

Template Website Disclosures for Article 8 funds

Article 10 EU Sustainable Finance Disclosure Regulation (“SFDR”) disclosure – in accordance with Chapter IV, Section 2 of Delegated Regulation 2022 / 1288 (“Level 2 RTS”)

Sustainability-related Disclosures section of the NB Website

In accordance with Article 10 of the SFDR, and Chapter IV, Section 2 of Delegated Regulation (EU) 2022/1288, this document provides information on the social and environmental characteristics promoted by the Neuberger Berman 5G Connectivity Fund and the methodologies that are used to assess, measure and monitor these characteristics.

Defined terms used in this disclosure (unless defined herein) are as set out in Portfolio offering documents. Terms used in the summary have the same meaning as in the rest of this website disclosure.

Neuberger Berman 5G Connectivity Fund (the "Portfolio")

Summary

The Portfolio is categorised as an Article 8 financial product for the purposes of SFDR.

As part of the investment process, the investment team considers a variety of environmental and social characteristics, as detailed below. These environmental and social characteristics are considered using a proprietary Neuberger Berman ESG rating system (the “**NB ESG Quotient**”). The NB ESG Quotient is built around the concept of sector specific ESG risk and opportunity, and produces an overall ESG rating for issuers by assessing them against certain ESG metrics.

No Sustainable Investment Objective

This Portfolio promotes environmental or social characteristics, but does not have as its objective sustainable investment. However, the Portfolio commits to holding a minimum of 10% sustainable investments.

Environmental or social characteristics promoted by the Portfolio

The following environmental and social characteristics are considered, where relevant to the specific industry and issuer, as part of the NB ESG Quotient rating:

Environmental Characteristics: air quality; biodiversity & land use; energy management; environmental risk exposure; fuel economy; greenhouse gas (“**GHG**”) emissions; opportunities in clean technologies; toxic emissions & waste; water management; packaging lifecycle management; materials sourcing; and product lifecycle management.

Social Characteristics: access to finance; access to healthcare; community relations; data privacy & security; employee incentives & risk taking; health & nutrition; health & safety; human capital development; labour management; product safety & integrity; supply chain labour standards; workforce diversity & inclusion; pricing transparency; and responsible marketing.

Investment Strategy

The Portfolio aims to achieve a target average return of 3-5% over the Benchmark, the MSCI All-Country World Index (ACWI) (Total Return, net of tax, USD), before fees over a market cycle (typically 3 years) from investing primarily in a portfolio of global equity holdings, focusing on companies that are involved or derive benefit from Next Generation Connectivity. The Portfolio will seek to achieve its objective by primarily investing in equity securities that are listed or traded on Recognised Markets globally (as depicted in Annex I of the Prospectus and which may include Emerging Market Countries) and issued by companies across all market capitalisations and economic sectors. The Portfolio may invest in companies of any market capitalisation but shall typically invest in companies that have market capitalisation greater than USD 500 million at time of purchase.

Assessment of Good Governance

	Governance factors that the investment team tracks may include: (i) compensation and incentive alignment; (ii) shareholder rights; (iii) capital structure and investment; (iv) board composition; and (v) transparent communication and internal controls.
Proportion of Investments	The Portfolio aims to directly hold a minimum of 80% investments that are aligned with the environmental or social characteristics promoted by the Portfolio. The Portfolio commits to holding a minimum of 10% sustainable investments.
Monitoring of environmental or social characteristics	The investment team considers a variety of sustainability indicators to measure the environmental and/or social characteristics promoted by the Portfolio, including: <ul style="list-style-type: none"> (a) the NB ESG Quotient; (b) Climate Value-at-Risk (“CVaR”); and (c) NB ESG exclusion policies.
Methodologies for environmental or social characteristics	The investment team will track and report on the performance of the above sustainability indicators. These sustainability indicators will be used to measure the attainment of each of the environmental and social characteristics promoted by the Portfolio and will be included in the Portfolio's mandatory periodic report.
Data sources and processing	ESG data inputs are derived from multiple datasets including international financial organisations, external vendors, company direct disclosures, company indirect disclosures, development agencies and specialty ESG research providers. ESG data feeds are monitored and reconciled by our data quality assurance team and critical data elements are closely reviewed as part of internal reporting.
Limitations to methodologies and data	Limitations in both methodology and data are listed under this heading in the main body of the website disclosure. Neuberger Berman is satisfied that such limitations do not affect the promotion of environmental or social characteristics as explained further under this heading in the main body of the website disclosure.
Due Diligence	Before making investments, Neuberger Berman will conduct reasonable and appropriate due diligence based on the facts and circumstances applicable to each investment.
Engagement Policies	Engagement is an important component of the Portfolio's investment process.
Designated Reference Benchmark	N/A

SFDR Level 2 Article 8 website disclosure – Neuberger Berman 5G Connectivity Fund (the "Portfolio")

In accordance with Article 10 of the SFDR, and Chapter IV, Section 2 of Delegated Regulation (EU) 2022/1288, this document provides information on the social and environmental characteristics promoted by the Neuberger Berman 5G Connectivity Fund and the methodologies that are used to assess, measure and monitor these characteristics.

Defined terms used in this disclosure (unless defined herein) are as set out in Portfolio offering documents. Terms used in the summary have the same meaning as in the rest of this website disclosure

No sustainable investment objective of the financial product

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment. However, the Portfolio commits to holding a minimum of 10% sustainable investments.

The Sub-Investment Manager will consider the following principal adverse impacts indicators when determining whether the sustainable investments that the Portfolio intends to make, do not cause significant harm to any environmental or social sustainable investment objective: greenhouse gas (“**GHG**”) emissions; carbon footprint; GHG intensity of investee companies; exposure to companies active in the fossil fuel sector; share of non-renewable energy consumption and production; energy consumption intensity per high impact climate sector; activities negatively affecting biodiversity-sensitive areas; emissions to water; hazardous waste and radioactive waste ratio; violations of UN Global Compact Principles (“**UNGC Principles**”) and OECD Guidelines for Multinational Enterprises (“**OECD Guidelines**”); lack of processes and compliance mechanisms to monitor compliance with UNGC Principles and OECD Guidelines; unadjusted gender pay gap, board gender diversity; and exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (the “**PAIs**”).

Consideration of the above PAIs is limited by the availability of adequate, reliable and verifiable data coverage for such indicators, and may evolve with improving data quality and availability. The Sub-Investment Manager will utilise third party data and proxy data along with internal research to consider the PAIs.

Additionally, the Sub-Investment Manager has conducted a letter campaign where it has written to select investee companies asking for direct disclosure on the PAIs in order to offer high-quality disclosures to investors. The Sub-Investment Manager will continue to work with companies to encourage disclosure and to gather wider and more granular data coverage on the PAIs.

Consideration of the PAIs by the Sub-Investment Manager, when determining whether the sustainable investments that the Portfolio intends to make do not cause significant harm to any environmental or social sustainable investment objective of the Portfolio’s sustainable investments, will be through a combination of:

- Monitoring companies which fall below the quantitative and qualitative tolerance thresholds set for each PAI by the Sub-Investment Manager;
- Stewardship and/or setting engagement objectives with companies which fall below the quantitative and qualitative tolerance thresholds set for a PAI; and
- Application of the NB ESG exclusion policies.

The Sub-Investment Manager will not invest in companies whose activities have been identified as breaching UNGC Principles, United Nations Guiding Principles on Business and Human Rights (“**UNGPs**”), OECD Guidelines and International Labour Organization Standards Conventions (“**ILO Standards**”), captured through the Neuberger Berman Global Standards Policy.

Environmental or social characteristics of the financial product

As part of the investment process, the Sub-Investment Manager considers a variety of environmental and social characteristics, as detailed below. These environmental and social characteristics are considered using a proprietary Neuberger Berman ESG rating system (the “**NB ESG Quotient**”). The NB ESG Quotient is built around the concept of sector specific ESG risk and opportunity, and produces an overall ESG rating for companies by assessing them against certain ESG metrics.

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 likely to be the material drivers of ESG risk and opportunity for each sector. The NB materiality matrix enables the Sub-Investment Manager to derive the NB ESG Quotient rating, to compare sectors and companies relative to their environmental and social characteristics.

The Sub-Investment Manager uses third party data and the NB ESG Quotient to promote the environmental and social characteristics listed below. Pursuant to this, the Sub-Investment Manager will engage with companies with a poor NB ESG Quotient or third party rating with the aim to seek improvement in the underlying environmental and social characteristics (which make up the NB ESG Quotient) over time.

The following environmental and social characteristics are considered, where relevant to the specific industry and company, as part of the NB ESG Quotient rating:

- **Environmental Characteristics:** air quality; biodiversity & land use; energy management; environmental risk exposure; fuel economy; GHG emissions; opportunities in clean technologies; toxic emissions & waste; water management; packaging lifecycle management; materials sourcing; and product lifecycle management.
- **Social Characteristics:** access to finance; access to healthcare; community relations; data privacy & security; employee incentives & risk taking; health & nutrition; health & safety; human capital development; labour management; product safety & integrity; supply chain labour standards; workforce diversity & inclusion; pricing transparency; and responsible marketing.

Performance in relation to these environmental and social characteristics will be measured through the NB ESG Quotient, and will be reported in aggregate in the Portfolio’s mandatory periodic report template (as per the requirements of Article 11 of SFDR).

The NB materiality matrix will evolve over time and all sector specific ESG characteristics included therein are reviewed annually to ensure that the most pertinent sector specific ESG characteristics are captured through the NB materiality matrix. Accordingly, the environmental and social characteristics considered as part of the NB ESG Quotient are subject to change. For the avoidance of doubt, if the environmental or social characteristics considered as part of the NB ESG Quotient change, this website disclosure document will be updated accordingly.

Exclusions are also applied (as further set out below) as part of the construction and ongoing monitoring of the Portfolio. These represent additional environmental and social characteristics promoted by the Portfolio.

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Portfolio.

Investment strategy

The Portfolio aims to achieve a target average return of 3-5% over the Benchmark, the MSCI All-Country World Index (ACWI) (Total Return, net of tax, USD), before fees over a market cycle (typically 3 years) from investing primarily in a portfolio of global equity holdings, focusing on companies that are involved or derive benefit from Next Generation Connectivity. The Portfolio will seek to achieve its objective by primarily investing in equity securities that are listed or traded on Recognised Markets globally (as depicted in Annex I of the Prospectus and which may include Emerging Market Countries) and issued by companies across all market capitalisations and economic sectors. The Portfolio may invest in companies of any market capitalisation but shall typically invest in companies that have market capitalisation greater than USD 500 million at time of purchase.

In seeking to achieve the Portfolio's investment objective, the Sub-Investment Manager pursues the following investment process (which is described in further detail below) to identify a universe of companies that offer exposure to the development and enhancement of mobile internet and 5G connectivity ("**Next Generation Connectivity**"):

- Qualitative business analysis: to identify companies which are key enablers of Next Generation Connectivity, as well as companies that are well-positioned to benefit from the new business models related to Next Generation Connectivity (for example, autonomous vehicles or smart home technology);
- Quantitative screening: to identify stocks that it believes may be too illiquid or have too small a market capitalisation;
- Strategic valuation and analysis: in-depth research and analysis of companies, including of company/business models, quality of management, competitive strength and record of success which is determined by reference to existing financial data (e.g., market share data); and
- Security selection and portfolio construction: Selects companies with the ability to provide solutions to drive Next Generation Connectivity that it believes have 50% - 100% capital appreciation potential over three to five years and determine entry and exit price targets based on current market prices for the securities and the preceding analysis, that guide buy and sell decisions.

The Sub-Investment Manager considers and evaluates ESG characteristics, as an important component of their equity analysis discipline, when making investment decisions. The Sub-Investment Manager utilises the third party data and the NB ESG Quotient criteria as part of the Portfolio construction and investment management process. As noted above, NB ESG Quotient assigns weightings to environmental, social and governance characteristics for each sector to derive the NB ESG Quotient rating. Pursuant to this, the Sub-Investment Manager will engage with companies with a poor NB ESG Quotient or third party rating with the aim to seek improvement in the underlying environmental and social characteristics (which make up the NB ESG Quotient) over time.

The ESG analysis is performed internally, with the support of third-party data, and is not outsourced.

In addition, fundamental analysis aimed at assessing the company's financial performance such as revenue/earnings before interest, tax, depreciation, and amortisation ("**EBITDA**") growth, cash flow growth, capital expenditures, leverage trends and liquidity profile.

ESG characteristics are considered at three different levels:

I. Integrating proprietary ESG analysis:

The NB ESG Quotient ratings are generated for company holdings in the Portfolio. The third party or NB ESG Quotient rating for companies are utilised to help to better identify risks and opportunities in the overall assessment of a company, noting that the Portfolio will focus investment in companies that drive Next Generation Connectivity.

By integrating the investment team's proprietary ESG analysis (the NB ESG Quotient) into the overall thematic and company view, there is a direct link between their analysis of material ESG characteristics and portfolio construction activities across their strategy.

Pursuant to this, the Sub-Investment Manager will engage with companies with a poor third party or NB ESG Quotient rating with the aim to seek improvement in the underlying environmental and social characteristics (which make up the NB ESG Quotient) over time.

II. Engagement:

The Sub-Investment Manager engages directly with management teams of companies through a robust ESG engagement program. The Sub-Investment Manager views this direct engagement with companies, as an important part of its investment process (including the investment selection process). Companies that are not receptive to engagement are less likely to be held (or to continue to be held) by the Portfolio.

This program is focused on in-person meetings and conference calls to understand ESG risks, opportunities, and assess good corporate governance practices of companies. As part of the direct engagement process, the Sub-Investment Manager may set objectives for the companies to attain. These objectives as well as the company's progress with respect to same are monitored and tracked by the Sub-Investment Manager through an internal NB engagement tracker.

The Sub-Investment Manager firmly believes this consistent engagement with companies can help create economic value, reduce equity risk, and promote positive sustainable corporate change. It is an important tool to identify and better understand a company's risk factors and performance. The Sub-Investment Manager also uses it to promote change, when necessary, which they believe will result in positive outcomes for shareholders and broader stakeholders. Direct engagement when paired with other inputs, creates a feedback loop that allows analysts in the investment team to evolve their ESG scoring process and prioritise risks that are most relevant to a sector.

The Sub-Investment Manager may also escalate its engagement via proxy voting, its NB Votes initiative, public statements and possibly divestment in cases of company unresponsiveness. NB Votes is a firm-wide initiative within the NB group, whereby voting intentions and supporting rationale are published in advance of select shareholder meetings for companies in which NB has invested on behalf of its clients, addressing a broad range of topics across key governance and engagement principles.

III. ESG sectoral exclusion policies:

To ensure that the environmental and social characteristics promoted by the Portfolio can be attained, the Portfolio will apply the ESG exclusion policies explained in more detail in the "Methodologies for environmental or social characteristics" section.

Policy to assess good governance practices of the investee companies

Governance factors that the Sub-Investment Manager tracks may include: (i) compensation and incentive alignment; (ii) shareholder rights; (iii) capital structure and investment; (iv) board composition; and (v) transparent communication and internal controls.

Engagement with management is an important component of the Portfolio's investment process, and the Sub-Investment Manager engages directly with management teams of companies 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 companies. The Sub-Investment Manager views this direct engagement with companies, as an important part of its investment process.

While the prioritisation assessment is ongoing, 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, the Sub-Investment Manager aims to prioritise engagement that is expected, based on the Sub-Investment Manager's subjective analysis, to have a high impact on the protection of and improvement to the value of the Portfolio, 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.

Proportion of investments

The Portfolio aims to hold a minimum of 80% investments that are aligned with the environmental or social characteristics promoted by the Portfolio. The Portfolio commits to holding at least 10% sustainable investments. The Portfolio aims to hold a maximum of 20% investments that are not aligned with the environmental or social characteristics promoted by the Portfolio and are not sustainable investments, and which fall into the "Other" section of the Portfolio.

Please note that while the Sub-Investment Manager aims to achieve the minimum proportion asset allocation targets outlined above, these figures may fluctuate during the investment period and ultimately, as with any investment target, may not be attained.

The exact asset allocation of this Portfolio will be reported in the Portfolio's mandatory periodic report SFDR template, for the relevant reference period. This will be calculated based on the average of the four quarter ends.

The Sub-Investment Manager has calculated the proportion of environmentally and/or socially aligned investments in the Portfolio by reference to the proportion of companies in the Portfolio: i) that hold an NB ESG Quotient rating or a third party equivalent ESG rating that is used as part of the portfolio construction and investment management process of the Portfolio; and/or ii) with whom the Sub-Investment Manager has engaged directly. The calculation is based on a mark-to-market assessment of the Portfolio. This calculation may rely on incomplete or inaccurate company or third party data.

While the Portfolio may use derivatives for investment, hedging and/or efficient portfolio management, it will not use derivatives to promote environmental or social characteristics.

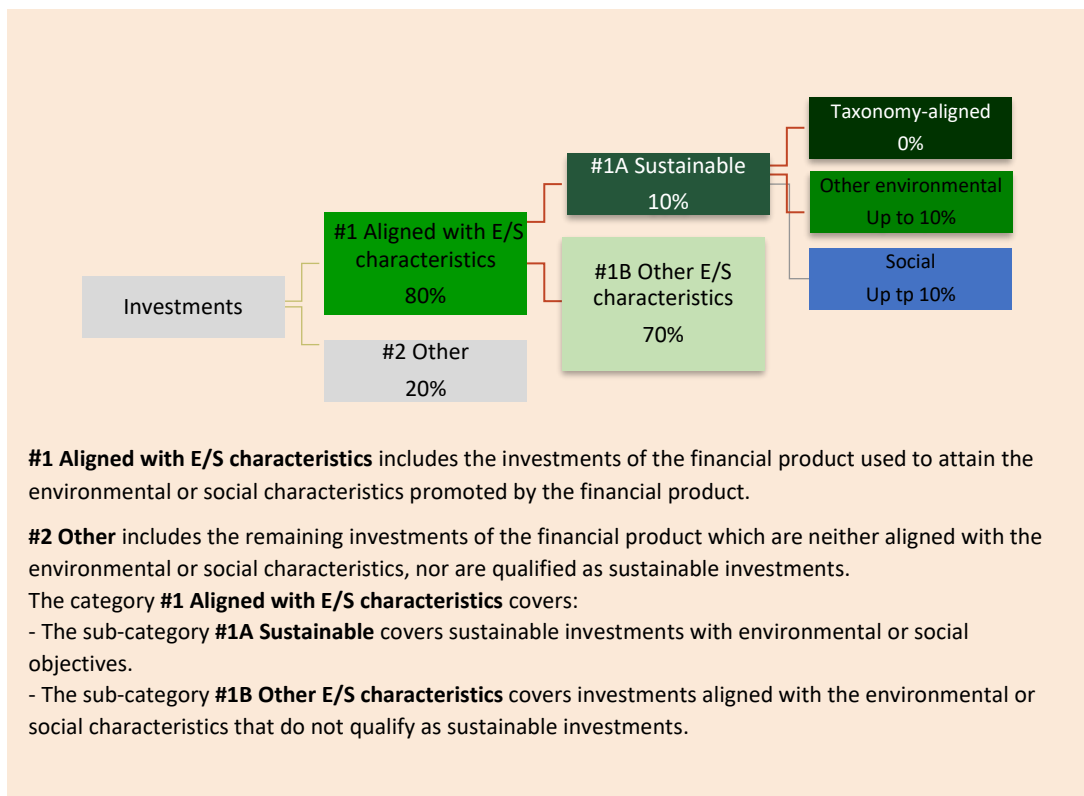
"Other" includes the remaining investments of the financial product (including but not limited to any derivatives or any security collateralized by a pool of similar assets or receivables listed in the Supplement for the Portfolio) which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The “Other” section in the Portfolio is held for a number of reasons that the Sub-Investment Manager feels will be beneficial to the Portfolio, such as, but not limited to, achieving risk management, and/or to ensure adequate liquidity, hedging and collateral cover.

The Portfolio will be invested in compliance with ESG exclusion policies, on a continuous basis. This ensures that investments made by the Portfolio seek to align with international environmental and social safeguards such as the UNGC Principles, UNGPs, OECD Guidelines and the ILO Standards captured through the Neuberger Berman Global Standards Policy.

The Sub-Investment Manager believes that these policies prevent investment in companies that most egregiously violate environmental and/or social minimum standards and ensures that the Portfolio can successfully promote its environmental and social characteristics.

The above steps ensure that robust environmental and social safeguards are in place.



Monitoring of environmental or social characteristics

Following investment, the Sub-Investment Manager monitors investee companies on an ongoing basis to track their performance with respect to environmental and social characteristics. In particular, the Sub-Investment Manager will track and report on the performance of (i) the NB ESG Quotient; (ii) the Climate Value at Risk (“**CVaR**”); and (iii) the adherence to the ESG exclusion lists applied to the Portfolio. These sustainability indicators will be used to measure the attainment of each of the environmental and social characteristics promoted by the Portfolio and will be included in the Portfolio's mandatory periodic report (as per the requirements of Article 11 of SFDR).

Methodologies for environmental or social characteristics

As part of the investment process, the Sub-Investment Manager considers a variety of sustainability indicators to measure the environmental and/or social characteristics promoted by the Portfolio. These are listed below:

I. The NB ESG Quotient:

Third party data and the NB ESG Quotient (as explained in the section headed “Environmental or social characteristics of the financial product”) are used to measure the environmental and social characteristics promoted by the Portfolio. Foundational to the NB ESG Quotient is the proprietary NB materiality matrix (as explained above), which focuses on the ESG characteristics that are considered to be the most likely to be the 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 Sub-Investment Manager’s analyst 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. Pursuant to this, the Sub-Investment Manager will engage with companies with a poor NB ESG Quotient or third party rating with the aim to seek improvement in the underlying environmental and social characteristics (which make up the NB ESG Quotient) over time.

II. Climate Value-at-Risk:

CVaR measures the exposure to transition and physical climate risks. CVaR is a scenario analysis tool evaluating 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 the Sub-Investment Manager’s portfolio managers and analysts. CVaR provides a framework for identifying climate-risk over the long-term to assist in understanding how companies 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 companies held by the Portfolio and is instead limited to the companies for which the Sub-Investment Manager has sufficient and reliable data. The analysis from CVaR is reviewed at least once a year.

III. ESG exclusion policies:

To ensure that the environmental or social characteristics promoted by the Portfolio can be attained, the Portfolio will not invest in companies whose activities breach the Neuberger Berman Controversial Weapons Policy and the Neuberger Berman Thermal Coal Involvement Policy. In addition to the application of the Neuberger Berman Thermal Coal Involvement Policy, the Sub-Investment Manager will prohibit the initiation of new investment positions in companies that (i) derive more than 25% of their revenue from thermal coal mining; or (ii) are expanding new thermal coal power generation. Furthermore, investments held by the Portfolio will not invest in companies whose activities have been identified as breaching the Neuberger Berman Global Standards Policy which excludes violators of (i) the UNGC Principles, (ii) the OECD Guidelines, (iii) UNGPs and (iv) the ILO Standards. The Neuberger Berman Sustainable Exclusion Policy and the Neuberger Berman Enhanced Sustainable Exclusion Policy are also applied when

determining what investments to make for the Portfolio. Further details on these ESG exclusion policies are set out in the “Sustainable Investment Criteria” section of the main body of the Prospectus.

Data sources and processing

ESG data inputs are derived from multiple datasets including international financial organizations, external vendors, company direct disclosures (e.g., sustainability reports, annual reports, regulatory filings, and company websites), company indirect disclosures (e.g., government agency published data; industry and trade association data; and third-party financial data providers), development agencies and specialty ESG research providers.

ESG data is a key domain and part of our internal data governance with an assigned ESG Data Steward and a dedicated ESG Technology team. The ESG Data Steward has periodic engagements with ESG data vendors to discuss issues such as data coverage and will evaluate options to help resolve data gaps. Subscription to multiple data vendors enables us to evaluate company coverage and quality of data between vendors. In addition, our investment teams continue to explore new data products and vendors to evaluate potential enhancements to our existing data coverage.

ESG data feeds are monitored and reconciled by our data quality assurance team and critical data elements are closely reviewed as part of internal reporting. ESG Data is integrated throughout the firm’s operating management system, compliance and risk management systems, providing all stakeholders transparency into portfolio ESG metrics in real time.

In addition, the firm’s internally derived data team work collaboratively with the ESG Investing team to identify innovative and non-traditional data sources which may provide additional insights. We continuously seek to identify additional data and research, which may enhance our analysis.

We believe that the most effective way to integrate ESG into an investment process over the long term is for investment teams themselves to research ESG factors and consider them alongside other inputs into the investment process. For this reason, ESG research is included in the work of our research analysts rather than employing a separate ESG research team. We embed such research in the work of our security research analysts.

The investment teams can then choose how best to apply all the tools of active management, whether that is to engage or ultimately to sell a security when it no longer offers an attractive risk-adjusted potential return.

We expect that a low proportion of data will be estimated. The proportion of data that is estimated will depend on the composition of investee companies – the nature of their business and sectors in which they operate. We expect that data availability and quality will improve as the market and methods for obtaining and reporting data mature.

Limitations to methodologies and data

Limitations in both methodology and data include but are not limited to:

- Lack of standardization;
- Gaps in company coverage especially in private companies and companies that reside in Emerging Markets;
- Limitations in application for both Public and Private Debt markets versus Public Equity;
- Some data sets such as Carbon Emissions are reported at a significant time-lag; and
- Some of the available third-party data is calculated based on data estimates.

As such, investment teams are not dependent on raw data. Neuberger Berman has developed a firm-wide proprietary ratings system, called the Neuberger Berman ESG Quotient, which is under continual testing to enhance methodology and data coverage.

In addition, Neuberger Berman continues to advocate for greater standardized disclosures; for example, Neuberger Berman is a member of the International Financial Reporting Standards (the “IFRS”) Sustainability Alliance, which aims to develop a more coherent and comprehensive system for corporate disclosure.

Neuberger Berman is also a formal supporter of the recommendations of the Taskforce on Climate Related Financial Disclosure (“TCFD”) because we believe that climate change is a material driver of investment risk and return across industries and asset classes. The TCFD will help develop voluntary, consistent climate-related financial risk disclosures.

Neuberger Berman is satisfied that such limitations do not affect the attainment of environmental or social characteristics, in particular because of the steps taken to mitigate such limitations:

- as noted above, we periodically engage with data vendors on data quality, and the third party sources relied upon are the same as those relied upon by the broader market and so are likely to be refined as the market for products with environmental or social characteristics matures;
- we engage directly with management teams of corporate issuers through a robust ESG engagement program; and
- each investment opportunity’s environmental and social characteristics are evaluated in detail, in accordance with our internal frameworks and using a variety of data sources, having regard to these limitations as well (where appropriate).

Due diligence

Before making investments, the investment team will conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. The investment team will assess the investment’s compliance with the environmental and social characteristics promoted by the product using (as appropriate) internal analyses, screens, tools and data sources, and may also evaluate other important and complex environmental, social and governance issues related to the investment. The investment team may select investments on the basis of information and data filed by the issuers of such securities with various regulatory bodies or made directly available to Neuberger Berman by the issuers of the securities and other instruments or through sources other than the issuers.

The Portfolio will not invest in securities issued by issuers whose activities breach the Neuberger Berman Controversial Weapons Policy and the Neuberger Berman Thermal Coal Involvement Policy.

Furthermore, the Portfolio does not invest in securities issued by issuers whose activities breach the Neuberger Berman Global Standards Policy. Please see above for a full list of the ESG exclusion policies applied by the Portfolio.

The Neuberger Berman Controversial Weapons Policy, Neuberger Berman Thermal Coal Involvement Policy and the Global Standards Policy are subject to internal review by the Neuberger Berman ESG Committee. The implementation of the Global Standards Policy is managed by the Neuberger Berman Asset Management Guideline Oversight Team in collaboration with legal and compliance.

The investment professionals responsible for portfolio management are the first step in maintaining compliance with the Portfolio’s investment guidelines and ESG exclusions. While we look to the investment professionals as the first step in the compliance process, we recognize the need for additional, independent oversight. To this end, a rigorous risk management framework is established that features dedicated investment and operational risk teams inclusive of independent guidelines

oversight such as ESG exclusions who work to protect client assets and our reputation. Our risk professionals act as an independent complement to each investment team's portfolio construction process, driving investment and operational risk reviews in collaboration with other control units of the firm, such as information technology, operations, legal and compliance, asset management guideline oversight and internal audit.

Engagement policies

The Sub-Investment Manager engages directly with management teams of companies through a robust ESG engagement program. The Sub-Investment Manager views this direct engagement with companies, as an important part of its investment process (including the investment selection process). Companies that are not receptive to engagement are less likely to be held (or to continue to be held) by the Portfolio.

This program is focused on in-person meetings and conference calls to understand ESG risks, opportunities, and assess good corporate governance practices of companies. As part of the direct engagement process, the Sub-Investment Manager may set objectives for the companies to attain. These objectives as well as the company's progress with respect to same are monitored and tracked by the Sub-Investment Manager through an internal NB engagement tracker.

The Sub-Investment Manager firmly believes this consistent engagement with companies can help create economic value, reduce equity risk, and promote positive sustainable corporate change. It is an important tool to identify and better understand a company's risk factors and performance. The Sub-Investment Manager also uses it to promote change, when necessary, which they believe will result in positive outcomes for shareholders and broader stakeholders. Direct engagement when paired with other inputs, creates a feedback loop that allows analysts in the investment team to evolve their ESG scoring process and prioritise risks that are most relevant to a sector.

The Sub-Investment Manager may also escalate its engagement via proxy voting, its NB Votes initiative, public statements and possibly divestment in cases of company unresponsiveness. NB Votes is a firm-wide initiative within the NB group, whereby voting intentions and supporting rationale are published in advance of select shareholder meetings for companies in which NB has invested on behalf of its clients, addressing a broad range of topics across key governance and engagement principles.

Designated reference benchmark

A reference benchmark has not been designated for the purpose of attaining the environmental or social characteristics promoted by the Portfolio.