

## Separately Managed Account Profile

## Neuberger Berman International ADR Portfolio

## Seeking to Provide Broad-Based International Exposure with a High-Quality Bias

The NB International ADR Portfolio ("Portfolio") is a fundamentally managed all-cap international equity portfolio that offers the flexibility to invests across styles, sectors and countries.

We believe that many of the best investment opportunities in the international markets can be uncovered through disciplined, bottom-up research that focuses on high-quality companies selling at a reasonable price. With intense competition among managers, it is essential to reach beyond the "usual suspects" in search of investment ideas. As such, we look for companies across the market capitalization spectrum within the developed markets and seek to invest selectively in emerging market stocks when risk/reward fundamentals are favorable. At the same time, we understand the importance of systematic risk management, and seek to build portfolios with a compelling combination of risk and potential reward.

## Strategy Overview

## ALL-CAP PORTFOLIO

- Seeks differentiated businesses with an enduring competitive advantage, regardless of market cap
- Significant commitment to non-benchmark companies

## QUALITY AT A REASONABLE PRICE ("QUARP")

- Fundamental research process seeks to identify potential outperformers
- Quality companies: Returns of 1.5x cost of capital, organic growth, strong balance sheets
- Reasonable price: 50% appreciation potential over three years

## RISK-MANAGED

- Seeks to diversify across 50 – 70 names with max position size of 5%
- Seeks to control standard deviation and beta

## Our Approach: Emphasizing Strategic Analysis, Valuation and Risk Management

Screens narrow the universe to a manageable set of companies that undergo in-depth analysis

INTERNATIONAL  
EQUITY ADR UNIVERSE800+  
stocks

## Investable Universe

- Companies domiciled outside the U.S. with market cap  $\geq$  \$1bn and  $\geq$  \$1mn daily liquidity ADR listing

## QUALITY SCREENING

400+  
stocks

## Quality Track Record

- Profitability: ROIC  $\geq$  12%<sup>1</sup>
- Growing: EPS Growth  $\geq$  5%
- Financially Strong: Net Debt/EBITDA < 2.5x for non-financials

## STRATEGIC ANALYSIS

250+  
stocks

## Strong Outlook

- Industry and competitive positioning analysis along with material ESG risks and opportunities
- Over 1,000 company meetings annually;<sup>2</sup> 50+ weeks of travel to international markets
- Meet with competitors, suppliers, clients and regulators

## VALUATION ANALYSIS

100+  
stocks

## Undervalued

- Proprietary discounted cash flow model to seek to identify 50% upside potential over 3 years
- Analyze sensitivity to core revenue, margin and cap-ex assumptions
- Consider other valuation metrics: P/CF; P/E; P/BV; EV/EBITDA

PORTFOLIO  
CONSTRUCTIONTypically  
50 – 90 stocks

## QUARP Portfolio

- Seeks to measure risk at the security and portfolio level
- Position size based on potential upside and level of conviction
- Typical 30 – 50% turnover

<sup>1</sup> For financials we look for sustainable ROE > 12%.

<sup>2</sup> Meetings during 2024.

## Portfolio Construction

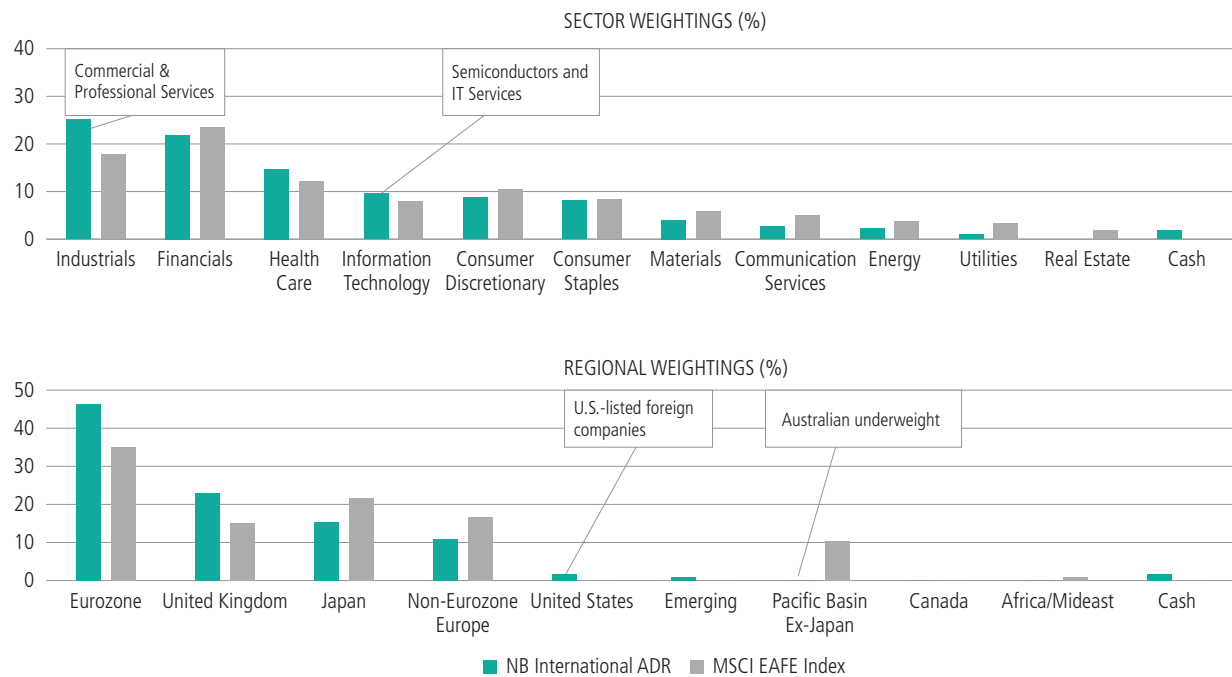
Broad guidelines to help exploit market opportunities:

<b>PORTFOLIO POSITIONS</b>  <b>TYPICALLY</b> <b>50 – 90</b>	<b>POSITION SIZE</b>  <b>5%</b> <b>MAXIMUM</b>	<b>SECTOR WEIGHT</b>  <b>-/+ 15%</b> <b>OF BENCHMARK<sup>1</sup></b>	<b>COUNTRY WEIGHT</b>  <b>-/+ 15%</b> <b>OF BENCHMARK<sup>1</sup></b>
<b>EXPOSURE TO EM COUNTRIES</b>  <b>20%</b> <b>MAXIMUM</b>	<b>CASH ALLOCATION</b>  <b>10%</b> <b>MAXIMUM</b>	<b>ANNUAL PORTFOLIO TURNOVER</b>  <b>TYPICALLY</b> <b>30 – 50%</b>	<b>3-YEAR TRACKING ERROR</b>  <b>3.8% PER ANNUM</b>

NOTE: Guidelines represents the typical investment guidelines, subject to customization at the sponsor level, and are generally as of time of initiation of strategy.

<sup>1</sup> Benchmark: MSCI EAFE (Net).

## Portfolio Characteristics



Source: Neuberger Berman, MSCI. As of March 31, 2025.

## Top Ten Holdings

Stock	Sector	Country	International ADR Weight (%)	Market Cap (US\$Mn)
BAE Systems	Industrials	United Kingdom	1.97	58,952
Mitsubishi UFJ Financial Group, Inc.	Financials	Japan	1.72	158,115
ConvaTec Group	Health Care	United Kingdom	1.67	6,787
London Stock Exchange Group	Financials	United Kingdom	1.65	78,612
Experian	Industrials	United Kingdom	1.63	42,139
Symrise AG	Materials	Germany	1.62	14,449
Universal Music Group N.V.	Communication Services	Netherlands	1.61	50,244
UniCredit S.p.A.	Financials	Italy	1.59	86,358
Kerry Group	Consumer Staples	Ireland	1.51	17,404
Erste Group Bank AG	Financials	Austria	1.47	26,715

Source: Neuberger Berman. As of March 31, 2025.

## Portfolio Management Team

Experienced, autonomous New York-based team leveraging breadth of firm resources, managing \$4.5 bn in AUM.<sup>1</sup>



**ELIAS COHEN, CFA**  
SENIOR PORTFOLIO  
MANAGER  
**Technology, Industrials  
& Materials**  
24 Years of Experience



**THOMAS HOGAN, CFA**  
PORTFOLIO MANAGER  
**Financials, Health Care  
& Industrials**  
26 Years of Experience



**STEVEN LIEBERMAN, CFA**  
RESEARCH ANALYST  
**Consumer & Materials**  
18 Years of Experience



**MCCOY JEN, CFA**  
RESEARCH ANALYST  
**Technology & Consumer**  
17 Years of Experience



**FEI CHEN**  
RESEARCH ANALYST  
**Technology, Industrials  
& Materials**  
15 Years of Experience



**TODD TAMAGNINI, CFA**  
RESEARCH ANALYST  
**Energy, Materials & Industrials**  
17 Years of Experience



**GREG HARRIS, CFA**  
PORTFOLIO DATA  
ANALYST  
14 Years of Experience

<sup>1</sup> As of March 31, 2025.

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