

# Neuberger Berman Sustainable Equity Fund

[NB.com/sustainableequity](https://www.nb.com/sustainableequity)
**TICKER:** Institutional Class: NBSLX, Class A: NRAAX, Class C: NRACX, Class R6: NRSRX, Class R3: NRARX, Investor Class: NBSRX, Trust Class: NBSTX

## Fund Highlights

### Strategy Overview

- A high conviction fundamental active U.S. large cap equity portfolio of 35-45 holdings

### Investment Philosophy

- Quality at a Reasonable Price ("QARP") approach validated by consistent portfolio characteristics, including strong free cash flow, low leverage, and management track record
- Patient long-term business owner mindset: active ownership and shareholder engagement integral to supporting long-term value creation
- Exploiting market short-termism via a long-term investment time horizon, typically 5+ years

### Investment Process Highlights

- In seeking to identify high-quality businesses with deep economic moats, we assess a business's relationships with its key stakeholders—Customers, Employees, Suppliers, Community, Regulators, Creditors and Shareholders—with the goal of driving long-term shareholder value
- Risk aware approach demonstrated through favorable upside/downside capture, low relative volatility, and portfolio factor exposures including overweight quality, underweight volatility and a balance of growth and value
- Active shareholder engagement and proxy voting

## Investment Performance

As of March 31, 2025\*

AT NAV	Quarter	YTD	AVERAGE ANNUALIZED					EXPENSE RATIOS <sup>3</sup>
			1 Year	3 Year	5 Year	10 Year	Since Inception	
Institutional Class <sup>1</sup>	-2.87	-2.87	10.77	11.10	19.45	11.31	10.09	0.70
Class A <sup>1</sup>	-2.98	-2.98	10.37	10.70	19.02	10.90	9.88	1.07
Class C <sup>1</sup>	-3.16	-3.16	9.53	9.86	18.13	10.08	9.46	1.82
Class R6 <sup>1</sup>	-2.87	-2.87	10.85	11.20	19.57	11.41	10.09	0.61
Class R3 <sup>1</sup>	-3.04	-3.04	10.09	10.41	18.72	10.63	9.74	1.32
Investor Class <sup>1</sup>	-2.95	-2.95	10.57	10.90	19.24	11.11	9.98	0.88
Trust Class <sup>1</sup>	-2.97	-2.97	10.37	10.70	19.03	10.92	9.80	1.06
<b>WITH SALES CHARGE</b>								
Class A <sup>1</sup>	-8.57	-8.57	4.02	8.53	17.62	10.25	9.67	
Class C <sup>1</sup>	-4.12	-4.12	8.53	9.86	18.13	10.08	9.46	
S&P 500® Index <sup>2</sup>	-4.27	-4.27	8.25	9.06	18.59	12.50	10.38	

Performance data quoted represent 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. Results are shown on a "total return" basis and include reinvestment of all dividends and capital gain distributions. 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 [www.nb.com/performance](https://www.nb.com/performance).

\*The inception date for Neuberger Berman Sustainable Equity Fund Class A, Class C and Class R3 was 5/27/09. The inception dates for the Institutional, Investor, Trust Class and Class R6 were 11/28/07, 3/16/94, 3/3/97 and 3/15/13, respectively. The inception date used to calculate benchmark performance is that of the Investor Class. Average Annual Total Returns with sales charge reflect deduction of current maximum initial sales charge of 5.75% for Class A shares and applicable contingent deferred sales charges (CDSC) for Class C shares. The maximum CDSC for Class C shares is 1%, which is reduced to 0% after 1 year.

### Portfolio Characteristics<sup>4</sup>

Number of Securities	36
Market Cap (median)	136,335
Market Cap (weighted avg)	849,069
P/E using FY1 Est	21.7
Price/Cash Flow	15.6
Price/Book	5.5
ROE - 5 Yr Avg	26.2
ROA - 5 Yr Avg	10.4
ROIC	23.3
FY 1-2 EPS Growth Rate	14.7
EV/EBITDA	16.6
TOTAL DEBIT/EBITDA	1.4

### Top 10 Holdings (%)

Amazon.com, Inc.	8.1
Berkshire Hathaway Inc.	7.2
Alphabet Inc.	7.0
Microsoft Corporation	7.0
SpaceX	5.5
Interactive Brokers Group, Inc.	4.7
Mastercard Incorporated	4.6
GoDaddy Inc.	3.8
Progressive Corporation	3.3
Kyndryl Holdings, Inc.	3.0

## Management Team

**Daniel Hanson, CFA**

30 Years of Industry Experience

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.

Neuberger Berman Sustainable Equity Fund

Sector Breakdown (%)<sup>5</sup>

	Fund	Benchmark
Financials	26.1	14.7
Information Technology	23.8	29.6
Consumer Discretionary	12.3	10.3
Industrials	10.9	8.5
Health Care	8.8	11.2
Communication Services	7.0	9.2
Consumer Staples	2.7	6.1
Materials	1.3	2.0
Energy	1.0	3.7
Real Estate	0.0	2.3
Utilities	0.0	2.5

Morningstar Overall Rating™

Institutional Class: ★ ★ ★ ★  
(Out of 1272 Large Blend funds)  
The Morningstar ratings for Neuberger Sustainable Equity Fund – Institutional Class for the 3-, 5- and 10- year periods ended March 31, 2025 was 5 stars (out of 1272 Large Blend Funds), 5 stars (out of 1169 Large Blend Funds) and 3 stars (out of 889 Large Blend Funds), respectively. Morningstar calculates a Morningstar rating based on a risk adjusted total return.

For each retail mutual fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive five stars, the next 22.5% receive four stars, the next 35% receive three stars, the next 22.5% receive two stars and the bottom 10% receive one star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a retail mutual fund is derived from a weighted average of the performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics. Ratings are ©2025 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

IMPORTANT RISK DISCLOSURES

The Fund's application of its sustainable investing criteria is designed and utilized 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 that will outperform other issuers, or help reduce risk in the portfolio. Investing based on a sustainable criteria is qualitative and subjective by nature and there is no guarantee that the criteria used by the Fund will reflect the beliefs or values of any particular investor.

The Fund is classified as non-diversified. As such, the percentage of the Fund's assets invested in any single issuer, or a few issuers is not limited as much as it is for a Fund classified as diversified. Investing a higher percentage of its assets in any one or a few issuers could increase the Fund's risk of loss and its share price volatility, because the value of its shares would be more susceptible to adverse events affecting those issuers.

To the extent that the Fund invests in securities or other instruments denominated in or indexed to foreign currencies, changes in currency exchange rates could adversely impact investment gains or add to investment losses.

Foreign securities involve risks in addition to those associated with comparable U.S. securities. An individual security may be more volatile, and may perform differently, than the market as a whole.

Markets may be volatile and values of individual securities and other investments, including those of a particular type, may decline significantly in response to 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.

Compared to smaller companies, large-cap companies may be less responsive to changes and opportunities. Compared to larger companies, mid- cap companies may depend on a more limited management group, may have a shorter history of operations, and may have limited product lines, markets or financial resources.

High public debt in the U.S. and other countries creates ongoing systemic and market risks and policymaking uncertainty.

The Fund may experience periods of large or frequent redemptions that could cause the Fund to sell assets at inopportune times or at a loss or depressed value.

From time to time, based on market or economic conditions, the Fund may have significant positions in one or more sectors of the market. To the extent the Fund invests more heavily in particular sectors, its performance will be especially sensitive to developments that significantly affect those sectors.

Value stocks may remain undervalued or may decrease in value during a given period or may not ever realize what the portfolio management team believes to be their full value.

A decline in the Fund's average net assets during the current fiscal year due to market volatility or other factors could cause the Fund's expenses for the current fiscal year to be higher than the expense information presented.

There can be no guarantee that the Portfolio Manager will be successful in his 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.

The Fund and its service providers, and your ability to transact with the Fund, may be negatively impacted due to operational matters arising from, among other problems, human errors, systems and technology disruptions or failures, or cybersecurity incidents.

Risk is an essential part of investing. No risk management program can eliminate the Fund's exposure to adverse events. These and other risks are discussed in more detail in the Fund's prospectus. Please refer to the Fund's current prospectus for a complete discussion of the Fund's principal risks.

The composition, characteristics, sectors, and holdings of the Fund are as of the period shown and are subject to change without notice.

## Neuberger Berman Sustainable Equity Fund

---

1 Shares of the Classes A, C, R3, R6 and Institutional Class may not be purchased directly from the Manager; they may only be purchased through certain institutions that have entered into administrative services contracts with the Manager. The Investor and Trust Classes are closed to new investors.

2 The **S&P 500® Index** is a float-adjusted market capitalization-weighted index that focuses on the large-cap segment of the U.S. equity market, and includes a significant portion of the total value of the market. Please note that indices do not take into account any fees and expenses or taxes 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 include reinvestment of all dividends and capital gain distributions. The Fund may invest in many securities not included in the above-described index.

3 Gross expense represents the total annual operating expenses that shareholders pay (after the effect of fee waivers and/or expense reimbursement, if any). The Fund's Investment Manager (the "Manager") has contractually undertaken to waive and/or reimburse certain fees and expenses of the Fund so that the total annual operating expenses are capped (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) through 08/31/2028 for Institutional Class at 0.75%, 1.11% for Class A, 1.86% for Class C, 1.36% for Class R3, 0.65% for Class R6 and 1.50% for Trust Class (each as a % of average net assets). As of the Fund's most recent prospectuses, the Manager was not required to waive or reimburse any expenses pursuant to this arrangement. Absent such arrangements, which cannot be changed without Board approval, the returns may have been lower. Information as of the most recent prospectuses dated December 18, 2024, as amended and supplemented.

4 Figures are derived from FactSet as of 3/31/25. The Fund's Investor Class was used to calculate **beta**, a measure of the magnitude of a fund's past share price fluctuations in relation to the fluctuations in the stock market (as represented by the fund's benchmark). While not predictive of the future, funds with a beta greater than 1 have in the past been more volatile than the benchmark, and those with a beta less than 1 have in the past been less volatile than the benchmark. **Forward P/E ratio** is the weighted harmonic aggregate of the Forward P/E ratios of all the stocks currently held in the Portfolio. The Forward P/E ratio of a stock is calculated by dividing the current ending price of the stock by its forecasted calendar year Earnings Per Share (EPS). The forecasted EPS of a company is based on consensus estimates, not Neuberger Berman's own projections, and it may or may not be realized. In addition, any revision to a forecast could affect the market price of a security. By quoting them herein, Neuberger Berman does not offer an opinion as to the accuracy of, and does not guarantee, these forecasted numbers. Additionally, these fund statistics are not a forecast of the Fund's performance. Adjusting for an accounting change at Intuit and the EBITDA based valuation of Level 3, the team estimates that the Forward PE for the Portfolio is lower and the Forward growth rate higher resulting in a lower PEG ratio. **Standard Deviation** is a statistical measure of portfolio risk. The Standard Deviation describes the average deviation of the portfolio returns from the mean portfolio return over a certain period of time. Standard Deviation measures how wide this range of returns typically is. The wider the typical range of returns, the higher the Standard Deviation of returns, and the higher the portfolio risk. **Up Capture Ratio** is a measure of the manager's performance in up markets relative to the market itself. A value of 110 suggests the manager performs ten percent better than the market when the market is up. During the selected time period, the return for the market for each period is considered an up market period if it is greater than zero. The returns for the manager and the market for all up periods are calculated. The Upside Capture Ratio is calculated by dividing the return of the manager during the up market periods by the return of the market during the same periods. **Down Capture Ratio** is a measure of the manager's performance in down markets relative to the market itself. A value of 90 suggests the manager's loss is only nine tenths of the market's loss. During the selected time period the return for the market for each period is considered a down market period if it is less than zero. The returns for the manager and the market for all down periods are calculated. The Downside Capture Ratio is calculated by dividing the return of the manager during the down periods by the return of the market during the same periods. **Active Share** measures the percentage of mutual fund assets that are invested differently from the benchmark, and will range between 0% and 100%. Funds with an active share below 20% are likely to be pure index funds, while those with an active share between 20% and 60% are considered to be closet index funds. **Return on assets:** Calculated by dividing a company's net income by total assets, ROA is an indicator of how well a company utilizes its assets, by determining how profitable a company is relative to its total assets. Information is calculated on a trailing twelve month and trailing 5 and 10 year basis. **Price-to-book ratio:** The ratio is used to compare a stock's market value to its book value, assessing total firm value. The ratio is calculated by taking the market value of all shares of common stock divided by the book value of the company. (Book value is the company's total assets, less intangible assets and liabilities.) A lower price to book ratio could mean that the respective stock is undervalued. **Price-to-earnings ratio (P/E):** The price-to-earnings ratio is calculated by dividing the price of the security by the earnings per share. The higher the PE ratio the more the investor is willing to pay for earnings. A higher PE ratio would imply that earnings will grow higher in the future. **Earnings per share (EPS) growth:** Earnings per share figures are calculated by dividing a company's total earnings by the number of common shares outstanding (negative EPS indicates negative earnings for a period). A weighted average of shares outstanding over the reporting period is used to calculate. EPS can be determined for the previous year (actual, trailing EPS), for the current year (current, estimated EPS), or for the coming year (forward, estimated EPS). **Debt-to-EBITDA:** Net debt is a liquidity metric used to determine how well a company can pay all of its debts if they were due immediately. Net debt shows how much cash would remain if all debts were paid off and if a company has enough liquidity to meet its debt obligations. Net debt is calculated by adding a company's short term and long term debt and subtracting its cash or cash equivalents. The net debt-to-EBITDA ratio is a debt ratio that shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

5 Figures are derived from FactSet as of 3/31/25. The Global Industry Classification Standard SM is used to derive the component economic sectors of the benchmark and the Fund. The Global Industry Classification Standard ("GICS")SM was developed by, and is the exclusive property of, MSCI and Standard & Poor's. "Global Industry Classification Standard (GICS)," "GICS" and "GICS Direct" are service marks of MSCI and Standard & Poor's.

This material is general in nature and is not directed to any category of investors and should not be regarded as individualized, a recommendation, investment advice or a suggestion to engage in or refrain from any investment-related course of action. Neuberger Berman is not providing this material in a fiduciary capacity and has a financial interest in the sale of its products and services. Investment decisions and the appropriateness of this material should be made based on an investor's individual objectives and circumstances and in consultation with his or her advisors.

The views expressed in this material do not constitute investment advice or recommendations by portfolio management or the Manager.

The "Neuberger Berman" name and logo and "Neuberger Berman Investment Advisers LLC" name are registered service marks of Neuberger Berman Group LLC. The individual fund names in this piece are either service marks or registered service marks of Neuberger Berman Investment Advisers LLC, an affiliate of Neuberger Berman BD LLC, distributor, member FINRA.

© 2025 Neuberger Berman BD LLC. All rights reserved.