

The Directors of the Company whose names appear in the “*Management and Administration*” section of the Prospectus accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the importance of such information. The Directors accept responsibility accordingly.

NEUBERGER BERMAN INVESTMENT FUNDS PLC

(An investment company with variable capital constituted as an umbrella fund with segregated liability between sub-funds under the laws of Ireland and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended)

EMERGING MARKET DEBT SUPPLEMENT

6 DECEMBER 2023

This document forms part of, and should be read in the context of and together with, the prospectus dated 6 December 2023 as may be amended from time to time (the “Prospectus”) in relation to Neuberger Berman Investment Funds plc (the “Company”) and contains information relating to the following sub-funds, each of which is a separate portfolio of the Company:

NEUBERGER BERMAN EMERGING MARKET DEBT – LOCAL CURRENCY FUND

NEUBERGER BERMAN EMERGING MARKET DEBT – HARD CURRENCY FUND

NEUBERGER BERMAN SUSTAINABLE EMERGING MARKET CORPORATE DEBT FUND

NEUBERGER BERMAN SHORT DURATION EMERGING MARKET DEBT FUND

NEUBERGER BERMAN EMERGING MARKET DEBT BLEND FUND

NEUBERGER BERMAN EMERGING MARKET DEBT SUSTAINABLE INVESTMENT GRADE BLEND FUND

NEUBERGER BERMAN RESPONSIBLE ASIAN DEBT – HARD CURRENCY FUND

NEUBERGER BERMAN SUSTAINABLE EMERGING MARKET DEBT – HARD CURRENCY FUND

(the “Portfolios”)

To the extent there is any inconsistency between the Prospectus and this Supplement with respect to the Portfolios, this Supplement shall prevail. Each SFDR Annex (as defined herein) has been prepared in accordance with the requirements of SFDR and contains additional information pertaining to the relevant Portfolio in accordance with SFDR. Each SFDR Annex forms part of and should be read in conjunction with the Supplement. In the event of any inconsistency between the terms of an SFDR Annex and the terms of the Supplement with regard to disclosure pertaining to SFDR for a Portfolio, the SFDR Annex shall prevail.

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Definitions

In this Supplement the following words and phrases shall have the meanings indicated below:

Business Day	with respect to each Portfolio (except for the Neuberger Berman Responsible Asian Debt – Hard Currency Fund), a day (except Saturday or Sunday) on which the relevant financial markets in London and New York are open for business;
	with respect to the Neuberger Berman Responsible Asian Debt – Hard Currency Fund, a day (except Saturday or Sunday) on which the relevant financial markets in Singapore, London and New York are open for business;
CCDC	China Central Depository & Clearing Co., Ltd;
CFETS	China Foreign Exchange Trade System & National Interbank Funding Centre;
CIBM	China Interbank Bond Market;
CMU	Central Moneymarkets Unit;
Dealing Day	each Business Day or such other day or days as the Directors may determine and notify to the Administrator and to Shareholders in advance, provided there shall be at least two (2) Dealing Days per month in each Portfolio;
Dealing Deadline	with respect to each Portfolio (except for the Neuberger Berman Responsible Asian Debt – Hard Currency Fund), 3.00 pm (Irish time) on the relevant Dealing Day. In exceptional circumstances, a director of either the Company or the Manager may authorise the acceptance of a subscription or redemption application, up to 4.30 pm. (Irish time) on the relevant Dealing Day;
	with respect to the Neuberger Berman Responsible Asian Debt – Hard Currency Fund, 3.00 pm (Irish time) on the Business Day before the relevant Dealing Day in respect of each Portfolio. In exceptional circumstances, a director of either the Company or the Manager may authorise the acceptance of a subscription or redemption application, up to 4.30 pm (Irish time) on the Business Day before the relevant Dealing Day;
HKMA	Hong Kong Monetary Authority;
Investment Adviser	with respect to the Neuberger Berman Emerging Market Debt – Local Currency Fund and the Neuberger Berman Emerging Market Debt Blend Fund, Neuberger Berman Fund Management (China) Limited or such other company as may be appointed by the Manager or a Sub-Investment Manager in a non discretionary capacity from time to time in respect of these Portfolios with the prior approval of the Company;
Net Asset Value Calculation Time	10.00 pm (Irish time) on the relevant Dealing Day or such other time as the Directors may determine in respect of a Portfolio;
PBoC	People's Bank of China;
Portfolios	the Neuberger Berman Emerging Market Debt – Local Currency Fund; the Neuberger Berman Emerging Market Debt – Hard Currency Fund; the Neuberger Berman Sustainable Emerging Market Corporate Debt Fund; the Neuberger Berman Emerging Market Debt Blend Fund; the Neuberger Berman Short Duration Emerging Market Debt Fund; the Neuberger Berman Emerging Market Debt Sustainable Investment Grade Blend Fund, the Neuberger Berman Responsible Asian Debt – Hard Currency Fund and the Neuberger Berman Sustainable Emerging Market Debt – Hard Currency Fund;
SFDR Annex	each annex hereof setting out the pre-contractual disclosures template with respect to a Portfolio, prepared in accordance with the requirements of Article 8 or Article 9 of SFDR;

SHCH Shanghai Clearing House; and

Sub-Investment Manager Neuberger Berman Europe Limited, Neuberger Berman Investment Advisers LLC, Neuberger Berman Singapore Pte. Limited, or such other company as may be appointed by the Manager from time to time in respect any particular Portfolio, with the prior approval of the Company and the Central Bank.

Investment Risks

Investment in the Portfolios carries certain risks, which are described in the “*Investment Risks*” section of the Prospectus and in the “Risk” section of the information specific to each Portfolio, as included in this Supplement. **These risks are not purported to be exhaustive and potential investors should review this Supplement and the Prospectus in their entirety and consult with their professional advisers, before making an application for Shares.**

There can be no assurance that the Portfolios will achieve their respective objectives. While there are some risks described below that may be common to a number or all of the Portfolios, there may also be specific risk considerations which apply only to particular Portfolios.

	Neuberger Berman EMD – Local Currency	Neuberger Berman EMD – Hard Currency	Neuberger Berman Sustainable EMD Corporate Debt	Neuberger Berman Short Duration EMD	Neuberger Berman EMD Blend	Neuberger Berman EMD Sustainable Investment Grade Blend	Neuberger Berman Responsible Asian Debt – Hard Currency	Neuberger Berman Sustainable Emerging Market Debt – Hard Currency Fund
1. Risks Related to Fund Structure	✓	✓	✓	✓	✓	✓	✓	✓
2. Operational Risks	✓	✓	✓	✓	✓	✓	✓	✓
3. Market Risks	✓	✓	✓	✓	✓	✓	✓	✓
Market Risk	✓	✓	✓	✓	✓	✓	✓	✓
Temporary Departure From Investment Objective	✓	✓	✓	✓	✓	✓	✓	✓
Risks Relating To Downside Protection Strategy								
Currency Risk	✓	✓	✓	✓	✓	✓	✓	✓
Political And/Or Regulatory Risks	✓	✓	✓	✓	✓	✓	✓	✓
Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues	✓	✓	✓	✓	✓	✓	✓	✓
Euro, Eurozone And European Union Stability Risk	✓	✓	✓	✓	✓	✓	✓	✓
Cessation Of LIBOR	✓	✓	✓	✓	✓	✓	✓	✓
Investment Selection And Due Diligence Process	✓	✓	✓	✓	✓	✓	✓	✓
Equity Securities								
Warrants								
Depository Receipts								
REITs								
Risks Associated With Mortgage REITs								
Risks Associated With Hybrid REITs								
Small Cap Risk								
Exchange Traded Funds (“ETFs”)	✓	✓	✓	✓	✓	✓	✓	✓
Investment Techniques	✓	✓	✓	✓	✓	✓	✓	✓
Quantitative Risks								
Securitisation Risks								
Concentration Risk								
Target Volatility	✓	✓	✓	✓	✓	✓	✓	✓
Valuation Risk	✓	✓	✓	✓	✓	✓	✓	✓
Private Companies And Pre-IPO Investments								
Off-Exchange Transactions	✓	✓	✓	✓	✓	✓	✓	✓
Sustainable Investment Style Risk	✓	✓	✓	✓	✓	✓	✓	✓
Commodities Risks								

3.a Market Risks: Risks Relating To Debt Securities	✓	✓	✓	✓	✓	✓	✓	✓
Fixed Income Securities	✓	✓	✓	✓	✓	✓	✓	✓
Interest Rate Risk	✓	✓	✓	✓	✓	✓	✓	✓
Credit Risk	✓	✓	✓	✓	✓	✓	✓	✓
Bond Downgrade Risk	✓	✓	✓	✓	✓	✓	✓	✓
Lower Rated Securities	✓	✓	✓	✓	✓	✓	✓	✓
Pre-Payment Risk	✓	✓	✓	✓	✓	✓	✓	✓
Rule 144A Securities	✓	✓	✓	✓	✓	✓	✓	✓
Securities Lending Risk								
Repurchase/Reverse Repurchase Risk	✓	✓	✓	✓	✓	✓	✓	✓
Asset-Backed And Mortgage-Backed Securities	✓	✓	✓	✓	✓	✓	✓	
Risks Of Investing In Convertible Bonds	✓	✓	✓	✓	✓	✓	✓	✓
Risks Of Investing In Contingent Convertible Bonds	✓	✓	✓	✓	✓	✓	✓	
Risks Associated With Collateralised / Securitised Products								
Risks Of Investing In Collateralised Loan Obligations								
Issuer Risk	✓	✓	✓	✓	✓	✓	✓	✓
Insurance-Linked Securities And Catastrophe Bonds								
3.b Market Risks: Risks Relating To Emerging Market Countries	✓	✓	✓	✓	✓	✓	✓	✓
Emerging Market Countries' Economies	✓	✓	✓	✓	✓	✓	✓	✓
Emerging Market Countries' Debt Securities	✓	✓	✓	✓	✓	✓	✓	✓
PRC QFI Risks	✓		✓		✓		✓	
Investing In The PRC And The Greater China Region	✓	✓	✓	✓	✓	✓	✓	✓
PRC Debt Securities Market Risks	✓	✓	✓	✓	✓	✓	✓	✓
Risks Associated With The Shanghai-Hong Kong Stock Connect And The Shenzhen-Hong Kong Stock Connect								
Risks Associated With Investment In The China Interbank Bond Market Through Bond Connect	✓	✓	✓	✓	✓	✓	✓	✓
Taxation In The PRC – Investment In PRC Equities								
Taxation In The PRC – Investment In PRC Onshore Bonds	✓	✓	✓	✓	✓	✓	✓	✓
Russian Investment Risk	✓	✓	✓	✓	✓	✓	✓	✓
4. Liquidity Risks	✓	✓	✓	✓	✓	✓	✓	✓
5. Finance-Related Risks	✓	✓	✓	✓	✓	✓	✓	✓
6. Risks Related To Financial Derivative Instruments	✓	✓	✓	✓	✓	✓	✓	✓
General	✓	✓	✓	✓	✓	✓	✓	✓
Particular Risks Of FDI	✓	✓	✓	✓	✓	✓	✓	✓
Particular Risks Of OTC FDI	✓	✓	✓	✓	✓	✓	✓	✓
Risks Associated With Exchange-Traded Futures Contracts	✓	✓	✓	✓	✓	✓	✓	✓
Options								
Contracts For Differences								
Total And Excess Return Swaps	✓	✓	✓	✓	✓	✓	✓	✓
Forward Currency Contracts	✓	✓	✓	✓	✓	✓	✓	✓
Commodity Pool Operator – “De Minimis Exemption”	✓	✓	✓	✓	✓		✓	✓
Investment In leveraged CIS								
Leverage Risk	✓	✓	✓	✓	✓	✓	✓	✓
Risks Of Clearing Houses, Counterparties Or Exchange Insolvency	✓	✓	✓	✓	✓	✓	✓	✓

Short Positions	✓	✓	✓	✓	✓	✓	✓	✓
Cash Collateral	✓	✓	✓	✓	✓	✓	✓	✓
Index Risk								

Distribution Policy

Under normal circumstances, the Directors intend that dividends in respect of:

- each of the (Monthly) Distributing Classes in the Portfolios shall be declared on or prior to the last Business Day of each month and paid within three Business Days thereafter;
- each of the other Distributing Classes in the Portfolios will be declared on a quarterly basis and paid within 30 Business Days thereafter;
- each of the (Monthly) Gross Income Distributing Classes in the Portfolios shall be declared on or prior to the last Business Day of each month and paid within three Business Days thereafter;
- each of the other (Gross) Income Distributing Classes in the Portfolios shall be declared on a quarterly basis and paid within thirty Business Days thereafter; and
- each of the other Distributing Classes in the Neuberger Berman Responsible Asian Debt – Hard Currency Fund shall be declared on an annual basis and paid within 30 Business Days thereafter in relation to the Net Income of the Distributing Classes for the calendar year ended the previous 31 December.

Subscriptions and Redemptions

Subscriptions for Shares in all Classes in each Portfolio which have not already launched at the date of this Supplement will be considered during the Initial Offer Period, upon receipt by the Administrator of completed share applications and subscription monies as specified in the “*Subscriptions*” section of the Prospectus. Such Shares will be issued at the Initial Offer Price on the last day of the Initial Offer Period.

The Initial Offer Period shall run from 9.00 am on 7 December 2023 to 5.00 pm on 7 June 2024 or such earlier or later time as the Directors may determine at their discretion and notify to the Central Bank and to subscribers.

Except as provided below, the Initial Offer Price for each of the share classes shall be as follows:

AUD Classes: AUD 10	DKK Classes: DKK 50	NOK Classes: NOK 100
BRL Classes: BRL 20	EUR Classes: EUR 10	NZD Classes: NZD 10
CAD Classes: CAD 10	GBP Classes: GBP 10	SEK Classes: SEK 100
CHF Classes: CHF 10	HKD Classes: HKD 10	SGD Classes: SGD 20
CLP Classes: CLP 5,000	ILS Classes: ILS 30	USD Classes: USD 10
CNY Classes: CNY 100	JPY Classes: JPY 1,000	ZAR Classes: ZAR 100

Thereafter and, in the case of Classes which have already launched, from the date of this Supplement, Shares will be issued at their Net Asset Value per Share, subject to the provision for Duties and Charges in respect of the issue of the Shares and rounding as provided for in the Articles on each Dealing Day.

The Company reserves the right to apply to Euronext Dublin to have the Shares in each of the Classes admitted to the Official List and to trading on the regulated market of Euronext Dublin.

The Company may, in its sole discretion, reject any subscription in whole or in part without reason.

As stated in the “*Subscriptions and Redemptions*” section of the Prospectus, redemption proceeds in respect of the Portfolios will be paid within ten (10) Business Days of the relevant Dealing Day unless payment has been suspended in the circumstances described in the “*Temporary Suspension of Dealings*” section of the Prospectus, although the Company will seek to make such payments within a shorter period of time where possible (up to and including within three (3) Business Days of the relevant Dealing Day).

Neuberger Berman Emerging Market Debt – Local Currency Fund

An investment in the Portfolio should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

Investment Objective

The Portfolio aims to achieve a target average return of 1-2% over the Benchmark (as specified in the “*Benchmark*” section below) before fees over a market cycle (typically 3 years) from investing primarily in local currencies and local interest rates of Emerging Market Countries.

Investors should note that the target return is not guaranteed over a market cycle, a 12-month or any period and the Portfolio’s capital is at risk. Investors should also note that, over the course of a market cycle, there may be significant periods of time during which the performance of the Portfolio will deviate from the targeted return and the Portfolio may experience periods of negative return. There can be no guarantee that the Portfolio will ultimately achieve its investment objective.

Investment Approach

The Portfolio will invest primarily in debt securities and money market instruments which are issued by governments, government agencies or corporate issuers which have their head office or exercise an overriding part of their economic activity in Emerging Market Countries and which are denominated in or are exposed to the currencies of such Emerging Market Countries.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets globally, without any particular focus on any one industrial sector or region.

Please note that, as described below in the “*Risk*” section, investments in securities issued by companies located in, and governments and government agencies of, Emerging Market Countries may involve additional risk, relative to investment in more developed economies.

Under normal market conditions, the Manager and the Sub-Investment Manager will invest at least two thirds of the Portfolio’s Net Asset Value in debt securities, money market instruments and FDI with the intention of gaining exposure to the performance of interest rates and/or currencies of Emerging Market Countries and/or countries which are part of the Benchmark. Up to a maximum of one third of the Portfolio’s Net Asset Value may then be invested in money market instruments and debt securities issued by public or private issuers in High Income OECD Member Countries which are not part of the Benchmark and/ or debt securities and money market instruments issued by public or private issuers in Emerging Market Countries which are denominated in the Hard Currency (defined for the purpose of this Portfolio as US Dollar, Euro, Sterling, Japanese Yen and Swiss Franc). On an ancillary basis, the Portfolio may hold equity securities issued by public or private issuers, such as shares, as a result of the conversion of convertible debt securities or restructuring of debt securities.

In addition, the Manager and the Sub-Investment Manager may use futures, options, warrants, and/or swaps (including credit default swaps and swaptions) on debt securities or money market instruments, indices and interest rates to hedge investments in such instruments. Investors should note that it may not be possible or practical to hedge the Portfolio’s exposures to such instruments perfectly and that, where it deems it appropriate, the Manager and the Sub-Investment Manager may take hedging positions in respect of other instruments which it considers to be suitable proxies for the Portfolio’s investments.

The Manager and the Sub-Investment Manager implement a systematic and disciplined framework for analysing sovereign and corporate local currency and Hard Currency debt securities. Decisions on how to allocate the Portfolio’s assets between sovereign and corporate and local currency and Hard Currency Emerging Market Country debt securities, money market instruments and FDI are dependent on the Manager’s and the Sub-Investment Manager’s outlook on such securities. This outlook focuses on the global market environment, the economic environment of the relevant Emerging Market Countries, the attractiveness of the valuations available in the asset classes and their liquidity. From this outlook, the Manager and the Sub-Investment Manager determine the amount of risk that they want the Portfolio to take and allocate across security types accordingly.

The Manager and the Sub-Investment Manager believe their global presence provides a local perspective on macro as well as micro events which feeds into the respective team's overall research.

The Manager and the Sub-Investment Manager will seek to anticipate yield, spread and currency movements in response to changes in:

- Economic conditions;
- Region, country and sector fundamentals; and
- Issuer specific financial performance and other issuer specific factors.

The Manager and the Sub-Investment Manager will conduct fundamental analysis on the issuers that they track in order to identify undervalued and overvalued securities and exploit investment opportunities. The fundamental analysis used for the selection of governments or government-related issuers incorporates quantitative macroeconomic data and qualitative aspects such as political stability and structural reforms. The fundamental analysis used for the selection of corporate issuers includes quantitative factors aimed at assessing the issuer's financial performance such as revenue/EBITDA ("earnings before interest, tax, depreciation and amortisation") growth, cash flow growth and capital expenditures. Qualitative factors aim to complement the evaluation of corporate credit worthiness by including such factors as corporate governance, quality of earnings and debt structure.

The Portfolio may invest up to 20% of its Net Asset Value in PRC onshore bonds via Bond Connect.

Under normal market conditions, the Manager anticipates that the Portfolio's average interest duration will be within the range of +2 years and -2 years compared to the Benchmark.

The Portfolio may have or may be expected to have medium to high volatility due to its investment policies or portfolio management techniques.

The Portfolio is actively managed and does not intend to track the Benchmark which is included here for performance comparison purposes and because the Portfolio's investment policy restricts the extent to which the Portfolio's holdings may deviate from the Benchmark, as described above and in the "Investment Restrictions" section. This deviation may be significant.

Benchmark	<p>J.P. Morgan GBI Emerging Markets Global Diversified Index (Total Return, Unhedged, USD) which measures the performance of debt markets of Emerging Market Countries expressed in local currencies.</p> <p>Shareholders in a Class which is denominated in a currency other than the Base Currency should note that, where available, it may be more meaningful to compare the performance of such Class against a version of this index which is denominated in the relevant Class currency.</p>
Base Currency	US Dollars (USD).
Instruments / Asset Classes	<p>The Portfolio will invest primarily in debt securities and money market instruments, issued by governments, government agencies and corporate issuers in Emerging Market Countries. The Portfolio can invest in or be exposed to the following types of assets.</p> <p>Fixed Income Securities (Debt Securities). Such debt securities may include bonds, debentures and notes (including freely transferable and unleveraged structured notes, freely transferable promissory notes bonds with warrants and convertible bonds) and may include:</p> <ul style="list-style-type: none"> • Fixed and floating rate securities; • Contingent convertible bonds, subject to a limit of up to 10% of the Portfolio's Net Asset Value; • Bullet debt securities, in respect of which principal is paid upon maturity, or factor debt securities in respect of which principal is paid according to a pre-determined schedule and which can also specify that specific interest payments be added to the principal instead of being paid in cash;

- Investment grade, high yield and unrated debt securities;
- Structured products, such as credit-linked notes and structured notes, which provide indirect access to certain markets or securities;
- On an ancillary basis, privately issued asset-backed securities (including mortgage-backed securities such as pass-through certificates, collateralised mortgage obligations and interest and principal only components of mortgage-backed securities) that derive interest and principal payments from specified assets (such as residential and commercial mortgages, credit card debt and pools of other types of receivables); and
- Sukuk structures, which are Islamic finance instruments which represent a proportionate beneficial ownership in an asset or pool of assets. For a determined period, the return associated with the cash flows generated from the assets belongs to the Sukuk holders. The characteristics of a Sukuk are therefore similar to a conventional debt security, with the difference that Sukuks are generally asset-based or asset-backed and carry no interest rate but rather pass the returns generated by the underlying assets to the Sukuk holder.

Money Market Instruments. Money market instruments may include bank deposits, fixed or floating rate instruments (including commercial paper), floating or variable rate notes, bankers acceptances, certificates of deposit, debentures and short-dated government or corporate bonds, cash and cash equivalents (including treasury bills) that are rated as investment grade or below by Recognised Rating Agencies or are unrated.

The Portfolio may invest up to 25% of its Net Asset Value in fixed income securities and money market instruments that are issued or guaranteed by a single sovereign issuer (including its government, and any public or local authority) that are below investment grade. This investment restriction does not apply to any securities issued by corporate issuers. As certain Emerging Market Countries may be rated below investment grade, the Manager and/or the Sub-Investment Manager believe that it is necessary to retain the flexibility to invest in such securities issued or guaranteed by each such sovereign issuer above 10% of the Portfolio's Net Asset Value in order to achieve the investment objective of the Portfolio. As at the date of this Supplement, the single sovereign issuers with a credit rating below investment grade into whose securities the Manager and/or the Sub-Investment Manager expect the Portfolio may invest more than 10% of its Net Asset Value is South Africa.

Investment grade securities are highly rated securities, generally those rated Baa3, BBB- or above by one or more Recognised Rating Agencies, while high yield securities are medium or lower rated securities, generally those rated below investment grade and sometimes referred to as "junk bonds".

Collective Investment Schemes. In addition, the Portfolio may invest in collective investment schemes which are themselves exposed to investments that are similar to the Portfolio's other investments. Such collective investment schemes may be managed by the Manager and the Sub-Investment Manager or their affiliates and will comply with the requirements of the UCITS Regulations in respect of such investments.

Financial Derivative Instruments ("FDI"). In addition, the following FDI may be used for efficient portfolio management, investment purposes, and/or hedging and subject to the conditions and limits imposed by the Central Bank as set out in the Prospectus:

- Futures, options, warrants, rights, swaps and swaptions on debt securities or money market instruments, UCITS eligible indices and interest rates, which may be used to achieve a profit through gaining exposure to an increase in the value of such securities, indices and interest rates, as well as to hedge existing long positions;
- Total return swaps may be used to hedge or take long or short positions to help achieve specific investment objectives. In addition, total return swaps may be used to achieve a profit through gaining exposure to an increase in the value of securities, indices and interest rates. The maximum proportion of the Portfolio's Net Asset Value that can be subject to total return swaps is 5%. The expected proportion of the Portfolio's Net Asset Value that will be subject to total return swaps is 1%. The expected proportions are not limits and the actual percentages may vary over time depending on factors including, but not limited to, market conditions;
- Credit default swaps on single issuers, indices and/or baskets of securities which may be used to hedge or take long or short credit positions to help achieve specific investment objectives. It is expected that short credit positions will predominantly be

taken for hedging but they may also be used for investment purposes where the Manager or the Sub-Investment Manager identifies an attractive investment opportunity based on the Manager's or the Sub-Investment Manager's fundamental analysis which indicates deteriorating fundamentals of an issuer and/or that a security is overvalued;

- Forward contracts on fixed income securities may be used to achieve a profit, through gaining exposure to an increase in the value of such securities as well as to hedge existing long positions; and
- Forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options, and currency swaps, which may be used to achieve a profit through gaining exposure to an increase in the value of currencies, as well as to hedge existing long currency positions.

As the Portfolio may purchase FDI generally using only a fraction of the assets that would be needed to purchase the relevant securities directly, the remainder of the assets allocated to the Manager may be invested in the other types of securities listed above. The Manager and/or the Sub-Investment Manager may therefore seek to achieve greater returns by taking exposure to the performance of such securities through purchasing FDI which give exposure to them rather than purchasing the securities themselves and investing the remaining assets in other such securities to add excess return.

Repo Contracts. Repo Contracts may be used subject to the conditions and limits set out in the Prospectus.

Bond Connect

The PBoC and the HKMA have approved the CFETS, CCDC, SHCH, together with Hong Kong Exchanges and Clearing Limited and CMU to launch Bond Connect, which is a mutual bond market access programme between Mainland China and Hong Kong. Bond Connect allows investors to trade electronically between the Mainland China and Hong Kong bond markets without quota restrictions and requirements to identify the ultimate investment amount.

Currently, Bond Connect comprises a Northbound Trading Link between CFETS, the operator of the CIBM and offshore trading access platforms recognised by the PBoC, to facilitate investment by Hong Kong and overseas investors (including the Portfolio) in eligible bonds traded on the CIBM. A Southbound Trading Link, facilitating investment in overseas bond markets by Mainland Chinese investors is still under development but is intended to form part of Bond Connect once established.

The Portfolio may invest up to 20% of its Net Asset Value in PRC onshore bonds via Bond Connect.

Eligible Securities

Hong Kong and overseas investors (including the Portfolio) will be able to trade over the entire range of instruments traded on the CIBM, including products on both the secondary and primary markets.

Trading Day

Northbound investors (including the Portfolio) are able to trade through Bond Connect on days upon which the CIBM is open to trade, regardless of whether they are a public holiday in Hong Kong.

Settlement and Custody

Settlement and custody of Northbound bond trades under Bond Connect will be implemented under the link between the CMU of the HKMA and Mainland China's two bond settlement systems, namely, CCDC and SHCH. The CMU settles Northbound trades and holds the CIBM bonds on behalf of its members in nominee accounts with each of CCDC and SHCH. CCDC and SHCH provide services to foreign investors, directly and indirectly, using Bond Connect.

Bonds purchased by Hong Kong and overseas investors (including the Portfolio) are recorded in an omnibus nominee account at CCDC and SHCH in the name of CMU. The CMU itself maintains the bonds in segregated sub-accounts of its members, who in turn may hold the bonds on their own account or on behalf of other investors or custodians. Accordingly, bonds purchased by Hong Kong and overseas purchasers through Bond Connect are held by the purchaser's global or local custodian in a segregated sub-account opened in their name at the CMU.

Currency

Hong Kong and overseas investors may trade through Bond Connect using offshore RMB (CNH) or by converting foreign currencies into onshore RMB (CNY) under Bond Connect.

Where an investor uses foreign currencies to invest through the Northbound Trading Link, it must open a segregated RMB capital account with an eligible RMB settlement Bank in Hong Kong to convert its foreign currencies into CNY. Where bonds are purchased in CNY in this manner, upon sale of the bonds, the sale proceeds remitted out of Mainland China must be converted back into the relevant foreign currencies.

Further information about Bond Connect is available at:

<http://www.chinabondconnect.com/en/index.htm>

Investment Restrictions

- Debt securities and money market instruments issued by public or private issuers in Emerging Market Countries which are denominated in Hard Currency are limited to a maximum of 10% of the Portfolio's Net Asset Value.
- A maximum of 25% of the Portfolio's Net Asset Value may be invested in debt securities issued by issuers located in any one country.
- A maximum of 20% of the Portfolio's Net Asset Value may be invested in debt securities issued by issuers which are not governments or government-related, with a maximum exposure of 4% of the Portfolio's Net Asset Value to any one such issuer.
- Investments in:
 - warrants on transferable securities, are limited to a maximum of 10% of the Portfolio's Net Asset Value;
 - asset-back securities are limited to a maximum of 20% of the Portfolio's Net Asset Value; and
 - units of other collective investment schemes are limited to a maximum of 10% of the Portfolio's Net Asset Value.
- The Portfolio's Net Asset Value exposure to a single Emerging Market Country's currency, relative to the Benchmark may not exceed +10/-10%.
- The Portfolio will not utilise securities lending or margin lending.

Risk

- Investment in the Portfolio carries certain risks which are described in greater detail in the "*Investment Risks*" section of the Prospectus. While investors should read and consider the entire "*Investment Risks*" section of the Prospectus, the risks summarised in the following sections, namely, "*Market Risks: Risks relating to Debt Securities*", "*Market Risks: Risks Relating to Emerging Market Countries*", "*Risks Associated with Investment in the China Interbank Bond Market through Bond Connect*" and "*Risks related to Financial Derivative Instruments*" are particularly relevant to this Portfolio. **These risks are not purported to be exhaustive and potential investors should review this Supplement and the Prospectus in their entirety and consult with their professional advisers, before making an application for Shares.**
- Investors should refer to the Company's risk management policy with respect to the use of FDI contained in the RMP Statement.
- The Portfolio is expected to be leveraged up to 450% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced. This expected leverage figure is calculated using the Sum of the Notional values of the derivatives used, as required by the Central Bank. Using this methodology does not reflect any netting or hedging that the Portfolio may have in place.
- The Portfolio's global exposure is subject to an advanced risk management process which, in compliance with the UCITS Regulations, aims to ensure that on any day the relative VaR of the Portfolio will be no greater than twice the VaR of the Benchmark. The VaR of the Portfolio is a daily estimation of the maximum loss which the Portfolio may incur over a 20 Business Day holding period and is arrived at through quantitative simulations with a 99% one tailed confidence interval and using an historical observation period of at least 250 business days. This process is described in detail in the statement of risk management procedures of the Company and its appendix in respect of the Portfolio. While the Portfolio measures and monitors its global exposure

using the VaR approach, rather than by use of the Commitment Approach, the leverage of the Portfolio using the Commitment Approach is expected to be 250% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced.

- The Manager and the Sub-Investment Manager may use forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options, and currency swaps in order to hedge currency risk on a discretionary basis. The use of such hedging techniques may increase the risk profile of the Portfolio.

Environmental, Social and Governance (“ESG”)

This Portfolio meets the classification of an Article 8 Portfolio as it promotes environmental and social characteristics and limits investments to those companies that follow good governance practices. **Information about these environmental and social characteristics is available in the SFDR Annex below.**

ESG risks and opportunities are systematically considered in the selection of securities to be constituents of the Portfolio. The Manager and the Sub-Investment Manager assess securities in relation to their exposure to and the management of ESG risks. ESG represents governance (being the way in which the company is run), environmental issues (such as the impact on natural resources), and social issues (such as human rights).

Please also refer to Annex VI of the Prospectus which contains additional information on sustainability related disclosures.

Typical Investor Profile

Investment in the Portfolio may be suitable for investors who are prepared to accept the general risks associated with investing in Emerging Market Countries and the risks of bond markets over the medium to long term, together with medium to high levels of volatility due to the Portfolio’s investment policies or portfolio management techniques.

Fees and Expenses

Category	Maximum Initial Charge	Maximum Management fee	Distribution Fee
A	5.00%	1.50%	0.00%
B, C1, C2, E	0.00%	1.80%	1.00%
C	0.00%	1.00%	1.00%
D, I, I1, I2, I3, I4, I5, X, Y	0.00%	0.75%	0.00%
M	2.00%	1.50%	0.80%
P	5.00%	0.71%	0.00%
T	5.00%	1.80%	0.00%
U	3.00%	1.10%	0.00%
Z	0.00%	0.00%	0.00%

For details of the Administration Fees payable by the Portfolio, please see the “Administration Fees” heading in the “Fees and Expenses” section of the Prospectus.

Contingent deferred sales charges

Contingent deferred sales charges will be payable in respect of the following Classes at the rates specified below, depending on the period that has elapsed since the issue of the Shares being redeemed and will be charged on the lower of the Net Asset Value per Share on the relevant Dealing Day in respect of which the relevant Shares were (i) initially subscribed or (ii) redeemed. Any such contingent deferred sales charges will be paid to the relevant Distributor, the Manager or to the Sub-Investment Manager.

Class	Redemption Period in Calendar Days				
	< 365	365 - 729	730 - 1094	1095 – 1459	> 1459
B	4%	3%	2%	1%	0%
C, C1	1%	0%	0%	0%	0%
C2	2%	1%	0%	0%	0%

E	3%	2%	1%	0%	0%
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Notwithstanding the information set out under the “Classes” section within “Annex II – Share Class Information” to the Prospectus, please note that, subject to any transitional period or other arrangement agreed with Shareholders in the relevant Classes, Shares in the Category B, C2 and E Classes will automatically convert into Shares in the corresponding T Class, at no additional cost to holders of such Shares, upon the expiry of four years (Category B Classes), two years (Category C2 Classes) and three years (Category E Classes) from the date of the initial subscription into the relevant B, C2 or E Class.

Other important information for investors in Hong Kong

As the Portfolio has been authorised for public offer in Hong Kong, the Hong Kong Securities and Futures Commission (“HKSF”) requires the Company to classify the Portfolio on the basis of its expected maximum net derivative exposure (“NDE”). The HKSF requires the NDE to be calculated in accordance with the HKSF’s Code on Unit Trusts and Mutual Funds and the requirements and guidance issued by the HKSF, which may be updated from time to time. This requires the Company to convert all FDI acquired for investment purposes that would generate incremental leverage at the portfolio level of the Portfolio into their equivalent positions in the underlying assets. Applying these requirements, the Portfolio’s NDE is expected to be greater than 100% but the actual level may be higher than the expected level in exceptional circumstances, for example when there are sudden movements in markets and/or investment prices.

For the avoidance of doubt, complying with the HKSF’s requirements to classify the Portfolio on the basis of its NDE does not amend the investment objectives or policies or otherwise impact the management of the Portfolio or its use of FDI, as the requirements are solely to measure the Portfolio’s expected use of FDI, as described above, using the HKSF’s methodology and disclose the results.

Neuberger Berman Emerging Market Debt – Hard Currency Fund

An investment in the Portfolio should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

Investment Objective

The Portfolio aims to achieve a target average return of 1-2% over the Benchmark (as specified in the “Benchmark” section below) before fees over a market cycle (typically 3 years) by investing primarily in Hard Currency-denominated debt issued in Emerging Market Countries.

Investors should note that the target return is not guaranteed over a market cycle, a 12-month or any period and the Portfolio’s capital is at risk. Investors should also note that, over the course of a market cycle, there may be significant periods of time during which the performance of the Portfolio will deviate from the targeted return and the Portfolio may experience periods of negative return. There can be no guarantee that the Portfolio will ultimately achieve its investment objective.

Investment Approach

The Portfolio will invest primarily in debt securities and money market instruments issued by public or private issuers in Emerging Market Countries which are denominated in Hard Currency. For the purposes of the Portfolio, Hard Currency is defined as US Dollar, Euro, Sterling, Japanese Yen and Swiss Franc and investors should also note that public issuers include corporate issuers that are, either directly or indirectly, 100% government-owned.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets globally, without any particular focus on any one industrial sector or region.

Please note that, as described below in the “Risk” section, investments in securities issued by companies located in, and governments and government agencies of, Emerging Market Countries may involve additional risk, relative to investment in more developed economies.

Under normal market conditions, the Manager and the Sub-Investment Manager will invest at least two thirds of the Portfolio’s Net Asset Value in Hard Currency debt securities and money market instruments issued by public or private issuers in Emerging Market Countries and/or countries which are part of the Benchmark. Up to a maximum of one third of the Portfolio’s Net Asset Value may then be invested in money market instruments and debt securities issued by public or private issuers in High Income OECD Member Countries which are not part of the Benchmark and/or debt securities and money market instruments issued by public or private issuers in Emerging Market Countries which are denominated in the local currency of the relevant Emerging Market Country. On an ancillary basis, the Portfolio may hold equity securities issued by public or private issuers, such as shares, as a result of the conversion of convertible debt securities or restructuring of debt securities.

The Manager and the Sub-Investment Manager implement a systematic and disciplined framework for analysing sovereign and corporate local currency and Hard Currency debt securities. Decisions on how to allocate the Portfolio’s assets between sovereign and corporate and Hard Currency and local currency Emerging Market Country debt securities, money market instruments and FDI are dependent on the Manager’s and the Sub-Investment Manager’s outlook on such securities. This outlook focuses on the global market environment, the economic environment of the relevant Emerging Market Countries, the attractiveness of the valuations available in the asset classes and their liquidity. From this outlook, the Manager and the Sub-Investment Manager determine the amount of risk that they want the Portfolio to take and allocate across security types accordingly.

The Manager and the Sub-Investment Manager believe their global presence provides a local perspective on macro as well as micro events which feeds into the respective team’s overall research.

The Manager and the Sub-Investment Manager will seek to anticipate yield, spread and currency movements in response to changes in:

- Economic conditions;
- Region, country and sector fundamentals; and
- Issuer specific financial performance and other issuer specific factors.

The Manager and the Sub-Investment Manager will conduct fundamental analysis on the issuers that they track in order to identify undervalued and overvalued securities and exploit investment opportunities. The fundamental analysis used for the selection of governments or government-related issuers incorporates quantitative macroeconomic data and qualitative aspects such as political stability and structural reforms. The fundamental analysis used for the selection of corporate issuers includes quantitative factors aimed at assessing the issuer's financial performance such as revenue/EBITDA ("earnings before interest, tax, depreciation and amortisation") growth, cash flow growth and capital expenditures. Qualitative factors aim to complement the evaluation of corporate credit worthiness by including such factors as corporate governance, quality of earnings and debt structure.

Under normal market conditions, the Manager anticipates that the Portfolio's average interest duration will be within the range of +2 years and -2 years compared to the Benchmark.

The Portfolio may have or may be expected to have medium to high volatility due to its investment policies or portfolio management techniques.

The Portfolio is actively managed and does not intend to track the Benchmark which is included here for performance comparison purposes and because the Portfolio's investment policy restricts the extent to which the Portfolio's holdings may deviate from the Benchmark, as described above. This deviation may be significant.

Benchmark

J.P. Morgan EMBI Global Diversified (Total Return, USD) which measures the performance of debt markets of Emerging Market Countries expressed in USD.

Shareholders in a Class which is denominated in a currency other than the Base Currency should note that, where available, it may be more meaningful to compare the performance of such Class against a version of this index which is denominated in the relevant Class currency.

Base Currency

US Dollars (USD).

Instruments / Asset Classes

The Portfolio will invest primarily in debt securities and money market instruments, issued by governments, government agencies and corporate issuers in Emerging Market Countries. The Portfolio can invest in or be exposed to the following types of assets.

Fixed Income Securities (Debt Securities). Such debt securities may include bonds, bonds with warrants, convertible bonds, bonds resulting from the restructuring of syndicated loans or bank loans (e.g. "Brady" bonds), subordinated bonds, debentures and notes (including freely transferable and unleveraged structured notes and freely transferable promissory notes) and may include:

- Fixed and floating rate securities;
- Contingent convertible bonds, subject to a limit of up to 10% of the Portfolio's Net Asset Value;
- Bullet debt securities, in respect of which principal is paid upon maturity, or factor debt securities in respect of which principal is paid according to a pre-determined schedule and which can also specify that specific interest payments be added to the principal instead of being paid in cash;
- Structured products, such as credit-linked notes, which provide indirect access to certain markets or securities;
- Investment grade, high yield and unrated debt securities; and
- Sukuk structures, which are Islamic finance instruments which represent a proportionate beneficial ownership in an asset or pool of assets. For a determined period, the return associated with the cash flows generated from the assets belongs to the Sukuk holders. The characteristics of a Sukuk are therefore similar to a

conventional debt security, with the difference that Sukuks are generally asset-based or asset-backed and carry no interest rate but rather pass the returns generated by the underlying assets to the Sukuk holder.

Money Market Instruments. Money market instruments may include bank deposits, fixed or floating rate instruments (including commercial paper), floating or variable rate notes, bankers acceptances, certificates of deposit, debentures and short-dated government or corporate bonds, cash and cash equivalents (including treasury bills) that are rated as investment grade or below by Recognised Rating Agencies or are unrated.

The Portfolio may invest up to 25% of its Net Asset Value in fixed income securities and money market instruments that are issued or guaranteed by a single sovereign issuer (including its government, and any public or local authority) that are below investment grade. This investment restriction does not apply to any securities issued by corporate issuers. As certain Emerging Market Countries may be rated below investment grade, the Manager and/or the Sub-Investment Manager believe that it is necessary to retain the flexibility to invest in such securities issued or guaranteed by each such sovereign issuer above 10% of the Portfolio's Net Asset Value in order to achieve the investment objective of the Portfolio. As at the date of this Supplement, the single sovereign issuer with a credit rating below investment grade into whose securities the Manager and/or the Sub-Investment Manager expect the Portfolio may invest more than 10% of its Net Asset Value is Brazil.

Investment grade securities are highly rated securities, generally those rated Baa3, BBB- or above by one or more Recognised Rating Agencies, while high yield securities are medium or lower rated securities, generally those rated below investment grade and sometimes referred to as "junk bonds".

Collective Investment Schemes. In addition, the Portfolio may invest in collective investment schemes which are themselves exposed to investments that are similar to the Portfolio's other investments. Such collective investment schemes may be managed by the Manager and/or the Sub-Investment Manager or their affiliates and will comply with the requirements of the UCITS Regulations in respect of such investments.

Financial Derivative Instruments ("FDI"). In addition, the following FDI may be used for hedging, efficient portfolio management and/or investment purposes and subject to the conditions and limits imposed by the Central Bank as set out in the Prospectus:

- Futures, options, warrants, rights, swaps and swaptions on debt securities or money market instruments, UCITS eligible indices and interest rates, which may be used to achieve a profit through gaining exposure to an increase in the value of such securities, indices and interest rates, as well as to hedge existing long positions;
- Total return swaps may be used to hedge or take long or short positions to help achieve specific investment objectives. In addition, total return swaps may be used to achieve a profit through gaining exposure to an increase in the value of securities, indices and interest rates. The maximum proportion of the Portfolio's Net Asset Value that can be subject to total return swaps is 10%. The expected proportion of the Portfolio's Net Asset Value that will be subject to total return swaps is 1%. The expected proportions are not limits and the actual percentages may vary over time depending on factors including, but not limited to, market conditions;
- Credit default swaps on single issuers, indices and/or baskets of securities which may be used to hedge or take long or short credit positions to help achieve specific investment objectives. It is expected that short credit positions will predominantly be taken for hedging but they may also be used for investment purposes where the Manager or the Sub-Investment Manager identifies an attractive investment opportunity based on the Manager's or the Sub-Investment Manager's fundamental analysis which indicates deteriorating fundamentals of an issuer and/or that a security is overvalued;
- Forward contracts on fixed income securities may be used to achieve a profit, through gaining exposure to an increase in the value of such securities as well as to hedge existing long positions; and
- Forward and non-deliverable forward currency contracts, currency futures

contracts and transactions, currency options, and currency swaps, which may be used to achieve a profit through gaining exposure to an increase in the value of currencies, as well as to hedge existing long currency positions.

As the Portfolio may purchase FDI generally using only a fraction of the assets that would be needed to purchase the relevant securities directly, the remainder of the assets allocated to the Manager may be invested in the other types of securities listed above. The Manager and/or the Sub-Investment Manager may therefore seek to achieve greater returns by taking exposure to the performance of such securities through purchasing FDI which give exposure to them rather than purchasing the securities themselves and investing the remaining assets in other such securities to add excess return.

Repo Contracts. Repo Contracts may be used subject to the conditions and limits set out in the Prospectus.

Bond Connect

The PBoC and the HKMA have approved the CFETS, CCDC, SHCH, together with Hong Kong Exchanges and Clearing Limited and CMU to launch Bond Connect, which is a mutual bond market access programme between Mainland China and Hong Kong. Bond Connect allows investors to trade electronically between the Mainland China and Hong Kong bond markets without quota restrictions and requirements to identify the ultimate investment amount.

Currently, Bond Connect comprises a Northbound Trading Link between CFETS, the operator of the CIBM and offshore trading access platforms recognised by the PBoC, to facilitate investment by Hong Kong and overseas investors (including the Portfolio) in eligible bonds traded on the CIBM. A Southbound Trading Link, facilitating investment in overseas bond markets by Mainland Chinese investors is still under development but is intended to form part of Bond Connect once established.

Eligible Securities

Hong Kong and overseas investors (including the Portfolio) will be able to trade over the entire range of instruments traded on the CIBM, including products on both the secondary and primary markets.

Trading Day

Northbound investors (including the Portfolio) are able to trade through Bond Connect on days upon which the CIBM is open to trade, regardless of whether they are a public holiday in Hong Kong.

Settlement and Custody

Settlement and custody of Northbound bond trades under Bond Connect will be implemented under the link between the CMU of the HKMA and Mainland China's two bond settlement systems, namely, CCDC and SHCH. The CMU settles Northbound trades and holds the CIBM bonds on behalf of its members in nominee accounts with each of CCDC and SHCH. CCDC and SHCH provide services to foreign investors, directly and indirectly, using Bond Connect.

Bonds purchased by Hong Kong and overseas investors (including the Portfolio) are recorded in an omnibus nominee account at CCDC and SHCH in the name of CMU. The CMU itself maintains the bonds in segregated sub-accounts of its members, who in turn may hold the bonds on their own account or on behalf of other investors or custodians. Accordingly, bonds purchased by Hong Kong and overseas purchasers through Bond Connect are held by the purchaser's global or local custodian in a segregated sub-account opened in their name at the CMU.

Currency

Hong Kong and overseas investors may trade through Bond Connect using offshore RMB (CNH) or by converting foreign currencies into onshore RMB (CNY) under Bond Connect.

Where an investor uses foreign currencies to invest through the Northbound Trading Link, it must open a segregated RMB capital account with an eligible RMB settlement Bank in Hong Kong to convert its foreign currencies into CNY. Where bonds are purchased in CNY in this manner, upon sale of the bonds, the sale proceeds remitted out of Mainland China must be converted back into the relevant foreign currencies.

Further information about Bond Connect is available at:

<http://www.chinabondconnect.com/en/index.htm>

Investment Restrictions

- A maximum of 25% of the Portfolio's Net Asset Value may be invested in debt securities issued by issuers located in any one country.
- A maximum of 15% of the Portfolio's Net Asset Value may be invested in debt securities issued by private corporate issuers, with a maximum exposure of 4% of the Portfolio's Net Asset Value to any one such issuer.
- An aggregate maximum of 50% of the Portfolio's Net Asset Value may be invested in securities issued by issuers which are not governments in accordance with the following limits:
 - quasi-sovereign (100% state owned or explicit sovereign guarantee) with an individual maximum of the Portfolio's Net Asset Value of 35%;
 - sub-sovereign (state, regional, municipal debt) with an individual maximum of the Portfolio's Net Asset Value of 10%; and
 - supra-national (world bank regional development banks) with an individual maximum of the Portfolio's Net Asset Value of 10%.
- Investments in:
 - debt securities and money market instruments issued by public or private issuers in Emerging Market Countries which are denominated in the local currency of the relevant Emerging Market Country;
 - warrants on transferable securities; and
 - units of other collective investment schemes,are limited to a maximum of 10% of the Portfolio's Net Asset Value.
- The Portfolio will not utilise securities lending or margin lending.

Risk

- Investment in the Portfolio carries certain risks which are described in greater detail in the "*Investment Risks*" section of the Prospectus. While investors should read and consider the entire "*Investment Risks*" section of the Prospectus, the risks summarised in the following sections, namely, "*Market Risks: Risks relating to Debt Securities*", "*Risks Associated with Investment in the China Interbank Bond Market through Bond Connect*" and "*Market Risks: Risks Relating to Emerging Market Countries*" are particularly relevant to this Portfolio. **These risks are not purported to be exhaustive and potential investors should review this Supplement and the Prospectus in their entirety and consult with their professional advisers, before making an application for Shares.**
- Investors should refer to the Company's risk management policy with respect to the use of FDI contained in the RMP Statement.
- The Portfolio is expected to be leveraged up to 150% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced. This expected leverage figure is calculated using the Sum of the Notional values of the derivatives used, as required by the Central Bank. Using this methodology does not reflect any netting or hedging that the Portfolio may have in place
- The Portfolio's global exposure is subject to an advanced risk management process which, in compliance with the UCITS Regulations, aims to ensure that on any day the relative VaR of the Portfolio will be no greater than twice the VaR of the Benchmark. The VaR of the Portfolio is a daily estimation of the maximum loss which the Portfolio may incur over a 20 Business Day holding period and is arrived at through quantitative simulations with a 99% one tailed confidence interval and using an historical observation period of at least 250 business days. This process is described in detail in the statement of risk management procedures of the Company and its appendix in respect of the Portfolio. While the Portfolio measures and monitors its global exposure using the VaR approach, rather than by use of the Commitment Approach, the leverage of the Portfolio using the Commitment

Approach is expected to be 100% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced.

- The Manager and/or the Sub-Investment Manager may use forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options, and currency swaps in order to hedge currency risk on a discretionary basis. In addition, the Manager and/or the Sub-Investment Manager may use futures, options, warrants, swaps (including credit default swaps and swaptions) on debt securities or money market instruments, indices and interest rates to hedge investments in such instruments. Investors should note that it may not be possible or practical to hedge the Portfolio's exposures to such instruments perfectly and that, where it deems it appropriate, the Manager and/or the Sub-Investment Manager make take hedging positions in respect of other instruments which it considers to be suitable proxies for the Portfolio's investments. The use of such hedging techniques may increase the risk profile of the Portfolio.

Environmental, Social and Governance ("ESG")

This Portfolio meets the classification of an Article 8 Portfolio as it promotes environmental and social characteristics and limits investments to those companies that follow good governance practices. **Information about these environmental and social characteristics is available in the SFDR Annex below.**

ESG risks and opportunities are systematically considered in the selection of securities to be constituents of the Portfolio. The Manager and the Sub-Investment Manager assess securities in relation to their exposure to and the management of ESG risks. ESG represents governance (being the way in which the company is run), environmental issues (such as the impact on natural resources), and social issues (such as human rights).

Please also refer to Annex VI of the Prospectus which contains additional information on sustainability related disclosures.

Typical Investor Profile

Investment in the Portfolio may be suitable for investors who are prepared to accept the general risks associated with investing in Emerging Market Countries and the risks of bond markets over the medium to long term, together with medium to high levels of volatility due to the Portfolio's investment policies or portfolio management techniques.

Fees and Expenses

Category	Maximum Initial Charge	Maximum Management fee	Distribution Fee
A, X, Y	5.00%	1.40%	0.00%
B, C2, E	0.00%	1.40%	1.00%
C1	0.00%	1.80%	1.00%
C	0.00%	0.95%	1.00%
D, I, I1, I2, I3, I4, I5	0.00%	0.70%	0.00%
M	2.00%	1.40%	0.80%
P	5.00%	0.67%	0.00%
T	5.00%	1.80%	0.00%
U	3.00%	1.05%	0.00%
Z	0.00%	0.00%	0.00%

For details of the Administration Fees payable by the Portfolio, please see the "Administration Fees" heading in the "Fees and Expenses" section of the Prospectus.

Contingent deferred sales charges

Contingent deferred sales charges will be payable in respect of the following Classes at the rates specified below, depending on the period that has elapsed since the issue of the Shares being redeemed and will be charged on the lower of the Net Asset Value per Share on the relevant Dealing Day in respect of which the relevant Shares were (i) initially

subscribed or (ii) redeemed. Any such contingent deferred sales charges will be paid to the relevant Distributor, the Manager or to the Sub-Investment Manager.

Class	Redemption Period in Calendar Days				
	< 365	365 - 729	730 - 1094	1095 – 1459	> 1459
B	4%	3%	2%	1%	0%
C, C1	1%	0%	0%	0%	0%
C2	2%	1%	0%	0%	0%
E	3%	2%	1%	0%	0%

Other important information for investors in Hong Kong

As the Portfolio has been authorised for public offer in Hong Kong, the Hong Kong Securities and Futures Commission (“HKSF”) requires the Company to classify the Portfolio on the basis of its expected maximum net derivative exposure (“NDE”). The HKSF requires the NDE to be calculated in accordance with the HKSF’s Code on Unit Trusts and Mutual Funds and the requirements and guidance issued by the HKSF, which may be updated from time to time. This requires the Company to convert all FDI acquired for investment purposes that would generate incremental leverage at the portfolio level of the Portfolio into their equivalent positions in the underlying assets. Applying these requirements, the Portfolio’s NDE is expected to be less than 50% but the actual level may be higher than the expected level in exceptional circumstances, for example when there are sudden movements in markets and/or investment prices.

For the avoidance of doubt, complying with the HKSF’s requirements to classify the Portfolio on the basis of its NDE does not amend the investment objectives or policies or otherwise impact the management of the Portfolio or its use of FDI, as the requirements are solely to measure the Portfolio’s expected use of FDI, as described above, using the HKSF’s methodology and disclose the results.

Neuberger Berman Sustainable Emerging Market Corporate Debt Fund

An investment in the Portfolio should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Investors should note that, notwithstanding the Portfolio's investment objective, this Portfolio is not considered to be an impact fund.

Investment Objective

The Portfolio aims to achieve a target average return of 1-2% over the Benchmark (as specified in the "*Benchmark*" section below) before fees over a market cycle (typically 3 years) and to have a positive social and environmental impact by investing primarily in corporate debt issued in Emerging Market Countries that comply with the Sustainable Exclusion Policy.

Investors should note that the target return is not guaranteed over a market cycle, a 12-month or any period and the Portfolio's capital is at risk. Investors should also note that, over the course of a market cycle, there may be significant periods of time during which the performance of the Portfolio will deviate from the targeted return and the Portfolio may experience periods of negative return. There can be no guarantee that the Portfolio will ultimately achieve its investment objective.

Investment Approach

The Portfolio will invest primarily in debt securities and money market instruments issued by corporate issuers which have their head office or exercise an overriding part of their economic activity in Emerging Market Countries and which are consistent with the Portfolio's promotion of environmental and social characteristics. The debt securities and money market instruments may be denominated in Hard Currency or the currencies of such Emerging Market Countries. For the purposes of the Portfolio, Hard Currency means US Dollar, Euro, Sterling, Japanese Yen and Swiss Franc.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets globally, without any particular focus on any one industrial sector or region.

Please note that, as described below in the "*Risk*" section, investments in securities issued by companies located in Emerging Market Countries may involve additional risk, relative to investment in more developed economies.

Investors should note that this Portfolio seeks to apply the Sustainable Exclusion Policy that has been adopted by the Manager and the Sub-Investment Manager, as such term is defined within the "*Sustainable Investment Criteria*" section of the Prospectus. Investors should refer to the information contained in that section for further details about the application of the Sustainable Exclusion Policy to the Portfolio.

ESG analysis: the Manager and the Sub-Investment Manager will exclude companies from the investment universe that manufacture incendiary weapons using white phosphorus or that have an industry tie to nuclear weapons.

The Manager and the Sub-Investment Manager will exclude securities issued by companies that derive 5% or more of revenue from:

- the production of adult entertainment materials; or
- the production of conventional weapons.

In determining the investments which the Portfolio will make, the Manager and the Sub-Investment Manager will also prioritise corporate issuers which have a lower carbon emission intensity.

The Portfolio will achieve a carbon emission intensity level that is at least 20% lower than the broader Emerging Market Countries' corporate debt investment universe, represented by the J.P. Morgan CEMBI Diversified (USD) index (the "**Index**") (excluding securities issued by non-corporate issuers, which include public or quasi-public issuers (i.e. sovereign issuers), and cash or cash equivalents) ("**Excluded Securities**"). However, the Portfolio will actually target a carbon emission intensity level that is at least 30% lower (excluding Excluded Securities) than the Index. The average carbon emission intensity will be measured and calculated based on the Portfolio's carbon emission intensity struck at each of the four calendar quarter ends.

As the Portfolio progresses towards net zero, the Portfolio's carbon emission intensity reduction target relative to the Index is expected to reduce to account for the reduced carbon footprint of the Portfolio relative to the Index. Subject to data availability, the Manager and the Sub-Investment Manager will ensure that securities representing at least 90% of the Net Asset Value of the Portfolio (excluding Excluded Securities) have been subject to an analysis of their carbon emission intensity.

The Manager and the Sub-Investment Manager also systematically consider and evaluate environmental and social characteristics (as detailed in the SFDR Annex) of issuers, as an important component of the Manager's and the Sub-Investment Manager's credit analysis discipline, when making investment decisions. The Manager and the Sub-Investment Manager utilise the NB ESG Quotient on a continuous basis, as part of the Portfolio construction and investment management process. The NB ESG Quotient assigns weightings to issuers (relative to their peer group) for each of the environmental and social characteristics to derive the issuer's NB ESG Quotient rating. The Manager and the Sub-Investment Manager prioritise investment in securities issued by issuers with a favourable and/or an improving NB ESG Quotient rating over those issued by issuers with a poor NB ESG Quotient rating, especially where such an NB ESG Quotient rating is not being addressed by an issuer. Such securities may be excluded from the Portfolio. The Portfolio aims to achieve a higher overall ESG score (as assigned by a third party data provider) as compared to the broader Emerging Market Countries' corporate debt investment universe, represented by the Index.

The Manager and the Sub-Investment Manager use third-party data providers and/or the NB ESG Quotient to ascertain the carbon emission intensity of issuers. In some cases, data on specific issuers (i) may not be available; or (ii) may be estimated by the third-party data provider, or by the Manager and the Sub-Investment Manager using internal methodologies or reasonable estimates. The methodologies used by different data providers may vary and if the data provider preferred by the Manager and the Sub-Investment Manager changes its methodology, the carbon emission intensity estimates for one or more issuers may also change.

The NB ESG Quotient covers a minimum of 90% of the Net Asset Value of the Portfolio. Investors should note that the Portfolio's investments in money market instruments will not be covered by the NB ESG Quotient. In addition, the Portfolio will exclude issuers which are ranked in the bottom decile based on the NB ESG Quotient, provided that the Manager and the Sub-Investment Manager may invest in such issuers on an ancillary basis, where they have near-term improvement prospects which the Manager and/or the Sub-Investment Manager will assess on an ongoing basis based on the NB ESG Quotient. Investors should refer to the information contained in the SFDR Annex for further information on the ESG exclusion policies applied to the Portfolio.

Under normal market conditions, the Manager and the Sub-Investment Manager will invest at least two thirds of the Portfolio's Net Asset Value in debt securities and money market instruments issued by corporate issuers in Emerging Market Countries and/or countries which are part of the Benchmark and denominated in Hard Currency. Up to a maximum of one third of the Portfolio's Net Asset Value may then be invested in money market instruments and debt securities issued by non-corporate issuers and denominated in Hard Currency or which are denominated in the local currency of the relevant Emerging Market Country. Furthermore, up to a maximum of one third of the Portfolio's Net Asset Value may also be invested in money market instruments and debt securities issued by public or private issuers in High Income OECD Member Countries which are not part of the Benchmark.

The Portfolio will not invest in debt securities and money market instruments issued by sovereign or 100% government-owned issuers which are identified by the Manager and the Sub-Investment Manager as having weak ESG practices and such issuers will be excluded from the Portfolio. Such exclusions will be based on a number of ESG criteria including the following:

- Sovereign issuers which are ranked in the bottom decile based on the NB ESG Quotient, with no near term improvement prospects; or
- Sovereign issuers which are excluded from the J.P. Morgan ESG EMBI Global Diversified Index based on ESG considerations; or
- Sovereign issuers where top officials have been sanctioned by the UN Security Council based on human rights violations; or
- Sovereign issuers which are assessed as having high and increasing greenhouse gas intensity levels; or

-
- Sovereign issuers which are non-compliant with the standard put forth by the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes, or sovereign issuers that are classified as a high risk jurisdiction subject to a call for action by the Financial Action Task Force ("FATF").

For the avoidance of doubt, while the Portfolio will not invest in such securities, they may underlie credit derivatives which the Portfolio uses for hedging purposes only.

On an ancillary basis, the Portfolio may hold equity securities issued by public or private issuers, such as shares, as a result of the conversion of convertible debt securities or restructuring of debt securities.

The Manager and the Sub-Investment Manager implement a systematic and disciplined framework for analysing sovereign and corporate local currency and Hard Currency debt securities. Decisions on how to allocate the Portfolio's assets between corporate and non-corporate and local currency and Hard Currency Emerging Market Country debt securities, money market instruments and FDI are dependent on the Manager's and the Sub-Investment Manager's outlook on such securities. This outlook focuses on the global market environment, the economic environment of the relevant Emerging Market Countries, the attractiveness of the valuations available in the asset classes and their liquidity. From this outlook, the Manager and the Sub-Investment Manager determine the amount of risk that they want the Portfolio to take and allocate across security types accordingly.

The Manager and the Sub-Investment Manager believe their global presence provides a local perspective on macro as well as micro events which feeds into the respective team's overall research.

The Manager and the Sub-Investment Manager will seek to anticipate yield, spread and currency movements in response to changes in:

- Economic conditions;
- Region, country and sector fundamentals; and
- Issuer specific financial performance and other issuer specific factors.

The Manager and the Sub-Investment Manager will conduct fundamental analysis on the issuers that they track in order to identify undervalued and overvalued securities and exploit investment opportunities. The fundamental analysis used for the selection of governments or government-related issuers incorporates quantitative macroeconomic data and qualitative aspects such as political stability and structural reforms. The fundamental analysis used for the selection of corporate issuers includes quantitative factors aimed at assessing the issuer's financial performance such as revenue/EBITDA ("earnings before interest, tax, depreciation and amortisation") growth, cash flow growth and capital expenditures. Qualitative factors aim to complement the evaluation of corporate credit worthiness by including such factors as corporate governance, quality of earnings and debt structure.

Under normal market conditions, the Manager anticipates that the Portfolio's average interest duration will be within the range of +1.5 years and -1.5 years compared to the Benchmark.

The Portfolio may have or may be expected to have medium to high volatility due to its investment policies or portfolio management techniques.

The Portfolio is actively managed. Investors may refer to the Index for carbon emission intensity reduction and ESG comparison purposes only. The Index is a global, liquid corporate emerging markets benchmark that tracks U.S. denominated corporate bonds issued by emerging markets entities. In addition, investors should refer to the J.P. Morgan ESG EMBI Global Diversified Index which is included here for ESG comparison purposes. J.P. Morgan ESG EMBI Global Diversified Index measures the performance of emerging market debt issued by sovereign and quasi-sovereign entities while applying an ESG methodology which overweights issuers ranked higher on ESG criteria and green bond issues and underweights issuers that rank lower. However, investors should note that the Portfolio does not intend to track the Index, the Benchmark or the J.P. Morgan ESG EMBI Global Diversified Index and the Portfolio is not constrained by either the Index, the J.P. Morgan ESG EMBI Global Diversified Index or the Benchmark, which is included here for performance comparison purposes only and because the Portfolio's investment policy restricts the extent to which the Portfolio's holdings may deviate from the

Benchmark, as described above. This deviation may be significant. The Portfolio gives some consideration to the J.P. Morgan ESG EMBI Global Diversified Index's constituents in identifying sovereign issuers that have been excluded from it for having weak ESG practices and to the Index's constituents for carbon emission intensity reduction purposes and to the Benchmark's constituents in the selection of securities but may not hold all or some of the J.P. Morgan ESG EMBI Global Diversified Index's components, the Index's components or the Benchmark's components. Neither the Index, the Benchmark nor the J.P. Morgan ESG EMBI Global Diversified Index has been designated as a reference benchmark for the purposes of SFDR.

Benchmark The J.P. Morgan JESG CEMBI Broad Diversified Index, which measures the performance of the corporate debt markets of Emerging Market Countries.

Shareholders in a Class which is denominated in a currency other than the Base Currency should note that, where available, it may be more meaningful to compare the performance of such Class against a version of this index which is denominated in the relevant Class currency.

Base Currency US Dollars (USD).

Instruments / Asset Classes The Portfolio will invest primarily in debt securities and money market instruments, issued by governments, government agencies and corporate issuers in Emerging Market Countries. The Portfolio can invest in or be exposed to the following types of assets.

Fixed Income Securities (Debt Securities). Such debt securities may include bonds, bonds with warrants, convertible bonds, bonds resulting from the restructuring of syndicated loans or bank loans (e.g. "Brady" bonds), subordinated bonds, debentures and notes (including freely transferable and unleveraged structured notes and freely transferable promissory notes) and may include:

- Fixed and floating rate securities;
- Contingent convertible bonds, subject to a limit of up to 10% of the Portfolio's Net Asset Value;
- Bullet debt securities, in respect of which principal is paid upon maturity, or factor debt securities in respect of which principal is paid according to a pre-determined schedule and which can also specify that specific interest payments be added to the principal instead of being paid in cash;
- Structured products, such as credit-linked notes and structured notes, which provide indirect access to certain markets or securities;
- Investment grade, high yield and unrated debt securities; and
- Sukuk structures, which are Islamic finance instruments which represent a proportionate beneficial ownership in an asset or pool of assets. For a determined period, the return associated with the cash flows generated from the assets belongs to the Sukuk holders. The characteristics of a Sukuk are therefore similar to a conventional debt security, with the difference that Sukuks are generally asset-based or asset-backed and carry no interest rate but rather pass the returns generated by the underlying assets to the Sukuk holder.

Money Market Instruments. Money market instruments may include bank deposits, fixed or floating rate instruments (including commercial paper), floating or variable rate notes, bankers acceptances, certificates of deposit, debentures and short-dated government or corporate bonds, cash and cash equivalents (including treasury bills) that are rated as investment grade or below by Recognised Rating Agencies or are unrated.

The Portfolio will not invest more than 10% of its Net Asset Value in securities that are issued or guaranteed by a single sovereign issuer (including its government and any public or local authority) that are below investment grade. This investment restriction does not apply to any securities issued by corporate issuers.

Investment grade securities are highly rated securities, generally those rated Baa3, BBB- or above by one or more Recognised Rating Agencies, while high yield securities are medium or lower rated securities, generally those rated below investment grade and sometimes referred to as "junk bonds".

Collective Investment Schemes. In addition, the Portfolio may invest in collective investment schemes which are themselves exposed to investments that are similar to the

Portfolio's other investments. Such collective investment schemes may be managed by the Manager and the Sub-Investment Manager or their affiliates and will comply with the requirements of the UCITS Regulations in respect of such investments.

Financial Derivative Instruments ("FDI"). In addition, the following FDI may be used for hedging, efficient portfolio management and/or investment purposes and subject to the conditions and limits imposed by the Central Bank as set out in the Prospectus:

- Futures, options, warrants, rights, swaps and swaptions on debt securities or money market instruments, UCITS eligible indices and interest rates, which may be used to achieve a profit through gaining exposure to an increase in the value of such securities, indices and interest rates, as well as to hedge existing long positions;
- Total return swaps may be used to hedge or take long or short positions to help achieve specific investment objectives. In addition, total return swaps may be used to achieve a profit through gaining exposure to an increase in the value of securities, indices and interest rates. The maximum proportion of the Portfolio's Net Asset Value that can be subject to total return swaps is 15%. The expected proportion of the Portfolio's Net Asset Value that will be subject to total return swaps is 1%. The expected proportions are not limits and the actual percentages may vary over time depending on factors including, but not limited to, market conditions;
- Credit default swaps on single issuers, indices and/or baskets of securities which may be used to hedge or take long or short credit positions to help achieve specific investment objectives. It is expected that short credit positions will predominantly be taken for hedging but they may also be used for investment purposes where the Manager or the Sub-Investment Manager identifies an attractive investment opportunity based on the Manager's or the Sub-Investment Manager's fundamental analysis which indicates deteriorating fundamentals of an issuer and/or that a security is overvalued;
- Forward contracts on fixed income securities may be used to achieve a profit, through gaining exposure to an increase in the value of such securities as well as to hedge existing long positions; and
- Forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options, and currency swaps, which may be used to achieve a profit through gaining exposure to an increase in the value of currencies, as well as to hedge existing long currency positions.

As the Portfolio may purchase FDI generally using only a fraction of the assets that would be needed to purchase the relevant securities directly, the remainder of the assets allocated to the Manager may be invested in the other types of securities listed above. The Manager and the Sub-Investment Manager may therefore seek to achieve greater returns by taking exposure to the performance of such securities through purchasing FDI which give exposure to them rather than purchasing the securities themselves and investing the remaining assets in other such securities to add excess return.

Repo Contracts. Repo Contracts may be used subject to the conditions and limits set out in the Prospectus.

Bond Connect

The PBoC and the HKMA have approved the CFETS, CCDC, SHCH, together with Hong Kong Exchanges and Clearing Limited and CMU to launch Bond Connect, which is a mutual bond market access programme between Mainland China and Hong Kong. Bond Connect allows investors to trade electronically between the Mainland China and Hong Kong bond markets without quota restrictions and requirements to identify the ultimate investment amount.

Currently, Bond Connect comprises a Northbound Trading Link between CFETS, the operator of the CIBM and offshore trading access platforms recognised by the PBoC, to facilitate investment by Hong Kong and overseas investors (including the Portfolio) in eligible bonds traded on the CIBM. A Southbound Trading Link, facilitating investment in overseas bond markets by Mainland Chinese investors is still under development but is intended to form part of Bond Connect once established.

Eligible Securities

Hong Kong and overseas investors (including the Portfolio) will be able to trade over the entire range of instruments traded on the CIBM, including products on both the secondary and primary markets.

Trading Day

Northbound investors (including the Portfolio) are able to trade through Bond Connect on days upon which the CIBM is open to trade, regardless of whether they are a public holiday in Hong Kong.

Settlement and Custody

Settlement and custody of Northbound bond trades under Bond Connect will be implemented under the link between the CMU of the HKMA and Mainland China's two bond settlement systems, namely, CCDC and SHCH. The CMU settles Northbound trades and holds the CIBM bonds on behalf of its members in nominee accounts with each of CCDC and SHCH. CCDC and SHCH provide services to foreign investors, directly and indirectly, using Bond Connect.

Bonds purchased by Hong Kong and overseas investors (including the Portfolio) are recorded in an omnibus nominee account at CCDC and SHCH in the name of CMU. The CMU itself maintains the bonds in segregated sub-accounts of its members, who in turn may hold the bonds on their own account or on behalf of other investors or custodians. Accordingly, bonds purchased by Hong Kong and overseas purchasers through Bond Connect are held by the purchaser's global or local custodian in a segregated sub-account opened in their name at the CMU.

Currency

Hong Kong and overseas investors may trade through Bond Connect using offshore RMB (CNH) or by converting foreign currencies into onshore RMB (CNY) under Bond Connect.

Where an investor uses foreign currencies to invest through the Northbound Trading Link, it must open a segregated RMB capital account with an eligible RMB settlement Bank in Hong Kong to convert its foreign currencies into CNY. Where bonds are purchased in CNY in this manner, upon sale of the bonds, the sale proceeds remitted out of Mainland China must be converted back into the relevant foreign currencies.

Further information about Bond Connect is available at:

<http://www.chinabondconnect.com/en/index.htm>

Investment Restrictions

- A maximum of one third of the Portfolio's Net Asset Value may be invested in debt securities and money market instruments which are issued by non-corporate issuers and denominated in Hard Currency.
- A maximum of one third of the Portfolio's Net Asset Value may be invested in debt securities and money market instruments which are denominated in the local currency of the relevant Emerging Market Country.
- A maximum of 25% of the Portfolio's Net Asset Value may be invested in securities issued by issuers located in any one country.
- A maximum of 5% of the Portfolio's Net Asset Value may be invested in securities issued by any one corporate issuer.
- Investments in:
 - other transferable securities, including warrants on transferable securities, are limited to a maximum of 10% of the Portfolio's Net Asset Value; and
 - units of other collective investment schemes are limited to a maximum of 10% of the Portfolio's Net Asset Value.
- The Portfolio will not utilise securities lending or margin lending.

Risk

- Investment in the Portfolio carries certain risks which are described in greater detail in the "*Investment Risks*" section of the Prospectus. While investors should read and consider the entire "*Investment Risks*" section of the Prospectus, the risks summarised in the following sections, namely, "*Market Risks: Risks relating to Debt Securities*", "*Market Risks: Risks Relating to Emerging Market Countries*", "*Risks Associated with Investment in the China Interbank Bond Market through Bond Connect*" and "*Risks related to Financial Derivative Instruments*" are particularly relevant to this Portfolio. **These risks are not purported to be exhaustive and potential investors should review this Supplement and the Prospectus in their entirety and consult with their professional advisers, before making an application for Shares.**

- Investors should refer to the Company's risk management policy with respect to the use of FDI contained in the RMP Statement.
- The Portfolio is expected to be leveraged up to 150% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced. This expected leverage figure is calculated using the Sum of the Notional values of the derivatives used, as required by the Central Bank. Using this methodology does not reflect any netting or hedging that the Portfolio may have in place.
- The Portfolio's global exposure is subject to an advanced risk management process which, in compliance with the UCITS Regulations, aims to ensure that on any day the relative VaR of the Portfolio will be no greater than twice the VaR of the Benchmark. The VaR of the Portfolio is a daily estimation of the maximum loss which the Portfolio may incur over a 20 Business Day holding period and is arrived at through quantitative simulations with a 99% one tailed confidence interval and using an historical observation period of at least 250 business days. This process is described in detail in the statement of risk management procedures of the Company and its appendix in respect of the Portfolio. While the Portfolio measures and monitors its global exposure using the VaR approach, rather than by use of the Commitment Approach, the leverage of the Portfolio using the Commitment Approach is expected to be 100% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced.
- The Manager and the Sub-Investment Manager may use forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options, and currency swaps in order to hedge currency risk on a discretionary basis. In addition, the Manager and/or the Sub-Investment Manager may use futures, options, warrants, swaps (including credit default swaps and swaptions) on debt securities or money market instruments, indices and interest rates to hedge investments in such instruments. Investors should note that it may not be possible or practical to hedge the Portfolio's exposures to such instruments perfectly and that, where it deems it appropriate, the Manager and the Sub-Investment Manager make take hedging positions in respect of other instruments which it considers to be suitable proxies for the Portfolio's investments. The use of such hedging techniques may increase the risk profile of the Portfolio.

Environmental, Social and Governance ("ESG")

This Portfolio meets the classification of an Article 8 Portfolio as it promotes environmental and social characteristics and limits investments to those companies that follow good governance practices. **Information about these environmental and social characteristics is available in the SFDR Annex below.**

ESG risks and opportunities are systematically considered in the selection of securities to be constituents of the Portfolio. The Manager and the Sub-Investment Manager assess securities in relation to their exposure to and the management of ESG risks. ESG represents governance (being the way in which the company is run), environmental issues (such as the impact on natural resources), and social issues (such as human rights).

ESG themed investing is a core component of the Manager's and the Sub-Investment Manager's strategy for the Portfolio. The Manager and the Sub-Investment Manager apply the: (i) Global Standards Policy; (ii) Controversial Weapons Policy; (iii) Thermal Coal Involvement Policy; and (iv) Sustainable Exclusion Policy, when determining what investments to make for the Portfolio. Further details on these screening/exclusion policies are set out in the "*Sustainable Investment Criteria*" section of the Prospectus.

The Manager and the Sub-Investment Manager will manage the Portfolio in accordance with the ESG Policy on a continuous basis. The Manager and the Sub-Investment Manager have fully integrated the ESG Policy into the overall investment process and, in particular, the portfolio construction process. A summary of the ESG Policy is detailed in the Annex VI of the Prospectus and it is available on the Neuberger Berman website, www.nb.com/esg

In aiming to align the Portfolio with a net-zero goal, the Manager and the Sub-Investment Manager intend to reduce the Portfolio's carbon footprint across scope 1, 2, and material

scope 3 greenhouse gas (“GHG”) emissions¹, equating to a 50% reduction by 2030 relative to a 2019 baseline and a subsequent decline to net zero by 2050. The 2019 baseline may be subject to re-calculation as data quality and disclosure expands over time, particularly with respect to scope 3 emissions. Further details on Neuberger Berman’s commitment to the Net Zero Asset Manager Initiative are contained in the “*Sustainable Investment Criteria*” section of the Prospectus.

Please also refer to Annex VI of the Prospectus which contains additional information on sustainability related disclosures.

Typical Investor Profile

Investment in the Portfolio may be suitable for investors who are prepared to accept the general risks associated with investing in Emerging Market Countries and the risks of bond markets over the medium to long term, together with medium to high levels of volatility due to the Portfolio’s investment policies or portfolio management techniques.

Fees and Expenses

Category	Maximum Initial Charge	Maximum Management fee	Distribution Fee
A	5.00%	1.60%	0.00%
B, C2, E	0.00%	1.60%	1.00%
C1	0.00%	1.80%	1.00%
C	0.00%	1.05%	1.00%
D, I, I1, I2, I3, I4, I5, X, Y	0.00%	0.80%	0.00%
M	2.00%	1.60%	0.80%
P	5.00%	0.76%	0.00%
T	5.00%	1.80%	0.00%
U	3.00%	1.20%	0.00%
Z	0.00%	0.00%	0.00%

For details of the Administration Fees payable by the Portfolio, please see the “*Administration Fees*” heading in the “*Fees and Expenses*” section of the Prospectus.

Contingent deferred sales charges

Contingent deferred sales charges will be payable in respect of the following Classes at the rates specified below, depending on the period that has elapsed since the issue of the Shares being redeemed and will be charged on the lower of the Net Asset Value per Share on the relevant Dealing Day in respect of which the relevant Shares were (i) initially subscribed or (ii) redeemed. Any such contingent deferred sales charges will be paid to the relevant Distributor, the Manager or to the Sub-Investment Manager.

Class	Redemption Period in Calendar Days				
	< 365	365 - 729	730 - 1094	1095 – 1459	> 1459
B	4%	3%	2%	1%	0%
C, C1	1%	0%	0%	0%	0%
C2	2%	1%	0%	0%	0%
E	3%	2%	1%	0%	0%

Other important information for investors in Hong Kong

As the Portfolio has been authorised for public offer in Hong Kong, the Hong Kong Securities and Futures Commission (“HKSF”) requires the Company to classify the Portfolio on the basis of its expected maximum net derivative exposure (“NDE”). The HKSF requires the NDE to be calculated in accordance with the HKSF’s Code on Unit Trusts and Mutual Funds and the requirements and guidance issued by the HKSF, which may be updated from time to time. This

¹ Scope 1 emissions are direct emissions from an issuer’s owned or controlled sources (such as emissions created directly by the issuer’s business processes or from vehicles owned by the issuer). Scope 2 emissions are indirect emissions from the generation of electricity, steam, heating and cooling consumed by the issuer. Scope 3 emissions are all other indirect emissions that occur in an issuer’s value chain (such as emissions from products or services consumed by the issuer, disposal of its waste, employee commuting, distribution and transport of its products or its investments).

requires the Company to convert all FDI acquired for investment purposes that would generate incremental leverage at the portfolio level of the Portfolio into their equivalent positions in the underlying assets. Applying these requirements, the Portfolio's NDE is expected to be less than 50% but the actual level may be higher than the expected level in exceptional circumstances, for example when there are sudden movements in markets and/or investment prices.

For the avoidance of doubt, complying with the HKSF's requirements to classify the Portfolio on the basis of its NDE does not amend the investment objectives or policies or otherwise impact the management of the Portfolio or its use of FDI, as the requirements are solely to measure the Portfolio's expected use of FDI, as described above, using the HKSF's methodology and disclose the results.

Neuberger Berman Short Duration Emerging Market Debt Fund

An investment in the Portfolio should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. An investment in the Portfolio is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to protect the holder of a bank deposit account. The value of Shares may go down as well as up and investors may not get back any of the amount invested. The Portfolio will not use FDI extensively or primarily for investment purposes.

Investment Objective

The Portfolio aims to achieve a target average return of 3% over cash (as specified in the “*Benchmark*” section below) before fees over a market cycle (typically 3 years) by investing in a diversified selection of Hard Currency-denominated short duration sovereign and corporate debt issued in Emerging Market Countries.

Investors should note that the target return is not guaranteed over a market cycle, a 12-month or any period and the Portfolio’s capital is at risk. Investors should also note that, over the course of a market cycle, there may be significant periods of time during which the performance of the Portfolio will deviate from the targeted return and the Portfolio may experience periods of negative return. There can be no guarantee that the Portfolio will ultimately achieve its investment objective.

Investment Approach

The Portfolio will invest primarily in short duration debt securities and money market instruments issued by public or corporate issuers which have their head office, or exercise an overriding part of their economic activity, in Emerging Market Countries and which are denominated in Hard Currency. For the purposes of the Portfolio, Hard Currency is defined as US Dollar, Euro, Sterling, Japanese Yen and Swiss Franc. Investors should also note that corporate issuers that are, either directly or indirectly, 100% government-owned are considered to be public issuers.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets globally, without any particular focus on any one industrial sector or region.

Please note that, as described below in the “*Risk*” section, investments in securities issued by companies located in, and governments and government agencies of, Emerging Market Countries may involve additional risk, relative to investment in more developed economies.

Under normal market conditions, the Manager and the Sub-Investment Manager will seek to invest at least 80% of the Portfolio’s Net Asset Value in Hard Currency debt securities and money market instruments issued by public or corporate issuers in Emerging Market Countries and/or countries which are included in the J.P. Morgan CEMBI Diversified Index and/or the J.P. Morgan EMBI Global Diversified Index. Up to a maximum of 20% of the Portfolio’s Net Asset Value may then be invested in money market instruments and debt securities issued by public or corporate issuers in High Income OECD Member Countries which are not included in the J.P. Morgan CEMBI Diversified Index and/or the J.P. Morgan EMBI Global Diversified Index. On an ancillary basis, the Portfolio may hold equity securities issued by public or corporate issuers, such as shares and warrants, as a result of the conversion of convertible debt securities or restructuring of debt securities.

The Manager and the Sub-Investment Manager will construct and manage the Portfolio with the goal of combining a search for yield with limited volatility, while aiming to reduce downside risk and the risk of default by the issuers of the securities invested in through the use of fundamental analysis. The Manager and the Sub-Investment Manager implement a systematic and disciplined framework for analysing sovereign and corporate Hard Currency debt securities. Decisions on how to allocate the Portfolio’s assets between sovereign and corporate Hard Currency Emerging Market Country debt securities and money market instruments are dependent on the Manager’s and the Sub-Investment Manager’s outlook on such securities. This outlook focuses on the global market environment, the economic environment of the relevant Emerging Market Countries, the attractiveness of the valuations available in the asset classes and their liquidity. From this outlook, the Manager and the Sub-Investment Manager determine the amount of risk that they want the Portfolio to take and allocate across security types accordingly.

The Manager and the Sub-Investment Manager believe their global presence provides a local perspective on macro as well as micro events which feeds into the team's overall research.

The Manager and the Sub-Investment Manager will seek to anticipate yield, spread and currency movements in response to changes in:

- Economic conditions globally;
- Fundamental data about the relevant region, country and industrial sector; and
- Issuer specific financial performance and other issuer specific factors.

The Manager and the Sub-Investment Manager will conduct fundamental analysis on the issuers that they track to seek to identify undervalued and overvalued securities and exploit investment opportunities primarily by taking long positions in respect of undervalued securities. The fundamental analysis used for the selection of government or government-related issuers incorporates quantitative macroeconomic data and qualitative aspects such as political stability and structural reforms. The fundamental analysis used for the selection of corporate issuers includes quantitative factors aimed at assessing the issuer's financial performance such as revenue/EBITDA ("earnings before interest, tax, depreciation and amortisation") growth, cash flow growth and capital expenditures. Qualitative factors aim to complement the evaluation of corporate credit worthiness by including such factors as corporate governance, quality of earnings and debt structure.

In addition, the Manager and the Sub-Investment Manager will seek to systematically hedge, under normal market conditions, any currency exposure back to the base currency as further detailed in the "Instruments / Asset Classes" section below.

ESG analysis: the Manager and the Sub-Investment Manager will exclude companies from the investment universe that manufacture incendiary weapons using white phosphorus or that have an industry tie to nuclear weapons.

The Manager and the Sub-Investment Manager will exclude securities issued by companies that derive 5% or more of revenue from:

- the production of adult entertainment materials; or
- the production of conventional weapons.

The Portfolio may have or may be expected to have medium to high volatility due to its investment policies or portfolio management techniques. However, under normal market conditions, the Manager and the Sub-Investment Manager expect the Portfolio's focus on short duration and highly rated debt securities to mitigate volatility levels.

Under normal market conditions, the Manager and the Sub-Investment Manager anticipate that the average duration of the Portfolio's investments will be within a +/- 0.75 range of 2 years.

The Portfolio is actively managed and does not intend to track the Benchmark and is not constrained by it. The Benchmark is included here for performance comparison purposes only. It is not expected that the majority of the Portfolio's assets will be components of the Benchmark. While the Portfolio may acquire securities which are components of the Benchmark, it will not do so because of their inclusion in the Benchmark.

Benchmark

The ICE BofA US 3-Month Treasury Bill Index (Total Return, USD) which is comprised of a single U.S. Treasury Bill issue purchased at the beginning of each month and held for a full month, at which time that issue is sold and rolled into a newly selected issue which has a maturity date closest to, but not beyond 90 days from the rebalance date.

Shareholders in a Class which is denominated in a currency other than the Base Currency should note that, where available, it may be more meaningful to compare the performance of such Class against a version of this index which is denominated in the relevant Class currency.

Base Currency

US Dollars (USD).

Instruments / Asset Classes

The Portfolio will invest primarily in debt securities and money market instruments, issued by governments, government agencies and corporate issuers in Emerging Market Countries. The Portfolio can invest in or be exposed to the following types of assets.

Fixed Income Securities (Debt Securities). Such debt securities may include bonds, bonds with warrants, convertible bonds, bonds resulting from the restructuring of syndicated loans or bank loans (e.g. "Brady" bonds), subordinated bonds, debentures and notes (including freely transferable and unleveraged structured notes and freely transferable promissory notes) and may include:

- Fixed and floating rate securities;
- Contingent convertible bonds, subject to a limit of up to 10% of the Portfolio's Net Asset Value;
- Bullet debt securities, in respect of which principal is paid upon maturity, or factor debt securities in respect of which principal is paid according to a pre-determined schedule and which can also specify that specific interest payments be added to the principal instead of being paid in cash;
- Investment grade, high yield and unrated debt securities; and
- Sukuk structures, which are Islamic finance instruments which represent a proportionate beneficial ownership in an asset or pool of assets. For a determined period, the return associated with the cash flows generated from the assets belongs to the Sukuk holders. The characteristics of a Sukuk are therefore similar to a conventional debt security, with the difference that Sukuks are generally asset-based or asset-backed and carry no interest rate but rather pass the returns generated by the underlying assets to the Sukuk holder.

Money Market Instruments. Money market instruments may include bank deposits, fixed or floating rate instruments (including commercial paper), floating or variable rate notes, bankers acceptances, certificates of deposit, debentures and short-dated government or corporate bonds, cash and cash equivalents (including treasury bills) that are rated as investment grade or below by Recognised Rating Agencies or are unrated.

The Portfolio will not invest more than 10% of its Net Asset Value in securities that are issued or guaranteed by a single sovereign issuer (including its government and any public or local authority) that are below investment grade. This investment restriction does not apply to any securities issued by corporate issuers.

Investment grade securities are highly rated securities, generally those rated Baa3, BBB- or above by one or more Recognised Rating Agencies, while high yield securities are medium or lower rated securities, generally those rated below investment grade and sometimes referred to as "junk bonds". While there is no specific restriction on the percentage of the Portfolio's NAV which may be invested in below investment grade securities, investment in such securities will be limited to the extent that the average credit rating of the securities held by the Portfolio and rated by one or more Recognised Rating Agencies will, under normal market conditions, be Baa3, BBB- or higher.

Collective Investment Schemes. In addition, the Portfolio may invest in collective investment schemes which are themselves exposed to investments that are similar to the Portfolio's other investments. Such collective investment schemes may be managed by the Manager and/or the Sub-Investment Manager or their affiliates and will comply with the requirements of the UCITS Regulations in respect of such investments.

Financial Derivative Instruments ("FDI"). In addition, the following FDI will be used, under normal market conditions, to hedge any currency risk back to the Portfolio's base currency, subject to the conditions and limits imposed by the Central Bank as set out in the Prospectus:

- forward and non-deliverable forward currency contracts, currency futures contracts and transactions and currency swaps, may be used to achieve a profit through gaining exposure to an increase in the value of currencies, as well as to hedge existing long currency positions; and
- forward contracts on fixed income securities may be used to achieve a profit, through gaining exposure to an increase in the value of such securities as well as

to hedge existing long positions.

The Portfolio may be leveraged as a result of its investments in FDI but such leverage will not exceed 100% of the Portfolio's Net Asset Value, as measured using the Commitment Approach, at any time.

Repo Contracts. Repo Contracts may be used subject to the conditions and limits set out in the Prospectus. Repo Contracts may also be used for liquidity management purposes, subject to the limit of 10% of the Portfolio's Net Asset Value. The expected proportion of the Portfolio's Net Asset Value that will be subject to Repo Contracts for liquidity management purposes is 5%.

Bond Connect

The PBoC and the HKMA have approved the CFETS, CCDC, SHCH, together with Hong Kong Exchanges and Clearing Limited and CMU to launch Bond Connect, which is a mutual bond market access programme between Mainland China and Hong Kong. Bond Connect allows investors to trade electronically between the Mainland China and Hong Kong bond markets without quota restrictions and requirements to identify the ultimate investment amount.

Currently, Bond Connect comprises a Northbound Trading Link between CFETS, the operator of the CIBM and offshore trading access platforms recognised by the PBoC, to facilitate investment by Hong Kong and overseas investors (including the Portfolio) in eligible bonds traded on the CIBM. A Southbound Trading Link, facilitating investment in overseas bond markets by Mainland Chinese investors is still under development but is intended to form part of Bond Connect once established.

Eligible Securities

Hong Kong and overseas investors (including the Portfolio) will be able to trade over the entire range of instruments traded on the CIBM, including products on both the secondary and primary markets.

Trading Day

Northbound investors (including the Portfolio) are able to trade through Bond Connect on days upon which the CIBM is open to trade, regardless of whether they are a public holiday in Hong Kong.

Settlement and Custody

Settlement and custody of Northbound bond trades under Bond Connect will be implemented under the link between the CMU of the HKMA and Mainland China's two bond settlement systems, namely, CCDC and SHCH. The CMU settles Northbound trades and holds the CIBM bonds on behalf of its members in nominee accounts with each of CCDC and SHCH. CCDC and SHCH provide services to foreign investors, directly and indirectly, using Bond Connect.

Bonds purchased by Hong Kong and overseas investors (including the Portfolio) are recorded in an omnibus nominee account at CCDC and SHCH in the name of CMU. The CMU itself maintains the bonds in segregated sub-accounts of its members, who in turn may hold the bonds on their own account or on behalf of other investors or custodians. Accordingly, bonds purchased by Hong Kong and overseas purchasers through Bond Connect are held by the purchaser's global or local custodian in a segregated sub-account opened in their name at the CMU.

Currency

Hong Kong and overseas investors may trade through Bond Connect using offshore RMB (CNH) or by converting foreign currencies into onshore RMB (CNY) under Bond Connect.

Where an investor uses foreign currencies to invest through the Northbound Trading Link, it must open a segregated RMB capital account with an eligible RMB settlement Bank in Hong Kong to convert its foreign currencies into CNY. Where bonds are purchased in CNY in this manner, upon sale of the bonds, the sale proceeds remitted out of Mainland China must be converted back into the relevant foreign currencies.

Further information about Bond Connect is available at:

<http://www.chinabondconnect.com/en/index.htm>

Investment Restrictions

Under normal market conditions:

- the Manager and the Sub-Investment Manager intend to invest the Portfolio's assets such that the average credit rating of debt securities held and rated by one or more Recognised Rating Agencies is Baa3, BBB- or above. Where no rating from a Recognised Rating Agency is available for a debt security for this purpose, the Manager or the Sub-Investment Manager will use a Recognised Rating Agency's rating of the security's issuer, the security's guarantor or another security issued by the issuer's parent (if any such rating is available). For the avoidance of doubt, unrated securities that cannot be included in the average rating calculation will not represent more than 3% of the Portfolio's Net Asset Value.
- A maximum of 25% of the Portfolio's Net Asset Value may be invested in debt securities issued by issuers located in any one country.
- A maximum of 7% of the Portfolio's Net Asset Value may be invested in debt securities issued by any one corporate issuer rated investment grade.
- A maximum of 5% of the Portfolio's Net Asset Value may be invested in debt securities issued by any one corporate issuer rated below investment grade.
- Investments in debt securities and money market instruments issued by public or corporate issuers in OECD countries are in aggregate limited to a maximum of 20% of the Portfolio's Net Asset Value.
- Investment in units of other collective investment schemes is limited to 10% of the Portfolio's Net Asset Value.

The Portfolio will not utilise total return swaps, securities lending or margin lending.

Risk

- Investment in the Portfolio carries certain risks which are described in greater detail in the "*Investment Risks*" section of the Prospectus. While investors should read and consider the entire "*Investment Risks*" section of the Prospectus, the risks summarised in the following sections, namely, "*Market Risks: Risks relating to Debt Securities*", "*Risks Associated with Investment in the China Interbank Bond Market through Bond Connect*" and "*Market Risks: Risks Relating to Emerging Market Countries*" are particularly relevant to this Portfolio. **These risks are not purported to be exhaustive and potential investors should review this Supplement and the Prospectus in their entirety and consult with their professional advisers, before making an application for Shares.**
- Investors should refer to the Company's risk management policy with respect to the use of FDI contained in the RMP Statement.
- The Manager and the Sub-Investment Manager will use forward and non-deliverable forward currency contracts, currency futures contracts and transactions and currency swaps in order to hedge currency risk.
- The Portfolio may be leveraged as a result of its investments in FDI but such leverage will not exceed 100% of the Portfolio's Net Asset Value, as measured using the Commitment Approach, at any time.

Environmental, Social and Governance ("ESG")

This Portfolio meets the classification of an Article 8 Portfolio as it promotes environmental and social characteristics and limits investments to those companies that follow good governance practices. **Information about these environmental and social characteristics is available in the SFDR Annex below.**

ESG risks and opportunities are systematically considered in the selection of securities to be constituents of the Portfolio. The Manager and the Sub-Investment Manager assess securities in relation to their exposure to and the management of ESG risks. ESG represents governance (being the way in which the company is run), environmental issues (such as the impact on natural resources), and social issues (such as human rights).

Please also refer to Annex VI of the Prospectus which contains additional information on sustainability related disclosures.

Typical Investor Profile

Investment in the Portfolio may be suitable for investors who are prepared to accept

the general risks associated with investing in Emerging Market Countries and the risks of bond markets over the medium to long term, together with medium to high levels of volatility due to the Portfolio's investment policies or portfolio management techniques. Under normal market conditions, the Manager and the Sub-Investment Manager expect the Portfolio's focus on short duration and highly rated debt securities to mitigate volatility levels.

Fees and Expenses

Category	Maximum Initial Charge	Maximum Management fee	Distribution Fee
A, X, Y	5.00%	1.00%	0.00%
B, C2, E	0.00%	1.00%	1.00%
C1	0.00%	1.40%	1.00%
C	0.00%	0.65%	1.00%
D, I, I1, I2, I3, I4, I5	0.00%	0.50%	0.00%
M	2.00%	1.00%	0.60%
P	5.00%	0.48%	0.00%
T	5.00%	1.40%	0.00%
U	3.00%	0.75%	0.00%
Z	0.00%	0.00%	0.00%

For details of the Administration Fees payable by the Portfolio, please see the "Administration Fees" heading in the "Fees and Expenses" section of the Prospectus.

Contingent deferred sales charges

Contingent deferred sales charges will be payable in respect of the following Classes at the rates specified below, depending on the period that has elapsed since the issue of the Shares being redeemed and will be charged on the lower of the Net Asset Value per Share on the relevant Dealing Day in respect of which the relevant Shares were (i) initially subscribed or (ii) redeemed. Any such contingent deferred sales charges will be paid to the relevant Distributor, the Manager or to the Sub-Investment Manager.

Class	Redemption Period in Calendar Days				
	< 365	365 - 729	730 - 1094	1095 - 1459	> 1459
B	4%	3%	2%	1%	0%
C, C1	1%	0%	0%	0%	0%
C2	2%	1%	0%	0%	0%
E	3%	2%	1%	0%	0%

Other important information for investors in Hong Kong

As the Portfolio has been authorised for public offer in Hong Kong, the Hong Kong Securities and Futures Commission ("HKSF") requires the Company to classify the Portfolio on the basis of its expected maximum net derivative exposure ("NDE"). The HKSF requires the NDE to be calculated in accordance with the HKSF's Code on Unit Trusts and Mutual Funds and the requirements and guidance issued by the HKSF, which may be updated from time to time. This requires the Company to convert all FDI acquired for investment purposes that would generate incremental leverage at the portfolio level of the Portfolio into their equivalent positions in the underlying assets. Applying these requirements, the Portfolio's NDE is expected to be less than 50% but the actual level may be higher than the expected level in exceptional circumstances, for example when there are sudden movements in markets and/or investment prices.

For the avoidance of doubt, complying with the HKSF's requirements to classify the Portfolio on the basis of its NDE does not amend the investment objectives or policies or otherwise impact the management of the Portfolio or its use of FDI, as the requirements are solely to measure the Portfolio's expected use of FDI, as described above, using the HKSF's methodology and disclose the results.

Neuberger Berman Emerging Market Debt Blend Fund

An investment in the Portfolio should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

Investment Objective

The Portfolio aims to achieve a target average return of 1-3% over the Benchmark (as specified in the “*Benchmark*” section below) before fees over a market cycle (typically 3 years) from a blend of Hard Currency-denominated debt issued in Emerging Market Countries, local currencies of Emerging Market Countries and debt issued by corporate issuers in Emerging Market Countries.

Investors should note that the target return is not guaranteed over a market cycle, a 12-month or any period and the Portfolio’s capital is at risk. Investors should also note that, over the course of a market cycle, there may be significant periods of time during which the performance of the Portfolio will deviate from the targeted return and the Portfolio may experience periods of negative return. There can be no guarantee that the Portfolio will ultimately achieve its investment objective.

Investment Approach

The Portfolio will invest primarily in debt securities and money market instruments which are issued by governments of, government agencies in or corporate issuers which have their head office or exercise an overriding part of their economic activity in Emerging Market Countries and which are either denominated in or are exposed to the currencies of such Emerging Market Countries (“**local currency**”) or denominated in Hard Currency. For the purposes of the Portfolio, Hard Currency means US Dollar, Euro, Sterling, Japanese Yen, and Swiss Franc.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets globally, without any particular focus on any one industrial sector or region.

Please note that, as described below in the “*Risk*” section, investments in securities issued by companies located in, and governments and government agencies of, Emerging Market Countries may involve additional risk, relative to investment in more developed economies.

Under normal market conditions, the Manager and the Sub-Investment Manager will invest at least two thirds of the Portfolio’s Net Asset Value in a blend of debt instruments issued by public or private issuers in Emerging Market Countries and/or countries which are part of the Benchmark which are denominated in both Hard and Local Currencies. The Portfolio seeks to achieve this by varying the exposure to each of Hard Currency-denominated debt issued in Emerging Market Countries, local currencies of Emerging Market Countries and corporate debt issued in Emerging Market Countries based on the Manager’s and/or the Sub-Investment Manager’s analysis of the prevailing market conditions considered in light of the investment objective of the Portfolio. The Portfolio mainly invests in Latin American, Central and Eastern European, the Middle East, Asian and African debt instruments. Up to a maximum of one third of the Portfolio’s Net Asset Value may then be invested in money market instruments and debt securities issued by public or private issuers in High Income OECD Member Countries which are not part of the Benchmark. On an ancillary basis, the Portfolio may hold equity securities issued by public or private issuers, as a result of the conversion of convertible debt securities or restructuring of debt securities.

The Manager and the Sub-Investment Manager implement a systematic and disciplined framework for analysing sovereign and corporate local currency and Hard Currency debt securities. Decisions on how to allocate the Portfolio’s assets between sovereign and corporate and local currency and Hard Currency Emerging Market Country debt securities, money market instruments and FDI are dependent on the Manager’s and the Sub-Investment Manager’s outlook on such securities. This outlook focuses on the global market environment, the economic environment of the relevant Emerging Market Countries, the attractiveness of the valuations available in the asset classes and their liquidity. From this outlook, the Manager and the Sub-Investment Manager determine the amount of risk that they want the Portfolio to take and allocate across security types accordingly.

The Manager and the Sub-Investment Manager believe their global presence provides a local perspective on macro as well as micro events which feeds into the respective team’s overall research.

The Manager and the Sub-Investment Manager will seek to anticipate yield, spread and currency movements in response to changes in:

- Economic conditions;
- Region, country and sector fundamentals; and
- Issuer specific financial performance and other issuer specific factors.

The Manager and the Sub-Investment Manager will conduct fundamental analysis on the issuers that they track in order to identify undervalued and overvalued securities and to exploit investment opportunities. The fundamental analysis used for the selection of governments or government-related issuers incorporates quantitative macroeconomic data and qualitative aspects such as political stability and structural reforms. The fundamental analysis used for the selection of corporate issuers includes quantitative factors aimed at assessing the issuer's financial performance such as revenue/EBITDA (earnings before interest, tax, depreciation and amortisation) growth, cash flow growth and capital expenditures. Qualitative factors aim to complement the evaluation of corporate credit worthiness by including such factors as corporate governance, quality of earnings and debt structure.

ESG analysis: the Manager and the Sub-Investment Manager will exclude companies from the investment universe that manufacture incendiary weapons using white phosphorus or that have an industry tie to nuclear weapons.

The Manager and the Sub-Investment Manager will exclude securities issued by companies that derive 5% or more of revenue from:

- the production of adult entertainment materials; or
- the production of conventional weapons.

Under normal market conditions, the Manager anticipates that the Portfolio's average interest duration will be within the range of +3 years and -3 years compared to the Benchmark.

The Portfolio may have or may be expected to have medium to high volatility due to its investment policies or portfolio management techniques.

The Portfolio is actively managed and does not intend to track the Benchmark which is included here for performance comparison purposes and because the Portfolio's investment policy restricts the extent to which the Portfolio's holdings may deviate from the Benchmark, as described above. This deviation may be significant.

Benchmark

The Benchmark comprises the following blend:

- 50% weighting to J.P. Morgan GBI Emerging Markets Global Diversified (Total Return, Unhedged, USD) which measures the performance of debt markets of Emerging Market Countries expressed in local currencies;
- 25% weighting to J.P. Morgan EMBI Global Diversified (Total Return, USD) which measures the performance of debt markets of Emerging Market Countries expressed in USD; and
- 25% weighting to J.P. Morgan CEMBI Diversified (Total Return, USD) which measures the performance of corporate debt markets of Emerging Market Countries.

Shareholders in a Class which is denominated in a currency other than the Base Currency should note that, where available, it may be more meaningful to compare the performance of such Class against versions of these indices which are denominated in the relevant Class currency.

Base Currency

US Dollars (USD).

Instruments / Asset Classes

The Portfolio will invest primarily in debt securities and money market instruments, issued by governments, government agencies and corporate issuers in Emerging Market Countries. The Portfolio can invest in or be exposed to the following types of assets.

Fixed Income Securities (Debt Securities). Such debt securities may include bonds, debentures and notes (including freely transferable promissory notes, bonds with warrants and convertible bonds) and may include:

- Fixed and floating rate securities;
- Contingent convertible bonds, subject to a limit of up to 10% of the Portfolio's Net Asset Value;
- Bullet debt securities, in respect of which principal is paid upon maturity, or factor debt securities in respect of which principal is paid according to a pre-determined schedule and which can also specify that specific interest payments be added to the principal instead of being paid in cash;
- Investment grade, high yield and unrated debt securities;
- Structured products, such as credit-linked notes, which provide indirect access to certain markets or securities.
- On an ancillary basis, privately issued asset-backed securities (including mortgage-backed securities such as pass-through certificates, collateralised mortgage obligations and interest and principal only components of mortgage-backed securities) that derive interest and principal payments from specified assets (such as residential and commercial mortgages, credit card debt and pools of other types of receivables); and
- Sukuk structures, which are Islamic finance instruments which represent a proportionate beneficial ownership in an asset or pool of assets. For a determined period, the return associated with the cash flows generated from the assets belongs to the Sukuk holders. The characteristics of a Sukuk are therefore similar to a conventional debt security, with the difference that Sukuks are generally asset-based or asset-backed and carry no interest rate but rather pass the returns generated by the underlying assets to the Sukuk holder.

Money Market Instruments. Money market instruments may include bank deposits, fixed or floating rate instruments (including commercial paper), floating or variable rate notes, bankers acceptances, certificates of deposit, debentures and short-dated government or corporate bonds, cash and cash equivalents (including treasury bills) that are rated as investment grade or below by Recognised Rating Agencies or are unrated.

The Portfolio may invest up to 25% of its Net Asset Value in fixed income securities and money market instruments that are issued or guaranteed by a single sovereign issuer (including its government, and any public or local authority) that are below investment grade. This investment restriction does not apply to any securities issued by corporate issuers. As certain Emerging Market Countries may be rated below investment grade, the Manager and/or the Sub-Investment Manager believe that it is necessary to retain the flexibility to invest in such securities issued or guaranteed by each such sovereign issuer above 10% of the Portfolio's Net Asset Value in order to achieve the investment objective of the Portfolio. As at the date of this Supplement, the single sovereign issuer with a credit rating below investment grade into whose securities the Manager and/or the Sub-Investment Manager expect the Portfolio may invest more than 10% of its Net Asset Value is Brazil.

Investment grade securities are highly rated securities, generally those rated Baa3, BBB- or above by one or more Recognised Rating Agencies, while high yield securities are medium or lower rated securities, generally those rated below investment grade and sometimes referred to as "junk bonds".

Collective Investment Schemes. In addition, the Portfolio may invest in collective investment schemes which are themselves exposed to investments that are similar to the Portfolio's other investments. Such collective investment schemes may be managed by the Manager and/or the Sub-Investment Manager or their affiliates and will comply with the requirements of the UCITS Regulations in respect of such investments.

Financial Derivative Instruments ("FDI"). In addition, the following FDI may be used for efficient portfolio management, investment purposes, and/or hedging and subject to the conditions and limits imposed by the Central Bank as set out in the Prospectus:

- Futures, options, warrants, rights swaps and swaptions on debt securities or money market instruments, UCITS eligible indices and interest rates, which may be used to achieve a profit through gaining exposure to an increase in the value of such securities, indices and interest rates, as well as to hedge existing long positions;
- Total return swaps may be used to hedge or take long or short positions to help achieve specific investment objectives. In addition, total return swaps may be used to achieve a profit through gaining exposure to an increase in the value of securities, indices and

interest rates. The maximum proportion of the Portfolio's Net Asset Value that can be subject to total return swaps is 20%. The expected proportion of the Portfolio's Net Asset Value that will be subject to total return swaps is 1%. The expected proportions are not limits and the actual percentages may vary over time depending on factors including, but not limited to, market conditions;

- Credit default swaps on single issuers, indices and/or baskets of securities which may be used to hedge or take long or short credit positions to help achieve specific investment objectives. It is expected that short credit positions will predominantly be taken for hedging but they may also be used for investment purposes where the Manager or the Sub-Investment Manager identifies an attractive investment opportunity based on the Manager's or the Sub-Investment Manager's fundamental analysis which indicates deteriorating fundamentals of an issuer and/or that a security is overvalued;
- Forward contracts on fixed income securities may be used to achieve a profit, through gaining exposure to an increase in the value of such securities as well as to hedge existing long positions; and
- Forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options, and currency swaps, which may be used to achieve a profit through gaining exposure to an increase in the value of currencies, as well as to hedge existing long currency positions.

As the Portfolio may purchase FDI generally using only a fraction of the assets that would be needed to purchase the relevant securities directly, the remainder of the assets allocated to the Manager may be invested in the other types of securities listed above. The Manager and the Sub-Investment Manager may therefore seek to achieve greater returns by taking exposure to the performance of such securities through purchasing FDI which give exposure to them rather than purchasing the securities themselves and investing the remaining assets in other such securities to add excess return.

Repo Contracts. Repo Contracts may be used subject to the conditions and limits set out in the Prospectus.

Bond Connect

The PBoC and the HKMA have approved the CFETS, CCDC, SHCH, together with Hong Kong Exchanges and Clearing Limited and CMU to launch Bond Connect, which is a mutual bond market access programme between Mainland China and Hong Kong. Bond Connect allows investors to trade electronically between the Mainland China and Hong Kong bond markets without quota restrictions and requirements to identify the ultimate investment amount.

Currently, Bond Connect comprises a Northbound Trading Link between CFETS, the operator of the CIBM and offshore trading access platforms recognised by the PBoC, to facilitate investment by Hong Kong and overseas investors (including the Portfolio) in eligible bonds traded on the CIBM. A Southbound Trading Link, facilitating investment in overseas bond markets by Mainland Chinese investors is still under development but is intended to form part of Bond Connect once established.

Eligible Securities

Hong Kong and overseas investors (including the Portfolio) will be able to trade over the entire range of instruments traded on the CIBM, including products on both the secondary and primary markets.

Trading Day

Northbound investors (including the Portfolio) are able to trade through Bond Connect on days upon which the CIBM is open to trade, regardless of whether they are a public holiday in Hong Kong.

Settlement and Custody

Settlement and custody of Northbound bond trades under Bond Connect will be implemented under the link between the CMU of the HKMA and Mainland China's two bond settlement systems, namely, CCDC and SHCH. The CMU settles Northbound trades and holds the CIBM bonds on behalf of its members in nominee accounts with each of CCDC and SHCH. CCDC and SHCH provide services to foreign investors, directly and indirectly, using Bond Connect.

Bonds purchased by Hong Kong and overseas investors (including the Portfolio) are recorded in an omnibus nominee account at CCDC and SHCH in the name of CMU. The CMU itself maintains the bonds in segregated sub-accounts of its members, who in turn

may hold the bonds on their own account or on behalf of other investors or custodians. Accordingly, bonds purchased by Hong Kong and overseas purchasers through Bond Connect are held by the purchaser's global or local custodian in a segregated sub-account opened in their name at the CMU.

Currency

Hong Kong and overseas investors may trade through Bond Connect using offshore RMB (CNH) or by converting foreign currencies into onshore RMB (CNY) under Bond Connect.

Where an investor uses foreign currencies to invest through the Northbound Trading Link, it must open a segregated RMB capital account with an eligible RMB settlement Bank in Hong Kong to convert its foreign currencies into CNY. Where bonds are purchased in CNY in this manner, upon sale of the bonds, the sale proceeds remitted out of Mainland China must be converted back into the relevant foreign currencies.

Further information about Bond Connect is available at:

<http://www.chinabondconnect.com/en/index.htm>

Investment Restrictions

- A maximum of 25% of the Portfolio's Net Asset Value may be invested in debt securities issued by issuers located in any one country.
- A maximum of 60% of the Portfolio's Net Asset Value may be invested in securities issued by corporate issuers.
- A maximum of 30% of the Portfolio's Net Asset Value may be invested in quasi-sovereign (100% state owned or explicit sovereign guarantee) securities
- A maximum of 15% of the Portfolio's Net Asset Value may be invested in sub-sovereign (state, regional, municipal debt) securities.
- A maximum of 10% of the Portfolio's Net Asset Value may be invested in supra-national (world bank regional development banks) securities.
- Investments in
 - warrants on transferable securities, are limited to a maximum of 10% of the Portfolio's Net Asset Value;
 - asset-backed securities are limited to a maximum of 20% of the Portfolio's Net Asset Value; and
 - units of other collective investment schemes are limited to a maximum of 10% of the Portfolio's Net Asset Value.
- The Portfolio will not utilise securities lending or margin lending.

Risk

- Investment in the Portfolio carries certain risks which are described in greater detail in the "*Investment Risks*" section of the Prospectus. While investors should read and consider the entire "*Investment Risks*" section of the Prospectus, the risks summarised in the following sections, namely, "*Market Risks: Risks relating to Debt Securities*", "*Market Risks: Risks Relating to Emerging Market Countries*", "*Risks Associated with Investment in the China Interbank Bond Market through Bond Connect*" and "*Risks related to Financial Derivative Instruments*" are particularly relevant to this Portfolio. **These risks are not purported to be exhaustive and potential investors should review this Supplement and the Prospectus in their entirety and consult with their professional advisers, before making an application for Shares.**
- Investors should refer to the Company's risk management policy with respect to the use of FDI contained in the RMP Statement.
- In order to manage the currency exposures inherent in the assets of the Portfolio most efficiently, for each of the Hedged Classes of the Portfolio the Manager will seek to hedge approximately 50% of the relevant class currency exposure of each such class back to the Base Currency.
- The Portfolio is expected to be leveraged up to 400% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced. This expected leverage figure is calculated using the Sum of the Notional values of the derivatives used, as required by the Central Bank. Using this methodology does not reflect any netting or hedging that the Portfolio may have in place.

- The Portfolio's global exposure is subject to an advanced risk management process which, in compliance with the UCITS Regulations, aims to ensure that on any day the relative VaR of the Portfolio will be no greater than twice the VaR of the Benchmark. The VaR of the Portfolio is a daily estimation of the maximum loss which the Portfolio may incur over a 20 Business Day holding period and is arrived at through quantitative simulations with a 99% one tailed confidence interval and using an historical observation period of at least 250 business days. This process is described in detail in the statement of risk management procedures of the Company and its appendix in respect of the Portfolio. While the Portfolio measures and monitors its global exposure using the VaR approach, rather than by use of the Commitment Approach, the leverage of the Portfolio using the Commitment Approach is expected to be 200% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced.
- The Manager and the Sub-Investment Manager may use forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options; and currency swaps in order to hedge currency risk on a discretionary basis. In addition, the Manager and/or the Sub-Investment Manager may use futures, options, warrants, swaps and swaptions on debt securities or money market instruments, UCITS eligible indices and interest rates to hedge investments in such instruments. Investors should note that it may not be possible or practical to hedge the Portfolio's exposures to such instruments perfectly and that, where it deems it appropriate, the Manager and the Sub-Investment Manager make take hedging positions in respect of other instruments which it considers to be suitable proxies for the Portfolio's investments. The use of such hedging techniques may increase the risk profile of the Portfolio.

Environmental, Social and Governance ("ESG")

This Portfolio meets the classification of an Article 8 Portfolio as it promotes environmental and social characteristics and limits investments to those companies that follow good governance practices. **Information about these environmental and social characteristics is available in the SFDR Annex below.**

ESG risks and opportunities are systematically considered in the selection of securities to be constituents of the Portfolio. The Manager and the Sub-Investment Manager assess securities in relation to their exposure to and the management of ESG risks. ESG represents governance (being the way in which the company is run), environmental issues (such as the impact on natural resources), and social issues (such as human rights).

Please also refer to Annex VI of the Prospectus which contains additional information on sustainability related disclosures.

Typical Investor Profile

Investment in the Portfolio may be suitable for investors who are prepared to accept the general risks associated with investing in Emerging Market Countries and the risks of bond markets over the medium to long term, together with medium to high levels of volatility due to the Portfolio's investment policies or portfolio management techniques.

Fees and Expenses

Category	Maximum Initial Charge	Maximum Management fee	Distribution Fee
A	5.00%	1.40%	0.00%
B, C2, E	0.00%	1.40%	1.00%
C1	0.00%	1.80%	1.00%
C	0.00%	0.95%	1.00%
D, I, I1, I2, I3, I4, I5, X, Y	0.00%	0.70%	0.00%
M	2.00%	1.40%	0.80%
P	5.00%	0.67%	0.00%
T	5.00%	1.80%	0.00%
U	3.00%	1.05%	0.00%
Z	0.00%	0.00%	0.00%

For details of the Administration Fees payable by the Portfolio, please see the "Administration Fees" heading in the "Fees and Expenses" section of the Prospectus.

Contingent deferred sales charges

Contingent deferred sales charges will be payable in respect of the following Classes at the rates specified below, depending on the period that has elapsed since the issue of the Shares being redeemed and will be charged on the lower of the Net Asset Value per Share on the relevant Dealing Day in respect of which the relevant Shares were (i) initially subscribed or (ii) redeemed. Any such contingent deferred sales charges will be paid to the relevant Distributor, the Manager or to the Sub-Investment Manager.

Class	Redemption Period in Calendar Days				
	< 365	365 - 729	730 - 1094	1095 – 1459	> 1459
B	4%	3%	2%	1%	0%
C, C1	1%	0%	0%	0%	0%
C2	2%	1%	0%	0%	0%
E	3%	2%	1%	0%	0%

Other important information for investors in Hong Kong

As the Portfolio has been authorised for public offer in Hong Kong, the Hong Kong Securities and Futures Commission (“HKSF”) requires the Company to classify the Portfolio on the basis of its expected maximum net derivative exposure (“NDE”). The HKSF requires the NDE to be calculated in accordance with the HKSF’s Code on Unit Trusts and Mutual Funds and the requirements and guidance issued by the HKSF, which may be updated from time to time. This requires the Company to convert all FDI acquired for investment purposes that would generate incremental leverage at the portfolio level of the Portfolio into their equivalent positions in the underlying assets. Applying these requirements, the Portfolio’s NDE is expected to be greater than 100% but the actual level may be higher than the expected level in exceptional circumstances, for example when there are sudden movements in markets and/or investment prices.

For the avoidance of doubt, complying with the HKSF’s requirements to classify the Portfolio on the basis of its NDE does not amend the investment objectives or policies or otherwise impact the management of the Portfolio or its use of FDI, as the requirements are solely to measure the Portfolio’s expected use of FDI, as described above, using the HKSF’s methodology and disclose the results.

Neuberger Berman Emerging Market Debt Sustainable Investment Grade Blend Fund

An investment in the Portfolio should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

Investment Objective The Portfolio aims to achieve a target average return of 1% over the Benchmark (as specified in the “*Benchmark*” section below) before fees over a market cycle (typically 3 years) by investing primarily in a blend of investment grade rated hard and local emerging market currency denominated debt, issued by sovereigns, quasi-sovereigns, sub-sovereigns and corporate credits in Emerging Market Countries that meet the Sustainable Criteria.

Investors should note that the target return is not guaranteed over a market cycle, a 12-month or any period and the Portfolio’s capital is at risk. Investors should also note that, over the course of a market cycle, there may be significant periods of time during which the performance of the Portfolio will deviate from the targeted return and the Portfolio may experience periods of negative return. There can be no guarantee that the Portfolio will ultimately achieve its investment objective.

Investment Approach The Portfolio will invest primarily in investment grade debt securities and money market instruments which are issued by governments of, government agencies in or corporate issuers which have their head office or exercise an overriding part of their economic activity in Emerging Market Countries and which are denominated in or are exposed to the currencies of such Emerging Market Countries (“**Local Currency**”) or denominated in Hard Currency. For the purposes of the Portfolio, Hard Currency means US Dollar, Euro, Sterling, Japanese Yen, and Swiss Franc.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets globally, without any particular focus on any one industrial sector or region.

Please note that, as described below in the “*Risk*” section, investments in securities issued by companies located in, and governments and government agencies of, Emerging Market Countries may involve additional risk, relative to investment in more developed economies.

The Portfolio mainly invests in Latin American, Central and Eastern European, Middle Eastern, Asian and African debt instruments.

Under normal market conditions, the Manager and the Sub-Investment Manager will invest at least two-thirds of the Portfolio’s Net Asset Value in a blend of debt securities and money market instruments which have been issued by public or private issuers in Emerging Market Countries and/or countries which are part of the Benchmark which are denominated in both hard and local currencies. Up to a maximum of one-third of the Portfolio’s Net Asset Value may then be invested in money market instruments and debt securities issued by public or private issuers in High Income OECD Member Countries which are not part of the Benchmark. On an ancillary basis, the Portfolio may hold equity securities issued by public or private issuers, as a result of the conversion of convertible debt securities or restructuring of debt securities. The Portfolio seeks to achieve this blend by varying the exposure to each of Hard Currency-denominated debt issued in Emerging Market Countries, Local Currency of Emerging Market Countries and corporate debt issued in Emerging Market Countries based on the Manager’s and the Sub-Investment Manager’s analysis of the prevailing market conditions considered in light of the investment objective of the Portfolio.

The Manager and the Sub-Investment Manager will conduct fundamental analysis on the issuers that they track in order to identify undervalued and overvalued securities and to exploit investment opportunities. The fundamental analysis used for the selection of governments or government-related issuers incorporates quantitative macroeconomic data and qualitative aspects such as political stability, structural reforms and environmental, social and governance (“**ESG**”) metrics. The fundamental analysis used for the selection of corporate issuers includes quantitative factors aimed at assessing the issuer’s financial performance such as revenue/EBITDA (earnings before interest, tax, depreciation and amortisation) growth, cash flow growth and capital expenditures. Qualitative factors aim to complement the evaluation of corporate credit worthiness by including such factors as corporate governance, quality of earnings, debt structure and ESG metrics. These are to be compared against credit spreads over developed market government bonds, excess of interest rates in Emerging Market Countries over developed

markets, and expected default rates in prevailing market pricing. This analysis will be used to form the basis of an investment opinion which is ultimately judgemental.

Investors should note that this Portfolio seeks to apply the Sustainable Exclusion Policy that has been adopted by the Manager and the Sub-Investment Manager along with the application of the exclusions set out in the Enhanced Sustainable Exclusion Policy, as such terms are defined within the “*Sustainable Investment Criteria*” section of the Prospectus. Investors should refer to the information contained in that section for further details about the application of both the Sustainable Exclusion Policy and Enhanced Sustainable Exclusion Policy to the Portfolio.

ESG analysis: the Manager and the Sub-Investment Manager will first exclude companies from the investment universe that manufacture fur, that manufacture incendiary weapons using white phosphorus or that have an industry tie to nuclear weapons, gambling, nuclear power or whose activities do not comply with the UNGC Principles. The application of the Enhanced Sustainable Exclusion Policy, as such terms are defined within the “*Sustainable Investment Criteria*” section of the Prospectus, also means that companies involved in tobacco, civilian firearms, private prisons and fossil fuels will also be excluded.

The Manager and the Sub-Investment Manager will also exclude securities issued by companies that derive 5% or more of revenue from:

- the production of adult entertainment materials; or
- the production of conventional weapons.

The Manager and the Sub-Investment Manager will then assess the investment universe, which involves in-depth research and analysis of companies’ ESG profiles and will also exclude companies that show poorly on the NB ESG Quotient. The Manager and the Sub-Investment Manager will ensure that securities representing at least 90% of the Net Asset Value of the Portfolio are covered by the NB ESG Quotient.

Through these two ESG exclusionary steps, the Manager and the Sub-Investment Manager will exclude at least 20% of components of the investment universe.

Furthermore, the Manager and the Sub-Investment Manager will employ a flexible investment approach that tactically allocates, either directly or indirectly through the use of FDI, to emerging market debt sectors (which are emerging sovereigns, emerging market corporates and emerging local currency governments of various credit ratings) to adapt to changing market conditions and dependent on the attractiveness of the respective sectors relative to one another, as selected by comparing the aggregated premiums of debt securities in each sector.

The Manager and the Sub-Investment Manager also implement a systematic and disciplined framework for analysing sovereign and corporate Hard Currency and local currency debt securities. Decisions on how to allocate the Portfolio’s assets between sovereign and corporate Hard Currency and Local Currency Emerging Market Country debt securities, money market instruments and FDI are dependent on the Manager’s and the Sub-Investment Manager’s outlook on such securities. This outlook focuses on the global market environment, the economic environment of the relevant Emerging Market Countries, the attractiveness of the valuations available in the asset classes and relative to one another as captured by aggregated premiums and their liquidity. From this outlook, the Manager and the Sub-Investment Manager determine the amount of risk that they want the Portfolio to take and allocate across security types accordingly.

The Manager and the Sub-Investment Manager will seek to anticipate yield, spread and currency movements in response to changes in:

- Economic conditions;
- Region, country and sector fundamentals; and
- Issuer specific financial performance and other issuer specific factors.

The Manager and the Sub-Investment Manager believe their global presence provides a local perspective on macro as well as micro events which feeds into the team’s overall research.

The Portfolio may have or may be expected to have medium to high volatility due to its investment policies or portfolio management techniques.

In addition, the Manager and the Sub-Investment Manager may use futures, options, warrants, swaps (including credit default swaps and swaptions) on debt securities or money market instruments, indices and interest rates to hedge investments in such instruments. Investors should note that it may not be possible or practical to hedge the Portfolio's exposures to such instruments perfectly and that, where it deems it appropriate, the Manager and the Sub-Investment Manager make take hedging positions in respect of other instruments which it considers to be suitable proxies for the Portfolio's investments.

The Portfolio is actively managed. Investors may refer to the J.P. Morgan ESG EMBI Global Diversified Index (Total Return, USD) (the "**Index**"), for ESG comparison purposes only. The Index measures the performance of emerging market debt issued by sovereign and quasi-sovereign entities while applying an ESG methodology which overweights issuers ranked higher on ESG criteria and green bond issues and underweights issuers that rank lower. However, investors should note that the Portfolio does not intend to track the Index or the Benchmark, which is included here for performance comparison purposes only. The Portfolio is not constrained by either the Index or the Benchmark. The Portfolio gives some consideration to the Index's constituents, in identifying sovereign issuers that have been excluded from it for having weak ESG practices, and the Benchmark's constituents in the selection of securities but may not hold all or some of the Index's components or the Benchmark's components. Neither the Index nor the Benchmark has been designated as a reference benchmark for the purposes of SFDR.

Benchmark

The Benchmark comprises the following blend:

- 1/3 weighting to the J.P. Morgan GBI Emerging Markets Global Diversified Investment Grade 15% Cap Index (Total Return, Unhedged, USD) which measures the performance of debt markets of Emerging Market Countries denominated in local currencies; and
- 2/3 weighting to the J.P. Morgan EMBI Global Diversified Investment Grade Index (Total Return, USD) which measures the performance of debt markets of Emerging Market Countries denominated in USD.

Shareholders in a Class which is denominated in a currency other than the Base Currency should note that, where available, it may be more meaningful to compare the performance of such Class against versions of these indices which are denominated in the relevant Class currency.

Base Currency

US Dollars (USD).

Instruments / Asset Classes

The Portfolio will invest primarily in debt securities and money market instruments, issued by governments, government agencies and corporate issuers in Emerging Market Countries. The Portfolio can invest in or be exposed to the following types of assets.

Fixed Income Securities (Debt Securities). Such debt securities may include bonds, debentures and notes (including freely transferable and unleveraged structured notes, freely transferable promissory notes bonds with warrants and convertible bonds) and may include:

- Fixed and floating rate securities;
 - Contingent convertible bonds, subject to a limit of up to 10% of the Portfolio's Net Asset Value;
 - Bullet debt securities, in respect of which principal is paid upon maturity, or factor debt securities in respect of which principal is paid according to a pre-determined schedule and which can also specify that specific interest payments be added to the principal instead of being paid in cash;
 - Structured products, such as credit-linked notes and structured notes, which provide indirect access to certain markets or securities;
 - On an ancillary basis, privately issued asset-backed securities (including mortgage-backed securities such as pass-through certificates, collateralised mortgage obligations and interest and principal only components of mortgage-backed securities) that derive interest and principal payments from specified assets (such as residential and commercial mortgages, credit card debt and pools of other types of receivables); and
 - Sukuk structures, which are Islamic finance instruments which represent a proportionate beneficial ownership in an asset or pool of assets. For a determined
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period, the return associated with the cash flows generated from the assets belongs to the Sukuk holders. The characteristics of a Sukuk are therefore similar to a conventional debt security, with the difference that Sukuks are generally asset-based or asset-backed and carry no interest rate but rather pass the returns generated by the underlying assets to the Sukuk holder.

Money Market Instruments. Money market instruments may include bank deposits, fixed or floating rate instruments (including commercial paper), floating or variable rate notes, bankers acceptances, certificates of deposit, debentures and short-dated government or corporate bonds, cash and cash equivalents (including treasury bills) that are rated as investment grade or below by Recognised Rating Agencies or are unrated.

Investment grade securities are highly rated securities, generally those rated Baa3, BBB- or above by one or more Recognised Rating Agencies, while high yield securities are medium or lower rated securities, generally those rated below investment grade and sometimes referred to as "junk bonds". While the Portfolio will only invest in securities which have been rated investment grade by a Recognised Rating Agency, in the event that the credit rating of a security which the Portfolio holds is downgraded to below investment grade following its acquisition by the Portfolio, the Portfolio will dispose of it within sixty days of such downgrade, provided that its credit rating is not upgraded to investment grade before the expiry of such period. The Portfolio may also invest in unrated securities in circumstances where the unrated securities have been subject to the Manager's or Sub-Investment Manager's own credit risk assessment and the securities have been deemed to be investment grade.

The Portfolio will not purchase securities that are issued or guaranteed by a single sovereign issuer that are below investment grade.

Collective Investment Schemes. In addition, the Portfolio may invest in collective investment schemes which are themselves exposed to investments that are similar to the Portfolio's other investments. Such collective investment schemes may be managed by the Manager and/or the Sub-Investment Manager or their affiliates and will comply with the requirements of the UCITS Regulations in respect of such investments.

Financial Derivative Instruments ("FDI"). In addition, the following FDI may be used for efficient portfolio management, investment purposes, and/or hedging and subject to the conditions and limits imposed by the Central Bank as set out in the Prospectus. The following FDI may provide exposure to any or all of the asset classes listed above:

- Futures, options, warrants, rights, swaps and swaptions on debt securities or money market instruments, UCITS eligible indices and interest rates, which may be used to achieve a profit through gaining exposure to an increase in the value of such securities, indices and interest rates, as well as to hedge existing long positions;
- Total return swaps may be used to hedge or take long or short positions to help achieve specific investment objectives. In addition, total return swaps may be used to achieve a profit through gaining exposure to an increase in the value of securities, indices and interest rates. The maximum proportion of the Portfolio's Net Asset Value that can be subject to total return swaps is 20%. The expected proportion of the Portfolio's Net Asset Value that will be subject to total return swaps is 1%. The expected proportions are not limits and the actual percentages may vary over time depending on factors including, but not limited to, market conditions;
- Credit default swaps on single issuers, indices and/or baskets of securities which may be used to hedge or take long or short credit positions to help achieve specific investment objectives. It is expected that short credit positions will predominantly be taken for hedging but they may also be used for investment purposes where the Manager's or the Sub-Investment Manager identifies an attractive investment opportunity based on the Manager or the Sub-Investment Manager's fundamental analysis which indicates deteriorating fundamentals of an issuer and/or that a security is overvalued;
- Forward contracts on fixed income securities may be used to achieve a profit, through gaining exposure to an increase in the value of such securities as well as to hedge existing long positions; and
- Forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options, and currency swaps, which may be used to achieve a profit through gaining exposure to an increase in the value of currencies, as well as to hedge existing long currency positions.

As the Portfolio may purchase FDI generally using only a fraction of the assets that would be needed to purchase the relevant securities directly, the remainder of the assets allocated to the Manager may be invested in the other types of securities listed above. The Manager and/or the Sub-Investment Manager may therefore seek to achieve greater returns by taking exposure to the performance of such securities through purchasing FDI which give exposure to them rather than purchasing the securities themselves and investing the remaining assets in other such securities to add excess return.

Repo Contracts. Repo Contracts may be used subject to the conditions and limits set out in the Prospectus.

Bond Connect

The PBoC and the HKMA have approved the CFETS, CCDC, SHCH, together with Hong Kong Exchanges and Clearing Limited and CMU to launch Bond Connect, which is a mutual bond market access programme between Mainland China and Hong Kong. Bond Connect allows investors to trade electronically between the Mainland China and Hong Kong bond markets without quota restrictions and requirements to identify the ultimate investment amount.

Currently, Bond Connect comprises a Northbound Trading Link between CFETS, the operator of the CIBM and offshore trading access platforms recognised by the PBoC, to facilitate investment by Hong Kong and overseas investors (including the Portfolio) in eligible bonds traded on the CIBM. A Southbound Trading Link, facilitating investment in overseas bond markets by Mainland Chinese investors is still under development but is intended to form part of Bond Connect once established.

Eligible Securities

Hong Kong and overseas investors (including the Portfolio) will be able to trade over the entire range of instruments traded on the CIBM, including products on both the secondary and primary markets.

Trading Day

Northbound investors (including the Portfolio) are able to trade through Bond Connect on days upon which the CIBM is open to trade, regardless of whether they are a public holiday in Hong Kong.

Settlement and Custody

Settlement and custody of Northbound bond trades under Bond Connect will be implemented under the link between the CMU of the HKMA and Mainland China's two bond settlement systems, namely, CCDC and SHCH. The CMU settles Northbound trades and holds the CIBM bonds on behalf of its members in nominee accounts with each of CCDC and SHCH. CCDC and SHCH provide services to foreign investors, directly and indirectly, using Bond Connect.

Bonds purchased by Hong Kong and overseas investors (including the Portfolio) are recorded in an omnibus nominee account at CCDC and SHCH in the name of CMU. The CMU itself maintains the bonds in segregated sub-accounts of its members, who in turn may hold the bonds on their own account or on behalf of other investors or custodians. Accordingly, bonds purchased by Hong Kong and overseas purchasers through Bond Connect are held by the purchaser's global or local custodian in a segregated sub-account opened in their name at the CMU.

Currency

Hong Kong and overseas investors may trade through Bond Connect using offshore RMB (CNH) or by converting foreign currencies into onshore RMB (CNY) under Bond Connect.

Where an investor uses foreign currencies to invest through the Northbound Trading Link, it must open a segregated RMB capital account with an eligible RMB settlement Bank in Hong Kong to convert its foreign currencies into CNY. Where bonds are purchased in CNY in this manner, upon sale of the bonds, the sale proceeds remitted out of Mainland China must be converted back into the relevant foreign currencies.

Further information about Bond Connect is available at:

<http://www.chinabondconnect.com/en/index.htm>

Investment Restrictions

- A maximum of 25% of the Portfolio's Net Asset Value may be invested in securities issued by issuers located in any one country.
- A maximum of 15% of the Portfolio's Net Asset Value may be invested in securities issued by issuers which are not governments or government-related, with a maximum exposure of 4% of the Portfolio's Net Asset Value to any one such issuer.
- A maximum of 40% of the Portfolio's Net Asset Value may be invested in quasi-sovereign (100% state owned or explicit sovereign guarantee) securities, with a maximum exposure of 8% of the Portfolio's Net Asset Value to any one such issuer.
- A maximum of 15% of the Portfolio's Net Asset Value may be invested in sub-sovereign (state, regional, municipal debt) securities, with a maximum exposure of 3% of the Portfolio's Net Asset Value to any one such issuer. A maximum of 10% of the Portfolio's Net Asset Value may be invested in supra-national (world bank regional development banks) securities.
- Investors should note that the Portfolio will comply with the VAG Requirements, as described under "VAG Requirements" in the "Investment Restrictions" section of the Prospectus, provided these VAG requirements are stricter than the investment restrictions applying to the Portfolio contained in this Supplement.
- Investments in:
 - warrants on transferable securities, are limited to a maximum of 10% of the Portfolio's Net Asset Value;
 - asset-backed securities are limited to a maximum of 20% of the Portfolio's Net Asset Value; and
 - units of other collective investment schemes are limited to a maximum of 10% of the Portfolio's Net Asset Value.
- The Portfolio will be subject to the Sustainable Exclusion Policy and exclude securities prohibited by the Enhanced Sustainable Exclusion Policy as detailed in the "Sustainable Investment Criteria" section of the Prospectus and the "Environmental, Social and Governance" section below.
- The Portfolio will not utilise securities lending or margin lending.

Risk

- Investment in the Portfolio carries certain risks which are described in greater detail in the "Investment Risks" section of the Prospectus. While investors should read and consider the entire "Investment Risks" section of the Prospectus, the risks summarised in the following sections, namely, "Market Risks: Risks relating to Debt Securities", "Market Risks: Risks Relating to Emerging Market Countries", "Risks Associated with Investment in the China Interbank Bond Market through Bond Connect" and "Risks related to Financial Derivative Instruments" are particularly relevant to this Portfolio. **These risks are not purported to be exhaustive and potential investors should review this Supplement and the Prospectus in their entirety and consult with their professional advisers, before making an application for Shares.**
 - Investors should refer to the Company's risk management policy with respect to the use of FDI contained in the RMP Statement.
 - In order to manage the currency exposures inherent in the assets of the Portfolio most efficiently, for each of the Hedged Classes of the Portfolio the Manager will seek to hedge approximately 66% of the relevant class currency exposure of each such class back to the Base Currency.
 - The Portfolio is expected to be leveraged up to 400% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced. This expected leverage figure is calculated using the Sum of the Notional values of the derivatives used, as required by the Central Bank. Using this methodology does not reflect any netting or hedging that the Portfolio may have in place.
 - The Portfolio's global exposure is subject to an advanced risk management process which, in compliance with the UCITS Regulations, aims to ensure that on any day the relative VaR of the Portfolio will be no greater than twice the VaR of the Benchmark. The VaR of the Portfolio is a daily estimation of the maximum loss which the Portfolio may incur over a 20 Business Day holding period and is arrived at through quantitative simulations with a 99% one tailed confidence interval and using an historical
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observation period of at least 250 business days. This process is described in detail in the statement of risk management procedures of the Company and its appendix in respect of the Portfolio. While the Portfolio measures and monitors its global exposure using the VaR approach, rather than by use of the Commitment Approach, the leverage of the Portfolio using the Commitment Approach is expected to be 200% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced.

- The Manager and the Sub-Investment Manager may use forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options, and currency swaps in order to hedge currency risk on a discretionary basis. The use of such hedging techniques may increase the risk profile of the Portfolio.

Environmental, Social and Governance (“ESG”)

This Portfolio meets the classification of an Article 8 Portfolio as it promotes environmental and social characteristics and limits investments to those companies that follow good governance practices. **Information about these environmental and social characteristics is available in the SFDR Annex below.**

The Portfolio invests in securities that meet the Manager’s and the Sub-Investment Manager’s criteria set out in the Sustainable Exclusion Policy and exclude securities prohibited by the Enhanced Sustainable Exclusion Policy, as detailed in the “*Sustainable Investment Criteria*” section of the Prospectus.

The Manager and the Sub-Investment Manager:

- exclude securities issued by companies that are involved in controversial activities and behaviour and those rated in the bottom decile in terms of the NB ESG Quotient, with no near term improvement prospects, such that at least 20% of the investment universe is excluded on these bases; and
- ensure at least 90% ESG coverage rate of the Net Asset Value of the Portfolio.

In aiming to align the Portfolio with a net-zero goal, the Manager and the Sub-Investment Manager intend to reduce the Portfolio’s carbon footprint for corporate securities across scope 1, 2, and material scope 3 greenhouse gas emissions², equating to a 50% reduction by 2030 relative to a 2019 baseline and a subsequent decline to net zero by 2050. The 2019 baseline may be subject to re-calculation as data quality and disclosure expands over time, particularly with respect to scope 3 emissions. For sovereign bonds, the Manager and the Sub-Investment Manager deploy a methodology that tracks a country’s net-zero alignment according to GermanWatch’s Climate Change Performance Index, which is recommended by the Institutional Investors Group on Climate Change³ (“IIGCC”), as well as the Climate Action Tracker. Any net-zero commitments and targets are set in the expectation that governments will follow through on their own commitments to ensure the objectives of the Paris Agreement are met, including increasing the ambition of their Nationally Determined Contributions (“NDCs”). Further details on Neuberger Berman’s commitment to the Net Zero Asset Managers Initiative are contained in the “*Sustainable Investment Criteria*” section of the Prospectus.

Please also refer to Annex VI of the Prospectus which contains additional information on sustainability related disclosures.

Typical Investor Profile

Investment in the Portfolio may be suitable for investors who are prepared to accept the general risks associated with investing in Emerging Market Countries and the risks of bond markets over the medium to long term, together with medium to high levels of volatility due to the Portfolio’s investment policies or portfolio management techniques.

² Scope 1 emissions are direct emissions from an issuer’s owned or controlled sources (such as emissions created directly by the issuer’s business processes or from vehicles owned by the issuer). Scope 2 emissions are indirect emissions from the generation of electricity, steam, heating and cooling consumed by the issuer. Scope 3 emissions are all other indirect emissions that occur in an issuer’s value chain (such as emissions from products or services consumed by the issuer, disposal of its waste, employee commuting, distribution and transport of its products or its investments).

³ The IIGCC created the Net Zero Investment Framework to assist asset owners and asset managers to develop net zero investment strategies or to fulfil the requirements of net zero commitments. The IIGCC’s target setting guidance is a component of the Net Zero Investment Framework.

Fees and Expenses

Category	Maximum Initial Charge	Maximum Management fee	Distribution Fee
A, X, Y	5.00%	1.20%	0.00%
B, C2, E	0.00%	1.20%	1.00%
C1	0.00%	1.80%	1.00%
C	0.00%	0.80%	1.00%
D, I, I1, I2, I3, I4, I5	0.00%	0.60%	0.00%
M	2.00%	1.20%	0.80%
P	5.00%	0.57%	0.00%
T	5.00%	1.80%	0.00%
U	3.00%	0.90%	0.00%
Z	0.00%	0.00%	0.00%

For details of the Administration Fees payable by the Portfolio, please see the “Administration Fees” heading in the “Fees and Expenses” section of the Prospectus.

Contingent deferred sales charges

Contingent deferred sales charges will be payable in respect of the following Classes at the rates specified below, depending on the period that has elapsed since the issue of the Shares being redeemed and will be charged on the lower of the Net Asset Value per Share on the relevant Dealing Day in respect of which the relevant Shares were (i) initially subscribed or (ii) redeemed. Any such contingent deferred sales charges will be paid to the relevant Distributor, the Manager or to the Sub-Investment Manager.

Class	Redemption Period in Calendar Days				
	< 365	365 - 729	730 - 1094	1095 – 1459	> 1459
B	4%	3%	2%	1%	0%
C, C1	1%	0%	0%	0%	0%
C2	2%	1%	0%	0%	0%
E	3%	2%	1%	0%	0%

Neuberger Berman Responsible Asian Debt – Hard Currency Fund

An investment in the Portfolio should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

Investment Objective The Portfolio aims to achieve a target average return of 1-1.25% over the Benchmark (as specified in the “*Benchmark*” section below) before fees over a market cycle (typically 3 years) by primarily investing in Hard Currency-denominated debt issued in Asian countries.

Investors should note that the target return is not guaranteed over a market cycle, a 12-month or any period and the Portfolio’s capital is at risk. Investors should also note that, over the course of a market cycle, there may be significant periods of time during which the performance of the Portfolio will deviate from the targeted return and the Portfolio may experience periods of negative return. There can be no guarantee that the Portfolio will ultimately achieve its investment objective.

Investment Approach The Portfolio will invest primarily in debt securities and money market instruments which are issued by governments of, government agencies or corporate issuers (i.e. public or private issuers) which have their head office or exercise an overriding part of their economic activity in Asian countries and which are denominated in Hard Currency. For the purposes of the Portfolio, Hard Currency is defined as US Dollar, Euro, Sterling, Japanese Yen and Swiss Franc. Investors should note that public issuers include governments, government agencies and corporate issuers that are, either directly or indirectly, 100% government-owned; and private issuers include corporate issuers that are not, either directly or indirectly, 100% government-owned.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets globally, without any particular focus on any one industrial sector.

Under normal market conditions, the Manager and the Sub-Investment Manager will invest at least two thirds of the Portfolio’s Net Asset Value in Hard Currency debt securities and money market instruments (as set out below in the “*Instruments / Asset Classes*” section) issued by public or private issuers in Asian countries. Up to a maximum of one third of the Portfolio’s Net Asset Value may be invested in money market instruments and debt securities issued by public or private issuers in non-Asian OECD countries or non-Asian Emerging Market Countries which are denominated in the local currency of the relevant country or Hard Currency. Up to a maximum of one third of the Portfolio’s Net Asset Value may be invested in money market instruments and debt securities issued by public or private issuers in Asian countries which are denominated in the local currency of the relevant Asian country. On an ancillary basis, the Portfolio may hold equity securities issued by public or private issuers in Asian countries, such as shares, as a result of the conversion of convertible debt securities or restructuring of debt securities.

The Manager and the Sub-Investment Manager implement a systematic and disciplined framework for analysing sovereign and corporate local currency and Hard Currency debt securities. Decisions on how to allocate the Portfolio’s assets between sovereign and corporate and Hard Currency and local currency Asian country debt securities, money market instruments and FDI are dependent on the Manager’s and the Sub-Investment Manager’s outlook on such securities. This outlook focuses on the global market environment, the economic environment of the relevant Asian countries, the attractiveness of the valuations available in the asset classes and their liquidity. From this outlook, the Manager and the Sub-Investment Manager determine the amount of risk that they want the Portfolio to take and seek to allocate across security types accordingly.

The Manager and the Sub-Investment Manager believe their global presence provides a local perspective on macro as well as micro events which feeds into the team’s overall research.

The Manager and the Sub-Investment Manager will seek to anticipate yield, spread and currency movements in response to changes in:

- Economic conditions;
- Region, country and sector fundamentals; and
- Issuer specific financial performance and other issuer specific factors (as detailed in the following paragraph).

The Manager and the Sub-Investment Manager will conduct fundamental analysis on the issuers that they track to seek to identify undervalued and overvalued securities and exploit investment opportunities. The fundamental analysis used for the selection of governments or government-related issuers incorporates quantitative macroeconomic data and qualitative aspects such as political stability and structural reforms. The fundamental analysis used for the selection of corporate issuers includes quantitative factors aimed at assessing the issuer's financial performance such as revenue/EBITDA ("earnings before interest, tax, depreciation and amortisation") growth, cash flow growth and capital expenditures. Qualitative factors aim to complement the evaluation of corporate credit worthiness by including such factors as corporate governance, quality of earnings and debt structure.

In determining the investments which the Portfolio will make, the Manager and the Sub-Investment Manager will prioritise investing in responsible issuers which they identify as issuers which:

- have a lower carbon emission intensity. The Portfolio has a net zero goal (further detail is included below) and additionally aims to achieve a carbon emission intensity level that is at least 30% lower than that of the broader Asia debt investment universe, represented by the Benchmark. The average carbon emission intensity will be measured and calculated based on the Portfolio's carbon emission intensity struck at each of the four calendar quarter ends; and
- demonstrate better environmental, social and governance ("ESG") practices. The Portfolio aims to achieve a higher ESG score as compared to the broader Asia debt investment universe, represented by the Benchmark, based on third party ESG scores from an established external provider.

The objective of lower carbon emission intensity is with a view to achieving the long-term global warming objectives of the Paris Agreement.

As the Portfolio progresses towards net zero, the Portfolio's carbon emission intensity reduction target relative to the Benchmark is expected to reduce to account for the reduced carbon footprint of the Portfolio relative to the Benchmark if the Benchmark's carbon footprint is reduced.

The Manager and the Sub-Investment Manager use third-party data providers and/or data acquired directly from the issuers to ascertain the carbon emission intensity of the issuers. In some cases, data on specific issuers (i) may not be available; or (ii) may be estimated by the third-party data provider, or by the Manager and the Sub-Investment Manager using internal methodologies or reasonable estimates. The methodologies used by different data providers may vary and if the data provider preferred by the Manager and the Sub-Investment Manager changes its methodology, the carbon emission intensity estimates for one or more issuers may also change.

The Manager and the Sub-Investment Manager will exclude securities issued by companies that derive 5% or more of revenue from:

- the production of alcohol-related products;
- the production of adult entertainment materials;
- the production of conventional weapons;
- the ownership or operation of gambling-related business activities; or
- the production or distribution of palm oil.

The Manager and the Sub-Investment Manager will exclude securities issued by companies identified as having ESG controversies (such as the negative ESG impact of the company's operations, products and/or services, non-compliance with international guidelines or safeguards (such as those captured by the Global Standards Policy)) or companies that raise serious concerns regarding their alignment with international guidelines or safeguards.

In addition, the Manager and the Sub-Investment Manager will exclude companies from the investment universe that manufacture incendiary weapons using white phosphorus or that have an industry tie to nuclear weapons.

The Manager and the Sub-Investment Manager will also exclude securities issued by companies identified as being involved in direct child labour.

The application of the Sustainable Exclusion Policy also means that companies involved in tobacco, civilian firearms, private prisons and fossil fuels will also be excluded.

The Manager and the Sub-Investment Manager will then assess the investment universe, which involves in-depth research and analysis of companies' ESG profiles, and will also exclude companies that show poorly on the NB ESG Quotient, although the Portfolio may on an ancillary basis invest in such companies with near-term improvement prospects, which the Manager and/or the Sub-Investment Manager will assess on an ongoing basis based on the NB ESG Quotient.

The Manager and the Sub-Investment Manager will not invest in sovereign issuers and/or 100% government owned entities which are identified by the Manager and the Sub-Investment Manager as having weak ESG practices. Such exclusions will be based on a number of ESG criteria including the following:

- Sovereign issuers which are ranked in the bottom decile based on the NB ESG Quotient, with no near term improvement prospects; or
- Sovereign issuers where top officials have been sanctioned by the UN Security Council based on human rights violations; or
- Sovereign issuers which are assessed as having poor and deteriorating human rights and rule of law metrics; or
- Sovereign issuers which are non-compliant with the standard put forth by the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes, or sovereign issuers that are classified as a high risk jurisdiction subject to a call for action by the Financial Action Task Force ("FATF").

The Manager and the Sub-Investment Manager will ensure that securities representing at least 90% of the Net Asset Value of the Portfolio are covered by the NB ESG Quotient. Investors should note that the Portfolio's investments in money market instruments, cash, cash equivalents or derivatives will not be covered by the NB ESG Quotient.

Through the above ESG exclusionary steps, the Manager and the Sub-Investment Manager will exclude at least 20% of the components of the investment universe.

Under normal market conditions, the Manager anticipates that the Portfolio's average interest duration will be within the range of +1.5 years and -1.5 years compared to the Benchmark.

The Portfolio is actively managed and does not intend to track the Benchmark which is included here for performance comparison purposes and because the Portfolio's investment policy restricts the extent to which the Portfolio's holdings may deviate from the Benchmark, as described above. This deviation may be significant.

Benchmark

J.P. Morgan Asian Credit Index (Total Return, USD), which tracks the total return performance for actively traded USD denominated debt instruments in the Asia region (excluding Japan).

Shareholders in a Class which is denominated in a currency other than the Base Currency should note that, where available, it may be more meaningful to compare the performance of such Class against a version of this index which is denominated in the relevant Class currency.

Base Currency

US Dollars (USD).

Instruments / Asset Classes

The Portfolio will invest primarily in debt securities and money market instruments, issued by governments, government agencies and corporate issuers in Asian Countries. The Portfolio can invest in or be exposed to the following types of assets.

Fixed Income Securities (Debt Securities). Such debt securities may include bonds, bonds with warrants, convertible bonds, bonds resulting from the restructuring of syndicated loans or bank loans (e.g. "Brady" bonds), subordinated bonds, debentures and notes (including freely transferable and structured notes and freely transferable promissory notes) and may include:

- Fixed and floating rate securities;
 - Contingent convertible bonds, subject to a limit of up to 10% of the Portfolio's Net Asset Value;
 - Bullet debt securities, in respect of which principal is paid upon maturity, or factor debt securities in respect of which principal is paid according to a pre-determined schedule and which can also specify that specific interest payments be added to the principal instead of being paid in cash;
 - Investment grade, high yield and unrated debt securities;
-

- Structured products, such as credit-linked notes and structured notes, which provide indirect access to certain markets or securities; On an ancillary basis, privately issued asset-backed securities (including mortgage-backed securities such as pass-through certificates, collateralised mortgage obligations and interest and principal only components of mortgage backed securities) that derive interest and principal payments from specified assets (such as residential and commercial mortgages, credit card debt and pools of other types of receivables); and
- Sukuk structures, which are Islamic finance instruments which represent a proportionate beneficial ownership in an asset or pool of assets. For a determined period, the return associated with the cash flows generated from the assets belongs to the Sukuk holders. The characteristics of a Sukuk are therefore similar to a conventional debt security, with the difference that Sukuks are generally asset-based or asset-backed and carry no interest rate but rather pass the returns generated by the underlying assets to the Sukuk holder.

Money Market Instruments. Money market instruments may include bank deposits, fixed or floating rate instruments (including commercial paper), floating or variable rate notes, bankers acceptances, certificates of deposit, debentures and short-dated government or corporate bonds, cash and cash equivalents (including treasury bills) that are rated as investment grade or below by Recognised Rating Agencies or are unrated.

The Portfolio may invest up to 25% of its Net Asset Value in fixed income securities and money market instruments that are issued or guaranteed by a single sovereign issuer (including its government, public or local authority) that are below investment grade. This investment restriction does not apply to any securities issued by corporate issuers. As certain Emerging Market Countries may be rated below investment grade, the Manager and/or the Sub-Investment Manager believe that it is necessary to retain the flexibility to invest in such securities issued or guaranteed by each such sovereign issuer above 10% of the Portfolio's Net Asset Value in order to achieve the investment objective of the Portfolio. As at the date of this Supplement, the single sovereign issuer with a credit rating below investment grade into whose securities the Manager and/or the Sub-Investment Manager expect the Portfolio may invest more than 10% of its Net Asset Value is Sri Lanka.

Investment grade securities are highly rated securities, generally those rated Baa3, BBB- or above by one or more Recognised Rating Agencies, while high yield securities are medium or lower rated securities, generally those rated below investment grade and sometimes referred to as "junk bonds".

Collective Investment Schemes. In addition, the Portfolio may invest in collective investment schemes which are themselves exposed to investments that are similar to the Portfolio's other investments. Such collective investment schemes may be managed by the Manager and/or the Sub-Investment Manager or their affiliates and will comply with the requirements of the UCITS Regulations in respect of such investments.

Financial Derivative Instruments ("FDI"). In addition, the following FDI may be used for hedging, efficient portfolio management and/or investment purposes and subject to the conditions and limits imposed by the Central Bank as set out in the Prospectus:

- Futures, options, warrants, rights, swaps and swaptions on debt securities or money market instruments, UCITS eligible indices and interest rates, which may be used to achieve a profit through gaining exposure to an increase in the value of such securities, indices and interest rates, as well as to hedge existing long positions;
- Total return swaps may be used to hedge or take long or short positions to help achieve specific investment objectives. In addition, total return swaps may be used to achieve a profit through gaining exposure to an increase in the value of securities, indices and interest rates. The maximum proportion of the Portfolio's Net Asset Value that can be subject to total return swaps is 10%. The expected proportion of the Portfolio's Net Asset Value that will be subject to total return swaps is 1%. The expected proportions are not limits and the actual percentages may vary over time depending on factors including, but not limited to, market conditions;
- Credit default swaps on single issuers, indices and/or baskets of securities which may be used to hedge or take long or short credit positions to help achieve specific investment objectives. It is expected that short credit positions will predominantly be taken for hedging but they may also be used for investment purposes where the Manager or the Sub-Investment Manager identifies an attractive investment opportunity based on the Manager or the Sub-Investment Manager's fundamental analysis which indicates deteriorating fundamentals of an issuer and/or that a security is overvalued;

- Forward contracts on fixed income securities may be used to achieve a profit, through gaining exposure to an increase in the value of such securities as well as to hedge existing long positions; and
- Forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options, and currency swaps, which may be used to achieve a profit through gaining exposure to an increase in the value of currencies, as well as to hedge existing long currency positions.

As the Portfolio may purchase FDI generally using only a fraction of the assets that would be needed to purchase the relevant securities directly, the remainder of the assets allocated to the Manager may be invested in the other types of securities listed above. The Manager and/or the Sub-Investment Manager may therefore seek to achieve greater returns by taking exposure to the performance of such securities through purchasing FDI which give exposure to them rather than purchasing the securities themselves and investing the remaining assets in other such securities to add excess return.

Repo Contracts. Repo Contracts may be used subject to the conditions and limits set out in the Prospectus.

Bond Connect

The PBoC and the HKMA have approved the CFETS, CCDC, SHCH, together with Hong Kong Exchanges and Clearing Limited and CMU to launch Bond Connect, which is a mutual bond market access programme between Mainland China and Hong Kong. Bond Connect allows investors to trade electronically between the Mainland China and Hong Kong bond markets without quota restrictions and requirements to identify the ultimate investment amount.

Currently, Bond Connect comprises a Northbound Trading Link between CFETS, the operator of the CIBM and offshore trading access platforms recognised by the PBoC, to facilitate investment by Hong Kong and overseas investors (including the Portfolio) in eligible bonds traded on the CIBM. A Southbound Trading Link, facilitating investment in overseas bond markets by Mainland Chinese investors is still under development but is intended to form part of Bond Connect once established.

Eligible Securities

Hong Kong and overseas investors (including the Portfolio) will be able to trade over the entire range of instruments traded on the CIBM, including products on both the secondary and primary markets.

Trading Day

Northbound investors (including the Portfolio) are able to trade through Bond Connect on days upon which the CIBM is open to trade, regardless of whether they are a public holiday in Hong Kong.

Settlement and Custody

Settlement and custody of Northbound bond trades under Bond Connect will be implemented under the link between the CMU of the HKMA and Mainland China's two bond settlement systems, namely, CCDC and SHCH. The CMU settles Northbound trades and holds the CIBM bonds on behalf of its members in nominee accounts with each of CCDC and SHCH. CCDC and SHCH provide services to foreign investors, directly and indirectly, using Bond Connect.

Bonds purchased by Hong Kong and overseas investors (including the Portfolio) are recorded in an omnibus nominee account at CCDC and SHCH in the name of CMU. The CMU itself maintains the bonds in segregated sub-accounts of its members, who in turn may hold the bonds on their own account or on behalf of other investors or custodians. Accordingly, bonds purchased by Hong Kong and overseas purchasers through Bond Connect are held by the purchaser's global or local custodian in a segregated sub-account opened in their name at the CMU.

Currency

Hong Kong and overseas investors may trade through Bond Connect using offshore RMB (CNH) or by converting foreign currencies into onshore RMB (CNY) under Bond Connect.

Where an investor uses foreign currencies to invest through the Northbound Trading Link, it must open a segregated RMB capital account with an eligible RMB settlement Bank in Hong Kong to convert its foreign currencies into CNY. Where bonds are purchased in CNY in this manner, upon sale of the bonds, the sale proceeds remitted out of Mainland China must be converted back into the relevant foreign currencies.

Further information about Bond Connect is available at:

<http://www.chinabondconnect.com/en/index.htm>

Investment Restrictions

- A maximum of one third of the Portfolio's Net Asset Value may be invested in money market instruments and debt securities issued by public or private issuers in non-Asian OECD countries or non-Asian Emerging Market Countries which are denominated in the local currency of the relevant Emerging Market Country or Hard Currency.
- A maximum of one third of the Portfolio's Net Asset Value may be invested in money market instruments and debt securities issued by public or private issuers in Asian countries which are denominated in the local currency of the relevant Asian country.
- A maximum of 10% of the Portfolio's Net Asset Value may be invested in any one corporate issuer.
- A maximum of 40% of the Portfolio's Net Asset Value may be invested in non-investment grade securities.
- Investments in units of other collective investment schemes are limited to a maximum of 10% of the Portfolio's Net Asset Value.
- A maximum of 60% of the Portfolio's Net Asset Value may be invested in debt securities and money market instruments which are issued by non-corporate issuers and denominated in Hard Currency.
- A maximum of 35% of the Portfolio's Net Asset Value may be invested in debt securities and money market instruments which are issued by quasi-sovereign issuers (100% state owned or explicit sovereign guarantee).
- A maximum of 10% of the Portfolio's Net Asset Value may be invested in debt securities and money market instruments which are issued by sub-sovereign issuers (state, regional, municipal debt).
- The Portfolio will not utilise securities lending or margin lending.

Risk

- Investment in the Portfolio carries certain risks which are described in greater detail in the "Investment Risks" section of the Prospectus. While investors should read and consider the entire "Investment Risks" section of the Prospectus, the risks summarised in the following sections, namely, "Market Risks: Risks relating to Debt Securities", "Risks Associated with Investment in the China Interbank Bond Market through Bond Connect" and "Market Risks: Risks Relating to Emerging Market Countries" are particularly relevant to this Portfolio. **These risks are not purported to be exhaustive and potential investors should review this Supplement and the Prospectus in their entirety and consult with their professional advisers, before making an application for Shares.**
- Investors should refer to the Company's risk management policy with respect to the use of FDI contained in the RMP Statement.
- The Portfolio is expected to be leveraged up to 250% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced. This expected leverage figure is calculated using the Sum of the Notional of the derivatives used, as required by the Central Bank. Using this methodology does not reflect any netting or hedging that the Portfolio may have in place. The Portfolio's global exposure is subject to an advanced risk management process which, in compliance with the UCITS Regulations, aims to ensure that on any day the relative VaR of the Portfolio will be no greater than twice the VaR of the Benchmark. The VaR of the Portfolio is a daily estimation of the maximum loss which the Portfolio may incur over a 20 Business Day holding period and is arrived at through quantitative simulations with a 99% one tailed confidence interval and using an historical observation period of at least 250 business days. This process is described in detail in the statement of risk management procedures of the Company and its appendix in respect of the Portfolio. While the Portfolio measures and monitors its global exposure using the VaR approach, rather than by use of the Commitment Approach, the leverage of the Portfolio using the Commitment Approach is expected to be 150% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced.
- The Manager and/or the Sub-Investment Manager may use forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options, total return swaps and currency swaps in order to hedge currency risk on a discretionary basis. In addition, the Manager and/or the Sub-Investment Manager may use futures, options, warrants, swaps (including credit default swaps and swaptions) on debt securities

or money market instruments, indices and interest rates to hedge investments in such instruments. Investors should note that it may not be possible or practical to hedge the Portfolio's exposures to such instruments perfectly and that, where it deems it appropriate, the Manager and/or the Sub-Investment Manager make take hedging positions in respect of other instruments which it considers to be suitable proxies for the Portfolio's investments. The use of such hedging techniques may increase the risk profile of the Portfolio.

Environmental, Social and Governance ("ESG")

This Portfolio meets the classification of an Article 8 Portfolio as it promotes environmental and social characteristics and limits investments to those companies that follow good governance practices. **Information about these environmental and social characteristics is available in the SFDR Annex below.**

ESG risks and opportunities are systematically considered in the selection of securities to be constituents of the Portfolio. The Manager and the Sub-Investment Manager assess securities in relation to their exposure to and the management of ESG risks. ESG represents governance (being the way in which the company is run), environmental issues (such as the impact on natural resources), and social issues (such as human rights).

ESG investing is a core component of the Manager's and the Sub-Investment Manager's strategy for the Portfolio. The Manager and the Sub-Investment Manager apply the: (i) Global Standards Policy; (ii) Controversial Weapons Policy; (iii) Thermal Coal Involvement Policy; and (iv) Sustainable Exclusion Policy, when determining what investments to make for the Portfolio. Further details on these screening/exclusion policies are set out in the "Sustainable Investment Criteria" section of the Prospectus.

The Manager and the Sub-Investment Manager will manage the Portfolio in accordance with the ESG Policy on a continuous basis. The Manager and the Sub-Investment Manager have fully integrated the ESG Policy into the overall investment process and, in particular, the portfolio construction process. A summary of the ESG Policy is detailed in the Annex VI of the Prospectus and it is available on the Neuberger Berman website, www.nb.com/esg

In aiming to align the Portfolio with a net-zero goal, the Manager and the Sub-Investment Manager intend to reduce the Portfolio's carbon footprint across scope 1, 2, and material scope 3 greenhouse gas ("GHG") emissions⁴, equating to a 50% reduction by 2030 relative to a 2019 baseline and a subsequent decline to net zero by 2050. The 2019 baseline may be subject to re-calculation as data quality and disclosure expands over time, particularly with respect to scope 3 emissions. Further details on Neuberger Berman's commitment to the Net Zero Asset Manager Initiative are contained in the "Sustainable Investment Criteria" section of the Prospectus.

Please also refer to Annex VI of the Prospectus which contains additional information on sustainability related disclosures.

Typical Investor Profile

Investment in the Portfolio may be suitable for investors who are prepared to accept the general risks associated with investing both Asian and non-Asian Emerging Market Countries and the risks of bond markets over the medium to long term, together with medium to high volatility due to its investment policies or portfolio management techniques.

Fees and Expenses

Category	Maximum Initial Charge	Maximum Management fee	Distribution Fee
A, X, Y	5.00%	1.20%	0.00%
B, C2, E	0.00%	1.20%	1.00%
C1	0.00%	1.80%	1.00%
C	0.00%	0.80%	1.00%
D, I, I1, I2, I3, I4, I5	0.00%	0.60%	0.00%
M	2.00%	1.20%	0.60%
P	5.00%	0.57%	0.00%

⁴ Scope 1 emissions are direct emissions from an issuer's owned or controlled sources (such as emissions created directly by the issuer's business processes or from vehicles owned by the issuer). Scope 2 emissions are indirect emissions from the generation of electricity, steam, heating and cooling consumed by the issuer. Scope 3 emissions are all other indirect emissions that occur in an issuer's value chain (such as emissions from products or services consumed by the issuer, disposal of its waste, employee commuting, distribution and transport of its products or its investments).

Category	Maximum Initial Charge	Maximum Management fee	Distribution Fee
T	5.00%	1.80%	0.00%
U	3.00%	0.90%	0.00%
Z	0.00%	0.00%	0.00%

For details of the Administration Fees payable by the Portfolio, please see the “Administration Fees” heading in the “Fees and Expenses” section of the Prospectus.

Contingent deferred sales charges

Contingent deferred sales charges will be payable in respect of the following Classes at the rates specified below, depending on the period that has elapsed since the issue of the Shares being redeemed and will be charged on the lower of the Net Asset Value per Share on the relevant Dealing Day in respect of which the relevant Shares were (i) initially subscribed or (ii) redeemed. Any such contingent deferred sales charges will be paid to the relevant Distributor, the Manager or to the Sub-Investment Manager.

Class	Redemption Period in Calendar Days				
	< 365	365 - 729	730 - 1094	1095 – 1459	> 1459
B	4%	3%	2%	1%	0%
C, C1	1%	0%	0%	0%	0%
C2	2%	1%	0%	0%	0%
E	3%	2%	1%	0%	0%

For further information on fees, please refer to the “Fees and Expenses” section of the Prospectus.

Neuberger Berman Sustainable Emerging Market Debt – Hard Currency Fund

An investment in the Portfolio should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

Investment Objective	<p>The Portfolio aims to outperform the Benchmark (as specified in the “Benchmark” section below) before fees over a market cycle (typically 3 years) by investing primarily in Hard Currency-denominated debt securities issued in Emerging Market Countries that comply with the Sustainable Investment Criteria.</p> <p>Investors should note that the target return is not guaranteed over a market cycle, a 12-month or any period and the Portfolio’s capital is at risk. Investors should also note that, over the course of a market cycle, there may be significant periods of time during which the performance of the Portfolio will deviate from the targeted return and the Portfolio may experience periods of negative return. There can be no guarantee that the Portfolio will ultimately achieve its investment objective.</p>
Investment Approach	<p>The Portfolio will invest primarily in debt securities and money market instruments issued by public or private issuers in Emerging Market Countries which are denominated in Hard Currency and which are consistent with the Portfolio’s sustainability objective (as further detailed below and in the SFDR Annex). For the purposes of the Portfolio, Hard Currency is defined as US Dollar, Euro, Sterling, Japanese Yen and Swiss Franc and investors should also note that public issuers include corporate issuers that are, either directly or indirectly, 100% government-owned.</p> <p>With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets globally, without any particular focus on any one industrial sector or region.</p> <p>Please note that, as described below in the “Risk” section, investments in securities issued by companies located in, and governments and government agencies of, Emerging Market Countries may involve additional risk, relative to investment in more developed economies.</p> <p>In determining the investments which the Portfolio will make, the Sub-Investment Manager will prioritise sovereign issuers which demonstrate stronger progress in achieving the UN Sustainable Development Goals (or where there is potential for increased alignment with these goals) via:</p> <ul style="list-style-type: none"> - better income-adjusted preparedness and resilience for climate transition risks (the environmental objective). Alignment with the environmental objective is measured through the sovereign climate transition risk indicator which is proprietary to the Sub-Investment Manager and combines data focused on climate risk mitigation, climate adaptation, ecosystem vitality, GHG emissions and net zero alignment. Countries which are ranked in the top 25th percentile based on this indicator, as well as countries which are in the second 25th percentile and showing improvement over the latest three years, are considered to be aligned to the environmental objective; and - better income-adjusted performance in public health, education and tackling income inequality (the social objective). Alignment with the social objective is measured through the sovereign sustainable development indicator which is proprietary to the Sub-Investment Manager and combines data focused on life expectancy, access to vaccination and medical professionals, secondary education and lower income inequality. Countries which are ranked in the top 25th percentile based on this indicator, as well as countries which are in the second 25th percentile and showing improvement over the latest three years, are considered to be aligned to the social objective. <p>Under normal market conditions, at least 80% of the Portfolio will be invested in issuers and instruments that the Sub-Investment Manager considers to be aligned with the aforementioned environmental or social objectives.</p> <p>Under normal market conditions, the Sub-Investment Manager will invest at least two thirds of the Portfolio’s Net Asset Value in Hard Currency debt securities and money market instruments issued by public or private issuers in Emerging Market Countries and/or countries which are part of the Benchmark. Up to a maximum of one third of the Portfolio’s Net Asset Value may</p>

then be invested in money market instruments and debt securities issued by public or private issuers in High Income OECD Member Countries which are not part of the Benchmark and/or debt securities and money market instruments issued by public or private issuers in Emerging Market Countries which are denominated in the local currency of the relevant Emerging Market Country. On an ancillary basis, the Portfolio may hold equity securities issued by public or private issuers, such as shares, as a result of the conversion of convertible debt securities or restructuring of debt securities.

The Sub-Investment Manager implements a systematic and disciplined framework for analysing sovereign and corporate local currency and Hard Currency debt securities. Decisions on how to allocate the Portfolio's assets between sovereign and corporate and Hard Currency and local currency Emerging Market Country debt securities, money market instruments and FDI are dependent on the Sub-Investment Manager's outlook on such securities. This outlook focuses on the global market environment, the economic environment of the relevant Emerging Market Countries, the sustainability characteristics of the relevant issuers, the attractiveness of the valuations available in the asset classes and their liquidity. From this outlook, the Sub-Investment Manager determines the amount of risk that they want the Portfolio to take and allocate across security types accordingly.

The Sub-Investment Manager believes its global presence provides a local perspective on macro as well as micro events which feeds into the respective team's overall research.

The Sub-Investment Manager will seek to anticipate yield, spread and currency movements in response to changes in:

- Economic conditions – such as, US and EU economic growth outlook, the monetary policy outlook of the Federal Reserve, the European Central Bank and the Bank of Japan and Emerging Market Countries' growth trend;
- Region, country and sector fundamentals – including commodity price impact (which can be an important driver of yield and fixed income price movements where sovereign issuers derive significant revenue from commodity production or are net importers of commodities) and for countries: real GDP growth and external debt as a percentage of GDP; and
- Issuer specific financial performance and other issuer specific factors – for example, government budget balance for sovereign issuers and free cash flow analysis and management quality for corporate entities.

The Sub-Investment Manager will conduct fundamental analysis on the issuers that it tracks in order to identify undervalued and overvalued securities and exploit investment opportunities. The fundamental analysis used for the selection of governments or government-related issuers incorporates quantitative macroeconomic data and environmental, social and governance (“ESG”) indicators such as political stability, structural reforms, rule of law and climate change policy.

The Portfolio will not invest in debt securities and money market instruments issued by sovereign issuers which are identified by the Sub-Investment Manager as having weak ESG practices and such issuers will be excluded from the Portfolio. Such exclusions will be based on a number of ESG criteria including the following:

- Sovereign issuers which are ranked in the bottom decile based on the NB ESG Quotient, with no near term improvement prospects; or
- Sovereign issuers which have been excluded from the Benchmark based on ESG considerations; or
- Sovereign issuers where top officials have been sanctioned by the UN Security Council based on human rights violations; or
- Sovereign issuers which are assessed as having high and increasing greenhouse gas intensity levels; or
- Sovereign issuers which are non-compliant with the standard put forth by the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes, or sovereign issuers that are classified as a high risk jurisdiction subject to a call for action by the Financial Action Task Force (“FATF”).

For the avoidance of doubt, while the Portfolio will not invest in such securities, they may underlie credit derivatives which the Portfolio uses for hedging purposes only.

The fundamental analysis used for the selection of corporate issuers includes quantitative factors aimed at assessing the issuer's financial performance such as revenue/EBITDA

(“earnings before interest, tax, depreciation and amortisation”) growth, cash flow growth and capital expenditures. Qualitative factors aim to complement the evaluation of corporate credit worthiness by including such factors as corporate governance, quality of earnings and debt structure. The Portfolio will apply the NB Sustainable Exclusion Policy and the NB Enhanced Sustainable Exclusion Policy, as detailed in the “Sustainable Investment Criteria” section of the Prospectus.

The Sub-Investment Manager will exclude companies from the investment universe that manufacture incendiary weapons using white phosphorus or that have an industry tie to nuclear weapons.

The Sub-Investment Manager will exclude securities issued by companies that derive 5% or more of revenue from:

- the production of adult entertainment materials; or
- the production of conventional weapons.

The Sub-Investment Manager:

- (i) excludes securities issued by companies that are involved in controversial activities and behaviour and those issuers which are rated worst in terms of the NB ESG Quotient from the investment universe, such that at least 20% of the investment universe is excluded on these bases; and
- (ii) ensures at least 90% ESG coverage rate of the Net Asset Value of the Portfolio.

Under normal market conditions, the Sub-Investment Manager anticipates that the Portfolio’s average interest duration will be within the range of +2 years and -2 years compared to the Benchmark.

The Portfolio may have or may be expected to have medium to high volatility due to its investment policies or portfolio management techniques.

The Portfolio is actively managed and does not intend to track the Benchmark which is included here for ESG comparison purposes and for performance comparison purposes. The Portfolio gives some consideration to the Benchmark’s constituents in identifying sovereign issuers that have been excluded from it for having weak ESG practices but may not hold all or many of the Benchmark’s components and the Portfolio’s investment policy restricts the extent to which the Portfolio’s holdings may deviate from the Benchmark, as described above. This deviation may be significant.

Benchmark	<p>J.P. Morgan ESG EMBI Global Diversified Index (Total Return, USD) which measures the performance of debt markets of Emerging Market Countries expressed in USD which meet certain ESG criteria.</p> <p>Shareholders in a Class which is denominated in a currency other than the Base Currency should note that, where available, it may be more meaningful to compare the performance of such Class against a version of this index which is denominated in the relevant Class currency.</p> <p>The Benchmark has not been designated as a reference benchmark for the purposes of SFDR. Therefore, it is not consistent with the Portfolio’s sustainable objective.</p>
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Base Currency	US Dollars (USD).
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Instruments / Asset Classes	<p>The Portfolio will invest primarily in debt securities and money market instruments, issued by governments, government agencies and corporate issuers in Emerging Market Countries. The Portfolio can invest in or be exposed to the following types of assets.</p> <p>Fixed Income Securities (Debt Securities). Such debt securities may include bonds, bonds with warrants, convertible bonds (which will not embed derivatives or leverage), subordinated bonds, debentures and notes (including freely transferable and unleveraged structured notes and freely transferable promissory notes) and may include:</p> <ul style="list-style-type: none"> • Fixed and floating rate securities; • Bullet debt securities, in respect of which principal is paid upon maturity, or factor debt securities in respect of which principal is paid according to a pre-determined schedule and which can also specify that specific interest payments be added to the principal instead of
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being paid in cash;

- GDP-linked government bonds where coupons and principal payments are indexed to the nominal GDP of a country;
- Structured products, such as credit-linked notes, which provide indirect access to certain markets or securities;
- Investment grade, high yield and unrated debt securities; and
- Sukuk structures, which are Islamic finance instruments which represent a proportionate beneficial ownership in an asset or pool of assets. For a determined period, the return associated with the cash flows generated from the assets belongs to the Sukuk holders. The characteristics of a Sukuk are therefore similar to a conventional debt security, with the difference that Sukuks are generally asset-based or asset-backed and carry no interest rate but rather pass the returns generated by the underlying assets to the Sukuk holder.

Money Market Instruments. Money market instruments may include bank deposits, fixed or floating rate instruments (including commercial paper), floating or variable rate notes, bankers acceptances, certificates of deposit, debentures and short-dated government or corporate bonds, cash and cash equivalents (including treasury bills) that are rated as investment grade or below by Recognised Rating Agencies or are unrated.

The Portfolio may invest up to 25% of its Net Asset Value in fixed income securities and money market instruments that are issued or guaranteed by a single sovereign issuer (including a country, its government, and any public or local authority of that country) that are below investment grade. The Sub-Investment Manager believes that it is necessary to retain the flexibility to invest in such securities issued or guaranteed by each such single sovereign issuer above 10% of the Portfolio's Net Asset Value in order to achieve the Portfolio's investment objective. As of the date of this Supplement, the single sovereign issuers with a credit rating below investment grade which the Sub-Investment Manager expects the Portfolio may invest more than 10% of its Net Asset Value is Brazil.

Investment grade securities are highly rated securities, generally those rated Baa3, BBB- or above by one or more Recognised Rating Agencies, while high yield securities are medium or lower rated securities, generally those rated below investment grade and sometimes referred to as "junk bonds".

Collective Investment Schemes. In addition, the Portfolio may invest in collective investment schemes which are themselves exposed to investments that are similar to the Portfolio's other investments. Such collective investment schemes may be managed by the Manager or the Sub-Investment Manager or their affiliates and will comply with the requirements of the UCITS Regulations in respect of such investments.

Financial Derivative Instruments ("FDI"). In addition, the following FDI may be used for hedging, efficient portfolio management and/or investment purposes and subject to the conditions and limits imposed by the Central Bank as set out in the Prospectus:

- Futures, options, warrants, rights, swaps and swaptions on debt securities or money market instruments, UCITS eligible indices and interest rates, which may be used to achieve a profit through gaining exposure to an increase in the value of such securities, indices and interest rates, as well as to hedge existing long positions;
- Credit default swaps on single issuers, indices and/or baskets of securities which may be used to hedge or take long or short credit positions to help achieve specific investment objectives. It is expected that short credit positions will predominantly be taken for hedging but they may also be used for investment purposes where the Sub-Investment Manager identifies an attractive investment opportunity based on the Sub-Investment Manager's fundamental analysis which indicates deteriorating fundamentals of an issuer and/or that a security is overvalued.
- Forward contracts on fixed income securities may be used to achieve a profit, through gaining exposure to an increase in the value of such securities as well as to hedge existing long positions; and
- Forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options, and currency swaps, which may be used to achieve a profit through gaining exposure to an increase in the value of currencies, as well as to hedge existing long currency positions.

As the Portfolio may purchase FDI generally using only a fraction of the assets that would be needed to purchase the relevant securities directly, the remainder of the assets allocated to the

Sub-Investment Manager may be invested in the other types of securities listed above. The Sub-Investment Manager may therefore seek to achieve greater returns by taking exposure to the performance of such securities through purchasing FDI which give exposure to them rather than purchasing the securities themselves and investing the remaining assets in other such securities to add excess return.

Repo Contracts. Repo Contracts may be used subject to the conditions and limits set out in the Prospectus.

Bond Connect

The PBoC and the HKMA have approved the CFETS, CCDC, SHCH, together with Hong Kong Exchanges and Clearing Limited and CMU to launch Bond Connect, which is a mutual bond market access programme between Mainland China and Hong Kong. Bond Connect allows investors to trade electronically between the Mainland China and Hong Kong bond markets without quota restrictions and requirements to identify the ultimate investment amount.

Currently, Bond Connect comprises a Northbound Trading Link between CFETS, the operator of the CIBM and offshore trading access platforms recognised by the PBoC, to facilitate investment by Hong Kong and overseas investors (including the Portfolio) in eligible bonds traded on the CIBM. A Southbound Trading Link, facilitating investment in overseas bond markets by Mainland Chinese investors is still under development but is intended to form part of Bond Connect once established.

Eligible Securities

Hong Kong and overseas investors (including the Portfolio) will be able to trade over the entire range of instruments traded on the CIBM, including products on both the secondary and primary markets.

Trading Day

Northbound investors (including the Portfolio) are able to trade through Bond Connect on days upon which the CIBM is open to trade, regardless of whether they are a public holiday in Hong Kong.

Settlement and Custody

Settlement and custody of Northbound bond trades under Bond Connect will be implemented under the link between the CMU of the HKMA and Mainland China's two bond settlement systems, namely, CCDC and SHCH. The CMU settles Northbound trades and holds the CIBM bonds on behalf of its members in nominee accounts with each of CCDC and SHCH. CCDC and SHCH provide services to foreign investors, directly and indirectly, using Bond Connect.

Bonds purchased by Hong Kong and overseas investors (including the Portfolio) are recorded in an omnibus nominee account at CCDC and SHCH in the name of CMU. The CMU itself maintains the bonds in segregated sub-accounts of its members, who in turn may hold the bonds on their own account or on behalf of other investors or custodians. Accordingly, bonds purchased by Hong Kong and overseas purchasers through Bond Connect are held by the purchaser's global or local custodian in a segregated sub-account opened in their name at the CMU.

Currency

Hong Kong and overseas investors may trade through Bond Connect using offshore RMB (CNH) or by converting foreign currencies into onshore RMB (CNY) under Bond Connect.

Where an investor uses foreign currencies to invest through the Northbound Trading Link, it must open a segregated RMB capital account with an eligible RMB settlement Bank in Hong Kong to convert its foreign currencies into CNY. Where bonds are purchased in CNY in this manner, upon sale of the bonds, the sale proceeds remitted out of Mainland China must be converted back into the relevant foreign currencies.

Further information about Bond Connect is available at:

<http://www.chinabondconnect.com/en/index.htm>

Investment Restrictions

- A maximum of 25% of the Portfolio's Net Asset Value may be invested in debt securities issued by issuers located in any one country.
- A maximum of 15% of the Portfolio's Net Asset Value may be invested in debt securities issued by private corporate issuers, with a maximum exposure of 4% of the Portfolio's Net Asset Value to any one such issuer.
- An aggregate maximum of 50% of the Portfolio's Net Asset Value may be invested in

securities issued by issuers which are not governments in accordance with the following limits:

- quasi-sovereign (100% state owned or explicit sovereign guarantee) with an individual maximum of the Portfolio's Net Asset Value of 35%;
- sub-sovereign (state, regional, municipal debt) with an individual maximum of the Portfolio's Net Asset Value of 10%; and
- supra-national (world bank regional development banks) with an individual maximum of the Portfolio's Net Asset Value of 10%.
- Investments in:
 - debt securities and money market instruments issued by public or private issuers in Emerging Market Countries which are denominated in the local currency of the relevant Emerging Market Country; and
 - units of other collective investment schemes,

are limited to a maximum of 10% of the Portfolio's Net Asset Value.

- Investments in warrants on transferable securities are limited to a maximum of 5% of the Portfolio's Net Asset Value and exposure to them will only be obtained as a result of corporate actions or otherwise passively.
- The Portfolio will not utilise securities lending or margin lending.
- The anticipated maximum ratio of the value of the long positions to the absolute value of the short positions is 130:80.

Risk

- Investment in the Portfolio carries certain risks which are described in greater detail in the "Investment Risks" section of the Prospectus. While investors should read and consider the entire "Investment Risks" section of the Prospectus, the risks summarised in the following sections, namely, "Market Risks: Risks relating to Debt Securities", "Risks Associated with Investment in the China Interbank Bond Market through Bond Connect" and "Market Risks: Risks Relating to Emerging Market Countries" are particularly relevant to this Portfolio. **These risks are not purported to be exhaustive and potential investors should review this Supplement and the Prospectus in their entirety and consult with their professional advisers, before making an application for Shares.**
- Investors should refer to the Company's risk management policy with respect to the use of FDI contained in the RMP Statement.
- The Portfolio is expected to be leveraged up to 150% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced. This expected leverage figure is calculated using the Sum of the Notional values of the derivatives used, as required by the Central Bank. Using this methodology does not reflect any netting or hedging that the Portfolio may have in place
- The Portfolio's global exposure is subject to an advanced risk management process which, in compliance with the UCITS Regulations, aims to ensure that on any day the relative VaR of the Portfolio will be no greater than twice the VaR of the Benchmark. The VaR of the Portfolio is a daily estimation of the maximum loss which the Portfolio may incur over a 20 Business Day holding period and is arrived at through quantitative simulations with a 99% one tailed confidence interval and using an historical observation period of at least 250 business days. This process is described in detail in the statement of risk management procedures of the Company and its appendix in respect of the Portfolio. While the Portfolio measures and monitors its global exposure using the VaR approach, rather than by use of the Commitment Approach, the leverage of the Portfolio using the Commitment Approach is expected to be 100% of its Net Asset Value as a result of its use of FDI, although investors should note that higher levels of leverage may be experienced.
- The Sub-Investment Manager may use forward and non-deliverable forward currency contracts, currency futures contracts and transactions, currency options, and currency swaps in order to hedge currency risk on a discretionary basis. In addition, the Sub-Investment Manager may use futures, options, warrants, swaps (including credit default swaps and swaptions) on debt securities or money market instruments, indices and interest rates to hedge investments in such instruments. Investors should note that it may not be possible or practical to hedge the Portfolio's exposures to such instruments perfectly and that, where it deems it appropriate, the Sub-Investment Manager may take hedging positions in respect of other instruments which it considers to be suitable proxies

for the Portfolio's investments. The use of such hedging techniques may increase the risk profile of the Portfolio.

**Environmental,
Social and
Governance
("ESG")**

The Portfolio has been classified as an Article 9 Portfolio as it has sustainable investment as its objective. It invests in securities issued by those issuers that contribute to both environmental and social objectives. In pursuing its sustainable investment objective, the Portfolio will also take appropriate measures to ensure that (i) its investments do not significantly harm any of the social objectives or Environmental Objectives; and (ii) that the issuers in whose securities it invests follow good governance practices. **Information about sustainable investment is available in the SFDR Annex below.**

Accordingly, the Sub-Investment Manager applies the (i) Controversial Weapons Policy, (ii) the Sustainable Exclusion Policy and (iii) the Enhanced Sustainable Exclusion Policy, when determining what investments to make for the Portfolio. Further details on these screening/exclusion policies are set out in the "Sustainable Investment Criteria" section of the Prospectus.

The Sub-Investment Manager will also manage the Portfolio in accordance with the ESG Policy on a continuous basis. The Sub-Investment Manager has fully integrated the ESG Policy into the overall investment process, in particular, the portfolio construction process. A summary of the ESG Policy is detailed in Annex VI to the Prospectus and it is available on the Neuberger Berman website, www.nb.com/esg.

ESG factors are integral to the Sub-Investment Manager's investment process. A summary of how the Sub-Investment Manager integrates ESG factors into the investment process and portfolio construction is set out in the "Investment Approach" section above and in the SFDR Annex. In particular, investment is prioritised in sovereign issuers which are showing stronger progress towards achieving the environmental and social objective (or where there is potential for increased alignment with these goals).

The Sub-Investment Manager:

- (i) excludes securities issued by companies that are involved in controversial activities and behaviour and those issuers which are rated worst in terms of the NB ESG Quotient from the investment universe, such that at least 20% of the investment universe is excluded on these bases; and
- (ii) ensures at least 90% ESG coverage rate of the Net Asset Value of the Portfolio.

ESG analysis is performed by the Sub-Investment Manager and is not outsourced.

In aiming to align the Portfolio with a net-zero goal, the Sub-Investment Manager deploys a methodology that tracks a sovereign bond issuing country's net-zero alignment according to GermanWatch's Climate Change Performance Index, which is recommended by the Institutional Investors Group on Climate Change⁵ ("IIGCC"), as well as the Climate Action Tracker. Any net-zero commitments and targets are set in the expectation that governments will follow through on their own commitments to ensure the objectives of the Paris Agreement are met, including increasing the ambition of their Nationally Determined Contributions ("NDCs"). The Sub-Investment Manager intends to reduce the Portfolio's carbon footprint for corporate securities across scope 1, 2, and material scope 3 greenhouse gas ("GHG") emissions⁶, equating to a 50% reduction by 2030 relative to a 2019 baseline and a subsequent decline to net zero by 2050. The 2019 baseline may be subject to re-calculation as data quality and disclosure expands over time, particularly with respect to scope 3 emissions.

Further details on Neuberger Berman's commitment to the Net Zero Asset Managers Initiative are contained in the "*Sustainable Investment Criteria*" section of the Prospectus.

Please also refer to Annex VI of the Prospectus which contains additional information on sustainability related disclosures.

⁵ The IIGCC created the Net Zero Investment Framework to assist asset owners and asset managers to develop net zero investment strategies or to fulfil the requirements of net zero commitments. The IIGCC's target setting guidance is a component of the Net Zero Investment Framework.

⁶ Scope 1 emissions are direct emissions from an issuer's owned or controlled sources (such as emissions created directly by the issuer's business processes or from vehicles owned by the issuer). Scope 2 emissions are indirect emissions from the generation of electricity, steam, heating and cooling consumed by the issuer. Scope 3 emissions are all other indirect emissions that occur in an issuer's value chain (such as emissions from products or services consumed by the issuer, disposal of its waste, employee commuting, distribution and transport of its products or its investments).

Typical Investor Profile Investment in the Portfolio may be suitable for investors who are prepared to accept the general risks associated with investing in Emerging Market Countries and the risks of bond markets over the medium to long term, together with medium to high levels of volatility due to the Portfolio's investment policies or portfolio management techniques.

Fees and Expenses

Category	Maximum Initial Charge	Maximum Management Fee	Distribution Fee
A, X, Y	5.00%	1.40%	0.00%
B, C2, E	0.00%	1.40%	1.00%
C1	0.00%	1.80%	1.00%
C	0.00%	0.95%	1.00%
D, I, I1, I2, I3, I4, I5	0.00%	0.70%	0.00%
M	2.00%	1.40%	0.80%
P	5.00%	0.67%	0.00%
T	5.00%	1.80%	0.00%
U	3.00%	1.05%	0.00%
Z	0.00%	0.00%	0.00%

For details of the Administration Fees payable by the Portfolio, please see the "Administration Fees" heading in the "Fees and Expenses" section of the Prospectus.

Contingent deferred sales charges

Contingent deferred sales charges will be payable in respect of the following Classes at the rates specified below, depending on the period that has elapsed since the issue of the Shares being redeemed and will be charged on the lower of the Net Asset Value per Share on the relevant Dealing Day in respect of which the relevant Shares were (i) initially subscribed or (ii) redeemed. Any such contingent deferred sales charges will be paid to the relevant Distributor, the Manager or to the Sub-Investment Manager.

Class	Redemption Period in Calendar Days				
	< 365	365 - 729	730 - 1094	1095 - 1459	> 1459
B	4%	3%	2%	1%	0%
C, C1	1%	0%	0%	0%	0%
C2	2%	1%	0%	0%	0%
E	3%	2%	1%	0%	0%

SFDR Annexes

1. NEUBERGER BERMAN EMERGING MARKET DEBT – LOCAL CURRENCY FUND
2. NEUBERGER BERMAN EMERGING MARKET DEBT – HARD CURRENCY FUND
3. NEUBERGER BERMAN SUSTAINABLE EMERGING MARKET CORPORATE DEBT FUND
4. NEUBERGER BERMAN SHORT DURATION EMERGING MARKET DEBT FUND
5. NEUBERGER BERMAN EMERGING MARKET DEBT BLEND FUND
6. NEUBERGER BERMAN EMERGING MARKET DEBT SUSTAINABLE INVESTMENT GRADE BLEND FUND
7. NEUBERGER BERMAN RESPONSIBLE ASIAN DEBT – HARD CURRENCY FUND
8. NEUBERGER BERMAN SUSTAINABLE EMERGING MARKET DEBT – HARD CURRENCY FUND

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Neuberger Berman Emerging Market Debt – Local Currency Fund (the “Portfolio”)
Legal entity identifier: 549300VLRPBFFXL0DB81

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%	<input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What environmental and/or social characteristics are promoted by this financial product?

As part of the investment process, the Manager and the Sub-Investment Manager consider a variety of environmental and social characteristics, as detailed below. These environmental and social characteristics are promoted 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.

The Manager and the Sub-Investment Manager use the NB ESG Quotient to promote the environmental and social characteristics listed below by prioritising investment in securities issued by issuers with a relatively favourable and/or an improving NB ESG Quotient rating. Pursuant to this, the Manager and the Sub-Investment Manager will limit exposure to issuers with the poorest NB ESG Quotient rating unless there is a reasonable expectation that the NB ESG Quotient rating will improve over time.

The following environmental and social characteristics are promoted as part of the NB ESG Quotient rating for sovereign issuers:

- **Environmental Characteristics:** sovereign energy efficiency; climate change adaptation; deforestation; greenhouse gas (“**GHG**”) emissions; air and household pollution; and unsafe sanitation.
- **Social Characteristics:** progress towards UN Sustainable Development Goals (“**SDGs**”); health and education levels; regulatory quality; political stability and freedoms; gender equality; and research and development.

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

- **Environmental Characteristics:** biodiversity and land usage; carbon emissions; opportunities in clean technologies; water stress; toxic emissions & waste; financing environmental impact; product carbon footprint; environmental policy; environmental management system; GHG reduction programme; green procurement policy; and non-GHG air emissions programmes.
- **Social Characteristics:** health & safety; human capital development; labour management; privacy & data security; product safety & quality; financial products safety; discrimination policy; community involvement programmes; diversity programmes and human rights policy.

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 ESG Quotient methodology will evolve over time and all ESG characteristics included therein are reviewed regularly and are subject to annual review to ensure that the most pertinent ESG characteristics are captured. 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 pre-contractual 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.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

As part of the investment process, the Manager and the Sub-Investment Manager consider 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:

The NB ESG Quotient (as explained above) is used to measure the environmental and social characteristics promoted by the Portfolio.

The NB ESG Quotient assigns weightings to environmental, social and governance factors for countries and for corporate sectors to derive the NB ESG Quotient rating. While the NB ESG Quotient rating of issuers is considered as part of the investment process, there is no minimum NB ESG Quotient rating to be attained by an issuer prior to investment. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of being included in the Portfolio. Issuers with a poor NB ESG Quotient rating, especially where a poor NB ESG Quotient rating is not being addressed by an issuer, are more likely to be removed from the investment universe or divested from the Portfolio. In addition, the Manager and the Sub-Investment Manager will seek to prioritise constructive engagement with issuers which have high impact controversies (such as corporate issuers placed on the Neuberger Berman Global Standards Policy's Watch List (as further detailed in the policy itself)), or which have a poor NB ESG Quotient rating, in order to assess whether those ESG controversies or what the Manager and the Sub-Investment Manager deem as weak ESG efforts, are being addressed adequately. The success of both the Manager's and the Sub-Investment Manager's constructive engagement efforts with issuers will depend on each of the issuer's receptiveness and responsiveness to such engagement.

II. ESG exclusion policies:

To ensure that the environmental or social characteristics promoted by the Portfolio can be attained, the Portfolio will not invest in securities issued by issuers whose activities breach, or are not consistent with, the Neuberger Berman Controversial Weapons Policy and the Neuberger Berman Thermal Coal Involvement Policy. The Portfolio is phasing out its exposure to thermal coal and currently prohibits investment in securities issued by issuers that derive more than 10% of revenue from thermal coal mining or are expanding new thermal coal power generation, as determined by internal

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

screens. The Portfolio also prohibits investments in issuers in the power generation industry that use thermal coal as an energy source for more than 95% of their installed power generation capacity, are expanding into new thermal coal power generation, or whose expansionary capital expenditure budgets do not include a minimum threshold for non-coal investments, as determined by internal screens. The investments held by the Portfolio will not invest in securities issued by issuers whose activities have been identified as breaching, or are not consistent with, the Neuberger Berman Global Standards Policy which excludes identified violators of (i) the UNGC Principles, (ii) the OECD Guidelines, (iii) the UNGPs and (iv) the ILO Standards. In addition, the Portfolio excludes securities issued by issuers which derive 5% or more of revenues from the manufacture of tobacco products. Issuers which are involved in direct child labour and issuers that derive more than 10% of revenue from oil sands extraction are also excluded. Further details on these ESG exclusion policies are set out in the “Sustainable Investment Criteria” section of the main body of the Prospectus.

The Manager and the Sub-Investment Manager will track and report on the performance of the above sustainability indicators namely, (i) the NB ESG Quotient; and (ii) 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).

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

N/A – the Portfolio does not commit to holding sustainable investments.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

N/A – the Portfolio does not commit to holding sustainable investments.

— **How have the indicators for adverse impacts on sustainability factors been taken into account?**

N/A

— **How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

The Portfolio does not commit to holding sustainable investments, however the Manager and the Sub-Investment Manager will not invest in issuers whose activities have been identified as breaching the OECD Guidelines, the UNGC Principles, the ILO Standards and the UNGPs, captured through the Neuberger Berman Global Standards Policy.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

N/A – this Portfolio does not commit to holding Taxonomy-aligned investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes, please see below

No

The Manager and the Sub-Investment Manager will consider the following principal adverse impacts, namely: GHG intensity and investee countries subject to social violations (the “**Sovereign PAIs**”) for the sovereign issuers and GHG emissions, carbon footprint, GHG intensity, fossil fuel exposure, board gender diversity, UNGC Principles & OECD violations and controversial weapons for the corporate issuers (together the “**Product Level PAIs**”).

With respect to the Product Level PAIs, the Manager and the Sub-Investment Manager utilise third party data and proxy data along with internal research to consider them.

Additionally, the Manager and the Sub-Investment Manager have conducted a letter campaign where they have written to select corporate issuers asking for direct disclosure on the PAIs in order to offer high-quality disclosures to investors.

The Manager and the Sub-Investment Manager will continue to work with issuers to encourage disclosure and envisage that the letter campaign will result in wider and more granular data coverage on the PAIs.

The Product Level PAIs that are taken into consideration are subject to there being adequate, reliable and verifiable data coverage for such indicators (in the Manager's and the Sub-Investment Manager's subjective view) and may evolve with improving data quality and availability. Where such data is not available the relevant Product Level PAI will not be considered until such time as the data becomes available. The Manager and the Sub-Investment Manager will keep the list of Product Level PAIs they consider under active review, as and when data availability and quality improves.

Consideration of the Product Level PAIs by the Manager and the Sub-Investment Manager will be through a combination of:

- Monitoring the Portfolio, in particular where it falls below the quantitative and qualitative tolerance thresholds set for each Product Level PAI by the Manager and the Sub-Investment Manager;
- Stewardship and/or setting engagement objectives where the Portfolio falls below the quantitative and qualitative tolerance thresholds set for a Product Level PAI; and
- Application of the ESG exclusion policies referenced above, which includes consideration of several of the Product Level PAIs.

Reporting on consideration of Product Level PAIs will be available in an annex to the annual report of the Portfolio.



What investment strategy does this financial product follow?

The investment objective of the Portfolio is to achieve a target average return of 1-2% over the benchmark, the J.P. Morgan GBI Emerging Markets Global Diversified Index (Total Return, Unhedged, USD), before fees over a market cycle (typically 3 years) from investing primarily in local currencies and local interest rates of Emerging Market Countries.

The Portfolio will invest primarily in debt securities and money market instruments which are issued by governments, government agencies or corporate issuers which have their head office or exercise an overriding part of their economic activity in Emerging Market Countries and which are denominated in or are exposed to the currencies of such Emerging Market Countries.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets (as depicted in Annex I of the prospectus) globally, without any particular focus on any one industrial sector or region.

The Manager and the Sub-Investment Manager implement a systematic and disciplined framework for analysing sovereign and corporate local currency and hard currency debt securities. The Manager and the Sub-Investment Manager will conduct fundamental analysis on the issuers that they track in order to identify undervalued and overvalued securities and exploit investment opportunities. The fundamental

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

analysis used for the selection of governments or government-related issuers incorporates quantitative macroeconomic data and qualitative aspects such as political stability, structural reforms and other ESG characteristics. The fundamental analysis used for the selection of corporates incorporates assessments of the issuer'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. Qualitative factors aim to complement the evaluation of corporate credit worthiness by including such factors as corporate governance, quality of earnings and debt structure.

The Manager and the Sub-Investment Manager consider and evaluate ESG characteristics, as an important component of their credit analysis discipline, when making investment decisions. The Manager and the Sub-Investment Manager utilise 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 to derive the NB ESG Quotient rating. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, are more likely to be removed from the investment universe or divested from the Portfolio.

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

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

ESG characteristics are considered at three different levels:

I. Integrating proprietary ESG analysis:

The NB ESG Quotient ratings are generated for issuers in the Portfolio. The NB ESG Quotient rating for issuers is utilised to help to better identify risks and opportunities in the overall credit and value assessment.

The NB ESG Quotient is a key component of the internal credit ratings and can help to identify business risks (including ESG risks), which would cause deterioration in an issuer's credit profile. Internal credit ratings can be notched up or down based on the NB ESG Quotient rating, and this is monitored by the Manager and the Sub-Investment Manager as an important component of the investment process for the Portfolio.

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

Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, are more likely to be removed from the investment universe or divested from the Portfolio.

II. Engagement:

The Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program.

The Manager and the Sub-Investment Manager may also engage with sovereign issuers in developed and Emerging Market Countries. Where the Manager and the Sub-Investment Manager seek to engage with sovereigns, such engagement efforts may include speaking regularly to government officials, policy makers and international financial organisations, such as the International Monetary Fund, World Bank and Asian Development Bank, with onsite visits whenever possible, and utilise such meetings to engage with sovereign issuers on ESG topics, where the Manager and the Sub-Investment Manager see scope for improvement for the relevant country.

The sovereign engagement process tends to focus on the various areas relating to SDGs under the UNGC Principles and the UNGPs. In addition, the Manager and the Sub-Investment Manager monitor and engage with countries on reducing GHG emissions and improving policies towards net zero alignment. Sovereign engagement is also carried out with countries to improve fiscal transparency, tackle corruption and comply with Financial Action Task Force ("**FATF**") recommendations to address strategic deficiencies in counter money laundering, terrorist financing and proliferation financing. Progress on sovereign engagement is tracked centrally in the Manager's and the Sub-Investment Manager's engagement log.

The Manager and the Sub-Investment Manager view this direct engagement with issuers, as an important part of its investment process (including the investment

selection process). Issuers 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, email and conference calls to understand ESG risks, opportunities, and assess good corporate governance practices of issuers. As part of the direct engagement process, the Manager and the Sub-Investment Manager may set objectives for the issuers to attain. These objectives as well as the issuers' progress with respect to same are monitored and tracked by the Manager and the Sub-Investment Manager through an internal Neuberger Berman ("**NB**") engagement tracker.

In addition, the Manager and the Sub-Investment Manager will seek to prioritise constructive engagement with corporate issuers which have high impact controversies (such as corporate issuers placed on the Neuberger Berman Global Standards Policy's Watch List (as further detailed in the policy itself)), or which have a poor NB ESG Quotient rating, in order to assess whether those ESG controversies or what the Manager and the Sub-Investment Manager deem as weak ESG efforts, are being addressed adequately.

The Manager and the Sub-Investment Manager firmly believe this consistent engagement with issuers can help reduce credit risk and promote positive sustainable corporate change. It is an important tool to identify and better understand an issuer's risk factors and performance. The Manager and the Sub-Investment Manager also use it to promote change, when necessary, which they believe will result in positive outcomes for creditors 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.

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 referenced above, which places limitations on the investable universe.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

N/A

● ***What is the policy to assess good governance practices of the investee companies?***

The governance factors that the Manager and the Sub-Investment Manager track for corporate and quasi-sovereign issuers may include: (i) senior management experience and sector expertise; (ii) ownership/board experience and alignment of incentives; (iii) corporate strategy and balance sheet strategy; (iv) financial and accounting strategy & disclosure; and (v) regulatory / legal track record.

Engagement with management is an important component of the Portfolio's investment process, and the Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program. This program is focused on in-person meetings, email and conference calls to understand risks, opportunities and assess good corporate governance practices of corporate issuers. The Manager and the Sub-Investment Manager view this direct engagement with issuers, 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 Manager and the Sub-Investment Manager aim to prioritise engagement that is expected, based on the Manager's and 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 an issuer, or through influence and action to mitigate risks (including sustainability risks) and take advantage of investment opportunities.

Additionally, the Manager and the Sub-Investment Manager also track governance factors for Emerging Market Countries such as: (i) the political sphere of the relevant country, (ii) the adherence to the rule of law, (iii) control of corruption, political uncertainty related to upcoming elections and (iv) a focus of the quality of economic governance, namely the government's

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

role as an effective regulator and support of the private sector through responsible financial, macroeconomic and international trade policies.

The Manager and the Sub-Investment Manager may take into account other governance factors as appropriate from time to time.

As described above, the Portfolio will only invest in securities issued by issuers whose activities do not breach the Neuberger Berman Global Standards Policy which identifies violators of the (i) UNGC Principles, (ii) OECD Guidelines, (iii) UNGPs and (iv) ILO Standards.



What is the asset allocation planned for this financial product?

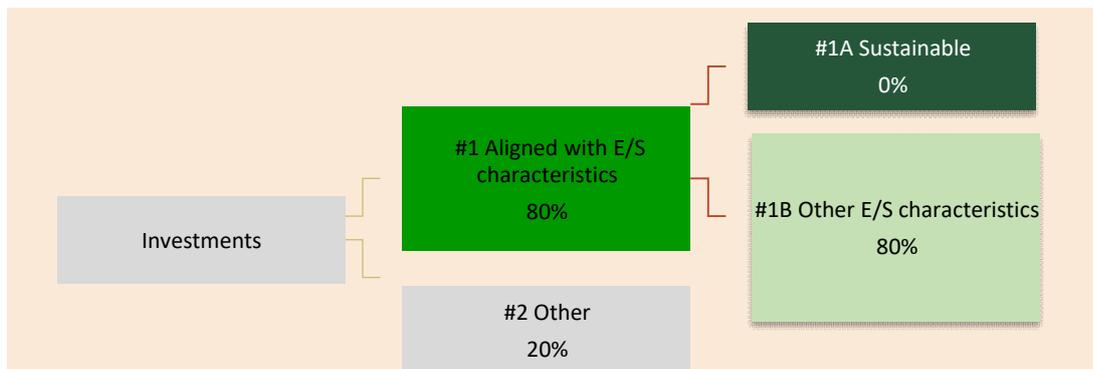
The Portfolio aims to hold a minimum of 80% investments that are aligned with the environmental or social characteristics promoted by the Portfolio. The Portfolio does not commit to holding sustainable investments. The Portfolio aims to hold a maximum of 20% investments that are not aligned with the environmental or social characteristics promoted by the Portfolio and are not sustainable investments, and which fall into the 'other' section of the Portfolio.

The "Other" section in the Portfolio is held for a number of reasons that the Manager and the Sub-Investment Manager feel 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 "Other" section may also include investments or asset classes for which the Manager and the Sub-Investment Manager do not have sufficient data to confirm that they are aligned with the environmental or social characteristics promoted by the Portfolio. Further details on the "Other" section are set out below.

Please note that while the Manager and the Sub-Investment Manager aim to achieve the 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 Manager and the Sub-Investment Manager have calculated the proportion of investments aligned with the environmental and/or social characteristics promoted by the Portfolio: i) that hold either 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 Manager and the Sub-Investment Manager have engaged directly. The calculation is based on a mark-to-market assessment of the Portfolio and may rely on incomplete or inaccurate issuer or third party data.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

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



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

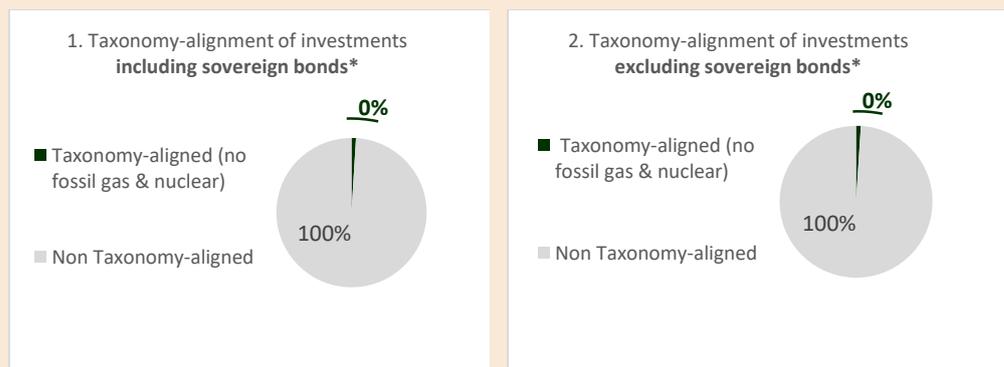
The analysis and disclosure requirements introduced by the EU Taxonomy are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Portfolio makes. The Manager and the Sub-Investment Manager cannot commit that the Portfolio will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation. It cannot be excluded that some of the Portfolio's holdings qualify as Taxonomy-aligned investments. Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by companies. The Manager and the Sub-Investment Manager will keep the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy under active review as data availability and quality improves.

The disclosure contained in this appendix will be updated if the Manager and the Sub-Investment Manager amend the minimum Taxonomy alignment of the Portfolio.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹**

- Yes:
 - In fossil gas
 - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulations (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **What is the minimum share of investments in transitional and enabling activities?**

N/A – the Portfolio does not commit to holding Taxonomy-aligned investments.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A – the Portfolio does not commit to holding Taxonomy-aligned investments.



What is the minimum share of socially sustainable investments?

N/A – the Portfolio does not commit to holding sustainable investments.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

“Other” includes the remaining investments of the Portfolio (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 above) 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 Manager and the Sub-Investment Manager feel 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.

As noted above, 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, the UNGPs, the OECD Guidelines and the ILO Standards.

The Manager and the Sub-Investment Manager believe that these policies prevent investment in issuers 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

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A – The Portfolio’s benchmark has not been designated as a reference benchmark. Therefore, it is not consistent with the environmental or social characteristics promoted by the Portfolio.

● **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

N/A

● **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

N/A

● **How does the designated index differ from a relevant broad market index?**

N/A

● **Where can the methodology used for the calculation of the designated index be found?**

N/A



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



Where can I find more product specific information online?

Product overviews, factsheets, KIIDs and other literature can be found on the NB website, in our dedicated 'Investment Strategies' section at www.nb.com.

More product-specific information can be found on the website:

<https://www.nb.com/en/gb/esg/reporting-policies-and-disclosures#0A63D195342B424C8C1F115547F2784A>

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Neuberger Berman Emerging Market Debt – Hard Currency Fund (the “Portfolio”)
Legal entity identifier: 549300M7KHGG3BTZ3979

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What environmental and/or social characteristics are promoted by this financial product?

As part of the investment process, the Manager and the Sub-Investment Manager consider 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.

The Manager and the Sub-Investment Manager use the NB ESG Quotient to promote the environmental and social characteristics listed below by prioritising investment in securities issued by issuers with a relatively favourable and/or an improving NB ESG Quotient rating. Pursuant to this, the Manager and the Sub-Investment Manager will limit exposure to issuers with the poorest NB ESG Quotient rating unless there is a reasonable expectation that the NB ESG Quotient rating will improve over time.

The following environmental and social characteristics are promoted as part of the NB ESG Quotient rating for sovereign issuers:

- **Environmental Characteristics:** sovereign energy efficiency; climate change adaptation; deforestation; greenhouse gas (“**GHG**”) emissions; air and household pollution; and unsafe sanitation.
- **Social Characteristics:** progress towards UN Sustainable Development Goals (“**SDGs**”); health and education levels; regulatory quality; political stability and freedoms; gender equality; and research & development.

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

- **Environmental Characteristics:** biodiversity and land usage; carbon emissions; opportunities in clean technologies; water stress; toxic emissions & waste; financing environmental impact; product carbon footprint; environmental policy; environmental management system; GHG reduction programme; green procurement policy; and non-GHG air emissions programmes.
- **Social Characteristics:** health & safety; human capital development; labour management; privacy & data security; product safety & quality; financial products safety; discrimination policy; community involvement programmes; diversity programmes and human rights policy.

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 ESG Quotient methodology will evolve over time and all ESG characteristics included therein are reviewed regularly and are subject to annual review to ensure that the most pertinent ESG characteristics are captured. 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 pre-contractual 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.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

As part of the investment process, the Manager and the Sub-Investment Manager consider 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:

The NB ESG Quotient (as explained above) is used to measure the environmental and social characteristics promoted by the Portfolio.

The NB ESG Quotient assigns weightings to environmental, social and governance factors for countries and for corporate sectors to derive the NB ESG Quotient rating. While the NB ESG Quotient rating of issuers is considered as part of the investment process, there is no minimum NB ESG Quotient rating to be attained by an issuer prior to investment. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of being included in the Portfolio. Issuers with a poor NB ESG Quotient rating, especially where a poor NB ESG Quotient rating is not being addressed by an issuer, are more likely to be removed from the investment universe or divested from the Portfolio. In addition, the Manager and the Sub-Investment Manager will seek to prioritise constructive engagement with issuers which have high impact controversies (such as corporate issuers placed on the Neuberger Berman Global Standards Policy's Watch List (as further detailed in the policy itself)), or which have a poor NB ESG Quotient rating, in order to assess whether those ESG controversies or what the Manager and the Sub-Investment Manager deem as weak ESG efforts, are being addressed adequately. The success of both the Manager's and the Sub-Investment Manager's constructive engagement efforts with issuers will depend on each of the issuer's receptiveness and responsiveness to such engagement.

II. ESG exclusion policies:

To ensure that the environmental or social characteristics promoted by the Portfolio can be attained, the Portfolio will not invest in securities issued by issuers whose activities breach, or are not consistent with, the Neuberger Berman Controversial Weapons Policy and the Neuberger Berman Thermal Coal Involvement Policy. The Portfolio is phasing out its exposure to thermal coal and currently prohibits investment in securities issued by issuers that derive more than 10% of revenue from thermal coal mining or are expanding new thermal coal power generation, as determined by internal

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

screens. The Portfolio also prohibits investments in issuers in the power generation industry that use thermal coal as an energy source for more than 95% of their installed power generation capacity, are expanding into new thermal coal power generation, or whose expansionary capital expenditure budgets do not include a minimum threshold for non-coal investments, as determined by internal screens. The investments held by the Portfolio will not invest in securities issued by issuers whose activities have been identified as breaching, or are not consistent with, the Neuberger Berman Global Standards Policy which excludes identified violators of (i) the UNGC Principles, (ii) the OECD Guidelines, (iii) the UNGPs and (iv) the ILO Standards. In addition, the Portfolio excludes securities issued by issuers which derive 5% or more of revenues from the manufacture of tobacco products. Issuers which are involved in direct child labour and issuers that derive more than 10% of revenue from oil sands extraction are also excluded. Further details on these ESG exclusion policies are set out in the “Sustainable Investment Criteria” section of the main body of the Prospectus.

The Manager and the Sub-Investment Manager will track and report on the performance of the above sustainability indicators namely, (i) the NB ESG Quotient; and (ii) 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).

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

N/A – the Portfolio does not commit to holding sustainable investments.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

N/A – the Portfolio does not commit to holding sustainable investments.

How have the indicators for adverse impacts on sustainability factors been taken into account?

N/A

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Portfolio does not commit to holding sustainable investments, however the Manager and the Sub-Investment Manager will not invest in issuers whose activities have been identified as breaching the OECD Guidelines, the UNGC Principles, the ILO Standards and the UNGPs, captured through the Neuberger Berman Global Standards Policy.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

N/A – this Portfolio does not commit to holding Taxonomy-aligned investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



Does this financial product consider principal adverse impacts on sustainability factors?

- Yes, please see below
- No

The Manager and the Sub-Investment Manager will consider the following principal adverse impacts, namely: GHG intensity and investee countries subject to social violations (the “**Sovereign PAIs**”) for the sovereign issuers and GHG emissions, carbon footprint, GHG intensity, fossil fuel exposure, board gender diversity, UNGC Principles & OECD violations and controversial weapons for the corporate issuers (together the “**Product Level PAIs**”).

With respect to the Product Level PAIs, the Manager and the Sub-Investment Manager utilise third party data and proxy data along with internal research to consider them.

Additionally, the Manager and the Sub-Investment Manager have conducted a letter campaign where they have written to select corporate issuers asking for direct disclosure on the PAIs in order to offer high-quality disclosures to investors.

The Manager and the Sub-Investment Manager will continue to work with issuers to encourage disclosure and envisage that the letter campaign will result in wider and more granular data coverage on the PAIs.

The Product Level PAIs that are taken into consideration are subject to there being adequate, reliable and verifiable data coverage for such indicators (in the Manager’s and the Sub-Investment Manager’s subjective view), and may evolve with improving data quality and availability. Where such data is not available the relevant Product Level PAI will not be considered until such time as the data becomes available. The Manager and the Sub-Investment Manager will keep the list of Product Level PAIs they consider under active review, as and when data availability and quality improves.

Consideration of the Product Level PAIs by the Manager and the Sub-Investment Manager will be through a combination of:

- Monitoring the Portfolio, in particular where it falls below the quantitative and qualitative tolerance thresholds set for each Product Level PAI by the Manager and the Sub-Investment Manager;
- Stewardship and/or setting engagement objectives where the Portfolio falls below the quantitative and qualitative tolerance thresholds set for a Product Level PAI; and
- Application of the ESG exclusion policies referenced above, which includes consideration of several of the Product Level PAIs.

Reporting on consideration of Product Level PAIs will be available in an annex to the annual report of the Portfolio.



What investment strategy does this financial product follow?

The investment objective of the Portfolio is to achieve a target average return of 1-2% over the benchmark, J.P. Morgan EMBI Global Diversified (Total Return, USD), which measures the performance of debt markets of Emerging Market Countries expressed in USD, before fees over a market cycle (typically 3 years) by investing primarily in hard currency-denominated debt issued in Emerging Market Countries.

The Portfolio will invest primarily in debt securities and money market instruments issued by public or private issuers in Emerging Market Countries which are denominated in hard currency. For the purposes of the Portfolio, hard currency is defined as US Dollar, Euro, Sterling, Japanese Yen and Swiss Franc and investors should also note that public issuers include corporate issuers that are, either directly or indirectly, 100% government-owned.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets (as depicted in Annex I of the prospectus) globally, without any particular focus on any one industrial sector or region.

The Manager and the Sub-Investment Manager implement a systematic and disciplined framework for analysing sovereign and corporate local currency and hard currency debt securities. The Manager and the Sub-Investment Manager will conduct fundamental analysis on the issuers that they track in order to identify undervalued and overvalued securities and exploit investment opportunities. The fundamental analysis used for the selection of governments or government-related issuers incorporates quantitative macroeconomic data and qualitative aspects such as political stability, structural reforms and other ESG characteristics. The fundamental analysis used for the selection of corporates incorporates assessments of the issuer'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. Qualitative factors aim to complement the evaluation of corporate credit worthiness by including such factors as corporate governance, quality of earnings and debt structure.

The Manager and the Sub-Investment Manager consider and evaluate ESG characteristics, as an important component of their credit analysis discipline, when making investment decisions. The Manager and the Sub-Investment Manager utilise 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 to derive the NB ESG Quotient rating.

Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, are more likely to be removed from the investment universe or divested from the Portfolio.

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

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

ESG characteristics are considered at three different levels:

I. Integrating proprietary ESG analysis

The NB ESG Quotient ratings are generated for issuers in the Portfolio. The NB ESG Quotient rating for issuers is utilised to help to better identify risks and opportunities in the overall credit and value assessment.

The NB ESG Quotient is a key component of the internal credit ratings and can help to identify business risks (including ESG risks), which would cause deterioration in an issuer's credit profile. Internal credit ratings can be notched up or down based on the NB ESG Quotient rating, and this is monitored by the Manager and the Sub-Investment Manager as an important component of the investment process for the Portfolio.

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

Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, are more likely to be removed from the investment universe or divested from the Portfolio.

II. Engagement:

The Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program.

The Manager and the Sub-Investment Manager may also engage with sovereign issuers in developed and Emerging Market Countries. Where the Manager and the Sub-Investment Manager seek to engage with sovereigns, such engagement efforts may include speaking regularly to government officials, policy makers and international financial organisations, such as the International Monetary Fund, World Bank and Asian Development Bank, with onsite visits whenever possible, and utilise such meetings to engage with sovereign issuers on ESG topics, where the Manager and the Sub-Investment Manager see scope for improvement for the relevant country.

The sovereign engagement process tends to focus on the various areas relating to SDGs under the UNGC Principles, and the UNGPs. In addition, the Manager and the Sub-Investment Manager monitor and engage with countries on reducing GHG emissions and improving policies towards net zero alignment. Sovereign engagement may also be carried out with countries to improve fiscal transparency, tackle corruption

and comply with Financial Action Task Force ("**FATF**") recommendations to address strategic deficiencies in counter money laundering, terrorist financing and proliferation financing. Progress on sovereign engagement is tracked centrally in the Manager's and the Sub-Investment Manager's engagement log.

The Manager and the Sub-Investment Manager view this direct engagement with issuers, as an important part of its investment process (including the investment selection process). Issuers 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, email and conference calls to understand ESG risks, opportunities, and assess good corporate governance practices of issuers. As part of the direct engagement process, the Manager and the Sub-Investment Manager may set objectives for the issuers to attain. These objectives as well as the issuers' progress with respect to same are monitored and tracked by the Manager and the Sub-Investment Manager through an internal Neuberger Berman ("**NB**") engagement tracker.

In addition, the Manager and the Sub-Investment Manager will seek to prioritise constructive engagement with corporate issuers which have high impact controversies (such as corporate issuers placed on the Neuberger Berman Global Standards Policy's Watch List (as further detailed in the policy itself)), or which have a poor NB ESG Quotient rating, in order to assess whether those ESG controversies or what the Manager and the Sub-Investment Manager deem as weak ESG efforts, are being addressed adequately.

The Manager and the Sub-Investment Manager firmly believe this consistent engagement with issuers can help reduce credit risk and promote positive sustainable corporate change. It is an important tool to identify and better understand an issuer's risk factors and performance. The Manager and the Sub-Investment Manager also use it to promote change, when necessary, which they believe will result in positive outcomes for creditors 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.

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 referenced above, which places limitations on the investable universe.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

N/A

● ***What is the policy to assess good governance practices of the investee companies?***

The governance factors that the Manager and the Sub-Investment Manager track for corporate and quasi-sovereign issuers may include: (i) senior management experience and sector expertise; (ii) ownership/board experience and alignment of incentives; (iii) corporate strategy and balance sheet strategy; (iv) financial and accounting strategy & disclosure; and (v) regulatory / legal track record.

Engagement with management is an important component of the Portfolio's investment process, and the Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program. This program is focused on in-person meetings, email and conference calls to understand risks, opportunities and assess good corporate governance practices of corporate issuers. The Manager and the Sub-Investment Manager view this direct engagement with issuers, 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 Manager and the Sub-Investment Manager aim to prioritise engagement that is expected, based on the Manager's and 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 an issuer, or through

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

influence and action to mitigate risks (including sustainability risks) and take advantage of investment opportunities.

Additionally, the Manager and the Sub-Investment Manager also tracks governance factors for Emerging Market Countries such as: (i) the political sphere of the relevant country, (ii) the adherence to the rule of law, (iii) control of corruption, political uncertainty related to upcoming elections and (iv) a focus of the quality of economic governance, namely the government's role as an effective regulator and support of the private sector through responsible financial, macroeconomic and international trade policies.

The Manager and the Sub-Investment Manager may take into account other governance factors as appropriate from time to time.

As described above, the Portfolio will only invest in securities issued by issuers whose activities do not breach the Neuberger Berman Global Standards Policy which identifies violators of the (i) UNGC Principles, (ii) OECD Guidelines, (iii) UNGPs and (iv) ILO Standards.



What is the asset allocation planned for this financial product?

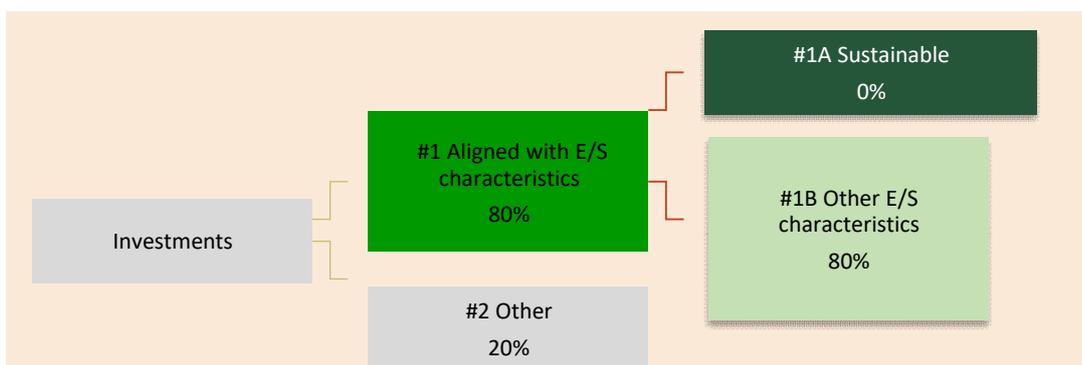
The Portfolio aims to hold a minimum of 80% investments that are aligned with the environmental or social characteristics promoted by the Portfolio. The Portfolio does not commit to holding sustainable investments. The Portfolio aims to hold a maximum of 20% investments that are not aligned with the environmental or social characteristics promoted by the Portfolio and are not sustainable investments, and which fall into the 'other' section of the Portfolio.

The "Other" section in the Portfolio is held for a number of reasons that the Manager and the Sub-Investment Manager feel 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 "Other" section may also include investments or asset classes for which the Manager and the Sub-Investment Manager do not have sufficient data to confirm that they are aligned with the environmental or social characteristics promoted by the Portfolio. Further details on the "Other" section are set out below.

Please note that while the Manager and the Sub-Investment Manager aim to achieve the 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 Manager and the Sub-Investment Manager have calculated the proportion of investments aligned with the environmental and/or social characteristics promoted by the Portfolio: i) that hold either 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 Manager and the Sub-Investment Manager have engaged directly. The calculation is based on a mark-to-market assessment of the Portfolio and may rely on incomplete or inaccurate issuer or third party data.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

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



● **To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

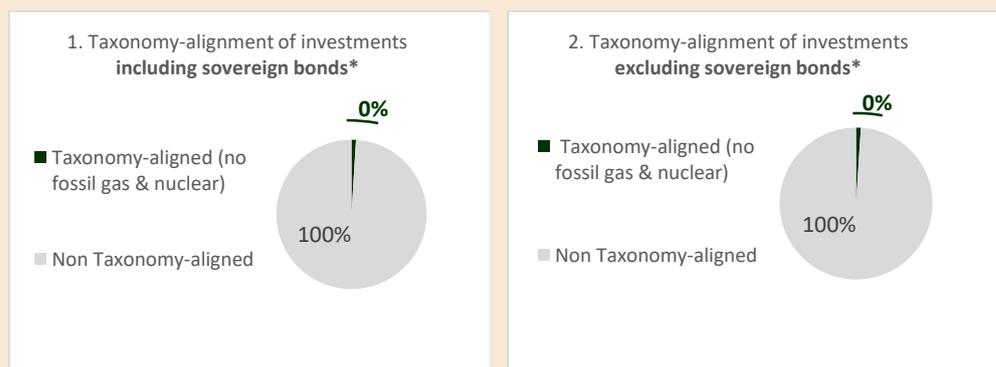
The analysis and disclosure requirements introduced by the EU Taxonomy are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Portfolio makes. The Manager and the Sub-Investment Manager cannot commit that the Portfolio will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation. It cannot be excluded that some of the Portfolio's holdings qualify as Taxonomy-aligned investments. Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by companies. The Manager and the Sub-Investment Manager will keep the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy under active review as data availability and quality improves.

The disclosure contained in this appendix will be updated if the Manager and the Sub-Investment Manager amend the minimum Taxonomy alignment of the Portfolio.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹**

- Yes:
- In fossil gas In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulations (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **What is the minimum share of investments in transitional and enabling activities?**

N/A – the Portfolio does not commit to holding Taxonomy-aligned investments.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A – the Portfolio does not commit to holding Taxonomy-aligned investments.



What is the minimum share of socially sustainable investments?

N/A – the Portfolio does not commit to holding sustainable investments.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

“Other” includes the remaining investments of the Portfolio (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 above) 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 Manager and the Sub-Investment Manager feel 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.

As noted above, 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 ILO Standards.

The Manager and the Sub-Investment Manager believe that these policies prevent investment in issuers 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.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A - The Portfolio's benchmark has not been designated as a reference benchmark. Therefore, it is not consistent with the environmental or social characteristics promoted by the Portfolio.

● **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

N/A

● **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

N/A

● **How does the designated index differ from a relevant broad market index?**

N/A

● **Where can the methodology used for the calculation of the designated index be found?**

N/A

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



Where can I find more product specific information online?

Product overviews, factsheets, KIIDs and other literature can be found on the NB website, in our dedicated 'Investment Strategies' section at www.nb.com.

More product-specific information can be found on the website:

<https://www.nb.com/en/gb/esg/reporting-policies-and-disclosures#0A63D195342B424C8C1F115547F2784A>

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Neuberger Berman Sustainable Emerging Market Corporate Debt Fund (the “Portfolio”)
Legal entity identifier: 549300GFVSJXLSLRQ502

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> Yes	<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective : ____% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 50% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective : ____% 	<input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What environmental and/or social characteristics are promoted by this financial product?

As part of the investment process, the Manager and the Sub-Investment Manager consider 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.

The Manager and the Sub-Investment Manager use the NB ESG Quotient to promote the environmental and social characteristics listed below by prioritising investment in securities issued by issuers with a relatively favourable and/or an improving NB ESG Quotient rating. Pursuant to this, the Manager and the Sub-Investment Manager will limit exposure to issuers with a poor NB ESG Quotient rating unless there is a reasonable expectation that the NB ESG Quotient rating will improve over time.

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

- **Environmental Characteristics:** biodiversity and land usage; carbon emissions; opportunities in clean technologies; water stress; toxic emissions & waste; financing environmental impact; product carbon footprint; environmental policy; environmental management system; greenhouse gas (“**GHG**”) reduction programme; green procurement policy; and non-GHG air emissions programmes.

In aiming to align the Portfolio with a net zero goal, the Manager and the Sub-Investment Manager will promote the reduction of the Portfolio's carbon footprint across scope 1, 2, and material scope 3 GHG emissions¹.

The Portfolio will achieve a carbon emission intensity level that is at least 20% lower than the broader Emerging Market Countries' corporate debt investment universe, represented by the J.P. Morgan CEMBI Diversified (USD) index (the "**Index**") (excluding securities issued by non-corporate issuers, which include public or quasi-public issuers (i.e. sovereign issuers), and cash or cash equivalents) ("**Excluded Securities**"). However, the Portfolio will actually target a carbon emission intensity level that is at least 30% lower (excluding Excluded Securities) than the Index. The average carbon emission intensity will be measured and calculated based on the Portfolio's carbon emission intensity struck at each of the four calendar quarter ends. The Portfolio is actively managed and does not intend to track the Index which is included here for carbon emission intensity reduction and ESG comparison purposes.

- **Social Characteristics:** health & safety; human capital development; labour management; privacy & data security; product safety & quality; financial products safety; discrimination policy; community involvement programmes; diversity programmes; and human rights policy.

The Portfolio aims to achieve a higher overall ESG score (as assigned by a third party data provider) as compared to the broader Emerging Market Countries' corporate debt investment universe, represented by the Index.

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 ESG Quotient methodology will evolve over time and all sector specific ESG characteristics included therein are reviewed regularly and are subject to annual review to ensure that the most pertinent sector specific ESG characteristics are captured. 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 pre-contractual 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.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

As part of the investment process, the Manager and the Sub-Investment Manager consider 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:

The NB ESG Quotient (as explained above) is used to measure the environmental and social characteristics promoted by the Portfolio. The NB ESG Quotient 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. Each sector criteria is constructed using third party and internally derived ESG data and supplemented with internal qualitative analysis, leveraging the Manager's and the Sub-Investment Manager's analyst team's significant sector expertise.

The NB ESG Quotient assigns weightings to environmental, social and governance factors for each sector to derive the NB ESG Quotient rating. While the NB ESG Quotient rating of issuers is considered as part of the investment process, there is no minimum NB ESG Quotient rating to be attained by an issuer prior to investment. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of being included in the Portfolio. Issuers with a poor NB ESG Quotient rating, especially where a poor NB ESG Quotient rating is not being addressed

¹ Scope 1 emissions are direct emissions from an issuer's owned or controlled sources (such as emissions created directly by the issuer's business processes or from vehicles owned by the issuer). Scope 2 emissions are indirect emissions from the generation of electricity, steam, heating and cooling consumed by the issuer. Scope 3 emissions are all other indirect emissions that occur in an issuer's value chain (such as emissions from products or services consumed by the issuer, disposal of its waste, employee commuting, distribution and transport of its products or its investments).

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

by an issuer, are more likely to be removed from the investment universe or divested from the Portfolio. In addition, the Manager and the Sub-Investment Manager will seek to prioritise constructive engagement with issuers which have high impact controversies (such as corporate issuers placed on the Neuberger Berman Global Standards Policy's Watch List (as further detailed in the policy itself)), or which have a poor NB ESG Quotient rating, in order to assess whether those ESG controversies or what the Manager and the Sub-Investment Manager deem as weak ESG efforts, are being addressed adequately. The success of both the Manager's and the Sub-Investment Manager's constructive engagement efforts with issuers will depend on each of the issuer's receptiveness and responsiveness to such engagement.

II. ESG exclusion policies:

To ensure that the environmental or social characteristics promoted by the Portfolio can be attained, the Portfolio will not invest in securities issued by issuers whose activities breach, or are not consistent with, the Neuberger Berman Controversial Weapons Policy and the Neuberger Berman Thermal Coal Involvement Policy. The Portfolio is phasing out its exposure to thermal coal and currently prohibits investment in securities issued by issuers that derive more than 10% of revenue from thermal coal mining or are expanding new thermal coal power generation, as determined by internal screens. The Portfolio also prohibits investments in issuers in the power generation industry that use thermal coal as an energy source for more than 95% of their installed power generation capacity, are expanding into new thermal coal power generation, or whose expansionary capital expenditure budgets do not include a minimum threshold for non-coal investments, as determined by internal screens. The Portfolio will also exclude companies from the investment universe that manufacture incendiary weapons using white phosphorus or that have an industry tie to nuclear weapons. The Portfolio will exclude securities issued by companies that derive 5% or more of revenue from the production of adult entertainment materials; or the production of conventional weapons. The investments held by the Portfolio will not invest in securities issued by issuers whose activities have been identified as breaching, or are not consistent with, the Neuberger Berman Global Standards Policy which excludes identified violators of (i) the UNGC Principles, (ii) the OECD Guidelines, (iii) the UNGPs and (iv) the ILO Standards. The Neuberger Berman Sustainable Exclusion Policy is applied when determining what investments to make for the Portfolio. In addition, the Portfolio excludes securities issued by issuers which derive 5% or more of revenues from the manufacture of tobacco products or the production of conventional weapons. Issuers which are involved in direct child labour and issuers that derive more than 10% of revenue from oil sands extraction are also excluded. Further details on these ESG exclusion policies are set out in the "Sustainable Investment Criteria" section of the main body of the Prospectus.

The Portfolio will not invest in debt securities and money market instruments issued by sovereign or 100% government-owned issuers which are identified by the Manager and the Sub-Investment Manager as having weak ESG practices and such issuers will be excluded from the Portfolio. Such exclusions will be based on a number of ESG criteria including the following:

- Sovereign issuers which are ranked in the bottom decile based on the NB ESG Quotient, with no near term improvement prospects; or
- Sovereign issuers which are excluded from the J.P. Morgan ESG EMBI Global Diversified Index based on ESG considerations; or
- Sovereign issuers where top officials have been sanctioned by the UN Security Council based on human rights violations; or
- Sovereign issuers which are assessed as having high and increasing greenhouse gas intensity levels; or
- Sovereign issuers which are non-compliant with the standard put forth by the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes, or sovereign issuers that are classified as a high risk jurisdiction subject to a call for action by the FATF.

For the avoidance of doubt, while the Portfolio will not invest in such securities, they may underlie credit derivatives which the Portfolio uses for hedging purposes only.

The Manager and the Sub-Investment Manager will track and report on the performance of the above sustainability indicators namely, (i) the NB ESG Quotient; and (ii) 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).

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

While the Portfolio promotes environmental and social characteristics, this Portfolio does not have a sustainable investment objective. However, the Portfolio will hold sustainable investments which will aim to promote the environmental & social characteristics listed above and will aim to contribute to the Portfolio's net zero goal, as detailed below.

Performance in relation to these environmental and social characteristics will be measured through the NB ESG Quotient. Both the sustainable and non-sustainable investments held by the Portfolio will apply the NB ESG Quotient, as detailed above.

The consideration of investments made by the Portfolio as sustainable investments is determined by reference to NB's sustainable investment framework. This framework includes an assessment as to (i) whether the investment contributes to an environmental and/or social objective, (ii) whether the investment causes significant harm to those objectives as described below, and (iii) an assessment of an issuer's overall governance score to determine whether the issuer passes a good governance assessment. The Manager and the Sub-Investment Manager screen issuers for controversies, significant harm and violations of minimum safeguards. If the issuers pass this screen, the Manager and the Sub-Investment Manager then proceed to measure the issuers' environmental or social economic contribution.

The Manager and the Sub-Investment Manager measure this in two ways:

- Revenue alignment to the EU taxonomy (if any); and
- Revenue alignment to the United Nations' Sustainable Development Goals ("SDGs").

Sustainable investments are more likely to have product/service revenue aligned with the SDGs (if any).

Both the sustainable and non-sustainable investments held by the Portfolio will target net zero alignment by 2050.

While the sustainable investments may have a social or an environmental objective, the Manager and the Sub-Investment Manager do not commit the Portfolio to holding sustainable investments that qualify as environmentally sustainable investments (or Taxonomy aligned investments) as defined under the EU Taxonomy.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

As part of the Manager's and the Sub-Investment Manager's sustainable investment framework, investments that cause significant harm to environmental or social objectives are excluded. To determine whether an investment causes significant harm, the Manager and the Sub-Investment Manager consider significant harm with reference to certain principal adverse impact indicators (with respect to this see the "*How have the indicators for adverse impacts on sustainability factors been taken into account?*" below) and violations of minimum safeguards (with respect to which see "*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*" below).

The Manager and the Sub-Investment Manager also apply the ESG exclusion policies referenced above.

The combination of all of these factors generates a quantitative validation for "sustainability" which can be used to ensure the sustainable investments that the Portfolio intends to make, do not cause significant harm to any environmental or social sustainable objective.

How have the indicators for adverse impacts on sustainability factors been taken into account

The Manager and 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:

GHG emissions; carbon footprint; GHG intensity of corporate issuers; exposure to issuers 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 the UNGC Principles and the OECD Guidelines; lack of processes and compliance mechanisms to monitor compliance with the UNGC Principles and the 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 (in the Manager’s and the Sub-Investment Manager’s subjective view) in respect of the sustainable investments of the Portfolio, and may evolve with improving data quality and availability. The Manager and the Sub-Investment Manager will utilise third party data and proxy data along with internal research to consider the PAIs.

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

Consideration of the PAIs by the Manager and 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 issuers which fall below the quantitative and qualitative tolerance thresholds set for a PAI by the Manager and the Sub-Investment Manager;
- Stewardship and/or setting engagement objectives with issuers which fall below the quantitative and qualitative tolerance thresholds set for a PAI; and
- Application of the NB ESG exclusion policies detailed above, which includes consideration of several of the PAIs.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Manager and the Sub-Investment Manager will not invest in issuers whose activities have been identified as breaching the OECD Guidelines, the UNGC Principles, the ILO Standards and the UNGPs, captured through the Neuberger Berman Global Standards Policy.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

N/A – this Portfolio does not commit to holding Taxonomy-aligned investments.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes, please see below

No

Yes. The Manager and the Sub-Investment Manager consider PAIs in two ways:

1. All PAIs are considered when determining whether sustainable investments that the Portfolio intends to make do not cause significant harm to any environmental or social sustainable investment objective as explained in “*How have the indicators for adverse impacts on sustainability factors been taken into account?*” above.
2. The Manager and the Sub-Investment Manager will consider the following principal adverse impacts on sustainability factors across investments which promote environmental or social characteristics, namely: GHG emissions, carbon footprint, GHG intensity, fossil fuel

exposure, board gender diversity, UNGC Principles & OECD Guidelines violations and controversial weapons (the “**Product Level PAIs**”).

See “*How have the indicators for adverse impacts on sustainability factors been taken into account?*” above for more details on how the PAIs are considered with respect to sustainable investments.

With respect to the Product Level PAIs, the Manager and the Sub-Investment Manager utilise third party data and proxy data along with internal research to consider them.

Additionally, the Manager and the Sub-Investment Manager have conducted a letter campaign where they have written to select corporate issuers asking for direct disclosure on the PAIs in order to offer high-quality disclosures to investors.

The Manager and the Sub-Investment Manager will continue to work with issuers to encourage disclosure and envisage that the letter campaign will result in wider and more granular data coverage on the PAIs.

The Product Level PAIs that are taken into consideration are subject to there being adequate, reliable and verifiable data coverage for such indicators (in the Manager's and the Sub-Investment Manager's subjective view), and may evolve with improving data quality and availability. Where such data is not available the relevant Product Level PAI will not be considered until such time as the data becomes available. The Manager and the Sub-Investment Manager will keep the list of Product Level PAIs they consider under active review, as and when data availability and quality improves.

Consideration of the Product Level PAIs by the Manager and the Sub-Investment Manager will be through a combination of:

- Monitoring the Portfolio, in particular where it falls below the quantitative and qualitative tolerance thresholds set for each Product Level PAI by the Manager and the Sub-Investment Manager;
- Stewardship and/or setting engagement objectives where the Portfolio falls below the quantitative and qualitative tolerance thresholds set for a Product Level PAI; and
- Application of the ESG exclusion policies referenced above, which includes consideration of several of the Product Level PAIs.

Reporting on consideration of Product Level PAIs will be available in an annex to the annual report of the Portfolio.



What investment strategy does this financial product follow?

The Portfolio aims to achieve a target average return of 1-2% over J.P. Morgan JESG CEMBI Broad Diversified Index before fees over a market cycle (typically 3 years) and to have a positive social and environmental impact by investing primarily in corporate debt issued in Emerging Market Countries that comply with the Sustainable Exclusion Policy

In aiming to align the Portfolio with a net zero goal, the Manager and the Sub-Investment Manager intend to reduce the Portfolio's carbon footprint across scope 1, 2, and material scope 3 GHG emissions, equating to a 50% reduction by 2030 relative to a 2019 baseline and a subsequent decline to net zero by 2050. The 2019 baseline may be subject to re-calculation as data quality and disclosure expands over time, particularly with respect to scope 3 emissions. Further details on Neuberger Berman's commitment to the Net Zero Asset Managers Initiative are contained in the “Sustainable Investment Criteria” section of the Prospectus.

The Manager and the Sub-Investment Manager consider and evaluate ESG characteristics, as an important component of their credit analysis discipline, when making investment decisions. The Manager and the Sub-Investment Manager utilise 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. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, are more likely to be removed from the investment universe or divested from the Portfolio.

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

In addition, credit worthiness is complemented by fundamental analysis aimed at assessing the issuer'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.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

● **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

ESG characteristics are considered at three different levels:

I. Integrating proprietary ESG analysis:

The NB ESG Quotient ratings are generated for issuers in the Portfolio. The NB ESG Quotient rating for issuers is utilised to help to better identify risks and opportunities in the overall credit and value assessment.

The NB ESG Quotient is a key component of the internal credit ratings and can help to identify business risks (including ESG risks), which would cause deterioration in an issuer's credit profile. Internal credit ratings can be notched up or down based on the NB ESG Quotient rating, and this is monitored by the Manager and the Sub-Investment Manager as an important component of the investment process for the Portfolio.

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

Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, are more likely to be removed from the investment universe or divested from the Portfolio.

II. Engagement:

The Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program. The Manager and the Sub-Investment Manager view this direct engagement with issuers, as an important part of its investment process (including the investment selection process). Issuers 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, email and conference calls to understand ESG risks, opportunities, and assess good corporate governance practices of issuers. As part of the direct engagement process, the Manager and the Sub-Investment Manager may set objectives for the issuers to attain. These objectives as well as the issuers' progress with respect to same are monitored and tracked by the Manager and the Sub-Investment Manager through an internal NB engagement tracker.

In addition, the Manager and the Sub-Investment Manager will seek to prioritise constructive engagement with issuers which have high impact controversies (such as corporate issuers placed on the Neuberger Berman Global Standards Policy's Watch List (as further detailed in the policy itself)), or which have a poor NB ESG Quotient rating, in order to assess whether those ESG controversies or what the Manager and the Sub-Investment Manager deem as weak ESG efforts, are being addressed adequately.

The Manager and the Sub-Investment Manager firmly believe this consistent engagement with issuers can help reduce credit risk and promote positive sustainable corporate change. It is an important tool to identify and better understand an issuer's risk factors and performance. The Manager and the Sub-Investment Manager also use it to promote change, when necessary, which they believe will result in positive outcomes for creditors 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.

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 referenced above, which places limitations on the investable universe.

● **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

N/A

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● **What is the policy to assess good governance practices of the investee companies?**

The governance factors that the Manager and the Sub-Investment Manager track for corporate and quasi-sovereign issuers may include: (i) senior management experience and sector expertise; (ii) ownership/board experience and alignment of incentives; (iii) corporate strategy and balance sheet strategy; (iv) financial and accounting strategy & disclosure; and (v) regulatory / legal track record.

The governance factors that the Manager and the Sub-Investment Manager tracks in relation to Emerging Market Countries include (i) the political sphere of the relevant country, (ii) the adherence to the rule of law, (iii) control of corruption, political uncertainty related to upcoming elections and (iv) a focus of the quality of economic governance, namely the government's role as an effective regulator and support of the private sector through responsible financial, macroeconomic and international trade policies.

Engagement with management is an important component of the Portfolio's investment process, and the Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program. This program is focused on in-person meetings, email and conference calls to understand risks, opportunities and assess good corporate governance practices of corporate issuers. The Manager and the Sub-Investment Manager view this direct engagement with issuers, 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 Manager and the Sub-Investment Manager aim to prioritise engagement that is expected, based on the Manager's and 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 an issuer, or through influence and action to mitigate risks (including sustainability risks) and take advantage of investment opportunities.

The Manager and the Sub-Investment Manager may take into account other governance factors as appropriate from time to time.

As described above, the Portfolio will only invest in securities issued by issuers whose activities do not breach the Neuberger Berman Global Standards Policy which identifies violators of the (i) UNGC Principles, (ii) OECD Guidelines, (iii) UNGPs and (iv) ILO Standards.



What is the asset allocation planned for this financial product?

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 a minimum of 50% in 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.

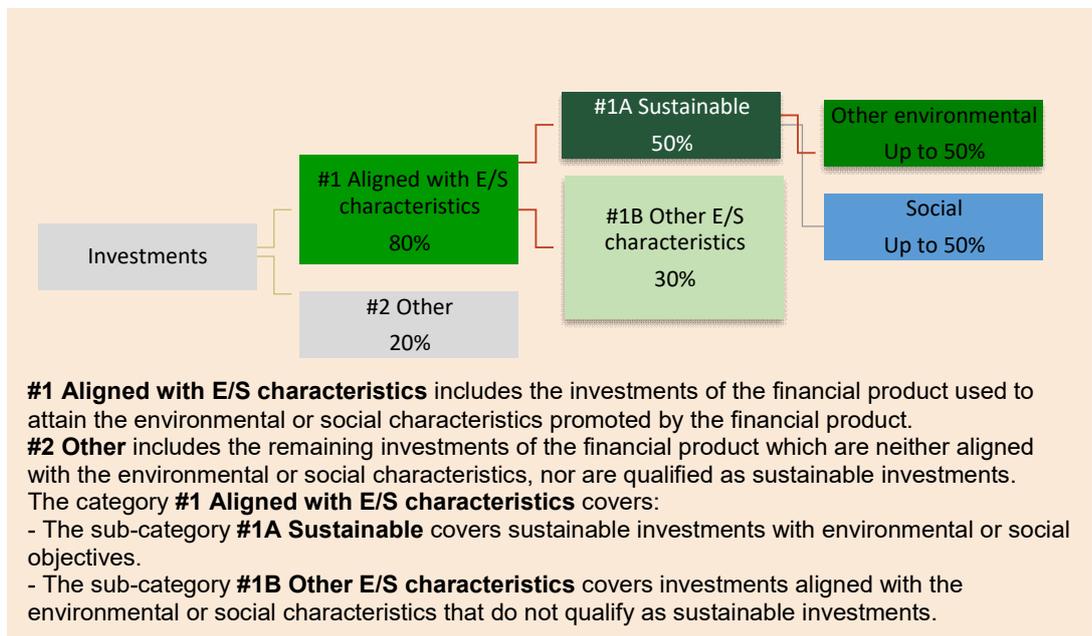
Asset allocation describes the share of investments in specific assets.

The “Other” section in the Portfolio is held for a number of reasons that the Manager and the Sub-Investment Manager feel 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 “Other” section may also include investments or asset classes for which the Manager and the Sub-Investment Manager do not have sufficient data to confirm that they are aligned with the environmental or social characteristics promoted by the Portfolio. Further details on the “Other” section are set out below.

Please note that while the Manager and the Sub-Investment Manager aim 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 Manager and the Sub-Investment Manager have calculated the proportion of investments aligned with the environmental and/or social characteristics promoted by the Portfolio: i) that hold either 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 Manager and the Sub-Investment Manager have engaged directly. The calculation is based on a mark-to-market assessment of the Portfolio and may rely on incomplete or inaccurate issuer or third party data.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

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



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

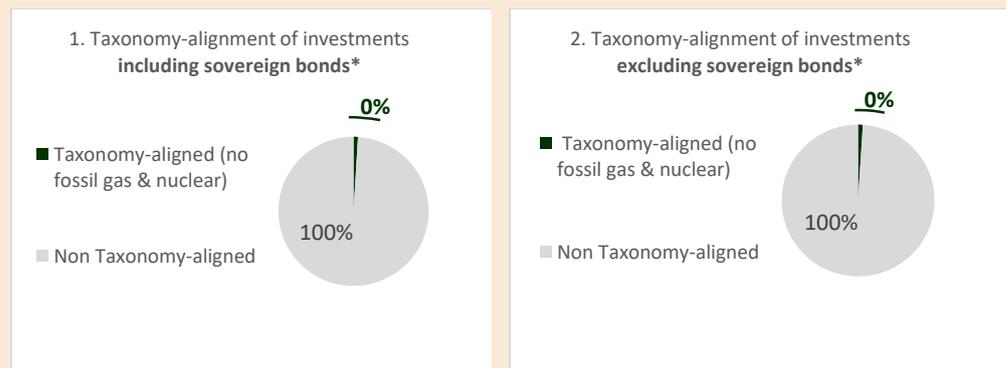
The analysis and disclosure requirements introduced by the EU Taxonomy are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Portfolio makes. The Manager and the Sub-Investment Manager cannot commit that the Portfolio will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation. It cannot be excluded that some of the Portfolio's holdings qualify as Taxonomy-aligned investments. Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by companies. The Manager and the Sub-Investment Manager will keep the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy under active review as data availability and quality improves.

The disclosure contained in this appendix will be updated if the Manager and the Sub-Investment Manager amend the minimum Taxonomy alignment of the Portfolio.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy²**

- Yes:
- In fossil gas In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

² Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulations (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **What is the minimum share of investments in transitional and enabling activities?**

N/A – the Portfolio does not commit to holding Taxonomy-aligned investments.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Portfolio's sustainable investments will have an environmental objective and/or a social objective. This means that at any specific point in time, all of the Portfolio's sustainable investments could have social objectives (which means that 0% of the Portfolio's sustainable investments would have environmental objectives); or all of the Portfolio's sustainable investments could have environmental objectives (which means that 0% of the Portfolio's sustainable investments would have social objectives).

While the Portfolio may invest in sustainable investments with an environmental objective, such sustainable investments may not be in Taxonomy-aligned investments as they may not satisfy the criteria for same.



What is the minimum share of socially sustainable investments?

The Portfolio's sustainable investments will have an environmental objective and/or a social objective. This means that at any specific point in time, all of the Portfolio's sustainable investments could have social objectives (which means that 0% of the Portfolio's sustainable investments would have environmental objectives); or all of the Portfolio's sustainable investments could have environmental objectives (which means that 0% of the Portfolio's sustainable investments would have social objectives).



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

“Other” includes the remaining investments of the Portfolio (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 above) 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 Manager and the Sub-Investment Manager feel 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.

As noted above, 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, the UNGPs, the OECD Guidelines and the ILO Standards.

The Manager and the Sub-Investment Manager believe that these policies prevent investment in issuers 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.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A - The Portfolio's benchmarks have not been designated as reference benchmarks. Therefore, they are not consistent with the environmental or social characteristics promoted by the Portfolio.



How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?

N/A



How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A



Where can I find more product specific information online?

Product overviews, factsheets, KIIDs and other literature can be found on the NB website, in our dedicated 'Investment Strategies' section at www.nb.com.

More product-specific information can be found on the website:

<https://www.nb.com/en/gb/esg/reporting-policies-and-disclosures#0A63D195342B424C8C1F115547F2784A>

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Neuberger Berman Short Duration Emerging Market Debt Fund (the “Portfolio”)
Legal entity identifier: 549300J30SXW5866TW70

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> Yes		<input type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> No	
<input type="checkbox"/>	It will make a minimum of sustainable investments with an environmental objective : ___%	<input checked="" type="checkbox"/>	It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments
<input type="checkbox"/>	<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/>	with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/>	It will make a minimum of sustainable investments with a social objective : ___%	<input checked="" type="checkbox"/>	with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
		<input checked="" type="checkbox"/>	with a social objective
<input type="checkbox"/>		<input type="checkbox"/>	It promotes E/S characteristics, but will not make any sustainable investments

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What environmental and/or social characteristics are promoted by this financial product?

As part of the investment process, the Manager and the Sub-Investment Manager consider 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.

The Manager and the Sub-Investment Manager use the NB ESG Quotient to promote the environmental and social characteristics listed below by prioritising investment in securities issued by issuers with a relatively favourable and/or an improving NB ESG Quotient rating. Pursuant to this, the Manager and the Sub-Investment Manager will exclude issuers with the poorest NB ESG Quotient ratings unless there is a reasonable expectation that the NB ESG Quotient rating will improve over time.

The following environmental and social characteristics are promoted, as part of the NB ESG Quotient rating for sovereign issuers:

- **Environmental Characteristics:** sovereign energy efficiency; climate change adaptation; deforestation; greenhouse gas (“**GHG**”) emissions; air and household pollution; and unsafe sanitation.
- **Social Characteristics:** progress towards UN Sustainable Development Goals (“**SDGs**”); health and education levels; regulatory quality; political stability and freedoms; gender equality; and research & development.

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

- **Environmental Characteristics:** biodiversity and land usage; carbon emissions; opportunities in clean technologies; water stress; toxic emissions & waste; financing environmental impact; product carbon footprint; environmental policy; environmental management system; GHG reduction programme; green procurement policy; and non-GHG air emissions programmes.
- **Social Characteristics:** health & safety; human capital development; labour management; privacy & data security; product safety & quality; financial products safety; discrimination policy; community involvement programmes; diversity programmes; and human rights policy.

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 ESG Quotient methodology will evolve over time and all ESG characteristics included therein are reviewed regularly and are subject to annual review to ensure that the most pertinent ESG characteristics are captured. 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 pre-contractual 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.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

As part of the investment process, the Manager and the Sub-Investment Manager consider 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:

The NB ESG Quotient (as explained above) is used to measure the environmental and social characteristics promoted by the Portfolio.

The NB ESG Quotient assigns weightings to environmental, social and governance factors for countries and for corporate sectors to derive the NB ESG Quotient rating. While the NB ESG Quotient rating of issuers is considered as part of the investment process, there is no minimum NB ESG Quotient rating to be attained by an issuer prior to investment. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of being included in the Portfolio. Issuers with a poor NB ESG Quotient rating, especially where a poor NB ESG Quotient rating is not being addressed by an issuer, will be excluded from the Portfolio. In addition, the Manager and the Sub-Investment Manager will seek to prioritise constructive engagement with issuers which have high impact controversies (such as corporate issuers placed on the Neuberger Berman Global Standards Policy's Watch List (as further detailed in the policy itself)), or which have a poor NB ESG Quotient rating, in order to assess whether those ESG controversies or what the Manager and the Sub-Investment Manager deem as weak ESG efforts, are being addressed adequately. The success of both the Manager's and the Sub-Investment Manager's constructive engagement efforts with issuers will depend on each of the issuer's receptiveness and responsiveness to such engagement.

II. ESG exclusion policies:

To ensure that the environmental or social characteristics promoted by the Portfolio can be attained, the Portfolio will not invest in securities issued by issuers whose activities breach, or are not consistent with, the Neuberger Berman Controversial Weapons Policy and the Neuberger Berman Thermal Coal Involvement Policy. The Portfolio is phasing out its exposure to thermal coal and currently prohibits investment in securities issued by issuers that derive more than 10% of revenue from thermal coal mining or are expanding new thermal coal power generation, as determined by internal screens. The Portfolio also prohibits investments in issuers in the power generation industry that use thermal coal as an energy source for more than 95% of their installed power generation capacity, are expanding into new thermal coal power generation, or whose expansionary capital expenditure budgets do not include a minimum threshold

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

for non-coal investments, as determined by internal screens. The Portfolio will also exclude companies from the investment universe that manufacture incendiary weapons using white phosphorus or that have an industry tie to nuclear weapons. The Portfolio will exclude securities issued by companies that derive 5% or more of revenue from the production of adult entertainment materials; or the production of conventional weapons. The investments held by the Portfolio will not invest in securities issued by issuers whose activities have been identified as breaching, or are not consistent with, the Neuberger Berman Global Standards Policy which excludes identified violators of (i) the UNGC Principles, (ii) the OECD Guidelines, (iii) the UNGPs and (iv) the ILO Standards. In addition, the Portfolio excludes securities issued by issuers which derive 5% or more of revenues from the manufacture of tobacco products. Issuers which are involved in direct child labour and issuers that derive more than 10% of revenue from oil sands extraction are also excluded. Further details on these ESG exclusion policies are set out in the “Sustainable Investment Criteria” section of the main body of the Prospectus.

The Manager and the Sub-Investment Manager will track and report on the performance of the above sustainability indicators namely, (i) the NB ESG Quotient; and (ii) 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).

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

While the Portfolio promotes environmental and social characteristics, this Portfolio does not have a sustainable investment objective. However, the Portfolio will hold sustainable investments which will aim to promote the environmental & social characteristics listed above.

Performance in relation to these environmental and social characteristics will be measured through the NB ESG Quotient. Both the sustainable and non-sustainable investments held by the Portfolio will apply the NB ESG Quotient, as detailed above.

The consideration of investments made by the Portfolio as sustainable investments is determined by reference to NB's sustainable investment framework. This framework includes an assessment as to (i) whether the investment contributes to an environmental and/or social objective, (ii) whether the investment causes significant harm to those objectives as described below, and (iii) an assessment of an issuer's overall governance score to determine whether the issuer passes a good governance assessment.

The Manager and the Sub-Investment Manager screens issuers for controversies, significant harm and violations of minimum safeguards. If the issuers pass this screen, the Manager and the Sub-Investment Manager then proceeds to measure the issuers' environmental or social economic contribution.

For corporate issuers, the Manager and the Sub-Investment Manager measure this in two ways:

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

Sustainable investments are more likely to have product/service revenue aligned with the SDGs.

For sovereign issuers, the Manager and the Sub-Investment Manager measure this in the following ways:

- Advancement in climate change adaptation and mitigation; and
- Advancement in achieving the SDGs, with emphasis on life expectancy and education.

While the sustainable investments may have a social or an environmental objective, the sustainable investments will not qualify as environmentally sustainable investments (or Taxonomy aligned investments) as defined under the EU Taxonomy.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As part of the Manager's and the Sub-Investment Manager's sustainable investment framework, investments that cause significant harm to environmental or social objectives are excluded. To determine whether an investment causes significant harm, the Manager and the Sub-Investment Manager consider significant harm with reference to certain principal adverse impact indicators (with respect to this see the "How have the indicators for adverse impacts on sustainability factors been taken into account?" below) and violations of minimum safeguards (with respect to which see "How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?" below).

The Manager and the Sub-Investment Manager also applies the ESG exclusion policies referenced above.

The combination of all of these factors generates a quantitative validation for "sustainability" which can be used to ensure 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.

— — — *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Manager and 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:

GHG emissions; carbon footprint; GHG intensity of issuers ; exposure to issuers 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 the UNGC Principles and the OECD Guidelines; lack of processes and compliance mechanisms to monitor compliance with the UNGC Principles and the 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") for the corporate issuers and GHG intensity and investee countries subject to social violations (the "Sovereign PAIs") for the sovereign issuers.

Consideration of the above PAIs is limited by the availability of adequate, reliable and verifiable data coverage for such indicators (in the Manager's and the Sub-Investment Manager's subjective view) in respect of the sustainable investments of the Portfolio, and may evolve with improving data quality and availability. The Manager and the Sub-Investment Manager will utilise third party data and proxy data along with internal research to consider the PAIs and Sovereign PAIs.

Additionally, the Manager and the Sub-Investment Manager have conducted a letter campaign where they have written to select corporate issuers asking for direct disclosure on the PAIs in order to offer high-quality disclosures to investors.

The Manager and the Sub-Investment Manager will continue to work with issuers to encourage disclosure and envisage that the letter campaign will result in wider and more granular data coverage on the PAIs.

Consideration of the PAIs and Sovereign PAIs by the Manager and 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 issuers which fall below the quantitative and qualitative tolerance thresholds set for a PAI or Sovereign PAI;
- Stewardship and/or setting engagement objectives where the Portfolio falls below the quantitative and qualitative tolerance thresholds set for a PAI or Sovereign PAIs; and
- Application of the NB ESG exclusion policies detailed above, which includes consideration of several of the PAIs.

— — — *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Manager and the Sub-Investment Manager will not invest in issuers whose activities have been identified as breaching the OECD Guidelines, the ILO Standards, the UNGC Principles and the UNGPs, captured through the Neuberger Berman Global Standards Policy as detailed above.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

N/A – this Portfolio does not commit to holding Taxonomy-aligned investments.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes, please see below

No

Yes. The Manager and the Sub-Investment Manager consider PAIs in two ways:

1. All PAIs and Sovereign PAIs are considered when determining whether sustainable investments that the Portfolio intends to make do not cause significant harm to any environmental or social sustainable investment objective as explained in “*How have the indicators for adverse impacts on sustainability factors been taken into account?*” above.
2. The Manager and the Sub-Investment Manager will consider the following principal adverse impacts on sustainability factors across investments which promote environmental or social characteristics, namely: the Sovereign PAIs for the sovereign issuers and GHG emissions, carbon footprint, GHG intensity, fossil fuel exposure, and board gender diversity for the corporate issuers (together the “**Product Level PAIs**”).

See “*How have the indicators for adverse impacts on sustainability factors been taken into account?*” above for more details on how the PAIs are considered with respect to sustainable investments.

With respect to the Product Level PAIs, the Manager and the Sub-Investment Manager utilise third party data and proxy data along with internal research to consider them.

Additionally, the Manager and the Sub-Investment Manager have conducted a letter campaign where they have written to select corporate issuers asking for direct disclosure on the PAIs in order to offer high-quality disclosures to investors. The Manager and the Sub-Investment Manager will continue to work with issuers to encourage disclosure and envisage that the letter campaign will result in wider and more granular data coverage on the PAIs.

The Product Level PAIs that are taken into consideration are subject to there being adequate, reliable and verifiable data coverage for such indicators (in the Manager’s and the Sub-Investment Manager’s subjective view), and may evolve with improving data quality and availability. Where such data is not available the relevant Product Level PAI will not be considered until such time as the data becomes available. The Manager and the Sub-Investment Manager will keep the list of Product Level PAIs they consider under active review, as and when data availability and quality improves.

Consideration of the Product Level PAIs by the Manager and the Sub-Investment Manager will be through a combination of:

- Monitoring the Portfolio, in particular where it falls below the quantitative and qualitative tolerance thresholds set for each Product Level PAI by the Manager and the Sub-Investment Manager;
- Stewardship and/or setting engagement objectives where the Portfolio falls below the quantitative and qualitative tolerance thresholds set for a Product Level PAI; and

- Application of the ESG exclusion policies referenced above, which includes consideration of several of the Product Level PAIs.

Reporting on consideration of Product Level PAIs will be available in an annex to the annual report of the Portfolio.



What investment strategy does this financial product follow?

The investment objective of the Portfolio is to achieve a target average return of 3% over cash (The ICE BofA US 3-Month Treasury Bill Index, Total Return, USD), before fees over a market cycle (typically 3 years) by investing in a diversified selection of hard currency-denominated short duration sovereign and corporate debt issued in Emerging Market Countries.

The Portfolio will invest primarily in short duration debt securities and money market instruments issued by public or corporate issuers which have their head office, or exercise an overriding part of their economic activity, in Emerging Market Countries and which are denominated in hard currency. For the purposes of the Portfolio, hard currency is defined as US Dollar, Euro, Sterling, Japanese Yen and Swiss Franc. Investors should also note that corporate issuers that are, either directly or indirectly, 100% government-owned are considered to be public issuers.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets (as depicted in Annex I of the prospectus) globally, without any particular focus on any one industrial sector or region.

The Manager and the Sub-Investment Manager will construct and manage the Portfolio with the goal of combining a search for yield with limited volatility, while aiming to reduce downside risk and the risk of default by the issuers of the securities invested in through the use of fundamental analysis. The Manager and the Sub-Investment Manager implement a systematic and disciplined framework for analysing sovereign and corporate hard currency debt securities. The Manager and the Sub-Investment Manager will conduct fundamental analysis on the issuers that they track to seek to identify undervalued and overvalued securities and exploit investment opportunities primarily by taking long positions in respect of undervalued securities.

The fundamental analysis used for the selection of governments or government-related issuers incorporates quantitative macroeconomic data and qualitative aspects such as political stability, structural reforms and other ESG characteristics. The fundamental analysis used for the selection of corporates incorporates assessments of the issuer'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. Qualitative factors aim to complement the evaluation of corporate credit worthiness by including such factors as corporate governance, quality of earnings and debt structure.

The Manager and the Sub-Investment Manager consider and evaluate ESG characteristics, as an important component of their credit analysis discipline, when making investment decisions. The Manager and the Sub-Investment Manager utilise 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 to derive the NB ESG Quotient rating. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, will be excluded from the Portfolio.

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

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

ESG characteristics are considered at three different levels:

I. Integrating proprietary ESG analysis:

The NB ESG Quotient ratings are generated for issuers in the Portfolio. The NB ESG Quotient rating for issuers is utilised to help to better identify risks and opportunities in the overall credit and value assessment.

The NB ESG Quotient is a key component of the internal credit ratings and can help to identify business risks (including ESG risks), which would cause deterioration in an issuer's credit profile. Internal credit ratings can be notched up or down based on the

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

NB ESG Quotient rating, and this is monitored by the Manager and the Sub-Investment Manager as an important component of the investment process for the Portfolio.

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

Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, will be excluded from the Portfolio.

II. Engagement:

The Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program.

The Manager and the Sub-Investment Manager may also engage with sovereign issuers in developed and Emerging Market Countries. Where the Manager and the Sub-Investment Manager seek to engage with sovereigns, such engagement efforts may include speaking regularly to government officials, policy makers and international financial organisations, such as the International Monetary Fund, World Bank and Asian Development Bank, with onsite visits whenever possible, and utilise such meetings to engage with sovereign issuers on ESG topics, where the Manager and the Sub-Investment Manager see scope for improvement for the relevant country.

The sovereign engagement process tends to focus on the various areas relating to SDGs under the UNGC Principles and the UNGPs. In addition, the Manager and the Sub-Investment Manager monitor and engage with countries on reducing GHG emissions and improving policies towards net zero alignment. Sovereign engagement is also carried out with countries to improve fiscal transparency, tackle corruption and comply with Financial Action Task Force ("**FATF**") recommendations to address strategic deficiencies in counter money laundering, terrorist financing and proliferation financing. Progress on sovereign engagement is tracked centrally in the Manager's and the Sub-Investment Manager's engagement log.

The Manager and the Sub-Investment Manager view this direct engagement with issuers, as an important part of its investment process (including the investment selection process). Issuers 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, email and conference calls to understand ESG risks, opportunities, and assess good corporate governance practices of issuers. As part of the direct engagement process, the Manager and the Sub-Investment Manager may set objectives for the issuers to attain. These objectives as well as the issuers' progress with respect to same are monitored and tracked by the Manager and the Sub-Investment Manager through an internal Neuberger Berman ("**NB**") engagement tracker.

In addition, the Manager and the Sub-Investment Manager will seek to prioritise constructive engagement with corporate issuers which have high impact controversies (such as corporate issuers placed on the Neuberger Berman Global Standards Policy's Watch List (as further detailed in the policy itself)), or which have a poor NB ESG Quotient rating, in order to assess whether those ESG controversies or what the Manager and the Sub-Investment Manager deem as weak ESG efforts, are being addressed adequately.

The Manager and the Sub-Investment Manager firmly believe this consistent engagement with issuers can help reduce credit risk and promote positive sustainable corporate change. It is an important tool to identify and better understand an issuer's risk factors and performance. The Manager and the Sub-Investment Manager also use it to promote change, when necessary, which they believe will result in positive outcomes for creditors 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.

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 referenced above, which places limitations on the investable universe.

- **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

N/A

- **What is the policy to assess good governance practices of the investee companies?**

The governance factors that the Manager and the Sub-Investment Manager track for corporate and quasi-sovereign issuers may include: (i) senior management experience and sector expertise; (ii) ownership/board experience and alignment of incentives; (iii) corporate strategy and balance sheet strategy; (iv) financial and accounting strategy & disclosure; and (v) regulatory / legal track record.

Engagement with management is an important component of the Portfolio's investment process, and the Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program. This program is focused on in-person meetings, email and conference calls to understand risks, opportunities and assess good corporate governance practices of corporate issuers. The Manager and the Sub-Investment Manager view this direct engagement with issuers, 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 Manager and the Sub-Investment Manager aim to prioritise engagement that is expected, based on the Manager's and 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 an issuer, or through influence and action to mitigate risks (including sustainability risks) and take advantage of investment opportunities.

Additionally, the Manager and the Sub-Investment Manager also track governance factors for Emerging Market Countries such as: (i) the political sphere of the relevant country, (ii) the adherence to the rule of law, (iii) control of corruption, political uncertainty related to upcoming elections and (iv) a focus of the quality of economic governance, namely the government's role as an effective regulator and support of the private sector through responsible financial, macroeconomic and international trade policies.

The Manager and the Sub-Investment Manager may take into account other governance factors as appropriate from time to time.

As described above, the Portfolio will only invest in securities issued by issuers whose activities do not breach the Neuberger Berman Global Standards Policy which identifies violators of the (i) UNGC Principles, (ii) OECD Guidelines, (iii) UNGPs and (iv) ILO Standards.



What is the asset allocation planned for this financial product?

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 a minimum of 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.

The "Other" section in the Portfolio is held for a number of reasons that the Manager and the Sub-Investment Manager feel 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 "Other" section may also include investments or asset classes for which the Manager and the Sub-Investment Manager

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

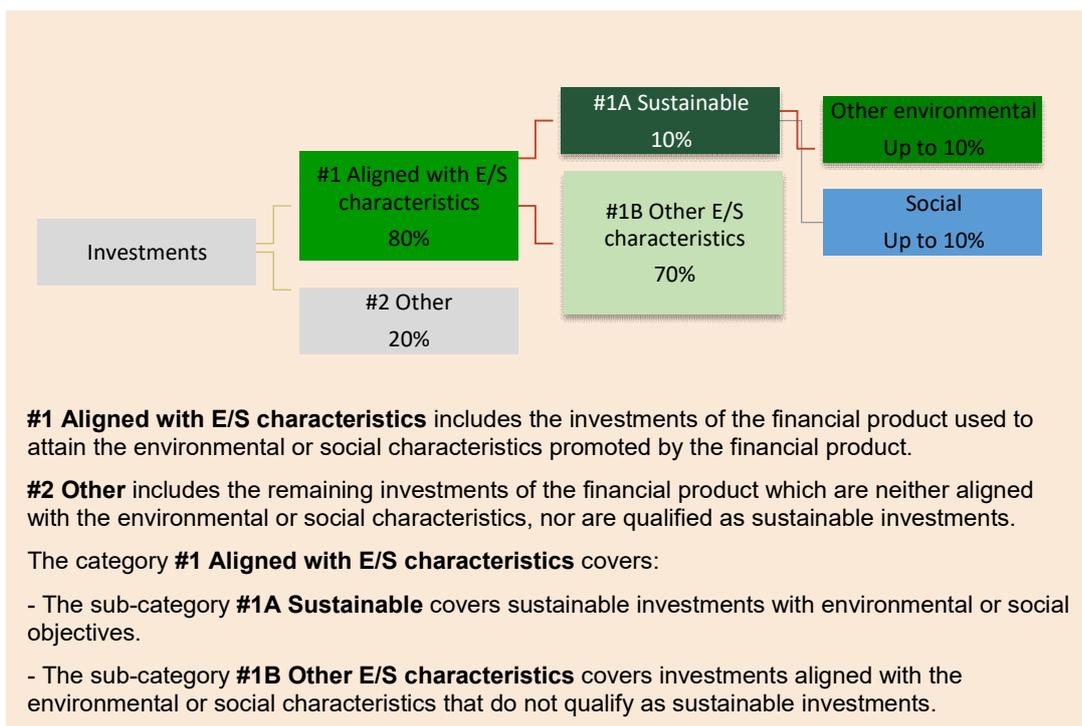
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

do not have sufficient data to confirm that they are aligned with the environmental or social characteristics promoted by the Portfolio. Further details on the "Other" section are set out below.

Please note that while the Manager and the Sub-Investment Manager aim to achieve the 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 Manager and the Sub-Investment Manager have calculated the proportion of investments aligned with the environmental and/or social characteristics promoted by the Portfolio: i) that hold either 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 Manager and the Sub-Investment Manager have engaged directly. The calculation is based on a mark-to-market assessment of the Portfolio and may rely on incomplete or inaccurate issuer or third party data.



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

While the Portfolio may use derivatives to hedge against currency risk, it will not use derivatives to promote environmental or social characteristics.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The analysis and disclosure requirements introduced by the EU Taxonomy are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Portfolio makes. The Manager and the Sub-Investment Manager cannot commit that the Portfolio will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation. It cannot be excluded that some of the Portfolio's holdings qualify as Taxonomy-aligned investments. Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by companies. The Manager and the Sub-Investment Manager will keep the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy under active review as data availability and quality improves.

The disclosure contained in this appendix will be updated if the Manager and the Sub-Investment Manager amend the minimum Taxonomy alignment of the Portfolio.

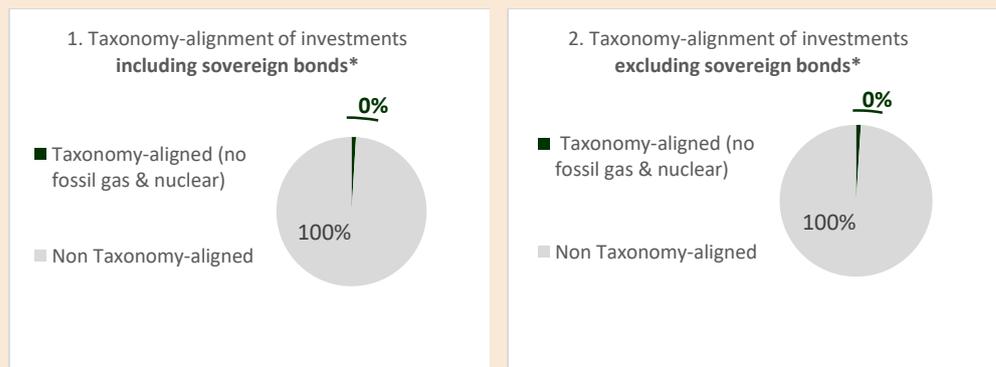
Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹**

- Yes:
 - In fossil gas
 - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● **What is the minimum share of investments in transitional and enabling activities?**

N/A – the Portfolio does not commit to holding Taxonomy-aligned investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Portfolio's sustainable investments will have an environmental objective and/or a social objective. This means that at any specific point in time, all of the Portfolio's sustainable investments could have social objectives (which means that 0% of the Portfolio's sustainable investments would have environmental objectives); or all of the Portfolio's sustainable investments could have environmental objectives (which means that 0% of the Portfolio's sustainable investments would have social objectives).

While the Portfolio may invest in sustainable investments with an environmental objective, such sustainable investments may not be in Taxonomy-aligned investments as they may not satisfy the criteria for same.



What is the minimum share of socially sustainable investments?

The Portfolio's sustainable investments will have an environmental objective and/or a social objective. This means that at any specific point in time, all of the Portfolio's sustainable investments could have social objectives (which means that 0% of the Portfolio's sustainable investments would have environmental objectives); or all of the Portfolio's sustainable investments would have environmental objectives.

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulations (EU) 2022/1214.

investments could have environmental objectives (which means that 0% of the Portfolio's sustainable investments would have social objectives).



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

“Other” includes the remaining investments of the Portfolio (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 above) 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 Manager and the Sub-Investment Manager feel 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.

As noted above, 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, the UNGPs, the OECD Guidelines and the ILO Standards.

The Manager and the Sub-Investment Manager believe that these policies prevent investment in issuers 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.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A - The Portfolio's benchmark has not been designated as a reference benchmark. Therefore, it is not consistent with the environmental or social characteristics promoted by the Portfolio.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A



Where can I find more product specific information online?

Product overviews, factsheets, KIIDs and other literature can be found on the NB website, in our dedicated 'Investment Strategies' section at www.nb.com.

More product-specific information can be found on the website:

<https://www.nb.com/en/gb/esg/reporting-policies-and-disclosures#0A63D195342B424C8C1F115547F2784A>

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Neuberger Berman Emerging Market Debt Blend Fund (the “Portfolio”)
Legal entity identifier: 549300JASQ1JIDYO8X22

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> Yes	<input type="radio"/> <input checked="" type="radio"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%	<input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What environmental and/or social characteristics are promoted by this financial product?

As part of the investment process, the Manager and the Sub-Investment Manager consider 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.

The Manager and the Sub-Investment Manager use the NB ESG Quotient to promote the environmental and social characteristics listed below by prioritising investment in securities issued by issuers with a relatively favourable and/or an improving NB ESG Quotient rating. Pursuant to this, the Manager and the Sub-Investment Manager will limit exposure to issuers with the poorest NB ESG Quotient ratings, unless there is a reasonable expectation that the NB ESG Quotient rating will improve over time.

The following environmental and social characteristics are promoted as part of the NB ESG Quotient rating for sovereign issuers:

- **Environmental Characteristics:** sovereign energy efficiency; climate change adaptation; deforestation; greenhouse gas (“**GHG**”) emissions; air and household pollution; and unsafe sanitation.
- **Social Characteristics:** progress towards UN Sustainable Development Goals (“**SDGs**”); health and education levels; regulatory quality; political stability and freedoms; gender equality; and research & development.

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

- **Environmental Characteristics:** biodiversity and land usage; carbon emissions; opportunities in clean technologies; water stress; toxic emissions & waste; financing environmental impact; product carbon footprint; environmental policy; environmental management system; GHG reduction programme; green procurement policy; and non-GHG air emissions programmes.
- **Social Characteristics:** health & safety; human capital development; labour management; privacy & data security; product safety & quality; financial products safety; discrimination policy; community involvement programmes; diversity programmes; and human rights policy.

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 ESG Quotient methodology will evolve over time and all ESG characteristics included therein are reviewed regularly and are subject to annual review to ensure that the most pertinent ESG characteristics are captured. 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 pre-contractual 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.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

As part of the investment process, the Manager and the Sub-Investment Manager consider 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:

The NB ESG Quotient (as explained above) is used to measure the environmental and social characteristics promoted by the Portfolio.

The NB ESG Quotient assigns weightings to environmental, social and governance factors for countries and for corporate sectors to derive the NB ESG Quotient rating. While the NB ESG Quotient rating of issuers is considered as part of the investment process, there is no minimum NB ESG Quotient rating to be attained by an issuer prior to investment. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of being included in the Portfolio. Issuers with a poor NB ESG Quotient rating, especially where a poor NB ESG Quotient rating is not being addressed by an issuer, are more likely to be removed from the investment universe or divested from the Portfolio. In addition, the Manager and the Sub-Investment Manager will seek to prioritise constructive engagement with issuers which have high impact controversies (such as corporate issuers placed on the Neuberger Berman Global Standards Policy's Watch List (as further detailed in the policy itself)), or which have a poor NB ESG Quotient rating, in order to assess whether those ESG controversies or what the Manager and the Sub-Investment Manager deem as weak ESG efforts, are being addressed adequately. The success of both the Manager's and the Sub-Investment Manager's constructive engagement efforts with issuers will depend on each of the issuer's receptiveness and responsiveness to such engagement.

II. ESG exclusion policies:

To ensure that the environmental or social characteristics promoted by the Portfolio can be attained, the Portfolio will not invest in securities issued by issuers whose activities breach, or are not consistent with, the Neuberger Berman Controversial Weapons Policy and the Neuberger Berman Thermal Coal Involvement Policy. The Portfolio is phasing out its exposure to thermal coal and currently prohibits investment in securities issued by issuers that derive more than 10% of revenue from thermal coal mining or are expanding new thermal coal power generation, as determined by internal screens. The Portfolio also prohibits investments in issuers in the power generation industry that use thermal coal as an energy source for more than 95% of their installed power generation capacity, are expanding into new thermal coal power generation, or

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

whose expansionary capital expenditure budgets do not include a minimum threshold for non-coal investments, as determined by internal screens. The Portfolio will also exclude companies from the investment universe that manufacture incendiary weapons using white phosphorus or that have an industry tie to nuclear weapons. The Portfolio will exclude securities issued by companies that derive 5% or more of revenue from the production of adult entertainment materials; or the production of conventional weapons. The investments held by the Portfolio will not invest in securities issued by issuers whose activities have been identified as breaching, or are not consistent with, the Neuberger Berman Global Standards Policy which excludes identified violators of (i) the UNGC Principles, (ii) the OECD Guidelines, (iii) the UNGPs and (iv) the ILO Standards. In addition, the Portfolio excludes securities issued by issuers which derive 5% or more of revenues from the manufacture of tobacco products. Issuers which are involved in direct child labour and issuers that derive more than 10% of revenue from oil sands extraction are also excluded. Further details on these ESG exclusion policies are set out in the “Sustainable Investment Criteria” section of the main body of the Prospectus.

The Manager and the Sub-Investment Manager will track and report on the performance of the above sustainability indicators namely, (i) the NB ESG Quotient; and (ii) 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).

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

N/A – the Portfolio does not commit to holding sustainable investments.

● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

N/A – the Portfolio does not commit to holding sustainable investments.

How have the indicators for adverse impacts on sustainability factors been taken into account?

N/A

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Portfolio does not commit to holding sustainable investments, however the Manager and the Sub-Investment Manager will not invest in issuers whose activities have been identified as breaching the OECD Guidelines, the ILO Standards, the UNGC Principles and the UNGPs, captured through the Neuberger Berman Global Standards Policy as detailed above.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

N/A – this Portfolio does not commit to holding Taxonomy-aligned investments.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



Does this financial product consider principal adverse impacts on sustainability factors?

- Yes, please see below
- No

The Manager and the Sub-Investment Manager will consider the following principal adverse impacts, namely: GHG intensity and investee countries subject to social violations (the “**Sovereign PAIs**”) for the sovereign issuers, and GHG emissions, carbon footprint, GHG intensity, fossil fuel exposure, board gender diversity, UNGC Principles & OECD Guidelines violations and controversial weapons for the corporate issuers (together the “**Product Level PAIs**”).

With respect to the Product Level PAIs, the Manager and the Sub-Investment Manager utilise third party data and proxy data along with internal research to consider them.

Additionally, the Manager and the Sub-Investment Manager have conducted a letter campaign where they have written to select corporate issuers asking for direct disclosure on the PAIs in order to offer high-quality disclosures to investors.

The Manager and the Sub-Investment Manager will continue to work with issuers to encourage disclosure and envisage that the letter campaign will result in wider and more granular data coverage on the PAIs.

The Product Level PAIs that are taken into consideration are subject to there being adequate, reliable and verifiable data coverage for such indicators (in the Manager's and the Sub-Investment Manager's subjective view), and may evolve with improving data quality and availability. Where such data is not available the relevant Product Level PAI will not be considered until such time as the data becomes available. The Manager and the Sub-Investment Manager will keep the list of Product Level PAIs they consider under active review, as and when data availability and quality improves.

Consideration of the Product Level PAIs by the Manager and the Sub-Investment Manager will be through a combination of:

- Monitoring the Portfolio, in particular where it falls below the quantitative and qualitative tolerance thresholds set for each Product Level PAI by the Manager and the Sub-Investment Manager;
- Stewardship and/or setting engagement objectives where the Portfolio falls below the quantitative and qualitative tolerance thresholds set for a Product Level PAI; and
- Application of the ESG exclusion policies referenced above, which includes consideration of several of the Product Level PAIs.

Reporting on consideration of Product Level PAIs will be available in an annex to the annual report of the Portfolio.



What investment strategy does this financial product follow?

The investment objective of the Portfolio is to achieve a target average return of 1-3% over the Benchmark (as defined below), before fees over a market cycle (typically 3 years) from a blend of Hard Currency-denominated debt issued in Emerging Market Countries, local currencies of Emerging Market Countries and debt issued by corporate issuers in Emerging Market Countries.

The Benchmark comprises the following blend:

- 50% weighting to J.P. Morgan GBI Emerging Markets Global Diversified (Total Return, Unhedged, USD) which measures the performance of debt markets of Emerging Market Countries expressed in local currencies;
- 25% weighting to J.P. Morgan EMBI Global Diversified (Total Return, USD) which measures the performance of debt markets of Emerging Market Countries expressed in USD; and
- 25% weighting to J.P. Morgan CEMBI Diversified (Total Return, USD) which measures the performance of corporate debt markets of Emerging Market Countries (the “**Benchmark**”).

The Portfolio will invest primarily in debt securities and money market instruments which are issued by governments, government agencies in or corporate issuers which have their head office or exercise an overriding part of their economic activity in Emerging Market Countries and which are either denominated

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

in or are exposed to the currencies of such Emerging Market Countries (“**Local Currency**”) or denominated in Hard Currency. For the purposes of the Portfolio, Hard Currency means US Dollar, Euro, Sterling, Japanese Yen, and Swiss Franc.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets (as depicted in Annex I of the prospectus) globally, without any particular focus on any one industrial sector or region.

The Manager and the Sub-Investment Manager implement a systematic and disciplined framework for analysing sovereign and corporate Local Currency and Hard Currency debt securities. Decisions on how to allocate the Portfolio’s assets between sovereign and corporate and Local Currency and Hard Currency Emerging Market Country debt securities, money market instruments and FDI are dependent on the Manager’s and the Sub-Investment Manager’s outlook on such securities. This outlook focuses on the global market environment, the economic environment of the relevant Emerging Market Countries, the attractiveness of the valuations available in the asset classes and their liquidity.

The Manager and the Sub-Investment Manager will conduct fundamental analysis on the issuers that they track in order to identify undervalued and overvalued securities and exploit investment opportunities. The fundamental analysis used for the selection of governments or government-related issuers incorporates quantitative macroeconomic data and qualitative aspects such as political stability, structural reforms and other ESG characteristics. The fundamental analysis used for the selection of corporates incorporates assessments of the issuer’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. Qualitative factors aim to complement the evaluation of corporate credit worthiness by including such factors as corporate governance, quality of earnings and debt structure.

The Manager and the Sub-Investment Manager consider and evaluate ESG characteristics, as an important component of their credit analysis discipline, when making investment decisions. The Manager and the Sub-Investment Manager utilise 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 to derive the NB ESG Quotient rating. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, are more likely to be removed from the investment universe or divested from the Portfolio.

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

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

ESG characteristics are considered at three different levels:

I. Integrating proprietary ESG analysis:

The NB ESG Quotient ratings are generated for issuers in the Portfolio. The NB ESG Quotient rating for issuers is utilised to help to better identify risks and opportunities in the overall credit and value assessment.

The NB ESG Quotient is a key component of the internal credit ratings and can help to identify business risks (including ESG risks), which would cause deterioration in an issuer’s credit profile. Internal credit ratings can be notched up or down based on the NB ESG Quotient rating, and this is monitored by the Manager and the Sub-Investment Manager as an important component of the investment process for the Portfolio.

By integrating the investment team’s proprietary ESG analysis (the NB ESG Quotient) into their internal credit ratings, there is a direct link between their analysis of material ESG characteristics and portfolio construction activities across their strategy.

Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, are more likely to be removed from the investment universe or divested from the Portfolio.

II. Engagement:

The Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program.

The Manager and the Sub-Investment Manager may also engage with sovereign issuers in developed and Emerging Market Countries. Where the Manager and the Sub-Investment Manager seek to engage with sovereigns, such engagement efforts may include speaking regularly to government officials, policy makers and international financial organisations, such as the International Monetary Fund, World Bank and Asian Development Bank, with onsite visits whenever possible, and utilise such meetings to engage with sovereign issuers on ESG topics, where the Manager and the Sub-Investment Manager see scope for improvement for the relevant country.

The sovereign engagement process tends to focus on the various areas relating to SDGs under the UNGC Principles and the UNGPs. In addition, the Manager and the Sub-Investment Manager monitor and engage with countries on reducing GHG emissions and improving policies towards net zero alignment. Sovereign engagement is also carried out with countries to improve fiscal transparency, tackle corruption and comply with Financial Action Task Force ("**FATF**") recommendations to address strategic deficiencies in counter money laundering, terrorist financing and proliferation financing. Progress on sovereign engagement is tracked centrally in the Manager's and the Sub-Investment Manager's engagement log.

The Manager and the Sub-Investment Manager view this direct engagement with issuers, as an important part of its investment process (including the investment selection process). Issuers 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, email and conference calls to understand ESG risks, opportunities, and assess good corporate governance practices of issuers. As part of the direct engagement process, the Manager and the Sub-Investment Manager may set objectives for the issuers to attain. These objectives as well as the issuers' progress with respect to same are monitored and tracked by the Manager and the Sub-Investment Manager through an internal Neuberger Berman ("**NB**") engagement tracker.

In addition, the Manager and the Sub-Investment Manager will seek to prioritise constructive engagement with issuers which have high impact controversies (such as corporate issuers placed on the Neuberger Berman Global Standards Policy's Watch List (as further detailed in the policy itself)), or which have a poor NB ESG Quotient rating, in order to assess whether those ESG controversies or what the Manager and the Sub-Investment Manager deem as weak ESG efforts, are being addressed adequately.

The Manager and the Sub-Investment Manager firmly believe this consistent engagement with issuers can help reduce credit risk and promote positive sustainable change. It is an important tool to identify and better understand an issuer's risk factors and performance. The Manager and the Sub-Investment Manager also use it to promote change, when necessary, which they believe will result in positive outcomes for creditors 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.

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 referenced above, which places limitations on the investable universe.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

N/A

- ***What is the policy to assess good governance practices of the investee companies?***

The governance factors that the Manager and the Sub-Investment Manager track for corporate and quasi-sovereign issuers may include: (i) senior management experience and sector expertise; (ii) ownership/board experience and alignment of incentives; (iii) corporate strategy and balance sheet strategy; (iv) financial and accounting strategy & disclosure; and (v) regulatory / legal track record.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Engagement with management is an important component of the Portfolio's investment process, and the Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program. This program is focused on in-person meetings, email and conference calls to understand risks, opportunities and assess good corporate governance practices of corporate issuers. The Manager and the Sub-Investment Manager view this direct engagement with issuers, 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 Manager and the Sub-Investment Manager aim to prioritise engagement that is expected, based on the Manager's and 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 an issuer, or through influence and action to mitigate risks (including sustainability risks) and take advantage of investment opportunities.

Additionally, the Manager and the Sub-Investment Manager also track governance factors for Emerging Market Countries such as: (i) the political sphere of the relevant country, (ii) the adherence to the rule of law, (iii) control of corruption, political uncertainty related to upcoming elections and (iv) a focus of the quality of economic governance, namely the government's role as an effective regulator and support of the private sector through responsible financial, macroeconomic and international trade policies.

The Manager and the Sub-Investment Manager may take into account other governance factors as appropriate from time to time.

As described above, the Portfolio will only invest in securities issued by issuers whose activities do not breach the Neuberger Berman Global Standards Policy which identifies violators of the (i) UNGC Principles, (ii) OECD Guidelines, (iii) UNGPs and (iv) ILO Standards.



What is the asset allocation planned for this financial product?

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 does not commit to holding 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.

The "Other" section in the Portfolio is held for a number of reasons that the Manager and the Sub-Investment Manager feel 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 "Other" section may also include investments or asset classes for which the Manager and the Sub-Investment Manager do not have sufficient data to confirm that they are aligned with the environmental or social characteristics promoted by the Portfolio. Further details on the "Other" section are set out below.

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

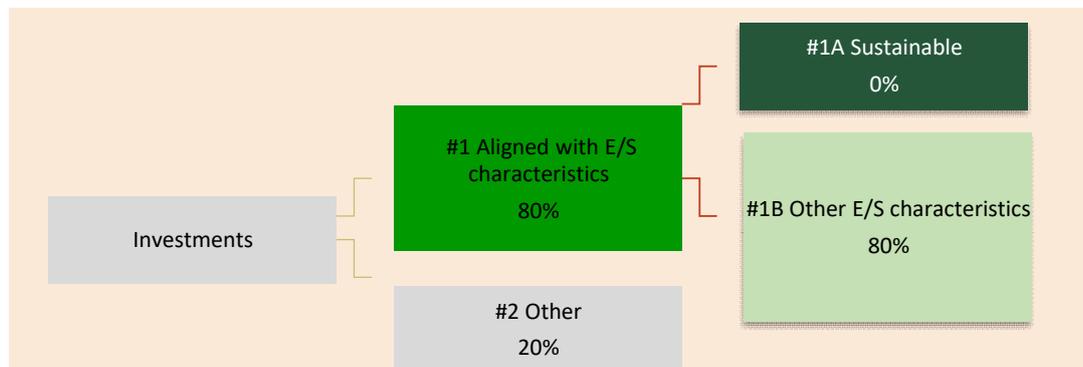
The exact asset allocation of this Portfolio will be reported in the Portfolio's mandatory periodic report SFDR template, for the relevant reference period. This will be calculated based on the average of the four quarter ends.

The Manager and the Sub-Investment Manager have calculated the proportion of investments aligned with the environmental and/or social characteristics promoted by the Portfolio: i) that hold either 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 Manager and the Sub-Investment Manager have engaged directly. The calculation is based on a mark-to-market assessment of the Portfolio and may rely on incomplete or inaccurate issuer or third party data.

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

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



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The analysis and disclosure requirements introduced by the EU Taxonomy are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Portfolio makes. The Manager and the Sub-Investment Manager cannot commit that the Portfolio will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation. It cannot be excluded that some of the Portfolio's holdings qualify as Taxonomy-aligned investments. Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by companies. The Manager and the Sub-Investment Manager will keep the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy under active review as data availability and quality improves.

The disclosure contained in this appendix will be updated if the Manager and the Sub-Investment Manager amend the minimum Taxonomy alignment of the Portfolio.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹**

- Yes:
- In fossil gas In nuclear energy
- No

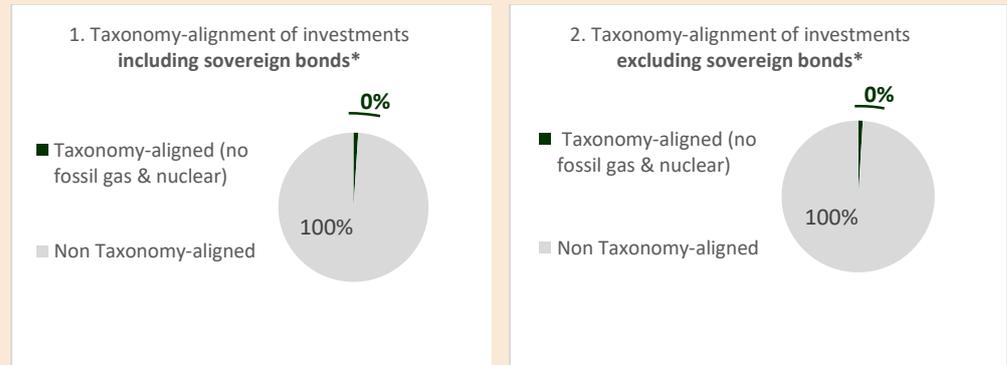
¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulations (EU) 2022/1214.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● **What is the minimum share of investments in transitional and enabling activities?**

N/A – the Portfolio does not commit to holding Taxonomy-aligned investments.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

N/A – the Portfolio does not commit to holding Taxonomy-aligned investments.



What is the minimum share of socially sustainable investments?

N/A – the Portfolio does not commit to holding sustainable investments.



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

“Other” includes the remaining investments of the Portfolio (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 above) 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 Manager and the Sub-Investment Manager feel 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.

As noted above, 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, the UNGPs, the OECD Guidelines and the ILO Standards.

The Manager and the Sub-Investment Manager believe that these policies prevent investment in issuers 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.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A - The Portfolio's benchmark has not been designated as a reference benchmark. Therefore, it is not consistent with the environmental or social characteristics promoted by the Portfolio.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

N/A

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

N/A

- ***How does the designated index differ from a relevant broad market index?***

N/A

- ***Where can the methodology used for the calculation of the designated index be found?***

N/A

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



Where can I find more product specific information online?

Product overviews, factsheets, KIIDs and other literature can be found on the NB website, in our dedicated 'Investment Strategies' section at www.nb.com.

More product-specific information can be found on the website:

<https://www.nb.com/en/gb/esg/reporting-policies-and-disclosures#0A63D195342B424C8C1F115547F2784A>

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Neuberger Berman Emerging Market Debt Sustainable Investment Grade Blend Fund (the “Portfolio”)

Legal entity identifier: 549300IFJK0FPOE1X496

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

<p><input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes</p> <p><input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____%</p> <p style="margin-left: 40px;"><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%</p>	<p><input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No</p> <p><input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 50% of sustainable investments</p> <p style="margin-left: 40px;"><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p style="margin-left: 40px;"><input checked="" type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</p>
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Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What environmental and/or social characteristics are promoted by this financial product?

As part of the investment process, the Manager and the Sub-Investment Manager consider 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.

The Manager and the Sub-Investment Manager use the NB ESG Quotient to promote the environmental and social characteristics listed below by prioritising investment in securities issued by issuers with a relatively favourable and/or an improving NB ESG Quotient rating. The Portfolio does not invest in issuers which rank in the bottom decile in terms of the NB ESG Quotient, with no near term improvement prospects.

The following environmental and social characteristics are promoted, as part of the NB ESG Quotient rating for sovereign issuers:

- **Environmental Characteristics:** sovereign energy efficiency; climate change adaptation; deforestation; greenhouse gas (“**GHG**”) emissions; air and household pollution; and unsafe sanitation.

- **Social Characteristics:** progress towards UN Sustainable Development Goals (“SDGs”); health and education levels; regulatory quality; political stability and freedoms; gender equality; and research & development.

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

- **Environmental Characteristics:** biodiversity and land usage; carbon emissions; opportunities in clean technologies; water stress; toxic emissions & waste; financing environmental impact; product carbon footprint; environmental policy; environmental management system; GHG reduction programme; green procurement policy; and non-GHG air emissions programmes.
- **Social Characteristics:** health & safety; human capital development; labour management; privacy & data security; product safety & quality; financial products safety; discrimination policy; community involvement programmes; diversity programmes; and human rights policy.

In aiming to align the Portfolio with a net zero goal, the Manager and the Sub-Investment Manager will promote the reduction of the Portfolio’s carbon footprint across scope 1, 2, and material scope 3 GHG emissions¹.

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 ESG Quotient methodology will evolve over time and all ESG characteristics included therein are reviewed regularly and are subject to annual review to ensure that the most pertinent ESG characteristics are captured. 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 pre-contractual 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.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

As part of the investment process, the Manager and the Sub-Investment Manager consider 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:

The NB ESG Quotient (as explained above) is used to measure the environmental and social characteristics promoted by the Portfolio.

The NB ESG Quotient assigns weightings to environmental, social and governance factors for countries and for corporate sectors to derive the NB ESG Quotient rating. While the NB ESG Quotient rating of issuers is considered as part of the investment process, there is no minimum NB ESG Quotient rating to be attained by an issuer prior to investment. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of being included in the Portfolio.

The Portfolio does not invest in issuers which rank in the bottom of the NB ESG Quotient, with no near term improvement prospects.

II. ESG exclusion policies:

To ensure that the environmental or social characteristics promoted by the Portfolio can be attained, the Portfolio will not invest in securities issued by issuers whose

¹ Scope 1 emissions are direct emissions from an issuer’s owned or controlled sources (such as emissions created directly by the issuer’s business processes or from vehicles owned by the issuer). Scope 2 emissions are indirect emissions from the generation of electricity, steam, heating and cooling consumed by the issuer. Scope 3 emissions are all other indirect emissions that occur in an issuer’s value chain (such as emissions from products or services consumed by the issuer, disposal of its waste, employee commuting, distribution and transport of its products or its investments).

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

activities breach, or are not consistent with, the Neuberger Berman Controversial Weapons Policy and the Neuberger Berman Thermal Coal Involvement Policy. The Portfolio will exclude companies from the investment universe that manufacture incendiary weapons using white phosphorus or that have an industry tie to nuclear weapons. The Portfolio will exclude securities issued by companies that derive 5% or more of revenue from the production of adult entertainment materials; or the production of conventional weapons. Furthermore, investments held by the Portfolio will not invest in securities issued by issuers whose activities have been identified as breaching, or are not consistent with, the Neuberger Berman Global Standards Policy which excludes identified violators of (i) the UNGC Principles, (ii) the OECD Guidelines, (iii) the UNGPs and (iv) the ILO Standards. The Neuberger Berman Sustainable Exclusion Policy and Neuberger Berman the Enhanced Sustainable Exclusion Policy are applied when determining what investments to make for the Portfolio. The Portfolio also excludes issuers from the investment universe that are involved in the manufacturing of fur, gambling or nuclear power. Further details on these ESG exclusion policies are set out in the “Sustainable Investment Criteria” section of the main body of the Prospectus.

The Manager and the Sub-Investment Manager will not invest in debt securities and money market instruments issued by sovereign issuers which are identified by the Manager and the Sub-Investment Manager as having weak ESG practices. Such exclusions will be based on a number of ESG criteria, including the following:

- Sovereign issuers which are ranked in the bottom decile based on the NB ESG Quotient, with no near term improvement prospects; or
- Sovereign issuers which have been excluded from the J.P. Morgan ESG EMBI Global Diversified Index (Total Return, USD) based on ESG considerations; or
- Sovereign issuers where top officials have been sanctioned by the UN Security Council based on human rights violations; or
- Sovereign issuers which are assessed as having high and increasing GHG intensity levels; or
- Sovereign issuers which are assessed as having poor and deteriorating human rights and rule of law metrics; or
- Sovereign issuers which are non-compliant with the standard put forth by the OECD’s Global Forum on Transparency and Exchange of Information for Tax Purposes, or sovereign issuers that are classified as a high risk jurisdiction subject to a call for action by the Financial Action Task Force (“**FATF**”).

For the avoidance of doubt, while the Portfolio will not invest in such securities, they may underlie credit derivatives which the Portfolio uses for hedging purposes only.

The Manager and the Sub-Investment Manager will track and report on the performance of the above sustainability indicators namely, (i) the NB ESG Quotient; and (ii) 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).

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

While the Portfolio promotes environmental and social characteristics, this Portfolio does not have a sustainable investment objective. However, the Portfolio will hold sustainable investments which will aim to contribute to the Portfolio’s net zero goal, as detailed below.

Performance in relation to these environmental and social characteristics will be measured through the NB ESG Quotient. Both the sustainable and non-sustainable investments held by the Portfolio will apply the NB ESG Quotient, as detailed above.

The consideration of investments made by the Portfolio as sustainable investments is determined by reference to NB’s sustainable investment framework. This framework includes an assessment as to (i) whether the investment contributes to an environmental and/or social objective, (ii) whether the investment causes significant harm to those objectives as described below, and (iii) an assessment of an issuer’s overall governance score to determine whether the issuer passes a good governance assessment.

The Manager and the Sub-Investment Manager screen issuers for controversies, significant harm and violations of minimum safeguards. If the issuers pass this screen, the Manager and

the Sub-Investment Manager then proceed to measure the issuers environmental or social economic contribution.

For corporate issuers, the Manager and the Sub-Investment Manager measure this in two ways:

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

Sustainable investments are more likely to have product/service revenue aligned with the SDGs.

For sovereign issuers, the Manager and the Sub-Investment Manager measure this in the following ways:

- Advancement in climate change adaptation and mitigation; and
- Advancement in achieving the SDGs, with emphasis on life expectancy and education.

Both the sustainable and non-sustainable investments held by the Portfolio will target net zero alignment by 2050.

While the sustainable investments may have a social or an environmental objective, the sustainable investments may not qualify as environmentally sustainable investments (or Taxonomy aligned investments) as defined under the EU Taxonomy.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?

As part of the Manager's and the Sub-Investment Manager's sustainable investment framework, investments that cause significant harm to environmental or social objectives are excluded. To determine whether an investment causes significant harm, the Manager and the Sub-Investment Manager consider significant harm with reference to certain principal adverse impact indicators (with respect to this see the "*How have the indicators for adverse impacts on sustainability factors been taken into account?*" below) and violations of minimum safeguards (with respect to which see "*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*" below).

The Manager and the Sub-Investment Manager also apply the ESG exclusion policies referenced above.

The combination of all of these factors generates a quantitative validation for "sustainability" which can be used to ensure 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.

How have the indicators for adverse impacts on sustainability factors been taken into account?

The Manager and 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:

GHG emissions; carbon footprint; GHG intensity of issuers; exposure to issuers 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 the UNGC Principles and the OECD Guidelines; lack of processes and compliance mechanisms to monitor compliance with the UNGC Principles and the 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**") for the corporate issuers and GHG intensity and investee countries subject to social violations (the "**Sovereign PAIs**") for the sovereign issuers.

Consideration of the above PAIs is limited by the availability of adequate, reliable and verifiable data coverage for such indicators (in the Manager's and the Sub-Investment Manager's subjective view) in respect of the sustainable investments of the Portfolio, and may evolve with improving data quality and availability. The Manager and the Sub-Investment Manager will utilise third party data and proxy data along with internal research to consider the PAIs and Sovereign PAIs.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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

Consideration of the PAIs and Sovereign PAIs by the Manager and 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 issuers which fall below the quantitative and qualitative tolerance thresholds set for a PAI or Sovereign PAI by the Manager and the Sub-Investment Manager;
- Stewardship and/or setting engagement objectives with issuers which fall below the quantitative and qualitative tolerance thresholds set for a PAI or Sovereign PAIs; and
- Application of the NB ESG exclusion policies detailed above, which includes consideration of several of the PAIs.

— — — *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Manager and the Sub-Investment Manager will not invest in issuers whose activities have been identified as breaching the OECD Guidelines, UNGC Principles, ILO Standards and UNGPs, captured through the Neuberger Berman Global Standards Policy.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

N/A – this Portfolio does not commit to holding Taxonomy-aligned investments.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes, please see below

No

Yes. The Manager and the Sub-Investment Manager consider PAIs and Sovereign PAIs in two ways:

1. All PAIs and Sovereign PAIs are considered when determining whether sustainable investments that the Portfolio intends to make do not cause significant harm to any environmental or social sustainable investment objective as explained in “*How have the indicators for adverse impacts on sustainability factors been taken into account?*” above.
2. The Manager and the Sub-Investment Manager will consider the following principal adverse impacts on sustainability factors across investments which promote environmental or social characteristics, namely:

The Sovereign PAIs for the sovereign issuers, and GHG emissions, carbon footprint, GHG intensity, fossil fuel exposure, board gender diversity, UNGC Principles & OECD violations and controversial weapons (together the “**Product Level PAIs**”).

See “How have the indicators for adverse impacts on sustainability factors been taken into account?” above for more details on how the PAIs are considered with respect to sustainable investments.

With respect to the Product Level PAIs, the Manager and the Sub-Investment Manager utilise third party data and proxy data along with internal research to consider them.

Additionally, the Manager and the Sub-Investment Manager have conducted a letter campaign where they have written to select corporate issuers asking for direct disclosure on the PAIs in order to offer high-quality disclosures to investors. The Manager and the Sub-Investment Manager will continue to work with issuers to encourage disclosure and envisage that the letter campaign will result in wider and more granular data coverage on the PAIs.

The Product Level PAIs that are taken into consideration are subject to there being adequate, reliable and verifiable data coverage for such indicators (in the Manager's and the Sub-Investment Manager's subjective view), and may evolve with improving data quality and availability. Where such data is not available the relevant Product Level PAI will not be considered until such time as the data becomes available. The Manager and the Sub-Investment Manager will keep the list of Product Level PAIs they consider under active review, as and when data availability and quality improves.

Consideration of the Product Level PAIs by the Manager and the Sub-Investment Manager will be through a combination of:

- Monitoring the Portfolio, in particular where it falls below the quantitative and qualitative tolerance thresholds set for each Product Level PAI by the Manager and the Sub-Investment Manager;
- Stewardship and/or setting engagement objectives where the Portfolio falls below the quantitative and qualitative tolerance thresholds set for a Product Level PAI; and
- Application of the ESG exclusion policies referenced above, which includes consideration of several of the Product Level PAIs.

Reporting on consideration of Product Level PAIs will be available in an annex to the annual report of the Portfolio.



What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The Portfolio aims to achieve a target average return of 1% over the Benchmark, before fees over a market cycle (typically 3 years) by investing primarily in a blend of investment grade rated hard and local emerging market currency denominated debt, issued by sovereigns, quasi-sovereigns, sub-sovereigns and corporate credits in Emerging Market Countries that meet the Sustainable Criteria. The Benchmark comprises of 1/3 weighting to the J.P. Morgan GBI Emerging Markets Global Diversified Investment Grade 15% Cap Index (Total Return, Unhedged, USD) and 2/3 weighting to the J.P. Morgan EMBI Global Diversified Investment Grade Index (Total Return, USD).

In aiming to align the Portfolio with a net zero goal, the Manager and the Sub-Investment Manager intend to reduce the Portfolio's carbon footprint for corporate securities across scope 1, 2, and material scope 3 GHG emissions, equating to a 50% reduction by 2030 relative to a 2019 baseline and a subsequent decline to net zero by 2050. The 2019 baseline may be subject to re-calculation as data quality and disclosure expands over time, particularly with respect to scope 3 emissions. For sovereign bonds, the Manager and the Sub-Investment Manager deploy a methodology that tracks a country's net-zero alignment according to GermanWatch's Climate Change Performance Index, which is recommended by the Institutional Investors Group on Climate Change (“IIGCC”), as well as Climate Action Tracker. Any net-zero commitments and targets are set in the expectation that governments will follow through on their own commitments to ensure the objectives of the Paris Agreement are met, including increasing the ambition of their Nationally Determined Contributions (“NDCs”). Further details on Neuberger Berman's commitment to the Net Zero Asset Managers Initiative are contained in the “Sustainable Investment Criteria” section of the Prospectus.

The Manager and the Sub-Investment Manager consider and evaluate ESG characteristics, as an important component of their credit analysis discipline, when making investment decisions. The Manager and the Sub-Investment Manager utilise 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. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. The Portfolio does not invest in issuers which rank in the bottom decile in terms of their NB ESG Quotient, with no near term improvement prospects.

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

In addition, corporate credit worthiness is complemented by fundamental analysis aimed at assessing the issuer'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.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

ESG characteristics are considered at three different levels:

I. Integrating proprietary ESG analysis:

The NB ESG Quotient ratings are generated for issuers in the Portfolio. The NB ESG Quotient rating for issuers is utilised to help to better identify risks and opportunities in the overall credit and value assessment.

The NB ESG Quotient is a key component of the internal credit ratings and can help to identify business risks (including ESG risks), which would cause deterioration in an issuer's credit profile. Internal credit ratings can be notched up or down based on the NB ESG Quotient rating, and this is monitored by the Manager and the Sub-Investment Manager as an important component of the investment process for the Portfolio.

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

Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. The Portfolio does not invest in issuers which rank in the bottom decile in terms of the NB ESG Quotient, with no near term improvement prospects.

II. Engagement:

The Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program.

The Manager and the Sub-Investment Manager may also engage with sovereign issuers in developed and Emerging Market Countries. Where the Manager and the Sub-Investment Manager seek to engage with sovereigns, such engagement efforts may include speaking regularly to government officials, policy makers and international financial organisations, such as the International Monetary Fund, World Bank and Asian Development Bank, with onsite visits whenever possible, and utilise such meetings to engage with sovereign issuers on ESG topics, where the Manager and the Sub-Investment Manager see scope for improvement for the relevant country.

The sovereign engagement process tends to focus on the various areas relating to SDGs under the UNGC Principles and the UNGPs. In addition, the Manager and the Sub-Investment Manager monitor and engage with countries on reducing GHG emissions and improving policies towards net zero alignment. Sovereign engagement is also carried out with countries to improve fiscal transparency, tackle corruption and comply with FATF recommendations to address strategic deficiencies in counter money laundering, terrorist financing and proliferation financing. Progress on sovereign engagement is tracked centrally in the Manager's and the Sub-Investment Manager's engagement log.

The Manager and the Sub-Investment Manager view this direct engagement with issuers, as an important part of its investment process (including the investment selection process). Issuers 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, email and conference calls to understand ESG risks, opportunities, and assess good corporate governance practices of issuers. As part of the direct engagement process, the Manager and the Sub-Investment Manager may set objectives for the issuers to attain. These objectives as well as the issuers' progress with respect to same are monitored and tracked by the Manager and the Sub-Investment Manager through an internal Neuberger Berman ("**NB**") engagement tracker.

The Manager and the Sub-Investment Manager firmly believe this consistent engagement with issuers can help reduce credit risk and promote positive sustainable

corporate change. It is an important tool to identify and better understand an issuer's risk factors and performance. The Manager and the Sub-Investment Manager also use it to promote change, when necessary, which they believe will result in positive outcomes for creditors 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 success of both the Manager's and the Sub-Investment Manager's constructive engagement efforts with issuers will depend on each of the issuer's receptiveness and responsiveness to such engagement.

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 referenced above, which places limitations on the investable universe.

● **What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?**

The Manager and the Sub-Investment Manager will reduce the investment universe by 20% through the application of ESG exclusions, as detailed above, and ESG analysis.

● **What is the policy to assess good governance practices of the investee companies?**

The governance factors that the Manager and the Sub-Investment Manager track for corporate and quasi-sovereign issuers may include: (i) senior management experience and sector expertise; (ii) ownership/board experience and alignment of incentives; (iii) corporate strategy and balance sheet strategy; (iv) financial and accounting strategy & disclosure; and (v) regulatory / legal track record.

Engagement with management is an important component of the Portfolio's investment process, and the Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program. This program is focused on in-person meetings, email and conference calls to understand risks, opportunities and assess good corporate governance practices of corporate issuers. The Manager and the Sub-Investment Manager view this direct engagement with issuers, 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 Manager and the Sub-Investment Manager aim to prioritise engagement that is expected, based on the Manager's and 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 an issuer, or through influence and action to mitigate risks (including sustainability risks) and take advantage of investment opportunities.

Additionally, the Manager and the Sub-Investment Manager also track governance factors for Emerging Market Countries such as: (i) the political sphere of the relevant country, (ii) the adherence to the rule of law, (iii) control of corruption, political uncertainty related to upcoming elections and (iv) a focus of the quality of economic governance, namely the government's role as an effective regulator and support of the private sector through responsible financial, macroeconomic and international trade policies.

The Manager and the Sub-Investment Manager may take into account other governance factors as appropriate from time to time.

As described above, the Portfolio will only invest in securities issued by issuers whose activities do not breach the Neuberger Berman Global Standards Policy which identifies violators of the (i) UNGC Principles, (ii) OECD Guidelines, (iii) UNGPs and (iv) ILO Standards.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.



What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

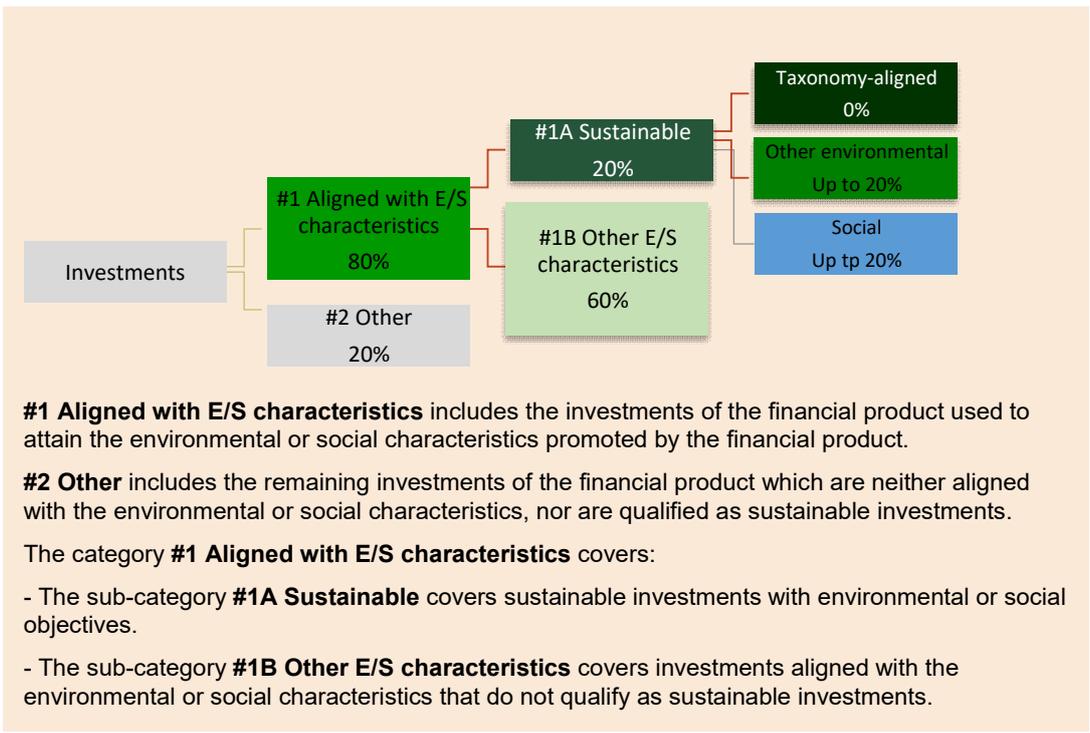
The Portfolio aims to hold a minimum of 80% investments that are aligned with the environmental or social characteristics promoted by the Portfolio. The Portfolio commits to holding a minimum of 50% in sustainable investments. The Portfolio aims to hold a maximum of 20% investments that are not aligned 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.

The "Other" section in the Portfolio is held for a number of reasons that the Manager and the Sub-Investment Manager feel 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 "Other" section may also include investments or asset classes for which the Manager and the Sub-Investment Manager do not have sufficient data to confirm that they are aligned with the environmental or social characteristics promoted by the Portfolio. Further details on the "Other" section are set out below.

Please note that while the Manager and the Sub-Investment Manager aim to achieve the 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 Manager and the Sub-Investment Manager have calculated the proportion of investments aligned with the environmental and/or social characteristics promoted by the Portfolio: i) that hold either 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 Manager and the Sub-Investment Manager have engaged directly. The calculation is based on a mark-to-market assessment of the Portfolio and may rely on incomplete or inaccurate issuer or third party data.



● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

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



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

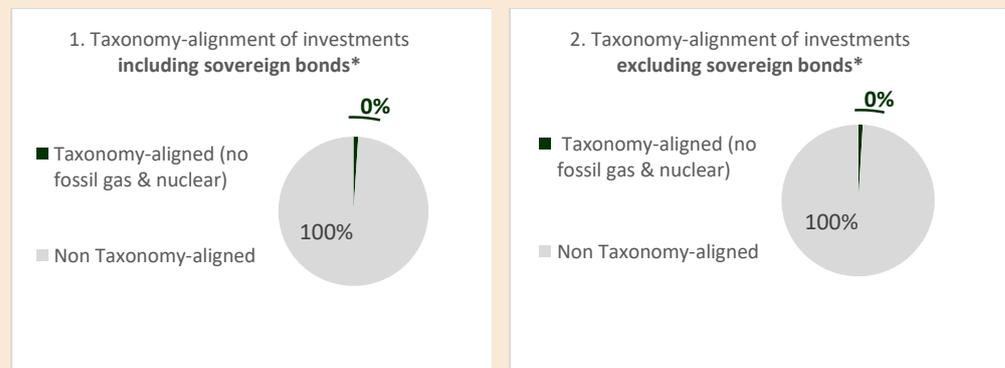
The analysis and disclosure requirements introduced by the EU Taxonomy are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Portfolio makes. The Manager and the Sub-Investment Manager cannot commit that the Portfolio will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation. It cannot be excluded that some of the Portfolio's holdings qualify as Taxonomy-aligned investments. Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by companies. The Manager and the Sub-Investment Manager will keep the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy under active review as data availability and quality improves.

The disclosure contained in this appendix will be updated if the Manager and the Sub-Investment Manager amend the minimum Taxonomy alignment of the Portfolio.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy²**

- Yes:
 - In fossil gas
 - In nuclear energy
- No

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● **What is the minimum share of investments in transitional and enabling activities?**

N/A – the Portfolio does not commit to holding Taxonomy-aligned investments.

² Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulations (EU) 2022/1214.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Portfolio's sustainable investments will have an environmental objective and/or a social objective. This means that at any specific point in time, all of the Portfolio's sustainable investments could have social objectives (which means that 0% of the Portfolio's sustainable investments would have environmental objectives); or all of the Portfolio's sustainable investments could have environmental objectives (which means that 0% of the Portfolio's sustainable investments would have social objectives).

While the Portfolio may invest in sustainable investments with an environmental objective, such sustainable investments may not be in Taxonomy-aligned investments as they may not satisfy the criteria for same.



What is the minimum share of socially sustainable investments?

The Portfolio's sustainable investments will have an environmental objective and/or social objective. This means that at any specific point in time, all of the Portfolio's sustainable investments could have social objectives (which means that 0% of the Portfolio's sustainable investments would have environmental objectives); or all of the Portfolio's sustainable investments could have environmental objectives (which means that 0% of the Portfolio's sustainable investments would have social objectives).



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

“Other” includes the remaining investments of the Portfolio (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 above) 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 Manager and the Sub-Investment Manager feel 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.

As noted above, 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 ILO Standards.

The Manager and the Sub-Investment Manager believe that these policies prevent investment in issuers 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.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A – The Portfolio's benchmarks have not been designated as reference benchmarks. Therefore, they are not consistent with the environmental or social characteristics promoted by the Portfolio.

● **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

N/A

● **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

N/A

● **How does the designated index differ from a relevant broad market index?**

N/A

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

● **Where can the methodology used for the calculation of the designated index be found?**

N/A



Where can I find more product specific information online?

Product overviews, factsheets, KIIDs and other literature can be found on the NB website, in our dedicated 'Investment Strategies' section at www.nb.com.

More product-specific information can be found on the website:

<https://www.nb.com/en/gb/esg/reporting-policies-and-disclosures#0A63D195342B424C8C1F115547F2784A>

Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Neuberger Berman Responsible Asian Debt – Hard Currency Fund (the “Portfolio”)
Legal entity identifier: 54930058PUF4SZOVOD17

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> Yes	<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective : ___% <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> It will make a minimum of sustainable investments with a social objective : ___%	<input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> with a social objective <input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



What environmental and/or social characteristics are promoted by this financial product?

As part of the investment process, the Manager and the Sub-Investment Manager consider 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.

The Manager and the Sub-Investment Manager use the NB ESG Quotient to promote the environmental and social characteristics listed below by prioritising investment in securities issued by issuers with a relatively favourable and/or an improving NB ESG Quotient rating. Pursuant to this, the Manager and the Sub-Investment Manager will limit exposure to issuers with a poor NB ESG Quotient rating unless there is a commitment to engage with the issuer with an expectation that the NB ESG Quotient rating will improve over time.

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

- **Environmental Characteristics:** biodiversity and land usage; carbon emissions; opportunities in clean technologies; water stress; toxic emissions & waste; financing environmental impact; product carbon footprint; environmental policy; environmental management system; greenhouse gas (“**GHG**”) reduction programme; green procurement policy; and non-GHG air emissions programmes.

In aiming to align the Portfolio with a net zero goal, the Manager and the Sub-Investment Manager will promote the reduction of the Portfolio’s carbon footprint across scope 1, 2, and material scope 3 GHG emissions¹.

¹ Scope 1 emissions are direct emissions from an issuer’s owned or controlled sources (such as emissions created directly by the issuer’s business processes or from vehicles owned by the issuer). Scope 2 emissions are indirect

- The Portfolio aims to achieve a carbon emission intensity level that is at least 30% lower than the broader Asia debt investment universe, represented by the J.P. Morgan Asian Credit Index (Total Return, USD) (the “**Benchmark**”). The average carbon emission intensity will be measured and calculated based on the Portfolio’s carbon emission intensity struck at each of the four calendar quarter ends. The Portfolio is actively managed and does not intend to track the Benchmark which is included here for performance comparison purposes.
- The Portfolio aims to achieve a higher ESG score as compared to the broader Asia debt investment universe, represented by the Benchmark, based on third party ESG scores from an established external provider.
- **Social Characteristics:** health & safety; human capital development; labour management; privacy & data security; product safety & quality; financial products safety; discrimination policy; community involvement programmes; diversity programmes; and human rights policy.

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 ESG Quotient methodology will evolve over time and all sector specific ESG characteristics included therein are reviewed regularly and are subject to annual review to ensure that the most pertinent sector specific ESG characteristics are captured. 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 pre-contractual 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.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

As part of the investment process, the Manager and the Sub-Investment Manager consider 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:

The NB ESG Quotient (as explained above) is used to measure the environmental and social characteristics promoted by the Portfolio. The NB ESG Quotient 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 Manager’s and the Sub-Investment Manager’s analyst team’s significant sector expertise.

The NB ESG Quotient assigns weightings to environmental, social and governance factors for each sector to derive the NB ESG Quotient rating. While the NB ESG Quotient rating of issuers is considered as part of the investment process, there is no minimum NB ESG Quotient rating to be attained by an issuer prior to investment. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of being included in the Portfolio. Issuers with a poor NB ESG Quotient rating, especially where a poor NB ESG Quotient rating is not being addressed by an issuer, are more likely to be removed from the investment universe or divested from the Portfolio. The Portfolio may on an ancillary basis invest in such companies with near-term improvement prospects, which the Manager and/or the Sub-Investment Manager will assess on an ongoing basis based on the NB ESG Quotient.

In addition, the Manager and the Sub-Investment Manager will seek to prioritise constructive engagement with issuers which have high impact controversies (such as corporate issuers placed on the Neuberger Berman Global Standards Policy’s Watch List (as further detailed in the policy itself)), or which have a poor NB ESG Quotient

emissions from the generation of electricity, steam, heating and cooling consumed by the issuer. Scope 3 emissions are all other indirect emissions that occur in an issuer’s value chain (such as emissions from products or services consumed by the issuer, disposal of its waste, employee commuting, distribution and transport of its products or its investments).

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

rating, in order to assess whether those ESG controversies or what the Manager and the Sub-Investment Manager deem as weak ESG efforts, are being addressed adequately. The success of both the Manager's and the Sub-Investment Manager's constructive engagement efforts with issuers will depend on issuers' receptiveness and responsiveness to such engagement.

II. ESG exclusion policies:

To ensure that the environmental or social characteristics promoted by the Portfolio can be attained, the Portfolio will not invest in securities issued by issuers whose activities breach, or are not consistent with, the Neuberger Berman Controversial Weapons Policy, the Neuberger Berman Thermal Coal Involvement Policy and the Neuberger Berman Sustainable Exclusion Policy. The Portfolio is phasing out its exposure to thermal coal and currently prohibits investment in securities issued by issuers that derive more than 10% of revenue from thermal coal mining or are expanding new thermal coal power generation, as determined by internal screens. The Portfolio also prohibits investments in issuers in the power generation industry that use thermal coal as an energy source for more than 95% of their installed power generation capacity, are expanding into new thermal coal power generation, or whose expansionary capital expenditure budgets do not include a minimum threshold for non-coal investments, as determined by internal screens.

In addition, the Portfolio excludes from the investment universe securities that are issued by issuers which are involved in direct child labour, derive 5% or more of revenues from the manufacture of tobacco products, as well as certain issuers with significant revenues from palm oil, adult entertainment, or nuclear power generation or companies that manufacture incendiary weapons using white phosphorus or that have an industry tie to nuclear weapons. Furthermore, investments held by the Portfolio will not invest in issuers whose activities have been identified as breaching, or are not consistent with, the Neuberger Berman Global Standards Policy which excludes identified violators of (i) the UNGC Principles, (ii) the OECD Guidelines, (iii) the UNGPs and (iv) the ILO Standards. Further details on these ESG exclusion policies are set out in the "Sustainable Investment Criteria" section of the main body of the Prospectus.

The Manager and the Sub-Investment Manager will also exclude securities issued by companies that derive 5% or more of revenue from:

- the production of alcohol-related products;
- the production of adult entertainment materials;
- the production of conventional weapons;
- the ownership or operation of gambling-related business activities; or
- the production or distribution of palm oil.

The Manager and the Sub-Investment Manager will exclude securities issued by companies identified as having ESG controversies (such as the negative ESG impact of the company's operations, products and/or services, non-compliance with international guidelines or safeguards (such as those captured by the Global Standards Policy)) or companies that raise serious concerns regarding their alignment with international guidelines or safeguards.

The Manager and the Sub-Investment Manager will exclude securities issued by companies identified as being involved in direct child labour.

The Manager and the Sub-Investment Manager will not invest in sovereign issuers and/or 100% government owned entities which are identified by the Manager and the Sub-Investment Manager as having weak ESG practices. Such exclusions will be based on a number of ESG criteria including the following:

- Sovereign issuers which are ranked in the bottom decile based on the NB ESG Quotient, with no near term improvement prospects; or
- Sovereign issuers where top officials have been sanctioned by the UN Security Council based on human rights violations; or
- Sovereign issuers which are assessed as having poor and deteriorating human rights and rule of law metrics; or
- Sovereign issuers which are non-compliant with the standard put forth by the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes, or sovereign issuers that are classified as a high risk jurisdiction subject to a call for action by the Financial Action Task Force ("**FATF**").

Through the above ESG exclusionary steps, the Manager and the Sub-Investment Manager will exclude at least 20% of components of the investment universe.

The Manager and the Sub-Investment Manager will track and report on the performance of the above sustainability indicators namely, (i) the NB ESG Quotient; and (ii) 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).

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

While the Portfolio promotes environmental and social characteristics, this Portfolio does not have a sustainable investment objective. However, the Portfolio will hold at least 20% sustainable investments which will aim to promote the environmental & social characteristics listed above and will aim to contribute to the Portfolio's net zero goal, as detailed below.

Performance in relation to these environmental and social characteristics will be measured through the NB ESG Quotient. Both the sustainable and non-sustainable investments held by the Portfolio will apply the NB ESG Quotient, as detailed above.

The consideration of investments made by the Portfolio as sustainable investments is determined by reference to NB's sustainable investment framework. This framework includes an assessment as to (i) whether the investment contributes to an environmental and/or social objective, (ii) whether the investment causes significant harm to those objectives as described below, and (iii) an assessment of an issuer's overall governance score to determine whether the issuer passes a good governance assessment. Under this sustainable investment framework, the Manager and the Sub-Investment Manager utilise multiple datapoints that measure the alignment of a company's economic activity with environmental or social characteristics.

The Manager and the Sub-Investment Manager screen companies for controversies, significant harm and violations of minimum safeguards. If the companies pass this screen, the Manager and the Sub-Investment Manager then proceed to measure the companies' environmental or social economic contribution.

For corporate issuers, the Manager and the Sub-Investment Manager measure this in two ways:

1. Revenue alignment to the EU taxonomy (if any); and
2. Revenue alignment to the Sustainable Development Goals ("**SDGs**").

For sovereign issuers, the Manager and the Sub-Investment Manager measure this in the following ways:

1. Advancement in climate change adaptation and mitigation; and
2. Advancement in achieving the SDGs, with emphasis on life expectancy and education.

Sustainable investments are more likely to have product/service revenue aligned with the SDGs.

Both the sustainable and non-sustainable investments held by the Portfolio will target net zero alignment by 2050.

While the sustainable investments may have a social or an environmental objective, the Manager and the Sub-Investment Manager do not commit the Portfolio to holding sustainable investments that qualify as environmentally sustainable investments (or Taxonomy aligned investments) as defined under the EU Taxonomy.

● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

As part of the Manager's and the Sub-Investment Manager's sustainable investment framework, investments that cause significant harm to environmental or social objectives are excluded. To determine whether an investment causes significant harm, the Manager and the Sub-Investment Manager consider significant harm with reference to certain principal adverse impact indicators (with respect to this see the "*How have the indicators for adverse impacts on sustainability factors been taken into account?*" below) and violations of minimum safeguards (with respect to which see "*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human*

Rights?” below). The Manager and the Sub-Investment Manager also apply the ESG exclusion policies referenced above.

The combination of all of these factors generates a quantitative validation for “sustainability” which can be used to ensure the sustainable investments that the Portfolio intends to make, do not cause significant harm to any environmental or social sustainable objective.

— — — *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Manager and 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: GHG intensity and investee countries subject to social violations (the “**Sovereign PAIs**”) for the sovereign issuers.

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 UNGC Principles and 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) for the corporate issuers (together the “**PAIs**”).

Consideration of the above PAIs is limited by the availability of adequate, reliable and verifiable data coverage for such indicators (in the Manager’s and the Sub-Investment Manager’s subjective view) in respect of the sustainable investments of the Portfolio, and may evolve with improving data quality and availability. The Manager and the Sub-Investment Manager will utilise third party data and proxy data along with internal research to consider the PAIs.

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

Consideration of the PAIs by the Manager and 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 Manager and 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 by the Manager and the Sub-Investment Manager; and
- Application of the NB ESG exclusion policies detailed above, which includes consideration of several of the PAIs.

— — — *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Manager and the Sub-Investment Manager will not invest in issuers whose activities have been identified as breaching the OECD Guidelines, the ILO Standards, the UNGC Principles and the UNGPs, captured through the Neuberger Berman Global Standards Policy.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

N/A – this Portfolio does not commit to holding Taxonomy-aligned investments.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes, please see below

No

Yes. The Manager and the Sub-Investment Manager consider PAIs in two ways:

1. All PAIs and Sovereign PAIs are considered when determining whether sustainable investments that the Portfolio intends to make do not cause significant harm to any environmental or social sustainable investment objective as explained in “*How have the indicators for adverse impacts on sustainability factors been taken into account?*” above.
2. The Manager and the Sub-Investment Manager will consider the following principal adverse impacts, namely: GHG emissions, carbon footprint, GHG intensity, fossil fuel exposure, board gender diversity, UNGC Principles & OECD Guidelines violations and controversial weapons (the “**Product Level PAIs**”).

With respect to the Product Level PAIs, the Manager and the Sub-Investment Manager utilise third party data and proxy data along with internal research to consider them.

Additionally, the Manager and the Sub-Investment Manager have conducted a letter campaign where they have written to select corporate issuers asking for direct disclosure on the PAIs in order to offer high-quality disclosures to investors.

The Manager and the Sub-Investment Manager will continue to work with issuers to encourage disclosure and envisage that the letter campaign will result in wider and more granular data coverage on the PAIs.

The Product Level PAIs that are taken into consideration are subject to there being adequate, reliable and verifiable data coverage for such indicators (in the Manager's and the Sub-Investment Manager's subjective view), and may evolve with improving data quality and availability. Where such data is not available the relevant Product Level PAI will not be considered until such time as the data becomes available. The Manager and the Sub-Investment Manager will keep the list of Product Level PAIs they consider under active review, as and when data availability and quality improves.

Consideration of the Product Level PAIs by the Manager and the Sub-Investment Manager will be through a combination of:

- Monitoring the Portfolio, in particular where it falls below the quantitative and qualitative tolerance thresholds set for each Product Level PAI by the Manager and the Sub-Investment Manager;
- Stewardship and/or setting engagement objectives where the Portfolio falls below the quantitative and qualitative tolerance thresholds set for a Product Level PAI; and
- Application of the ESG exclusion policies referenced above, which includes consideration of several of the Product Level PAIs.

Reporting on consideration of Product Level PAIs will be available in an annex to the annual report of the Portfolio.



What investment strategy does this financial product follow?

The investment objective of the Portfolio is to achieve a target average return of 1-1.25% over the benchmark, the J.P. Morgan Asian Credit Index (Total Return, USD), before fees over a market cycle (typically 3 years) by primarily investing in Hard Currency-denominated debt issued in Asian countries.

In aiming to align the Portfolio with a net zero goal, the Manager and the Sub-Investment Manager intend to reduce the Portfolio's carbon footprint across scope 1, 2, and material scope 3 GHG emissions, equating to a 50% reduction by 2030 relative to a 2019 baseline and a subsequent decline to net zero by 2050. The 2019 baseline may be subject to re-calculation as data quality and disclosure expands over time, particularly with respect to scope 3 emissions. Further details on Neuberger Berman's commitment to the Net Zero Asset Managers Initiative are contained in the "Sustainable Investment Criteria" section of the Prospectus.

In determining the investments which the Portfolio will make, the Manager and the Sub-Investment Manager will prioritise investing in responsible issuers which they identify as issuers which:

- have a lower carbon emission intensity. The Portfolio has a net zero goal (further detail is included above) and additionally aims to achieve a carbon emission intensity level that is at least 30% lower than that of the broader Asia debt investment universe, represented by the Benchmark. The average carbon emission intensity will be measured and calculated based on the Portfolio's carbon emission intensity struck at each of the four calendar quarter ends; and
- demonstrate better environmental, social and governance ("ESG") practices. The Portfolio aims to achieve a higher ESG score as compared to the broader Asia debt investment universe, represented by the Benchmark, based on third party ESG scores from an established external provider.

The Manager and the Sub-Investment Manager consider and evaluate ESG characteristics, as an important component of their credit analysis discipline, when making investment decisions. The Manager and the Sub-Investment Manager utilise 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. Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, are more likely to be removed from the investment universe or divested from the Portfolio.

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

In addition, credit worthiness is complemented by fundamental analysis aimed at assessing the issuer'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.

● **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

ESG characteristics are considered at three different levels:

I. Integrating proprietary ESG analysis:

The NB ESG Quotient ratings are generated for issuers in the Portfolio. The NB ESG Quotient rating for issuers is utilised to help to better identify risks and opportunities in the overall credit and value assessment.

The NB ESG Quotient is a key component of the internal credit ratings and can help to identify business risks (including ESG risks), which would cause deterioration in an issuer's credit profile. Internal credit ratings can be notched up or down based on the NB ESG Quotient rating, and this is monitored by the Manager and the Sub-Investment Manager as an important component of the investment process for the Portfolio.

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

Issuers with a favourable and/or an improving NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating especially where these are not being addressed by that issuer, are more likely to be removed from the investment universe or divested from the Portfolio.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

II. Engagement:

The Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program. The Manager and the Sub-Investment Manager view this direct engagement with issuers, as an important part of its investment process (including the investment selection process). Issuers 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, email and conference calls to understand ESG risks, opportunities, and assess good corporate governance practices of issuers. As part of the direct engagement process, the Manager and the Sub-Investment Manager may set objectives for the issuers to attain. These objectives as well as the issuers' progress with respect to same are monitored and tracked by the Manager and the Sub-Investment Manager through an internal Neuberger Berman ("NB") engagement tracker.

In addition, the Manager and the Sub-Investment Manager will seek to prioritise constructive engagement with corporate issuers which have high impact controversies (such as corporate issuers placed on the Neuberger Berman Global Standards Policy's Watch List (as further detailed in the policy itself)), or which have a poor NB ESG Quotient rating, in order to assess whether those ESG controversies or what the Manager and the Sub-Investment Manager deem as weak ESG efforts, are being addressed adequately.

The Manager and the Sub-Investment Manager firmly believe this consistent engagement with issuers can help reduce credit risk and promote positive sustainable corporate change. It is an important tool to identify and better understand an issuer's risk factors and performance. The Manager and the Sub-Investment Manager also use it to promote change, when necessary, which they believe will result in positive outcomes for creditors 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.

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 referenced above, which places limitations on the investable universe.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Manager and the Sub-Investment Manager will reduce the investment universe by 20% through the application of ESG exclusions, as detailed above, and ESG analysis.

● ***What is the policy to assess good governance practices of the investee companies?***

The governance factors that the Manager and the Sub-Investment Manager track for corporate and quasi-sovereign issuers may include: (i) senior management experience and sector expertise; (ii) ownership/board experience and alignment of incentives; (iii) corporate strategy and balance sheet strategy; (iv) financial and accounting strategy & disclosure; and (v) regulatory / legal track record.

The governance factors that the Manager and the Sub-Investment Manager track in relation to Emerging Market Countries include (i) the political sphere of the relevant country, (ii) the adherence to the rule of law, (iii) control of corruption, political uncertainty related to upcoming elections and (iv) a focus of the quality of economic governance, namely the government's role as an effective regulator and support of the private sector through responsible financial, macroeconomic and international trade policies. Engagement with management is an important component of the Portfolio's investment process, and the Manager and the Sub-Investment Manager engage directly with management teams of issuers through a robust ESG engagement program. This program is focused on in-person meetings, email and conference calls to understand risks, opportunities and assess good corporate governance practices of corporate issuers. The Manager and the Sub-Investment Manager view this direct engagement with issuers, 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 Manager and the Sub-Investment Manager aim to prioritise engagement that is expected, based on the

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Manager's and 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 an issuer, or through influence and action to mitigate risks (including sustainability risks) and take advantage of investment opportunities.

The Manager and the Sub-Investment Manager may take into account other governance factors as appropriate from time to time.

As described above, the Portfolio will only invest in securities issued by issuers whose activities do not breach the Neuberger Berman Global Standards Policy which identifies violators of the (i) UNGC Principles, (ii) OECD Guidelines, (iii) UNGPs and (iv) ILO Standards.



What is the asset allocation planned for this financial product?

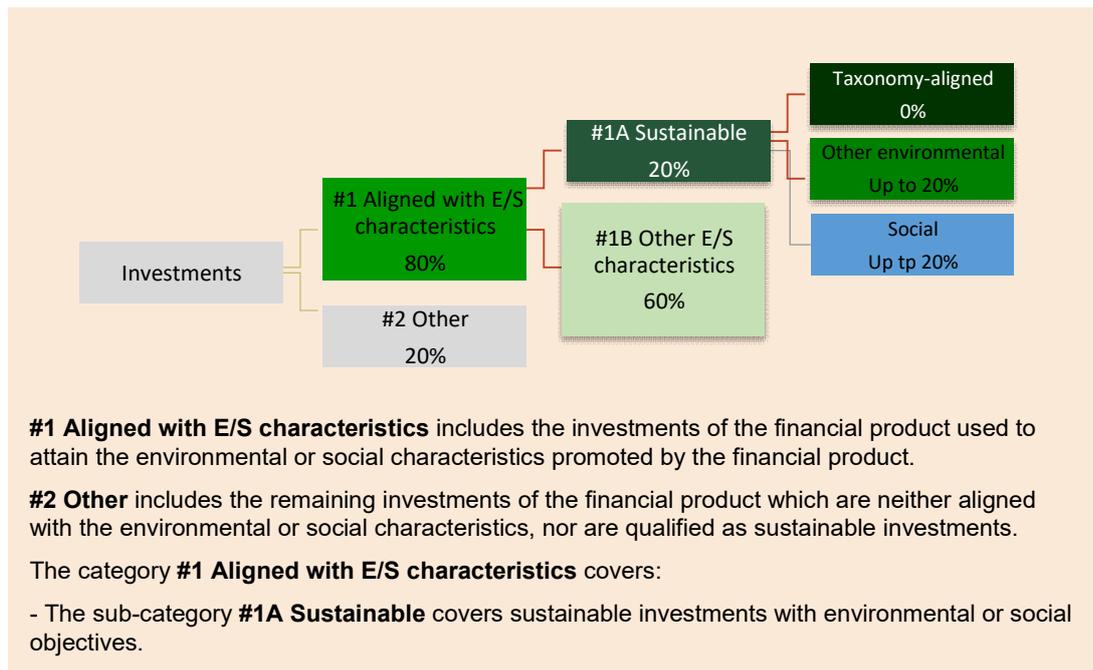
The Portfolio aims to hold a minimum of 80% investments that are aligned with the environmental or social characteristics promoted by the Portfolio. The Portfolio commits to holding a minimum of 20% sustainable investments. The Portfolio aims to hold a maximum of 20% investments that are not aligned 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.

The "Other" section in the Portfolio is held for a number of reasons that the Manager and the Sub-Investment Manager feel 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 "Other" section may also include investments or asset classes for which the Manager and the Sub-Investment Manager do not have sufficient data to confirm that they are aligned with the environmental or social characteristics promoted by the Portfolio. Further details on the "Other" section are set out below.

Please note that while the Manager and the Sub-Investment Manager aim to achieve the 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 Manager and the Sub-Investment Manager have calculated the proportion of investments aligned with the environmental and/or social characteristics promoted by the Portfolio: i) that hold either 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 Manager and the Sub-Investment Manager have engaged directly. The calculation is based on a mark-to-market assessment of the Portfolio and may rely on incomplete or inaccurate issuer or third party data.



Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

● **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

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



● **To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The analysis and disclosure requirements introduced by the EU Taxonomy are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Portfolio makes. The Manager and the Sub-Investment Manager cannot commit that the Portfolio will invest in investments that qualify as environmentally sustainable for the purposes of the Taxonomy Regulation. It cannot be excluded that some of the Portfolio's holdings qualify as Taxonomy-aligned investments. Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by companies. The Manager and the Sub-Investment Manager will keep the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy under active review as data availability and quality improves.

The disclosure contained in this appendix will be updated if the Manager and the Sub-Investment Manager amend the minimum Taxonomy alignment of the Portfolio.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy²**

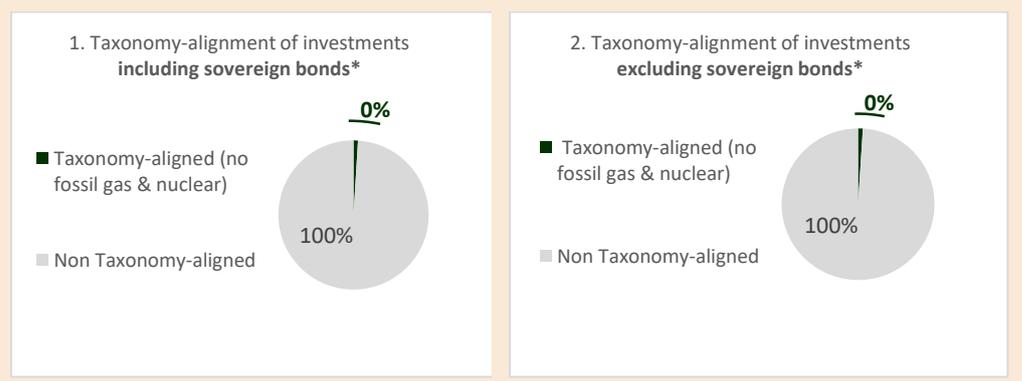
- Yes:
- In fossil gas In nuclear energy
- No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

● **What is the minimum share of investments in transitional and enabling activities?**

² Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulations (EU) 2022/1214.

N/A – the Portfolio does not commit to holding Taxonomy-aligned investments.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Portfolio's sustainable investments will have an environmental objective and/or a social objective. This means that at any specific point in time, all of the Portfolio's sustainable investments could have social objectives (which means that 0% of the Portfolio's sustainable investments would have environmental objectives); or all of the Portfolio's sustainable investments could have environmental objectives (which means that 0% of the Portfolio's sustainable investments would have social objectives).

While the Portfolio may invest in sustainable investments with an environmental objective, such sustainable investments may not be in Taxonomy-aligned investments as they may not satisfy the criteria for same.



What is the minimum share of socially sustainable investments?

The Portfolio's sustainable investments will have an environmental objective and/or a social objective. This means that at any specific point in time, all of the Portfolio's sustainable investments could have social objectives (which means that 0% of the Portfolio's sustainable investments would have environmental objectives); or all of the Portfolio's sustainable investments could have environmental objectives (which means that 0% of the Portfolio's sustainable investments would have social objectives).



What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?

“Other” includes the remaining investments of the Portfolio (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 above) 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 Manager and the Sub-Investment Manager feel 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.

As noted above, 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, the UNGPs, the OECD Guidelines and the ILO Standards.

The Manager and the Sub-Investment Manager believe that these policies prevent investment in issuers 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.



Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

N/A – The Portfolio's benchmark has not been designated as a reference benchmark. Therefore, it is not consistent with the environmental or social characteristics promoted by the Portfolio.

- **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

N/A

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

N/A

- **How does the designated index differ from a relevant broad market index?**

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

N/A

- **Where can the methodology used for the calculation of the designated index be found?**

N/A



Where can I find more product specific information online?

Product overviews, factsheets, KIIDs and other literature can be found on the NB website, in our dedicated 'Investment Strategies' section at www.nb.com.

More product-specific information can be found on the website:

<https://www.nb.com/en/gb/esg/reporting-policies-and-disclosures#0A63D195342B424C8C1F115547F2784A>

Template pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Neuberger Berman Sustainable Emerging Market Debt – Hard Currency Fund
Legal entity identifier: 549300OWRIKGBWGY0X93

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainable investment objective

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> Yes	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> No
<input checked="" type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: Up to 80%* <ul style="list-style-type: none"> <input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy 	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments <ul style="list-style-type: none"> <input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy <input type="checkbox"/> with a social objective
<input checked="" type="checkbox"/> It will make a minimum of sustainable investments with a social objective: _Up to 80%*	<input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

*Please refer to the "What is the asset allocation and the minimum share of sustainable investments" question below for further detail in respect of the minimum proportion of sustainable investments with an environmental and social objective.



What is the sustainable investment objective of this financial product?

The Portfolio invests in securities issued by those issuers that contribute to environmental and social objectives.

Environmental Objective

The Sub-Investment Manager will target investment in issuers which demonstrate better income-adjusted advancement in climate change adaptation and mitigation, reducing greenhouse gas ("GHG") emissions, ecosystem vitality and net zero alignment.

Sovereign issuer objectives:

Countries in the top 25% percentile or improving in the next 25% percentile in the sovereign climate transition risk indicator (which is proprietary to the Sub-Investment Manager and combines data focused on climate risk mitigation, climate adaptation, ecosystem vitality, GHG emissions and net zero alignment) are considered to be aligned to the environmental objective.

Any net zero commitments and targets are set in the expectation that governments will follow through on their own commitments to ensure the objectives of the Paris Agreement are met, including increasing the ambition of their Nationally Determined Contributions ("NDCs").

Corporate issuer objectives:

The Sub-Investment Manager intends to reduce the Portfolio's carbon footprint for corporate securities across scope 1, 2, and material scope 3 GHG emissions, equating to a 50% reduction by 2030 relative to a 2019 baseline and a subsequent decline to net zero by 2050. The 2019 baseline may be subject to

re-calculation as data quality and disclosure expands over time, particularly with respect to scope 3 emissions.¹

Social Objective

The Sub-Investment Manager will target investment in issuers which demonstrate better income-adjusted progress in achieving the UN Sustainable Development Goals (“SDGs”), with a particular focus on public health and education.

Countries in the top 25% percentile or improving in the next 25% percentile in the sovereign sustainable development indicator (which is proprietary to the Sub-Investment Manager and combines data focused on life expectancy, access to vaccination and medical professionals, secondary education and lower income inequality) are considered to be aligned to the social objective.

● **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The Sub-Investment Manager has set ambitious sustainable investment objectives of i) advancement in climate change adaptation and mitigation; and ii) advancement in the SDGs.

As part of the investment process, the Sub-Investment Manager considers a variety of sustainability indicators to measure the attainment of the sustainable investment objectives of the Portfolio. These are listed below:

I. Independent third party reports and assessments:

The Sub-Investment Manager uses the following third party reports, indexes and assessments to measure the Portfolio’s progress towards achieving its sustainable investment objectives:

Advancement in UN Sustainable Development Goals, with emphasis on climate change adaptation and mitigation:

- Notre Dame Global Adaptation Initiative Country Index (“**ND-GAIN**”)

The Sub-Investment Manager uses the ND-GAIN index to measure and assess a country’s vulnerability to climate change and climate transition risks.

The Sub-Investment Manager will focus its assessment on income-adjusted climate change adaptation.

- GHG Sovereign Emissions:

The Sub-Investment Manager tracks sovereign GHG Territorial Emissions defined as Tons of CO2 Emissions of Purchasing Power Parity (“PPP”)-adjusted GDP (Territorial Production Emissions) or per Capita (Territorial Consumption Emissions). Issuers with the highest Territorial Production Emissions – defined as top quartile and increasing – are excluded from the Portfolio.

- Environmental Performance Index

The Sub-Investment Manager tracks income-adjusted ecosystem vitality data from the Environmental Performance Index, a joint project of the Yale Center for Environmental Law & Policy and The Center for International Earth Science Information Network (CIESIN) at Columbia University’s Earth Institute. The indicator measures how well countries are preserving, protecting, and enhancing ecosystems and the services they provide. It is made up of six issue categories: Biodiversity & Habitat, Ecosystem Services, Fisheries, Acid Rain, Agriculture, and Water Resources.

- Net Zero Alignment - GermanWatch’s Climate Change Performance Index (“**CCPI**”) and Climate Action Tracker

The Sub-Investment Manager tracks sovereign bonds issuing country’s net-zero alignment according to CCPI and the Climate Action Tracker’s measurement of national and global efforts

¹ Scope 1 emissions are direct emissions from an issuer’s owned or controlled sources (such as emissions created directly by the issuer’s business processes or from vehicles owned by the issuer). Scope 2 emissions are indirect emissions from the generation of electricity, steam, heating and cooling consumed by the issuer. Scope 3 emissions are all other indirect emissions that occur in an issuer’s value chain (such as emissions from products or services consumed by the issuer, disposal of its waste, employee commuting, distribution and transport of its products or its investments).

towards mitigating global warming. This allows the Sub-Investment Manager to target countries with Net Zero commitments by 2050 or earlier.

Advancement in UN Sustainable Development Goals, with emphasis on public health, secondary education and tackling income inequality:

- Sustainable Development Report Index

The Sub-Investment Manager uses the Bertelsmann Stiftung and the Sustainable Development Solutions Network Sustainable Development Report Index to assess country performance on the SDGs. This allows the Sub-Investment Manager to target investment in issuers which demonstrate better progress in achieving the SDGs. Countries that meet the environmental or social goals also need to be in the top 75th percentile of the Sustainable Development Report Index to be considered sustainable.

- UNDP Human Development Index

The Sub-Investment Manager uses the UNDP Human Development Index to measure achievements in key dimensions of life expectancy, education and income inequality globally, adjusted for income. This allows the Sub-Investment Manager to target investment in issuers which demonstrate better progress in achieving human development.

- World Health Organisation – The Global Health Observatory

The Sub-Investment Manager used income-adjusted Global Health Observatory data on vaccination coverage (diphtheria tetanus toxoid) and pertussis (DTP3) immunisation coverage among 1-year-olds, and the number of medical doctors per capita.

II. ESG exclusion policies:

To ensure that the sustainable investment objective of the Portfolio can be attained, the Portfolio will not invest in securities issued by issuers whose activities breach, or are not consistent with, 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 securities issued by issuers that (i) derive more than 25% of their revenue from thermal coal mining; or (ii) are expanding new thermal coal power generation. The Portfolio will also exclude companies from the investment universe that manufacture incendiary weapons using white phosphorus or that have an industry tie to nuclear weapons. The Portfolio will exclude securities issued by companies that derive 5% or more of revenue from the production of adult entertainment materials; or the production of conventional weapons.

Furthermore, investments held by the Portfolio will not invest in securities issued by issuers whose activities have been identified as breaching, or are not consistent with, the Neuberger Berman Global Standards Policy which excludes identified violators of (i) the UNGC Principles, (ii) the OECD Guidelines, (iii) the UNGPs and (iv) the ILO Standards.

The Portfolio also applies the Neuberger Berman Sustainable Exclusion Policy and the Neuberger Berman Enhanced Sustainable Exclusion Policy.

Further details of these ESG exclusion policies are set out in the “Sustainable Investment Criteria” section of the main body of the Prospectus.

The Sub-Investment Manager excludes securities issued by corporate issuers that are identified as breaching the ESG exclusions outlined above.

Additionally, the Sub-Investment Manager excludes securities issued by corporate issuers that are rated worst in terms of the NB ESG Quotient² from the investment universe.

Furthermore, the Sub-Investment Manager will exclude sovereign issuers which are assessed as having weak and deteriorating human rights metrics and where top officials have been sanctioned by the UN Security Council based on human rights violations, or sovereign issuers which are assessed as having high and increasing greenhouse gas intensity levels, or sovereign issuers which are non-compliant with the standard put forth by the OECD’s Global Forum on Transparency and Exchange of Information for Tax Purposes, or sovereign issuers that are classified as a high risk jurisdiction subject to a call for action by the Financial Action Task Force (“**FATF**”).

² The NB ESG Quotient is a proprietary NB ESG rating system 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.

At least 20% of the investment universe is excluded on these bases.

The Sub-Investment Manager will track and report on the performance of the above sustainability indicators namely, (i) the independent third party reports and assessments; and (ii) the adherence to the ESG exclusion policies applied to the Portfolio. These sustainability indicators will be used to measure the attainment of the sustainable investment objectives of the Portfolio and will be included in the Portfolio's mandatory periodic report (as per the requirements of Article 11 of SFDR).

● ***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

As part of the Sub-Investment Manager's sustainable investment framework, investments that cause significant harm to environmental or social objectives are excluded. To determine whether an investment causes significant harm, the Sub-Investment Manager considers significant harm against principal adverse impact indicators (with respect to this see the "*How have the indicators for adverse impacts on sustainability factors been taken into account?*" below) and violations of minimum safeguards (with respect to which see "*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*" below).

The Sub-Investment Manager also applies the ESG exclusion policies referenced above.

In addition, the Sub-Investment Manager will also look at an issuer's overall governance score to determine whether the issuer passes a good governance assessment.

The combination of all of these factors generates a quantitative validation for "sustainability" which can be used to ensure the sustainable investments that the Portfolio intends to make, do not cause significant harm to any environmental or social sustainable investment objective.

— ***How have the indicators for adverse impacts on sustainability factors been taken into account?***

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. In respect of sovereign issuers (which are expected to make up the majority of the Portfolio) these are: GHG intensity and investee countries subject to social violations; and in respect of corporate issuers these are: GHG emissions; carbon footprint; GHG intensity of corporate issuers; exposure to issuers active in the fossil fuel sector; share of non-renewable energy consumption and production; energy consumption intensity per high impact climate sensitive sector; activities negatively affecting biodiversity-sensitive areas; emissions to water; hazardous waste and radioactive waste ratio; violations of the UNGC Principles and the OECD Guidelines; lack of processes and compliance mechanisms to monitor compliance with the UNGC Principles and the OECD Guidelines; unadjusted gender pay gap, board gender diversity; and exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) (together the "**PAIs**").

Consideration of the above PAIs is limited by the availability of adequate, reliable and verifiable data coverage for such indicators (in the Sub-Investment Manager's subjective view) in respect of the sustainable investments of the Portfolio, 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 relevant PAIs.

Additionally, the Sub-Investment Manager has conducted a letter campaign where it has written to select corporate issuers 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 issuers to encourage disclosure and envisages that the letter campaign will result in 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 issuers, in particular where they fall below the quantitative and qualitative tolerance thresholds set for the relevant PAIs by the Sub-Investment Manager;

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- Stewardship and/or setting engagement objectives with issuers which fall below the quantitative and qualitative tolerance thresholds set for the relevant PAIs; and
- Application of the NB ESG exclusion policies detailed above, which includes consideration of several of the PAIs.

— — — *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Sub-Investment Manager will not invest in issuers whose activities have been identified as breaching the OECD Guidelines, the UNGC Principles, the ILO Standards and the UNGPs, identified through the Neuberger Berman Global Standards Policy



Does this financial product consider principal adverse impacts on sustainability factors?



Yes, please see below



No

The Sub-Investment Manager will consider the impacts of the PAIs on sustainability factors.

Consideration of the PAIs is limited by the availability of adequate, reliable and verifiable data coverage for such indicators (in the Sub-Investment Manager's subjective view) in respect of the sustainable investments of the Portfolio, 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 corporate issuers 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 issuers to encourage disclosure and envisages that the letter campaign will result in wider and more granular data coverage on the PAIs.

Consideration of the PAIs by the Sub-Investment Manager, will be through a combination of:

- Monitoring issuers which fall below the quantitative and qualitative tolerance thresholds set for the relevant PAI by the Sub-Investment Manager;
- Stewardship and/or setting engagement objectives with issuers which fall below the quantitative and qualitative tolerance thresholds set for the relevant; and
- Application of the NB ESG exclusion policies detailed above, which includes consideration of several of PAIs.



What investment strategy does this financial product follow?

The Portfolio aims to outperform the Benchmark before fees over a market cycle (typically 3 years) by investing primarily in Hard Currency denominated debt securities issued in Emerging Market Countries that comply with the Sustainable Investment Criteria.

The Portfolio will invest primarily in debt securities and money market instruments issued by public or private issuers in Emerging Market Countries which are denominated in Hard Currency and which are consistent with the Portfolio's sustainability objective. Detail in respect of how this investment strategy is implemented in the investment process is set out at the response to the question "*What is the sustainable investment objective of this financial product*" above.

With the exception of permitted investments in transferable securities and money market instruments which are unlisted, all securities invested in by the Portfolio will be listed, dealt or traded on Recognised Markets globally, without any particular focus on any one industrial sector or region.

● ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

To attain the sustainable investment objective, ESG characteristics are considered at three different levels:

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

I. Integrating proprietary ESG analysis:

The sovereign sustainability development indicator, which is proprietary to the Sub-Investment Manager, assesses sovereign issuers in advancing in climate change adaptation and mitigation, reducing GHG emissions and net zero alignment, and in achieving the SDGs, with a particular focus on public health and education.

The Sub-Investment Manager also conducts ongoing analysis of ESG factors by generating and utilising NB ESG Quotient ratings for issuers to help to better identify risks and opportunities in the overall credit and value assessment.

The NB ESG Quotient is a key component of the internal credit ratings and can help to identify business risks (including ESG risks), which would cause deterioration in an issuer's credit profile. Internal credit ratings can be notched up or down based on the NB ESG Quotient rating, and this is monitored by the Sub-Investment Manager as an important component of the investment process for the Portfolio. While the NB ESG Quotient rating of issuers is considered as part of the investment process, there is no minimum NB ESG Quotient rating to be attained by an issuer prior to investment.

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

Issuers with a favourable NB ESG Quotient rating have a higher chance of ending up in the Portfolio. Issuers with a poor NB ESG Quotient rating, especially where these are not being addressed by that issuer, will not be included in the Portfolio.

The Sub-Investment Manager will not invest in debt securities and money market instruments issued by sovereign issuers which are identified by the Sub-Investment Manager as having weak ESG practices. Such exclusions will be based on a number of ESG criteria including the following:

- Sovereign issuers which are ranked in the bottom decile based on the NB ESG Quotient, with no near term improvement prospects; or
- Sovereign issuers which have been excluded from the Benchmark based on ESG considerations; or
- Sovereign issuers where top officials have been sanctioned by the UN Security Council based on human rights violations; or
- Sovereign issuers which are assessed as having high and increasing GHG intensity levels; or
- Sovereign issuers which are assessed as having poor and deteriorating human rights and rule of law metrics; or
- Sovereign issuers which are non-compliant with the standard put forth by the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes, or sovereign issuers that are classified as a high risk jurisdiction subject to a call for action by the FATF.

For the avoidance of doubt, while the Portfolio will not invest in such securities, they may underlie credit derivatives which the Portfolio uses for hedging purposes only.

II. Engagement:

The Sub-Investment Manager engages directly with management teams of issuers through a robust ESG engagement program. The Sub-Investment Manager views this direct engagement with issuers, as an important part of its investment process (including the investment selection process). Issuers 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 issuers. As part of the direct engagement process, the Sub-Investment Manager may set objectives for the issuers to attain. These objectives as well as the issuers' progress with respect to same are monitored and tracked by Sub-Investment Manager through an internal NB engagement tracker.

The Sub-Investment Manager firmly believes this consistent engagement with issuers can help reduce credit risk and promote positive sustainable corporate change. It is an important tool to identify and better understand an issuer'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 creditors 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 also engage with sovereign issuers in developed and Emerging Market Countries. As part of its sovereign engagement, the Sub-Investment Manager's portfolio managers and analysts speak regularly to government officials, policy makers and international financial organisations, such as the International Monetary Fund, World Bank and Asian Development Bank, with onsite visits whenever possible, and utilise such meetings to engage with sovereign issuers on ESG topics, where the Sub-Investment Manager sees scope for improvement for the relevant country.

The sovereign engagement process tends to focus on the various areas relating to SDGs under the UNGC Principles and the UNGPs. In addition, the Sub-Investment Manager monitors and engages with countries on reducing GHG emissions and improving policies towards net zero alignment. Sovereign engagement is also carried out with countries to improve fiscal transparency, tackle corruption and comply with FATF recommendations to address strategic deficiencies in counter money laundering, terrorist financing and proliferation financing. Progress on sovereign engagement is tracked centrally in the Sub-Investment Manager's engagement log.

III. ESG sectoral exclusion policies:

To ensure that the sustainable investment objective of the Portfolio can be attained, the Portfolio will apply the ESG exclusion policies referenced above.

● **What is the policy to assess good governance practices of the investee companies?**

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The governance factors that the Sub-Investment Manager tracks for corporate and quasi-sovereign issuers may include: (i) senior management experience and sector expertise; (ii) ownership/board experience and alignment of incentives; (iii) corporate strategy and balance sheet strategy; (iv) financial and accounting strategy & disclosure; and (v) regulatory / legal track record.

The governance factors that the Sub-Investment Manager tracks in relation to Emerging Market Countries include (i) the political sphere of the relevant country, (ii) the adherence to the rule of law, (iii) control of corruption, political uncertainty related to upcoming elections and (iv) a focus of the quality of economic governance, namely the government's role as an effective regulator and support of the private sector through responsible financial, macroeconomic and international trade policies.

Engagement with management is a key component of the Portfolio's investment process, and the Sub-Investment Manager engages directly with management teams of issuers through a robust ESG engagement program. This program is focused on in-person meetings, email and conference calls to understand risks, opportunities and assess good corporate governance practices of corporate issuers. The Sub-Investment Manager view this direct engagement with issuers, 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 an issuer, or through influence and action to mitigate risks (including sustainability risks) and take advantage of investment opportunities.

What is the asset allocation and the minimum share of sustainable investments?

The Portfolio commits to holding at least 80% sustainable investments, however, the Portfolio will aim to hold as close to 100% sustainable investments as possible – noting that certain investments (that do not qualify as sustainable investments, such as cash or hedging instruments) are required for the proper functioning of the Portfolio, such investments are disclosed under the "Other" section. The Portfolio aims to hold a maximum of 20% investments that are not sustainable investments, and which fall into the "Other" section of the Portfolio.

While the proportions of sustainable investments with an environmental objective and sustainable investments with a social objective held by the Portfolio will fluctuate (see further detail below in



Asset allocation describes the share of investments in specific assets.

respect of minimum respective shares in this regard), the Portfolio commits that the aggregate of sustainable investments with an environmental objective and sustainable investments with a social objective will be at least 80%. As noted above, the Portfolio aims to exceed its minimum 80% sustainable investment target.

The "Other" section in the Portfolio is held for a number of reasons that the Sub-Investment Manager feel are necessary for the proper functioning of the Portfolio such as ensuring adequate liquidity, hedging and collateral cover. Further details on the "Other" section are set out below.

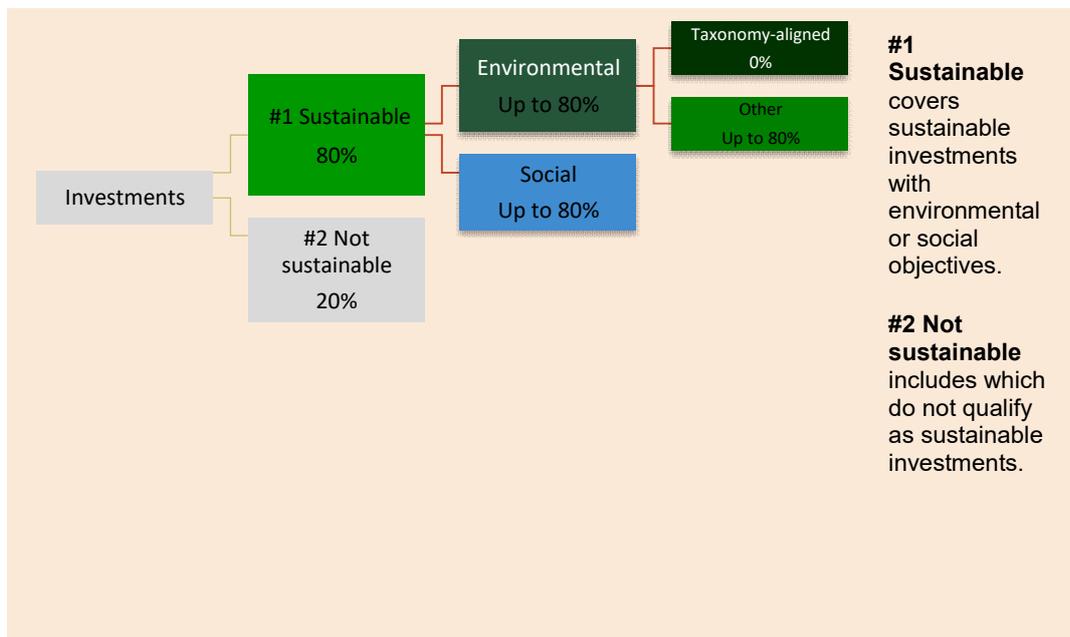
Please note that while the Sub-Investment Manager aims to achieve the minimum proportion asset allocation targets outlined above, these figures may fluctuate during the investment period and ultimately, as with any investment target, may not be attained.

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 calculation is based on a mark-to-market assessment of the Portfolio and may rely on incomplete or inaccurate issuer or third party data.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.



● **How does the use of derivatives attain the sustainable investment objective?**

While the Portfolio may use derivatives for efficient portfolio management, investment purposes and/or hedging, it will not use derivatives to attain the sustainable investment objective.



● **To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The analysis and disclosure requirements introduced by the EU Taxonomy are very detailed and compliance with them requires the availability of multiple, specific data points in respect of each investment which the Portfolio makes. The Sub-Investment Manager cannot committing that the Portfolio will invest in investments that qualify as environmentally sustainable for the purposes of the EU Taxonomy. As such, the minimum proportion of the Portfolio's investments that contribute to environmentally sustainable economic activities for the purposes of the EU Taxonomy will be 0%. It cannot be excluded that some of the Portfolio's holdings qualify as Taxonomy-aligned investments. Disclosures and reporting on Taxonomy alignment will develop as the EU framework evolves and data is made available by issuers. The Sub-Investment Manager will keep the extent to which sustainable investments with an environmental objective are aligned with the EU Taxonomy under active review as data availability and quality improves.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy³**

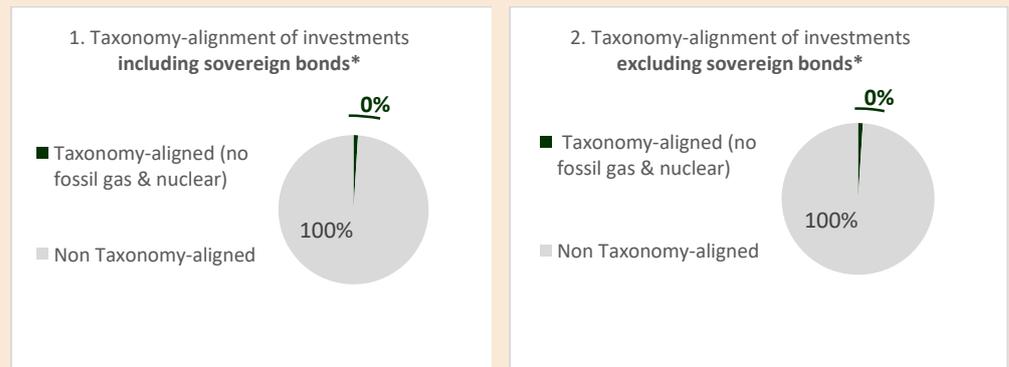
- Yes:
 - In fossil gas
 - In nuclear energy
- No

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

³ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulations (EU) 2022/1214.

● **What is the minimum share of investments in transitional and enabling activities?**

N/A – the Portfolio does not commit to holding Taxonomy-aligned investments.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

As outlined above, the Portfolio commits to holding at least 80% sustainable investments. The Portfolio's sustainable investments will have an environmental objective and/or a social objective. This means that at any specific point in time, all of the Portfolio's sustainable investments could have social objectives (which means that 0% of the Portfolio's sustainable investments would have environmental objectives); or all of the Portfolio's sustainable investments could have environmental objectives.

While the Portfolio may invest in sustainable investments with an environmental objective, such sustainable investments may not be in Taxonomy-aligned investments as they may not satisfy the criteria for same.



What is the minimum share of sustainable investments with a social objective?

As outlined above, the Portfolio commits to holding at least 80% sustainable investments. The Portfolio's sustainable investments will have an environmental objective and/or a social objective. This means that at any specific point in time, all of the Portfolio's sustainable investments could have social objectives; or all of the Portfolio's sustainable investments could have environmental objectives (which means that 0% of the Portfolio's sustainable investments would have social objectives).



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

“Other” includes the remaining investments (including but not limited to any derivatives listed in the Supplement for the Portfolio) of the Portfolio which are not qualified as sustainable investments.

The “Other” section in the Portfolio is held for a number of reasons that the Sub-Investment Manager feel are necessary for the proper functioning of the Portfolio such as ensuring adequate liquidity, hedging and collateral cover.

As noted above, 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, the UNGPs, the OECD Guidelines and the ILO Standards.

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

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



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

N/A - The Portfolio's benchmark has not been designated as a reference benchmark. Therefore, it is not consistent with the Portfolio's sustainable investment objective.

● **How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?**

N/A

● **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

N/A

are environmentally sustainable investments that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

- **How does the designated index differ from a relevant broad market index?**

N/A

- **Where can the methodology used for the calculation of the designated index be found?**

N/A



Where can I find more product specific information online?

More product-specific information can be found on the website:

<https://www.nb.com/en/global/esg/reporting-policies-and-disclosures#0A63D195342B424C8C1F115547F2784A>