better progress in achieving the SDGs, with a particular focus on public health and education.

3

### DO NO SIGNIFICANT HARM

#### Do No Significant Harm and Minimum Thresholds

- Exclude sovereign issuers with very weak ESG practices (e.g. in GHG emissions, human rights standards).
- Exclude corporates and quasi-sovereign issuers on the NB Enhanced Sustainable Exclusion list (e.g. fossil fuels, weapons, UN Global Compact violators).

Summary: SFDR Sustainable Sovereign Investment Qualification Process.

### 4. Consideration of the Principal Adverse Impacts (“PAIs”) at Product Level

NB considers the PAIs at product level for most Article 8 Funds and all Article 9 Funds. For Article 8 Funds that commit to making sustainable investments, and Article 9 Funds, this includes consideration of all of the mandatory PAIs as part of the Do No Significant Harm assessment. For Article 8 Funds that consider the PAIs, consideration of the PAIs is limited to those PAIs for which adequate, reliable and verifiable data exists.

We utilise third party data and proxy data along with internal research to consider the PAIs. Additionally, we are conducting a letter campaign where we have written to select issuers asking for direct disclosure on the PAIs, to boost the coverage and quality of our PAI data.

NB will continue to work with issuers to encourage disclosure and to gather wider and more granular data coverage on the PAIs. The specific product-level PAIs that are taken into consideration are subject to data availability and may evolve with improving data quality and coverage. NB will keep the list of product-level PAIs it considers under active review, as and when data availability improves.

Consideration of the PAIs at product level is achieved through a combination of:

- Monitoring the fund, in particular where it falls below the quantitative and qualitative tolerance thresholds set for each product-level PAI;
- Stewardship and/or setting engagement objectives where the fund falls below the quantitative and qualitative tolerance thresholds; and
- Applying the following ESG exclusion policies across the Article 8 and Article 9 Funds: (i) Neuberger Berman Global Standards Policy; (ii) Neuberger Berman Controversial Weapons Policy; and (iii) Neuberger Berman Thermal Coal Involvement Policy. Additionally, some funds also apply the Neuberger Berman Sustainable Exclusions Policy and the Neuberger Berman Enhanced Sustainable Exclusions Policy.



## Neuberger Berman EU ESG Regulatory Methodology and Approach

Our approach to the PAIs at product level is summarised in the table below:

	Article 9	Article 8*
<b>PAI 1</b> GHG Emissions	✓	✓
<b>PAI 2</b> Carbon Footprint	✓	✓
<b>PAI 3</b> GHG Intensity	✓	✓
<b>PAI 4</b> Fossil Fuel Exposure	✓	✓
<b>PAI 5</b> Share of Non-Renewable Energy Consumption and Production	✓	x
<b>PAI 6</b> Energy Consumption Intensity Per High-Impact Climate Sector	✓	x
<b>PAI 7</b> Activities Negatively Affecting Biodiversity-Sensitive Areas	✓ (proxy) <sup>1</sup>	x
<b>PAI 8</b> Emissions to Water	✓ (proxy) <sup>2</sup>	x
<b>PAI 9</b> Hazardous / Radioactive Waste Ratio	✓ (proxy) <sup>3</sup>	x
<b>PAI 10</b> UNGC / OECD Violations	✓	✓
<b>PAI 11</b> Lack of Policies UNGC / OECD	✓	x
<b>PAI 12</b> Unadjusted Gender Pay Gap	✓ (proxy) <sup>4</sup>	x
<b>PAI 13</b> Board Gender Diversity	✓	✓
<b>PAI 14</b> Controversial Weapons	✓	✓
<b>PAI 15</b> Sovereign GHG Intensity	✓ (where applicable)	✓ (where applicable)
<b>AI 16</b> Sovereign Social Violations	✓ (where applicable)	✓ (where applicable)

\* Our 'Sustainable' Article 8 Funds commit to a minimum of 50% Sustainable Investments. All mandatory PAIs are considered when determining whether sustainable investments do not cause significant harm to any environmental or social sustainable investment objective.

<sup>1</sup>Proxy used: Protected Biodiversity Controversy: Company reports having operations in or near to biodiversity sensitive areas and has been implicated in controversies with severe or very severe adverse impact on the environment.

<sup>2</sup>Proxy used: Environment Water Flag: Measures the severity of controversies related to a firm's water management practices. Factors affecting this evaluation include, but are not limited to, a history of involvement in water use-related legal cases, widespread or egregious impacts due to emissions, resistance to improved practices, and criticism by NGOs and/or other third-party observers.

<sup>3</sup>Proxy used: Environment Toxic Flag: Measures the severity of controversies related to a firm's non-GHG emissions. Factors affecting this evaluation include, but are not limited to, a history of involvement in land or air emissions-related legal cases, widespread or egregious impacts due to hazardous emissions, resistance to improved practices, and criticism by NGOs and/or other third-party observers.

<sup>4</sup>Proxies used: (i) Pay Controversy: Identifies whether the company's pay policies or practices attracted adverse public comment from stakeholders (including shareholders, government, regulators etc.). (ii) Labour rights diversity flag: Measures the severity of controversies related to a firm's workforce diversity. Factors affecting this evaluation include, but are not limited to, a history of involvement in discrimination-related legal cases, widespread or egregious instances of discrimination on the basis of sex, race, or ethnicity, resistance to improved practices, and criticism by NGOs and/or other third-party observers.

### 5. Promotion of Environmental and Social Characteristics

NB's Article 8 Funds promote environmental and/or social characteristics in a variety of ways, depending on the asset class and investment strategy of the fund.

Examples of characteristics include:

- **Environmental Characteristics:** air quality; energy management; environmental risk exposure; fuel economy; greenhouse gas (“GHG”) emissions; opportunities in clean technologies; toxic emissions and waste; water management; packaging lifecycle management; materials sourcing; and product lifecycle management.
- **Social Characteristics:** access to finance; access to healthcare; data privacy and security; health and safety; human capital development; labour management; product safety and integrity; supply chain labour standards.

The promotion of these environmental or social characteristics is met through various ways. For example:

- **The NB ESG Quotient:** Our proprietary ESG rating system is built around the concept of sector specific ESG risk and opportunity and produces an overall rating for issuers by assessing them against certain ESG metrics. Investment teams use the NB ESG Quotient to promote the environmental and social characteristics promoted by their funds by prioritising investment in issuers with a favourable and/or an improving NB ESG Quotient rating.
- **Climate Value-at-Risk (“CVaR”):** CVaR measures the exposure to transition and physical climate risks. CVaR is a scenario analysis tool used to evaluate economic risks under various degree scenarios (i.e., the amount of warming targeted) and potential regulatory environments in varying countries. On a holistic basis the results are evaluated by portfolio managers and analysts. CVaR provides a framework for identifying climate risks over the long-term to assist in understanding how issuers can shift their operations and risk practices over time. The scenario analysis can serve as a starting point for further bottom-up analysis and identifying potential climate-related risks to address through company engagement. Due to data limitations, CVaR is not applied across all issuers held and is instead limited to the issuers for which sufficient and reliable data exists. The analysis from CVaR is reviewed at least once a year.
- **ESG Exclusion Policies:** Our Article 8 Funds and Article 9 Funds are subject to various ESG exclusion policies, including the Neuberger Berman Global Standards Policy, Neuberger Berman Controversial Weapons Policy, Neuberger Berman Thermal Coal Involvement Policy, and (to varying extents), the Neuberger Berman Sustainable Exclusions Policy and Neuberger Berman Enhanced Sustainable Exclusions Policy. Please refer to our [Reporting, Policies and Disclosures](#) page for further information.

### 6. MiFID II Sustainability Preferences

#### Background

Under MiFID II and the 2018 ESMA guidelines, asset managers are required to assess the suitability of investments for clients when providing investment advice or discretionary management services (portfolio management) – looking at the client's:

1. investment objectives, including their risk tolerance;
2. financial situation, including the ability to absorb loss; and
3. experience and knowledge in order to understand the risks of their portfolio.

This suitability assessment is currently performed during the client onboarding process.

#### Current suitability assessment requirements:

NB must collect the client's investment objectives of professional and elective investors (e.g. local authorities, HNWI, some small charities and small family offices), including the investor's risk tolerance.

#### Updated guidelines for Sustainability Preferences:

In order for a product to be considered to meet the MiFID II sustainability preferences requirements it must:

**Limb 1:** Hold Taxonomy-aligned (or environmentally sustainable) investments; and/or

**Limb 2:** Hold sustainable investments; and/or

**Limb 3:** Take into account the Principal Adverse Indicators (the "PAIs" or mandatory indicators) at a product level – e.g. by setting thresholds for each PAI and applying the PAIs through exclusion policies or engagement.

#### Neuberger Berman's Approach

Article 9 Funds and most Article 8 Funds meet the requirements of the MiFID II Sustainability Preferences criteria through consideration of the PAIs. In addition, Article 9 Funds and a selection of Article 8 Funds meet the requirements through holding sustainable investments, as well as consideration of the PAIs.

As described in the section 'Consideration of the Principal Adverse Impacts ("PAIs") at Product Level', PAIs are currently considered through a combination of:

- Monitoring the fund, in particular where it falls below the quantitative and qualitative tolerance thresholds set for each product-level PAI;
- Stewardship and/or setting engagement objectives where the fund falls below the quantitative and qualitative tolerance thresholds; and
- Applying the following ESG exclusion policies across the funds: (i) Neuberger Berman Global Standards Policy; (ii) Neuberger Berman Controversial Weapons Policy; and (iii) Neuberger Berman Thermal Coal Involvement Policy. Additionally, some funds also apply the Neuberger Berman Sustainable Exclusions Policy and the Neuberger Berman Enhanced Sustainable Exclusions Policy.

NB considers the PAIs for most UCITS Article 8 and Article 9 Funds subject to there being adequate, reliable and verifiable data coverage for such indicators. Where such data is not available the relevant PAI will not be considered until such time as the data becomes available.

NB will keep the list of PAIs it considers under active review, as and when data availability improves.

### 7. The European ESG Template

#### Background

The European ESG Template (“EET”) has been designed by FinDatEx, an industry working group, as a voluntary initiative to enhance the sharing of ESG data required by industry participants for various EU-level sustainability regulations.

The EET is primarily used to communicate to distributors how NB’s funds comply with the MiFID II Sustainability Preference guidelines, which set out that clients may express sustainability preferences in three ways, as described in the previous section.

NB understands the importance of this initiative and its widespread uptake and has been publishing its own EET since June 2022 with frequent updates throughout the year.

#### Neuberger Berman’s Approach

As of 1st December 2022, NB has completed the EET V1.0 for all our UCITS and QIAIF fund ranges.

A high-level summary of NB’s EET content is as follows:

- **Sustainable Investments:** As described previously, NB’s Article 9 Funds and a selection of Article 8 Funds hold minimum proportions of sustainable investments.
- **PAIs:** As described previously, NB’s funds which commit to sustainable investments take into account all the mandatory PAIs for the purposes of identifying sustainable investments. More broadly, the majority of our Article 8 Funds take into account a selection of the mandatory PAIs, where there is sufficient data coverage and quality.
- **EU Taxonomy:** Due to the industry-wide lack of available and reliable data, NB is not in a position to credibly determine the Taxonomy-alignment of Article 8 and 9 Funds, and so at this point in time discloses a minimum Taxonomy alignment of 0%, in line with regulatory guidance.
- **Optional Fields:** We have completed a selection of optional fields in the EET that we believe provide relevant additional information to recipients. These include, for example, NB’s manager-level ESG commitments, ESG product labels, and links to exclusions policies, where relevant.

Our EET is available through most fund distribution platforms and may also be requested directly on-demand.

We will keep our EET up to date with the latest regulatory requirements and consistent with funds’ pre-contractual commitments. We plan to transition to V1.1 of the EET in Q2 2023.

## 8. Neuberger Berman UCITS Fund Classification Overview

For NB's product-level disclosures under SFDR, please visit <https://www.nb.com/en/global/legal-documents>

	SFDR Classification	NB Integration Approach	'Towards Sustainability' Label	Sustainable Investments	PAIs	EU Taxonomy	Thermal Coal Policy	Controversial Weapons Policy	Global Standards Policy	Sustainable Exclusions Policy	Enhanced Sustainable Exclusions Policy	Net-Zero Objective	Other Objective <sup>1</sup>
<b>High Yield Bond</b>													
Neuberger Berman High Yield Bond Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Short Duration High Yield SDG Engagement Fund	8	Assess			✓		✓	✓	✓	✓		✓	✓
Neuberger Berman European High Yield Bond Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Global High Yield SDG Engagement Fund	8	Assess			✓		✓	✓	✓				✓
Neuberger Berman Global High Yield Sustainable Action Fund	8	Amplify	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
<b>Emerging Market Debt</b>													
Neuberger Berman Emerging Market Debt – Local Currency Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Emerging Market Debt – Hard Currency Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Sustainable Emerging Market Corporate Debt Fund	8	Assess		✓	✓		✓	✓	✓	✓		✓	✓
Neuberger Berman Short Duration Emerging Market Debt Fund	8	Assess		✓	✓		✓	✓	✓				
Neuberger Berman Emerging Market Debt Blend Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Emerging Market Debt Sustainable Investment Grade Blend Fund	8	Amplify		✓	✓		✓	✓	✓	✓	✓	✓	

<sup>1</sup>Other objectives may include, for example, carbon emission reductions, SDG-related targets or engagement-related objectives. These can be found in fund prospectus and supplement documents

## Neuberger Berman EU ESG Regulatory Methodology and Approach

	SFDR Classification	NB Integration Approach	'Towards Sustainability' Label	Sustainable Investments	PAIs	EU Taxonomy	Thermal Coal Policy	Controversial Weapons Policy	Global Standards Policy	Sustainable Exclusions Policy	Enhanced Sustainable Exclusions Policy	Net-Zero Objective	Other Objective <sup>1</sup>
Neuberger Berman Asian Debt – Hard Currency Fund	8	Assess			✓		✓	✓	✓				✓
Neuberger Berman Sustainable Asia High Yield Fund	8	Assess		✓	✓		✓	✓	✓	✓		✓	✓
Neuberger Berman Sustainable Emerging Market Debt – Hard Currency Fund	9	Assess	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
<b>Fixed Income</b>													
Neuberger Berman Global Bond Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Strategic Income Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Corporate Hybrid Bond Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Global Opportunistic Bond Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Global Flexible Credit Income Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Global Investment Grade Credit Fund	8	Assess			✓		✓	✓	✓				
<b>Fixed Maturity</b>													
Neuberger Berman Global Diversified Income FMP – 2024	8	Assess			✓		✓	✓	✓				
<b>Euro Fixed Income</b>													
Neuberger Berman Euro Bond Absolute Return Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Ultra Short-Term Euro Bond Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Euro Opportunistic Bond Fund	8	Assess			✓		✓	✓	✓				

<sup>1</sup>Other objectives may include, for example, carbon emission reductions, SDG-related targets or engagement-related objectives. These can be found in fund prospectus and supplement documents

## Neuberger Berman EU ESG Regulatory Methodology and Approach

	SFDR Classification	NB Integration Approach	'Towards Sustainability' Label	Sustainable Investments	PAIs	EU Taxonomy	Thermal Coal Policy	Controversial Weapons Policy	Global Standards Policy	Sustainable Exclusions Policy	Enhanced Sustainable Exclusions Policy	Net-Zero Objective	Other Objective <sup>1</sup>
<b>Quantitative and Multi Asset</b>													
Neuberger Berman Multi-Asset Income Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Systematic Global Sustainable Value Fund	8	Assess		✓	✓		✓	✓	✓	✓	✓	✓	
Neuberger Berman Commodities Fund	6	N/A			✓		✓	✓					
<b>CLO Income</b>													
Neuberger Berman CLO Income Fund	6	N/A					✓	✓	✓				
<b>Liquid Alternatives</b>													
Neuberger Berman US Long Short Equity Fund	8	Assess					✓	✓	✓				
Neuberger Berman US Equity Index Putwrite Fund	6	N/A					✓	✓					
Neuberger Berman Macro Opportunities FX Fund	6	N/A					✓	✓					
<b>US Equity</b>													
Neuberger Berman US Small Cap Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman US Multi Cap Opportunities Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman US Small Cap Intrinsic Value Fund	6	N/A					✓	✓					
Neuberger Berman US Equity Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman US Large Cap Value Fund	8	Assess					✓	✓	✓				
<b>Global Equity</b>													
Neuberger Berman Emerging Markets Equity Fund	8	Amplify			✓		✓	✓	✓				

<sup>1</sup>Other objectives may include, for example, carbon emission reductions, SDG-related targets or engagement-related objectives. These can be found in fund prospectus and supplement documents

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Neuberger Berman Emerging Markets Select Equity Fund	8	Amplify			✓		✓	✓	✓	✓		✓	
Neuberger Berman Japan Equity Engagement Fund	8	Assess			✓		✓	✓	✓	✓			✓
Neuberger Berman Event Driven Fund	6	N/A					✓	✓					
<b>Real Estate</b>													
Neuberger Berman US Real Estate Securities Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Global Real Estate Securities Fund	8	Assess			✓		✓	✓	✓				
<b>China Equity</b>													
Neuberger Berman China Equity Fund	6	N/A						✓					
Neuberger Berman China A-Share Equity Fund	8	Assess			✓		✓	✓	✓	✓			
<b>China Bond</b>													
Neuberger Berman China Bond Fund	8	Assess			✓		✓	✓	✓				
<b>Multi Strategy</b>													
Neuberger Berman Uncorrelated Strategies Fund	6	N/A						✓					
Neuberger Berman Uncorrelated Trading Fund	6	N/A						✓					
<b>Thematic Equity</b>													
Neuberger Berman 5G Connectivity Fund	8	Assess	✓	✓	✓		✓	✓	✓	✓	✓		
Neuberger Berman Global Equity Megatrends Fund	8	Assess			✓		✓	✓	✓				
Neuberger Berman Next Generation Mobility Fund	8	Assess	✓	✓	✓		✓	✓	✓	✓	✓		

<sup>1</sup>Other objectives may include, for example, carbon emission reductions, SDG-related targets or engagement-related objectives. These can be found in fund prospectus and supplement documents.



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Neuberger Berman InnovAsia 5G Fund	8	Assess	✓	✓	✓		✓	✓	✓	✓	✓		
Neuberger Berman Next Generation Space Economy Fund	8	Assess		✓	✓		✓	✓	✓	✓		✓	
Neuberger Berman Metaverse Fund	8	Assess			✓		✓	✓	✓	✓			
<b>Sustainable Equity</b>													
Neuberger Berman Global Sustainable Equity Fund	8	Amplify	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
Neuberger Berman European Sustainable Equity Fund	8	Amplify	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓

<sup>1</sup>Other objectives may include, for example, carbon emission reductions, SDG-related targets or engagement-related objectives. These can be found in fund prospectus and supplement documents.

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