

Sustainable Finance Disclosure Regulation

Neuberger Berman Asset Management Ireland Limited

Sustainable Finance Disclosure Regulation

Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("**SFDR**") seeks to (i) establish a harmonised approach in respect of sustainability-related disclosures made by financial market participants to investors within the European Union's financial services sector and (ii) to achieve more transparency regarding how financial market participants integrate Sustainability Risks into their investment decisions and the consideration of adverse sustainability impacts into the investment process. Financial market participants include AIFMs, investment firms and UCITS management companies, in their capacity as manager of financial products (which includes all forms of AIFs, UCITS and/or segregated client accounts). For the purposes of SFDR, Neuberger Berman Asset Management Ireland Limited ("**NBAMIL**") is a financial market participant for the financial products listed below.

Integration of Sustainability Risks

Unless otherwise specified, NBAMIL applies the Neuberger Berman ESG Policy for financial products under its management. In applying the Neuberger Berman ESG Policy, NBAMIL (in conjunction with other companies in the Neuberger Berman group for which it is applicable) shall integrate ESG factors (including the consideration of Sustainability Risks) into the investment decision-making process. The specific approach to ESG integration taken by NBAMIL in applying the Neuberger Berman ESG Policy, in its role as portfolio manager (together with other companies in the Neuberger group as applicable) will depend on multiple factors, including (i) the objectives of the financial product's strategy, (ii) the assets held by the financial product, (iii) the investment time horizon, (iv) any specific research undertaken by NBAMIL, (v) an assessment of the likely impact of Sustainability Risks on the returns of the financial product and (vi) the overall investment process.

NBAMIL (together with other companies in the Neuberger Berman group as applicable), in applying the Neuberger Berman ESG Policy determines how to (i) achieve its ESG integration objective (ii) undertake ESG analysis to mitigate risk (including Sustainability Risk) and enhance opportunity, (iii) analyse and measure investee companies/issuers and how each of those influence portfolio construction. The Neuberger Berman ESG Policy requires that research analysts and portfolio managers, including NBAMIL, undertake its own research on ESG factors so it can consider them alongside other inputs as part of the overall investment process.

As per SFDR - Sustainability Risks are defined as environmental, social and governance events or conditions whose occurrence could have an actual or potential material negative impact on the value of an investment (and hence on the net asset value of the fund and on its returns). Typical examples of Sustainability Risks include but not limited to, risks stemming from climate change (notably physical and transition risks), natural resource depletion, environmental degradation, human rights abuses, bribery, corruption, poor governance and social and employee matters.

Sustainability Risks can impact the value of an investment in a number of ways depending on the nature of individual investments, for example, through physical damage to assets, policy or technological changes impacting the economics of the investment or through changes in consumer preferences.

NBAMIL considers Sustainability Risks (as defined in the SFDR as per above) as a broad term which seeks to identify financially material risk that relates to ESG issues. Therefore, potential risk posed by Sustainability Risks can be limited through ESG integration, sustainable investing and the responsible and proper management of portfolios.

Neuberger Berman ESG Quotient

For each of the Article 8 and Article 9 financial products, NBAMIL use the proprietary Neuberger Berman ESG rating system (the "**NB ESG Quotient**") as part of the investment process. The NB ESG Quotient is built around the concept of sector specific ESG risk. Foundational to the NB ESG Quotient is the proprietary Neuberger Berman ("**NB**") materiality matrix, which focuses on the ESG characteristics that are considered to be the most material drivers of ESG risk for each sector. Each sector criteria is constructed using third party and internally derived ESG data and supplemented with internal qualitative analysis, leveraging the investment team's significant sector expertise.

The NB ESG Quotient assigns weightings to environmental, social and governance characteristics for each sector to derive the NB ESG Quotient rating. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of being included in the relevant portfolio. Issuers/companies with a poor NB ESG Quotient rating, especially where a poor NB ESG Quotient rating is not being addressed by an issuer/company, are more likely to be removed from the investment universe or divested from the relevant portfolio. In addition, constructive engagements are undertaken with issuers that have a poor NB ESG Quotient rating, in order to assess whether concerns are being addressed adequately.

Assessment of the impact on likely returns

In applying the Neuberger Berman ESG Policy, NBAMIL may, depending on the particular strategy, deliberately forego opportunities for a financial product to gain exposure to certain companies, industries, sectors or countries that it believes may benefit the particular portfolio and it may choose to sell a security when, in hindsight, it might be seen to have been disadvantageous to do so. Certain financial products may focus on investment in companies that relate to certain sustainable development themes and demonstrate adherence to environmental, social and good governance practices. Accordingly, as the universe of investments for those financial products is smaller than that of other funds, NBAMIL has determined that those financial products could underperform the market as a whole if the investments underperform the market, which could negatively impact on returns. Notwithstanding the foregoing, the Neuberger Berman ESG Policy seeks to formalise and focus Neuberger Berman's responsible investment efforts, with the belief that material ESG characteristics are an important driver of long-term investment returns and mitigator of risk and have the follow-on effect of supporting better-functioning capital markets and having a positive impact for people and the planet.

Remuneration Considerations

NBAMIL has adopted remuneration policies consistent with its obligations under the European Union's Alternative Investment Fund Managers Directive 2011/61/EU ("**AIFMD**"), Directive 2009/65/EC as amended by Directive 2014/91/EU on Undertakings for Collective Investment in Transferable Securities ("**UCITS Directive**"), the European Securities and Markets Authorities' guidelines on sound remuneration policies under AIFMD and the UCITS Directive, Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector; as each may be further amended from time to time and including any implementing legislation. NBAMIL's remuneration policies (i) promote sound and effective risk management and (ii) discourage excessive risk taking, including without limitation, with respect to Sustainability Risks, as defined above.

NBAMIL adheres to group-wide general principles, policies and practices. NBAMIL's remuneration policy applies in addition to the remuneration and employment policies and practices operated from time to time within NBAMIL itself and the Neuberger Berman group of companies (the "**NB Group**"). The assessment of NBAMIL staff performance is based on a multi-year perspective in order to take into account the long-term performance of personnel, as well as the life cycle of the financial product under management. Performance objectives are therefore on a multi-year basis, ensuring that staff and end investors' interests are aligned.

Variable remuneration is dependent upon both corporate results and employee contribution to the NB Group's objectives. The determination of an individual's entitlement to variable remuneration will in all cases take into account the individual staff member's performance in the relevant performance period based on an assessment of both quantitative and qualitative criteria. In addition, with respect to portfolio

management teams, the entitlement to variable remuneration is not solely linked to the performance of the financial products managed by that particular team, but to the broader assets under management of the NB Group. This serves to discourage excessive risk taking, as no one individual can influence overall NB Group performance. Senior management within the NB Group is responsible for approving the award of remuneration and benefits, while the Neuberger Berman Global Group Compensation Committee approves any annual changes to the bonus pools and also provides certain oversight in relation to the awarding of remuneration and any benefits. In no circumstances will any senior staff member who is eligible to participate in a bonus pool have authority (either individually or as part of a committee) to give the final approval for any bonus pool in which he or she is eligible to participate in nor will he or she be in a position to approve his or her own individual remuneration outcome. Given the nature, scale and complexity of NBAMIL, the board of directors of NBAMIL have determined not to put in place a remuneration committee of its own and instead relies on the functions within the NB Group.

Consideration of Principal Adverse Impacts

Notwithstanding that NBAMIL will consider the Principal Adverse Impact Indicators (the “PAIs”) on sustainability factors¹ at the product level for each of the Article 8 and Article 9 financial products, NBAMIL does not currently consider the principal adverse impacts of its investment decisions on sustainability factors at entity level. NBAMIL has opted against doing so, primarily as the regulatory technical standards (“RTS”) supplementing SFDR, which set out the content, methodology and information required in the principal adverse sustainability impact (“PASI”) statement, have only recently been finalised and published. NBAMIL is keeping this decision under active review.

Article 8 & Article 9 Financial Products under SFDR

The following Neuberger Berman Investment Funds plc (“NBIF”) sub-funds are classified as Article 8 financial products under SFDR:

1	Neuberger Berman Emerging Market Debt - Local Currency Fund	549300VLRPBFFXL0DB81
2	Neuberger Berman Emerging Market Debt - Hard Currency Fund	549300M7KHGG3BTZ3979
3	Neuberger Berman Emerging Market Corporate Debt Fund	549300GFVSJXLSLRQ502
4	Neuberger Berman Short Duration Emerging Market Debt Fund	549300J30SXW5866TW70
5	Neuberger Berman Emerging Market Debt Blend Fund	549300JASQ1JIDYO8X22
6	Neuberger Berman Emerging Market Debt Sustainable Investment Grade Blend Fund	549300IFJK0FPOE1X496
7	Neuberger Berman Asian Debt - Hard Currency Fund	54930058PUF4SZOVOD17
8	Neuberger Berman Emerging Markets Equity Fund	549300XPW2SIPQYGFT52
9	Neuberger Berman Japan Equity Engagement Fund	549300ELGQMFUUPHG878
10	Neuberger Berman Emerging Markets Sustainable Equity Fund	549300KP5UMDNHRQH875
11	Neuberger Berman High Yield Bond Fund	549300IJY8N43QRUU802
12	Neuberger Berman Short Duration High Yield Bond Fund	5493009EN8Z7034TFP15
13	Neuberger Berman European High Yield Bond Fund	549300Z7RL5FC5H5DB41
14	Neuberger Berman Global High Yield SDG Engagement Fund	549300YE6BLJU5JCDI13
15	Neuberger Berman 5G Connectivity Fund	549300H0HOXG52E57840

¹Sustainability Factors are defined in the SFDR as environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

16	Neuberger Berman Global Thematic Equity Fund	549300NOKC884YXB6S20
17	Neuberger Berman Next Generation Mobility Fund	5493000YD3J3W1CMMU74
18	Neuberger Berman US Long Short Equity Fund	54930034RCIO16VO2Z23
19	Neuberger Berman China Bond Fund	549300I3S2HFIMB3V932
20	Neuberger Berman US Multi Cap Opportunities Fund	549300K77TBAIVA0NY51
21	Neuberger Berman Corporate Hybrid Bond Fund	549300TMYI9EFR4Q1G47
22	Neuberger Berman Global Opportunistic Bond Fund	549300ZNNZZ2YDVTNRE14
23	Neuberger Berman Multi-Asset Income Fund	549300P7BLMM0H469F71
24	Neuberger Berman US Real Estate Securities Fund	549300T9PUOV1AK0OR82
25	Neuberger Berman Global Real Estate Securities Fund	549300JYOIU4VRI67006
26	Neuberger Berman China A-Share Equity Fund	54930037QMZTCH4D7291
27	Neuberger Berman US Equity Fund	549300GF328Y6TQJI517
28	Neuberger Berman CLO Income Fund	54930003X66WAS12MV11
29	Neuberger Berman Euro Bond Absolute Return Fund	549300ZPJNN43P39QR29
30	Neuberger Berman Ultra Short Term Euro Bond Fund	5493005BLB45DI1FOM10
31	Neuberger Berman Euro Opportunistic Bond Fund	549300TQ5M6FBE2H8T74
32	Neuberger Berman Global Bond Fund	549300RDJHEJZ6VXX05
33	Neuberger Berman Strategic Income Fund	549300RBLDK0PHH13M43
34	Neuberger Berman Global Flexible Credit Fund	5493004BPE0UFYX6FZ81
35	Neuberger Berman Global Diversified Income FMP-2024	549300577U1V3H24JG33
36	Neuberger Berman US Small Cap Fund	549300CG2QDECVFZQ378
37	Neuberger Berman InnovAsia 5G Fund	549300VMISY5R7FEHX25
38	Neuberger Berman Global Investment Grade Credit Fund	549300TIVEOUW3FSBE51
39	Neuberger Berman Sustainable Asia High Yield Fund	5493005FAT85HZ73DG37
40	Neuberger Berman US Large Cap Value Fund	549300J88053TDGDPM52
41	Neuberger Berman Next Generation Space Economy Fund	549300FT24ZYHNJCVO63
42	Neuberger Berman Global High Yield Sustainable Action Fund	549300J4GX5K2889LG47
43	Neuberger Berman Global Sustainable Equity Fund	549300XRT8BVEN8P0A74
44	Neuberger Berman European Sustainable Equity Fund	549300K7Y3HBTEX71857
45	Neuberger Berman Systematic Global Sustainable Value Fund	549300VLTCS1K4EA7H66
46	Neuberger Berman Metaverse Fund	549300GQMGSG4FDNJD49

The following NBIF sub-fund is classified as an Article 9 financial product under SFDR:

1	Neuberger Berman Sustainable Emerging Market Debt– Hard Currency Fund	549300OWRIKGBWGYOX93
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This finalised disclosures in respect of each NBIF sub-fund which meets the criteria of an Article 8 financial product under SFDR and those NBIF sub-funds meeting the criteria of an Article 9 financial product under SFDR are contained in the prospectus and relevant supplement at the following link <https://www.nb.com/en/global/legal-documents>

The following Neuberger Berman Investment Funds II plc (“NBIF II”) sub-funds are classified as Article 8 financial products under SFDR:

1	Neuberger Berman Global Senior Floating Rate Income Fund	549300N2FZ1HQ08EAX25
2	Neuberger Berman Global Senior Floating Rate Income Fund II	549300E2UQOUYLCU1K56
3	Neuberger Berman European Senior Floating Rate Income Fund	549300VAVSSEOEHL4G52
4	Neuberger Berman High Quality Global Senior Floating Rate Income Fund	54930025WWP1EGX28C06
5	Neuberger Berman Sogecap Emerging Market Debt Fund	5493000OIWC63PQNVG15
6	Neuberger Berman Global Subordinated Financials Fund	549300O55LNTCC30CH30
7	Neuberger Berman Brunel Multi Asset Credit Fund	549300IPEU88I8MLHN03
8	Neuberger Berman European Private Loans Fund I	549300U9YYSDFRXXDJ71
9	Neuberger Berman Global ESG Credit Fund	549300CGQ38NQNAC6W93
10	Neuberger Berman Climate Transition Multi-Asset Credit Fund	549300QIZLH5TCSYJ835

Further disclosures in respect of each NBIF II sub-fund which meets the criteria of an Article 8 financial product under SFDR are contained in the prospectus and relevant supplement at the following link:
<https://www.nb.com/en/global/legal-documents>

NBAMIL has classified the following separate account as an Article 8 financial product under SFDR:

1. Euro FI – IRISH CLIENT 1

This disclosure is accurate as at 22 August 2022