



NEUBERGER BERMAN

# Private Markets ESG Report 2023





## About Neuberger Berman

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Neuberger Berman is an employee-owned, private, independent investment manager founded in 1939 with 2,800 employees<sup>1</sup> in 26 countries. The firm manages \$474 billion<sup>1</sup> of equities, fixed income, private equity, real estate and hedge fund portfolios for global institutions, advisors and individuals. Neuberger Berman's investment philosophy is founded on active management, fundamental research and engaged ownership. The PRI identified the firm as part of the Leader's Group, a designation awarded to fewer than 1% of investment firms for excellence in environmental, social and governance practices. Neuberger Berman has been named by *Pensions & Investments* as the #1 or #2 Best Place to Work in Money Management for each of the last 10 years (firms with more than 1,000 employees). Visit [www.nb.com](http://www.nb.com) for more information.

NB Private Markets has been an active private equity investor since 1987.<sup>2</sup> NB Private Markets manages over \$110 billion of investor commitments across fund and direct investments since inception through December 31, 2023,<sup>3</sup> and in 2023 committed over \$10 billion across primary investments, co-investments and secondary investments.<sup>4</sup> NB Private Markets has a global presence with over 430 private markets professionals in offices in the United States, Europe, and Asia as of December 31, 2023.

Since 2009, NB Private Markets has experienced consistent and managed growth. This growth is largely driven by (i) our product innovation, as we have continued to capitalize on opportunities we see in the market, as well as (ii) our increased focus on delivering strategic partnerships and customized solutions to our clients. We have continued to scale our business model, team, and portfolio planning commensurate with our private equity clients' needs and requirements. We will likely continue to add complementary business lines in the future. The platform invests in funds (both on a primary and secondary basis) as well as direct equity co-investments, private credit and specialty strategies, including brand licensing ("Marquee"), direct investments in Italy-based companies ("Renaissance" and "Aurora"), health care credit ("Athyrium") and real estate investments ("Almanac").

As used in this document, NB Private Markets consists of the following investment strategies that are currently classified as ESG-Integrated by the Neuberger Berman ESG Product Committee: Private Equity Investment Portfolios and Co-investment Platform, Private Equity Secondary Platform, Almanac ARS Funds, Private Credit Platform, Marquee, NB Insurance-Linked Strategies Platform, Renaissance, Athyrium, Specialty Finance and NBAIM Fund-of-Funds Platform. Unless explicitly noted, the ESG integration processes described in this document apply solely to the Private Equity Investment Portfolios and Co-investment Platform and Private Equity Secondary Platform ("NB Private Equity").

Please note that the following material is intended as a broad overview of the portfolio managers' style, philosophy and process and is subject to change without notice. Many of the firm-level processes described herein are subject to Neuberger Berman's policies and procedures, including certain information barriers within Neuberger Berman that are designed to prevent the misuse of material information between the NB Private Markets teams and the public side investment and ESG teams.

**\$110**  
BILLION

PRIVATE MARKETS  
COMMITMENTS  
MANAGED<sup>5</sup>

Investor in

**745+**

ACTIVE PRIVATE  
EQUITY FUNDS<sup>6</sup>

Representation on

**410+**

LIMITED PARTNER  
ADVISORY  
COMMITTEES<sup>7</sup>



Private Markets personnel across  
the United States, United Kingdom,  
Italy, China, Singapore, Japan, Spain,  
Luxembourg, Switzerland and Bermuda.



NEUBERGER BERMAN WAS  
THE FIRST NORTH AMERICAN  
ASSET MANAGER  
to secure a sustainability-linked  
credit facility<sup>8</sup>



(5 out of 5 stars)

AWARDED TOP SCORE

In our 2023 PRI assessment, Neuberger Berman obtained the highest possible score for both the Indirect - Private Equity and the Direct Fixed Income - Private Debt categories. Neuberger Berman also achieved top scores in multiple other categories, including the Policy, Governance and Strategy category<sup>9</sup>



BEST PLACES TO WORK<sup>10</sup>

- Ranked 2nd in 2023
- Ranked 1st or 2nd every year from 2014 – 2023



Access to proprietary firm resources  
such as research analysts, data  
science and ESG analytics as a  
multi-asset class manager<sup>11</sup>



# Neuberger Berman Private Markets ESG Philosophy

NB Private Markets believes that incorporating ESG considerations throughout its investment process can potentially lead to more consistent and better investment outcomes by helping to identify both financially material risks and opportunities to drive value.

We are focused on long-term partnerships and engaging with our partners to promote ESG integration best practices.

## Highlights

Over the course of 2023 and leading into 2024, Neuberger Berman Private Markets has focused on continuing to enhance its internal ESG processes in order to meet investor and regulatory requirements while engaging with our private equity partners.

Since our last publication we have:

- Completed the first year of our Private Markets ESG Working Group, gathering members across the NB Private Markets platform to discuss important and timely ESG-related topics on a quarterly basis
- Hired a dedicated Private Markets ESG Regulatory Specialist to support the consideration and implementation of ESG regulations across the private markets platform
- Upgraded our internal private markets ESG training program to incorporate deeper reviews of ESG risk factors, including climate and human rights
- Neuberger Berman published its [Task Force on Climate-related Disclosures Report](#) evidencing its assessment of climate-related issues and opportunities
- Hosted our annual GP engagement webinar focused on practical climate analysis tools for private equity general partners (GPs)
- Developed climate-focused due diligence tools to assess material climate risks and opportunities and onboarded Watershed to support estimated portfolio financed emissions for select mandates, where directed by clients
- Joined the Limited Partners Leadership Council of Ownership Works, a non-profit helping companies and investors implement innovative shared ownership programs

ESG integration discussed herein may be subject to Neuberger Berman's policies and procedures, including certain information barriers within Neuberger Berman that are designed to prevent the misuse of material information between the NB Private Markets teams and the public side investment and ESG teams.



# NB Private Markets Approach to ESG Integration

NB Private Markets believes the most effective way to integrate ESG factors into our investment processes is for investment teams to consider ESG factors as part of rigorous due diligence and ongoing portfolio management. As such, the investment teams are responsible for researching and integrating financially material ESG factors into the investment decision-making process. The firm's ESG Investing team provides expert guidance, resources and training to investment professionals during the investment process and works to continuously improve the firm's ESG practices.<sup>12</sup>

## Our ESG Integration Framework

NB Private Markets investment professionals are responsible for ESG integration. We believe this approach encourages strategy-specific innovation while allowing each investment team to learn from best practices across the platform. Therefore, we take a comprehensive approach toward managing client assets, including the integration of financially material ESG factors into the investment processes for many strategies. Our ESG Investing team accelerates this process with top-down expertise and support.

NB Private Markets seeks to formally integrate financially material ESG factors into our investment processes. For ESG-integrated investment strategies, each investment management team selects an approach from [Neuberger Berman's ESG Integration Framework](#). We believe financially material ESG analysis can be an essential part of fundamental investment due diligence and may help us reach a more holistic understanding of risk and return; as such, applicable investment strategies fall within the "Assess" category. Financially material and pecuniary ESG factors are considered alongside traditional factors in investment decisions and are generally no more significant than other factors in the investment selection process. NB Private Markets can apply investment exclusions for certain client accounts, including through application of our Private Markets Avoidance Policy.

Within NB Private Equity, we can also manage certain portfolios focused on the "Amplify" or "Aim for Impact" approach to ESG integration.<sup>13</sup> "Amplify" strategies seek to achieve a financial goal by investing in companies with sustainable business models, practices, products, or services and leadership on relevant ESG factors. The emphasis is on positive ESG and sustainability characteristics. "Aim for Impact" strategies seek to intentionally generate positive measurable social and environmental outcomes for people and the planet alongside a market-rate financial return, by investing in companies whose core business, products, services, or use of proceeds of each investment contributes to solutions for pressing environmental and social issues.





# Oversight of ESG Integration at Neuberger Berman

As much as ESG is a focus across Neuberger Berman, the Firm's ESG Committee has top-down responsibility for overseeing ESG integration and activity across the firm. The ESG Committee is chaired by the Global Head of ESG and Impact Investing and is comprised of senior professionals across all asset classes and functions of the firm. In particular, it includes the Chief Investment Officer for Equities, senior investment professionals from the Private Markets and Fixed Income teams, and the heads of research across the investment platform. The Committee also includes senior professionals from risk management, legal and compliance, marketing and our client coverage organization.

The ESG Committee oversees firmwide ESG efforts, including the review of goals and priorities. The ESG Committee delegates responsibility for the detailed review of new and existing strategies making an ESG-related claim to the ESG Product Committee to oversee integrity and consistency in their integration of ESG considerations. The ESG Product Committee is responsible for determining whether portfolio managers systematically and explicitly include financially material ESG considerations as a factor in their investment analysis and investment decision-making, as applicable. The ESG Product Committee is also responsible for determining the European Union Sustainable Finance Disclosure Regulation ("SFDR") classification of in-scope funds and segregated mandates. To determine continuous compliance, in addition to periodic monitoring by risk and internal audit teams, the ESG Product Oversight Committee oversees ESG commitments made at the product and/or investment level for existing products, including regulatory designations related to sustainability and/or ESG claims.

Neuberger Berman also has a dedicated ESG Investing team, which consists of 27 full-time professionals (as of March 2024). The team's primary responsibility is setting and implementing the global ESG strategy. Our ESG Investing team works with multiple departments across the firm to deepen the integration of ESG themes into new and existing investment strategies and is supported by the ESG Committee and ESG working groups at the asset-class level that are responsible for providing context-specific expertise and assisting with education and implementation among investment teams.

A photograph of four professionals in business attire. On the left, a man in a dark suit and blue tie looks down at a document. Next to him, a woman in a light blue dress smiles. In the center, a man in a dark suit and red tie holds the document and looks at it. On the right, a woman in a dark blazer and white shirt looks at the document with her hand on her chin. They are standing in front of a grey wall.

## **HIGHLIGHT:** Private Markets ESG Working Group Inaugural Year Reflection

In 2023, NB Private Markets formally established its Private Markets ESG Working Group to create a platform-wide forum to encourage knowledge sharing on ESG-related topics. The working group meets on a regular basis and is comprised of members across the private markets platform, including representatives from senior leadership, investments, ESG Investing, legal and compliance, marketing and operations.

Reflecting on our first full year of convening, the most common topics of discussion focused on ESG regulation, engagement on ESG topics, thematic deep dives, and spotlights on individual teams and how they have approached ESG integration across an array of investment products.



# ESG in Practice within NB Private Equity



## OVERSIGHT AND RESPONSIBILITY

- NB Private Equity deal teams are responsible for conducting the ESG analysis and the Investment Committee is responsible for considering financially material ESG factors as a part of their overall investment evaluation.<sup>14</sup> ESG is also a part of Operational Due Diligence.<sup>15</sup>
- Deal teams can leverage the firm's broader ESG capabilities and resources, including firm ESG policy and climate strategy, and ESG data and analytics.<sup>16</sup>



## DUE DILIGENCE AND SELECTION

- ESG analysis based on financial materiality is generally a part of primary fund and direct co-investment due diligence processes, as well as, subject to certain materiality thresholds and limitations, secondary due diligence processes and is included in the IC memos.
- ESG fund due diligence focuses on assessing ESG integration of the firm and fund strategy. Direct co-investment ESG due diligence as well as certain components of secondary due diligence focus on assessing industry-specific financially material ESG factors and an ESG assessment of the lead sponsor.



## MONITORING AND OWNERSHIP

- Investments are monitored for environmental, social, and governance violations and real-time risks by leveraging big data capabilities. NB Private Equity generally engages with GPs when material incidents are identified.<sup>17</sup>
- Additionally, NB Private Equity distributes a monitoring questionnaire, which includes a dedicated set of ESG questions, via a third-party software platform to collect data from GPs on at least an annual basis.
- NB Private Equity generally engages with our GP partners to share ESG best practices and resources. Together, we are able to play a role in ESG-related industry collaborations.

### HIGHLIGHT: ESG Investing Continued Education & Training

In partnership with the Neuberger Berman ESG Investing team, NB Private Markets investment professionals are trained on ESG due diligence best practices and guidance at least once a year, but often more frequently as important updates to processes, regulations (e.g., EU Sustainable Finance Disclosure Regulation, UK Anti-greenwashing Rule) or other thematic topics of relevance arise.

The NB Private Markets ESG Investing team works closely with investment professionals across the NB Private Markets platform to support adherence to industry best practices for financially material ESG integration within our due diligence and investment monitoring processes. Investment teams may conduct meetings with the Private Markets ESG Investing team with the goal of continuously improving ESG awareness, and the Private Markets ESG Investing team provides ongoing guidance during due diligence and ownership by sharing in-depth knowledge on complex environmental, social, and governance issues. Specifically, the Private Markets ESG Investing team has held several teach-ins with investment teams throughout the past year to educate colleagues on improvements and enhancements related to implementation of our proprietary ESG framework and tools, as well as on other timely topics such as ESG regulation or other thematic areas of importance. For instance, a recent training included a deep dive into modern slavery and provided context on how to identify and further diligence risks of modern slavery within investments, where material. In addition, the training covered several climate-related enhancements to our standard ESG due diligence processes, which are applicable to select client mandates.

The Private Markets ESG Investing team, along with the broader Neuberger Berman ESG Investing team,<sup>18</sup> continues to engage and collaborate to gain new perspectives and share relevant industry information.



# ESG Due Diligence and Selection Tools

to support fund and direct investment ESG integration

## Manager ESG Scorecard<sup>19</sup>

When conducting diligence on primary fund commitments as well as other sponsor-led investments, NB Private Equity and Private Credit investment teams are able to utilize our proprietary Manager ESG Scorecard to assess the lead GP's level of ESG integration at both the firm and the fund strategy level based on industry best practices. Our Manager ESG Scorecard assesses the GP's commitment to ESG by evaluating the firm's ESG policy and governance, ESG objectives and how well financially material environmental, social, and governance topics are incorporated into the investment process (due diligence and selection, ownership and ongoing monitoring, and reporting).

Completed Manager ESG Scorecards are included in the dedicated ESG section of Investment Committee memos. Our Manager ESG Scorecard results in a weighted average score on a scale of 'Absent', 'Initial', 'Developing' or 'Integrated' that can be tracked over time. Importantly, it can serve as a starting point for engagement with GPs on areas of improvement. We also engage with certain GPs in both seminar and one-on-one settings to provide guidance and support to improve ESG integration policies and practices. Over the past several years, we have observed an improvement in the private equity industry overall in ESG integration policies and practices.

Manager ESG Scorecard	
FUND MANAGER	FUND STRATEGY
What is the firm's ESG commitment and governance?	How is ESG integrated throughout the investment lifecycle?
POLICY GOVERNANCE RESOURCES	DUE DILIGENCE SELECTION OWNERSHIP REPORTING





## NB Materiality Matrix

Neuberger Berman Private Markets can utilize the Firm's position as a diversified asset manager to guide integration of potentially financially material ESG factors with respect to direct private markets investments.

When conducting due diligence on companies (e.g., direct co-investment, private debt, capital solutions, and GP-led secondary), the investment team can utilize the proprietary NB Materiality Matrix to assess industry specific environmental, social, and governance factors that are likely to be financially material (informed by the firm's research analysts),<sup>20</sup> as well as the lead GP's level of ESG integration based on our Manager ESG Scorecard.

### NB Materiality Matrix<sup>21</sup>

	ENVIRONMENTAL		SOCIAL		WORKFORCE		SUPPLY CHAIN		LEADERSHIP AND GOVERNANCE	
FACTOR	Emissions	Water Management	Data Privacy & Security	Pricing Transparency	Health & Safety	Human Capital Development	Product Safety & Integrity	Materials Sourcing	Innovation	Policy & Regulation Risk
Consumer Goods										
Financials										
Food & Beverage										
Health Care										
Services										
Transportation										

Represents a subset of factors for illustrative and discussion purposes only.

### HIGHLIGHT: Climate Due Diligence & Reporting Enhancements

In 2023, NB Private Markets developed new tools focused on assessing material climate risks and opportunities that can be used in addition to our standard ESG due diligence processes, where requested by clients for select mandates. These tools include a framework for assessing a GP's climate-related initiatives, which can be applied to primary fund commitments for select client mandates. The framework allows us to benchmark GPs by their climate-related commitments and may serve as a starting point for engagement with select GPs on climate-related topics, as applicable. In addition, NB Private Markets developed additional climate-focused due diligence questions for direct investments that help to examine material climate-related risks and opportunities applicable to the business, which can similarly be applied to select investments, where directed by clients.

Additionally, NB Private Markets onboarded Watershed to support the platform in reporting estimated portfolio financed emissions for select client mandates.



A person wearing a brown jacket and a blue beanie sits on a rocky cliff, looking out over a vast mountain valley. Below the cliff, a small town with many houses is visible. In the background, there are large, rugged mountains under a clear blue sky. The scene is captured in a cinematic style with warm lighting.

# Observations of Private Equity ESG Integration



# NB Private Equity Manager ESG Benchmarking

NB Private Equity's Manager ESG Scorecard analyses are aggregated in a central database that the ESG Investing team uses to benchmark by asset class and geography, as well as to assess a GP's progress on ESG integration over time and compared to peers. This database included 314 private equity funds as of January 1, 2024.<sup>22</sup>

## Progression Over Time

Using Manager ESG Scorecard data across primary fund investments in Large-Cap, Small/Mid-Cap and Venture/Growth Capital Funds since 2018, we compared overall trends in the Manager ESG scores for fund investments made 2018 – 2020 and 2021 – 2023 to understand how integration of environmental, social, and governance factors have evolved over time. In the more recent period, we have noticed an increase in GP funds scoring as 'Integrated' using our Manager ESG Scorecard. Interestingly, we also have noticed that the distribution of funds considered to score 'Absent' or 'Initial' has remained relatively stable between the two periods, which could indicate that the majority of progress in the past six years has been within firms already committed to ESG integration, who have subsequently strengthened their programs. It could also reflect our continuous investment in emerging managers with less mature operational and ESG programs; these GPs may initially contribute to 'Initial' and 'Absent' scores and subsequently develop programs to further their level of ESG integration.

As current and proposed regulations linked to ESG integration proliferate across the globe, we expect GPs to continue to enhance their ESG integration practices, and we will monitor whether the proportion of funds with limited to no integration of financially material environmental, social, and governance factors changes over time.

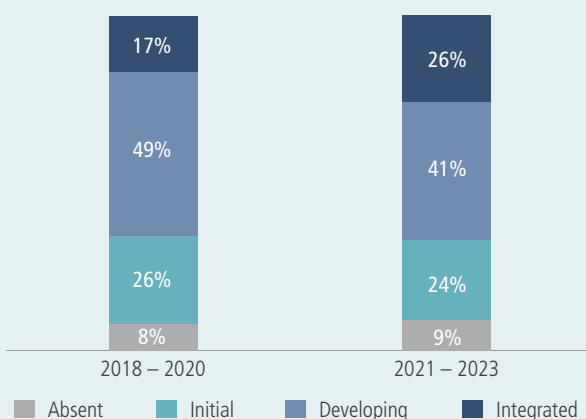
## Asset Class

NB Private Equity's three main asset classes (Large-Cap, Small/Mid-Cap, and Venture/Growth) each maintain varied levels of standard ESG integration, with Large-Cap firms continuing to have stronger ESG programs than other asset classes. This is likely due to a variety of factors, including a greater access to resources, more immediate regulatory requirements, and the size and maturity of their typical investments.

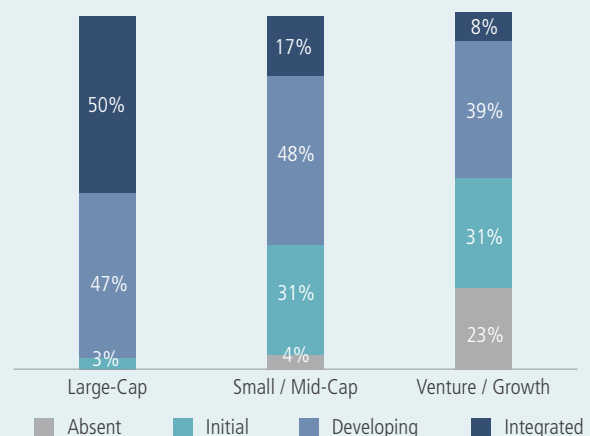
Based on our analysis, the distribution of small and mid-cap Manager ESG Scores have remained relatively unchanged over the past few years. Still, the majority of funds within this asset class are working toward or maintaining established ESG programs, led by GPs that both recognize the importance of environmental, social, and governance integration across the investment lifecycle as well as maintain processes to support this in practice.

Venture capital firms continue to show the lowest levels of ESG integration maturity, likely due to the nature of their investments; it is more difficult to gather consistent, standard ESG KPIs across small, early-stage organizations. However, we have broadly noted an increase in ESG integration within the venture capital asset class, with the percentage of fund investments with heightened ESG maturity (considered 'Developing' or 'Integrated' by assessment) jumping from 43% in 2022 to 47% in 2023. This reflects a broader trend over the past few years; while only 3% of our investments in venture capital funds from 2018 to 2020 were deemed 'Integrated', 14% of venture capital funds we invested in between 2021 to 2023 reached 'Integrated' status—over a 3x increase.

## MANAGER ESG PROGRESSION



## 2023 MANAGER ESG BENCHMARKING BY ASSET CLASS<sup>23</sup>

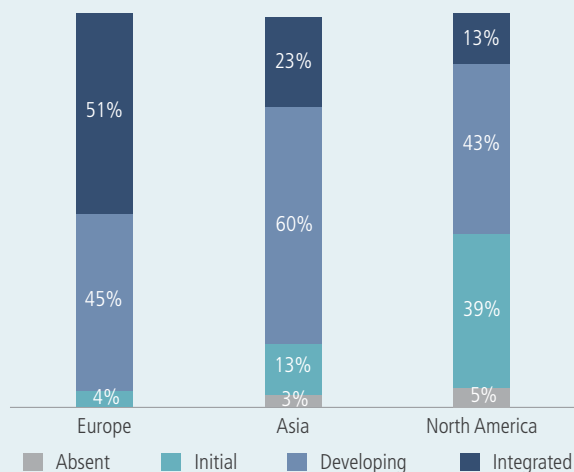


## Geography

GPs based in Europe continue to demonstrate significantly higher levels of ESG integration compared to GPs in other parts of the world, in part due to the greater demands of European regulations, such as the Sustainable Finance Disclosure Regulation (SFDR). Notably, based on our analysis, our investments in European-based private equity funds have maintained some form of ESG integration since we began tracking Manager ESG scores—with no funds qualifying as ‘Absent’.

While funds based in Asia are less likely to have reached full ESG integration as compared to European funds, per our observations, there is still a notable investment from the majority of funds. Based on GP engagement conversations, we see GPs in Asia recognizing the growing demands from their investors, particularly around reporting of environmental, social, and governance data, and taking steps to meet expectations from LPs both in Asia as well as across the globe. In terms of North American based GPs, funds have demonstrated a relatively unchanged ESG integration score distribution in the past year. Despite this, we have observed GPs’ programs continue to evolve in reaction to global momentum toward ESG integration.

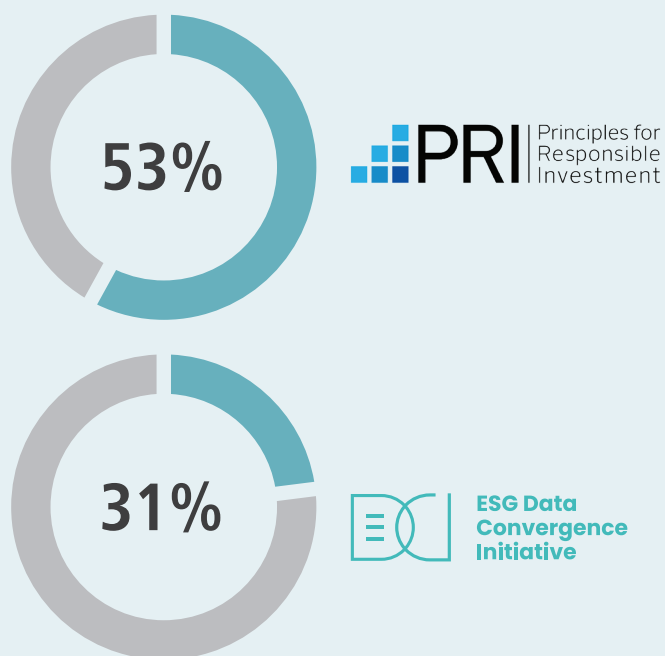
2023 MANAGER ESG BENCHMARKING BY GEOGRAPHY<sup>24</sup>



## Industry Participation

Based on industry trends, we continue to see GP participation in ESG and responsible investment organizations. Many of our GPs have been long-time signatories of the Principles for Responsible Investment (UN PRI). Most notably, in 2023 we observed a meaningful jump in commitments to the ESG Data Convergence Initiative (EDCI) as our GP partners continue to support a standard method of environmental, social, and governance data collection and reporting. We continue to encourage participation in these and other industry efforts through our engagement with GPs and anticipate growing participation in the coming years.

PERCENTAGE OF NB PRIVATE EQUITY GPs THAT ARE SIGNATORIES OF<sup>25</sup>:





## Carbon and Climate Considerations

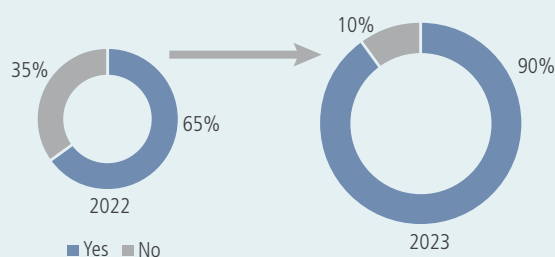
Climate change has become a prominent area of interest for many of our clients and is thus facing increasing attention from GPs. We believe that engagement with the broader private markets industry to raise awareness and understanding of climate-related initiatives and frameworks helps to lay the foundation for the assessment of climate-related risks and the delivery of climate investment solutions for our clients who are focused on this topic. As part of our annual GP ESG Engagement Webinar, we surveyed a subset of our private equity GP partners on the topic in December 2022 and again in November 2023.<sup>26</sup> These survey responses enable us to look for trends over time in our GPs' approaches and highlight interesting findings, both related to the challenges still remaining for GPs when implementing climate initiatives, as well as the progress that has been made toward more consistent consideration of climate-related risk factors across the industry.

Based on internal analysis of our December 2022 survey results, ESG integration has become more standard across private markets, with ~94% of GPs surveyed indicating they have formalized ESG policies on the identification and management of environmental, social, and governance factors within the investment process. However, formalized

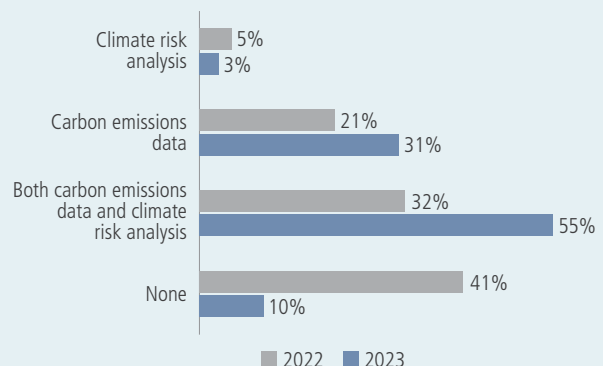
approaches for integrating climate considerations into investing practices are still less common across the industry, despite the increase in LP requests for carbon emissions reporting. However, over the past year, a growing number of GPs indicated they evaluate climate-related considerations at their portfolio companies, with 55% of surveyed GPs responding that they consider both climate risk and carbon emissions, an over 70% increase since last year. Only a subset of surveyed GPs shared that they do not evaluate any climate-related considerations at their portfolio companies, reflecting a broader industry shift towards climate as an area of focus, as well as heightened regulatory requirements around climate-related considerations in certain geographies.

Despite an increased focus on carbon measurement and climate risk assessment across private markets, surveyed GPs indicated the two largest barriers to integrating climate considerations into their investment processes are related to a lack of resources to implement new initiatives and insufficient systems to support implementation. In an effort to provide guidance for the industry, various initiatives and industry bodies have presented a number of resources and publications in recent years. As industry guidance advances, we will continue to monitor the challenges GPs are facing as the industry moves toward greater standardization in approaches to climate integration.

### ARE LPS ASKING FOR CARBON EMISSIONS REPORTING ON YOUR PORTFOLIO COMPANIES AND/OR FUND?



### ARE YOU CURRENTLY EVALUATING CLIMATE-RELATED CONSIDERATIONS AT YOUR PORTFOLIO COMPANIES?



## HIGHLIGHT: Taskforce on Climate-related Financial Disclosures Report

As an asset manager with a long-term perspective, Neuberger Berman recognizes the impact of climate change and that the transition toward global net-zero emissions is well underway. We are committed to understanding the climate-related risks and opportunities that are material to the portfolios we manage, as well as to our business strategy and operations, and managing risks that are material to our business.

In 2023, Neuberger Berman published its Task Force on Climate-related Financial Disclosures (TCFD) Report, covering the January 1, 2022 through December 31, 2022 period. The report provides a firm-level overview of how we consider climate risks and opportunities across both client investment portfolios and our own business strategy and operations. Key highlights of the report include:

- The suite of climate tools we offer clients across asset classes
- The innovative climate investment strategies for clients that desire such products, including those that we created in partnership with clients
- Key examples of our engagement with issuers on financially material climate risks and opportunities
- A deep-dive on climate metrics across our portfolios and operations

Our climate-related corporate strategy is reviewed annually and amended as needed. More information and up-to-date TCFD reporting is available on our website: [Reporting & Policies | Neuberger Berman \(nb.com\)](#)

# NB Private Equity Monitoring and Ownership

## Investment Monitoring

NB Private Equity monitors investments through the periodic review of the underlying portfolio, meetings with the sponsoring private equity firm (and in certain cases, the fund's portfolio company management), quarterly and annual reviews, and active participation on advisory boards and committees when applicable. NB Private Equity is an active investor with investments in over 745+ active private equity funds<sup>27</sup> and representation on over 410 LP advisory committees.<sup>28</sup>

In addition to monitoring investments for financially material environmental, social, and governance issues as a part of our ongoing dialogue with the GP, investment teams across the NB Private Equity and NB Private Credit platforms utilize third-party data analytics to track publicly available information and flag significant ESG-related issues, when applicable. In this manner, we are alerted to controversial ESG issues that may affect portfolio companies, such as those related to the United Nations Global Compact (UNGC) principles, via watchlists and an alert system on a real-time basis. Our ESG monitoring system helps to identify potential topics of ESG engagement and to track ESG-related reputational risk of a company compared to peers and over time. This risk score fluctuates over time based on the frequency and severity of publicly reported events and is one of many factors that informs ongoing monitoring, requiring investment team judgment. The Neuberger Berman ESG Investing team as well as certain investment teams manage the ESG watchlists and depending on the level of materiality and severity, the ESG Investing team notifies the deal team members to determine appropriate next steps for possible engagement.

In addition to the incorporation of ESG questions in the Operational Due Diligence (ODD) process for primaries and certain co-investments, NB Private Equity has a formalized GP questionnaire and system utilized for monitoring purposes for its primary investments, co-investments, and select secondary, private debt and capital solutions investments. This systematic collection of information from GPs occurs on a periodic basis and includes a standard set of ESG questions to help understand updates to a GP's ESG practices and policies, as well as collect information on known material risk incidents at the portfolio company level.





## Engagement

Being a leading participant in the private equity ecosystem, with over \$110bn of assets under management<sup>29</sup> and a GP-centric model, we believe that NB Private Markets has an important role to play in engaging with private equity managers on financially material ESG topics.

Within NB Private Equity, our ESG due diligence can often serve as a starting point for engagement with GPs. We endeavor to identify ESG engagement objectives at the time of due diligence and monitor progress over time, particularly for primary commitments. We connect with GPs in seminars and one-on-one settings to provide guidance and support to improve ESG integration policies and practices.

We continue to refine our tracking and reporting of ESG engagement, building upon existing systems and processes. Neuberger Berman has a Stewardship & Engagement Policy,<sup>30</sup> which sets out how Neuberger Berman generally engages with companies that we invest in on behalf of our clients, primarily as it pertains to the public side of the firm.<sup>31</sup> NB Private Equity believes fostering a dialogue with clients and private equity managers on financially material environmental, social, and governance topics is an important part of our role in the ecosystem.

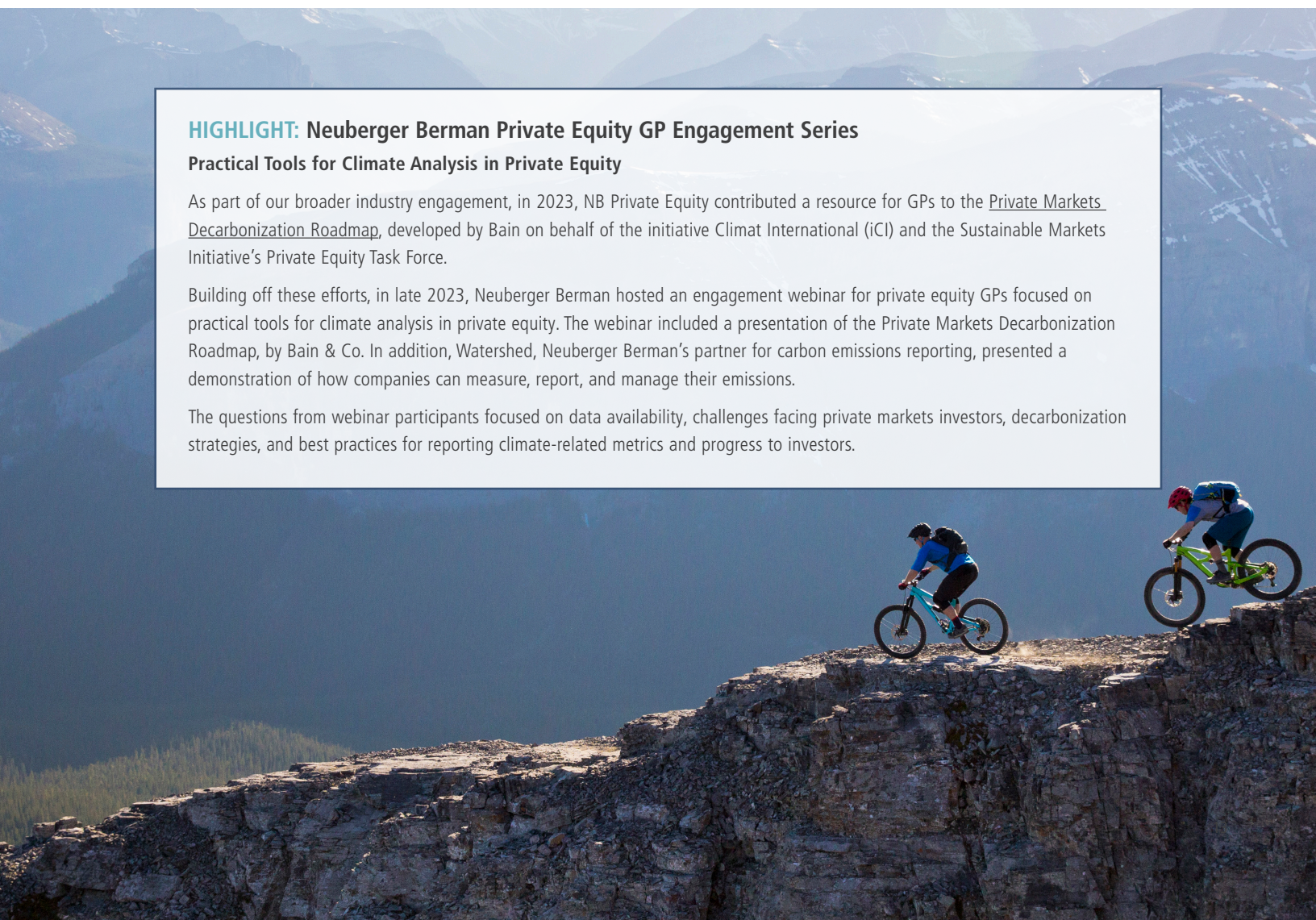
More broadly, we disseminate our insights and information through participation on industry advisory boards and working groups, particularly on timely topics like ESG-related regulations, climate analysis, and diversity and inclusion.

### **HIGHLIGHT: Neuberger Berman Private Equity GP Engagement Series** **Practical Tools for Climate Analysis in Private Equity**

As part of our broader industry engagement, in 2023, NB Private Equity contributed a resource for GPs to the [Private Markets Decarbonization Roadmap](#), developed by Bain on behalf of the initiative Climat International (ICI) and the Sustainable Markets Initiative's Private Equity Task Force.

Building off these efforts, in late 2023, Neuberger Berman hosted an engagement webinar for private equity GPs focused on practical tools for climate analysis in private equity. The webinar included a presentation of the Private Markets Decarbonization Roadmap, by Bain & Co. In addition, Watershed, Neuberger Berman's partner for carbon emissions reporting, presented a demonstration of how companies can measure, report, and manage their emissions.

The questions from webinar participants focused on data availability, challenges facing private markets investors, decarbonization strategies, and best practices for reporting climate-related metrics and progress to investors.







## Neuberger Berman Private Equity's Commitment to Diversity and Inclusion

### NB Emerging Manager Platform:

As fundraising slows and the largest funds attract the greatest amount of capital, NB Private Equity actively scouts diverse and emerging managers.<sup>32</sup> Within NB Private Equity, our emerging manager platform, known as NorthBound, is focused on seeking attractive absolute and relative returns by identifying high-performing investment opportunities in emerging managers and funds with diverse leadership. NB Private Equity believes that emerging managers are often overlooked and underappreciated, and NB Private Equity has the ability to serve as a long-term partner who can anchor first-time funds and help managers scale and institutionalize their firms.

### **HIGHLIGHT:** Engaging with Emerging Managers

NB Private Equity believes fostering a dialogue with private equity managers on ESG topics is an important part of our role in the ecosystem, and we often engage with our GP partners to share ESG best practices. We generally seek to engage with our emerging manager GPs either as part of the due diligence process or through ongoing monitoring (e.g., teach-ins, one-on-one conversations) to share resources and answer questions on ESG integration best practices.

#### **In Practice:**

NB Private Equity engaged the GP to discuss its current and forward-looking ESG integration plans during our diligence of the GP's inaugural fund. The GP mentioned that it has already created a written ESG policy and is currently determining the specific ESG diligence and engagement practices that it will implement as it starts investing the first fund. While the GP does not currently have plans to track and report ESG-related metrics, it understands the importance of doing so in the future as its ESG practices are further formalized and its portfolio matures. The GP noted that its reporting will likely take the form of case studies on ESG highlights across its portfolio. NB Private Equity provided feedback on the GP's forward-looking ESG diligence plans and encouraged the GP to take a materiality-based approach to identifying material ESG risks and opportunities. In addition, NB Private Equity provided input on best practices related to ESG training for investment professionals and shared information on industry initiatives, such as the ESG Data Convergence Initiative.

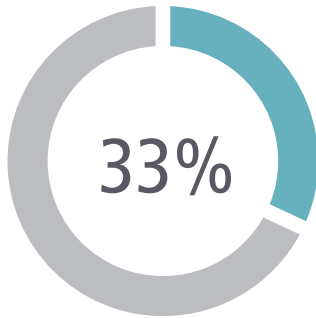


# Our Commitment to Equity, Inclusion & Diversity (EID)

For 85 years, Neuberger Berman's approach to independent thinking has been rooted in the belief that a diversity of perspectives, backgrounds and experiences enriches dialogue and drives better client outcomes.

The voices of our people also guide our efforts to better engage and develop our talent.

Diversity by the Numbers in  
Neuberger Berman Private Equity



of all Private Equity Investment  
Portfolios and Co-investment  
Platform (PIPCO) Managing  
Directors are women<sup>33</sup>



NB Private Equity Commitment to Diversity-Focused Industry Groups



Women's Private  
Equity Summit

To learn more about Neuberger Berman's EID partnerships and recognitions, please visit our [website](#).



# Private Markets Industry Collaborations and Engagements

## Select Industry Organizations

We believe we have a responsibility to encourage ESG investing capabilities through collaborative work with clients, managers, and others in the investment industry. We engage with industry stakeholders, contribute research and time to advisory groups, speak regularly at industry conferences, and support the creation and adoption of industry standard ESG disclosures, measurement and reporting.

To learn more about Neuberger Berman's ESG Investing Industry Collaborations, please visit our [website](#).

## Select Industry Organizations



Neuberger Berman is an active member since 2012. In the past, we served as a member of PRI's Private Equity Advisory Committee (PEAC), a collaborative group that advises the PRI on its private equity initiatives.



Neuberger Berman is a member of the Initiative Climat International (iCI), a global community of private equity firms and investors seeking to better understand and manage climate change risks. In 2023, NB Private Markets contributed a resource for GPs to understand net zero alignment of portfolio companies called the Neuberger Berman Net Zero Matrix™, to the Private Markets Decarbonization Roadmap, developed by Bain on behalf of iCI and the Sustainable Markets Initiative's Private Equity Task Force<sup>35</sup>



Neuberger Berman joined the ESG Data Convergence Initiative in early 2022, an industry partnership of private equity investors, managers, and advisors to improve ESG data collection for private companies.



Neuberger Berman is a member of the Institutional Investors Group on Climate Change (IIGCC), a leading global investor membership body and the largest in Europe focusing specifically on climate change. In the past, we hosted a virtual GP webinar with the IIGCC who provided a preview of a forthcoming paper on net-zero alignment in private equity.



Neuberger Berman is a member of the British Private Equity & Venture Capital Association Limited Partner Committee and one of our senior investment professionals serves as Chair of the Association's LP Committee.



Neuberger Berman began participating in the GRESB Infrastructure Fund Management Assessment in 2022.



Neuberger Berman is a member of the Invest Europe Limited Partner Council and engaged in ESG-related working groups.



Neuberger Berman participated in CDP's first Private Markets Pilot in 2021 focused on increasing disclosure from private companies of all sizes.



Neuberger Berman joined the Limited Partners Leadership Council of Ownership Works, a non-profit helping companies and investors implement innovative shared ownership programs, in 2023.



<sup>1</sup> Firm data reflects the collective data for the various subsidiaries of Neuberger Berman Group LLC as of March 31, 2024.

<sup>2</sup> NB Private Markets and its affiliates are the successor to its predecessor entities (the “**Predecessors**”), the oldest of which was founded in 1981. All of the Predecessors’ operational assets and substantially all key personnel employed at the time of the succession became assets and employees of NB Private Markets. NB Private Markets became either the advisor or sub-advisor to all then-existing Fund Accounts previously advised by the Predecessors. References to NB Private Markets include the Predecessors.

<sup>3</sup> Please note beginning December 31, 2023, NB Private Markets revised the Aggregate Committed Capital calculation methodology. As of December 31, 2023 and going forward, Aggregate Committed Capital represents total commitments to active vehicles (including commitments in the process of documentation or finalization) managed by NB Private Markets. Prior to December 31, 2023, Aggregate Committed Capital reflected total committed capital since inception in 1987, including liquidated vehicles. Using the previous methodology, NB Private Markets Aggregate Committed Capital was \$123 billion as of December 31, 2023

<sup>4</sup> Represents opportunities reviewed, made and committed to across primaries, co-investments and secondaries by NB Alternatives in 2023 for PIPCO and Secondaries.

<sup>5</sup> See Footnote 3.

<sup>6</sup> Data reported as of September 30, 2023.

<sup>7</sup> Includes Limited Partner Advisory Committee seats and observer seats for PIPCO and Secondaries since inception as of December 31, 2023.

<sup>8</sup> Neuberger Berman Sustainability-Linked Corporate Revolving Credit Facility, as of February 2020. The firm’s cost of debt will be higher or lower depending on its performance against key ESG metrics. The \$175 million credit facility, which matures on February 4, 2025, will be benchmarked annually against principles and practices, some of which include: 1) Alignment with clients, 2) Objective ESG integration and 3) Increased diversity.

<sup>9</sup> For illustrative and discussion purposes only. PRI grades are based on information reported directly by PRI signatories, of which investment managers totaled 3,123 for 2023, 2,791 for 2021, 1,545 for 2020 and 1,247 for 2019. All PRI signatories are eligible to participate and must complete a questionnaire to be included. All PRI signatories are eligible to participate and must complete a questionnaire to be included. The underlying information submitted by signatories is not audited by the PRI or any other party acting on its behalf. Signatories report on their responsible investment activities by responding to asset-specific modules in the Reporting Framework. Each module houses a variety of indicators that address specific topics of responsible investment. Signatories’ answers are then assessed and results are compiled into an Assessment Report. Neuberger Berman pays a fee to be a member of PRI and the grades are only available to PRI members. Ratings referenced do not reflect the experiences of any Neuberger Berman client and readers should not view such information as representative of any particular client’s experience or assume that they will have a similar investment experience as any previous or existing client. Awards and ratings are not indicative of the past or future performance of any Neuberger Berman product or service. Moreover, the underlying information has not been audited by the PRI or any other party acting on its behalf. While every effort has been made to produce a fair representation of performance, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted

for damage caused by use of or reliance on the information contained within this report. Information about PRI grades is sourced entirely from PRI and Neuberger Berman makes no representations, warranties or opinions based on that information.

<sup>10</sup> Among organizations with over 1,000 employees by *Pensions & Investments* Best Places to Work in Money Management survey. For additional information on the criteria for the award, please visit The Best Places to Work in Money Management in 2023 | *Pensions & Investments* ([www.pionline.com/BPTW2023](http://www.pionline.com/BPTW2023))

<sup>11</sup> Subject to Neuberger Berman’s policies and procedures, including certain information barriers within Neuberger Berman that are designed to prevent the misuse of material information between the NB Private Markets teams and the public side investment and ESG teams.

<sup>12</sup> See Footnote 11.

<sup>13</sup> Transition, Sustainable and Impact named funds may have to meet specific local regulatory requirements including specific exclusions, investments policies, disclosure and reporting requirements which may go above and beyond what is listed here. Please refer to specific fund and strategy disclosures for further information.

<sup>14</sup> When conducting diligence on secondary investments, the investment team generally considers financially material ESG issues as an integrated part of its due diligence process. The investment team may complete the Manager ESG Scorecard to the best of their ability for fund exposures greater than 1% of the NB secondary fund size. For direct positions and individual exposures to a given company greater than 1% of the NB secondary fund size, the team may complete the Manager ESG Scorecard and the co-investment ESG materiality analysis to the best of their ability.

<sup>15</sup> Applies to primaries and certain direct co-investments

<sup>16</sup> See Footnote 11.

<sup>17</sup> NB engagements are limited to instances where a risk incident, directly or indirectly, impacts a company or GP to which NB has exposure.

<sup>18</sup> See Footnote 11.

<sup>19</sup> Manager ESG Scorecard utilized by NB Private Equity and Private Credit Platforms.

<sup>20</sup> See Footnote 11.

<sup>21</sup> Neuberger Berman, 2021.

<sup>22</sup> Includes Large-cap, Small / Mid-cap, and Venture / Growth Capital funds across geographies including Global, North America, Europe, and Asia. As of January 1, 2024.

<sup>23</sup> Totals may not equal 100% due to rounding. Includes Large-Cap, Small / Mid-Cap, and Venture / Growth Capital Private Equity Funds. Proprietary aggregate Manager ESG Scorecard data as of January 1, 2024.

<sup>24</sup> Totals may not equal 100% due to rounding. Includes Large-Cap, Small / Mid-Cap, and Venture / Growth Capital Private Equity Funds across North America, Europe, and Asia. Proprietary aggregate Manager ESG Scorecard data as of January 1, 2024.

<sup>25</sup> Includes GPs to which NB Private Equity has committed a primary investment as of March 7, 2024. UN PRI Signatory status and ESG Data Convergence Initiative Member status as of March 7, 2024: [Signatory directory | PRI \(unpri.org\)](https://www.unpri.org/signatory-directory); [General Partners - EDCI \(esgdc.org\)](https://www.esgdc.org/).

<sup>26</sup> NB GP Survey conducted in advance of the Neuberger Berman Private Markets GP Engagement Series, December 2022 (n=76) and November 2023 (n=61).

<sup>27</sup> See Footnote 6.

<sup>28</sup> See Footnote 7.

<sup>29</sup> See Footnote 3.

<sup>30</sup> Neuberger Berman Stewardship and Engagement Policy. [https://www.nb.com/handlers/documents.ashx?id=aba155d6-e78e-4668-800f-fa69f05d45d0&name=Stewardship\\_and\\_Engagement\\_Policy\\_043021.pdf](https://www.nb.com/handlers/documents.ashx?id=aba155d6-e78e-4668-800f-fa69f05d45d0&name=Stewardship_and_Engagement_Policy_043021.pdf).

<sup>31</sup> See Footnote 11.

<sup>32</sup> An Emerging Manager is defined in three ways, as either (i) as a GP whose fund size is ≤ \$1 billion in total size (which may include funds managed by large and established advisers) (ii) as a GP who is raising a first or second time fund, or (iii) a GP who NB has defined as Diverse, which represents GPs with a historically underrepresented minority (female or minority) in a position of leadership.

<sup>33</sup> Represents Private Equity Investment Portfolios and Co-investment Platform (PIPCO) Managing Directors as of January 31, 2024.

<sup>34</sup> Real Deals Private Equity Awards 2023 Diversity and Inclusion Leader of the Year – LP. The diversity and inclusion leader of the year award recognizes excellence in the LP communities with respect to companies who have made a difference to improving D&I within their firm, at portfolio company level and in the wider investment community. Applicants were evaluated based on their firm policies and procedures to promote diversity and inclusion. Of the firms who applied, four were short-listed in the category. This award is not a performance ranking nor does it constitute an investment recommendation. NB Private Markets did not pay a fee to participate and awards and ratings referenced do not reflect the experiences of any Neuberger Berman client and readers should not view such information as representative of any particular client's experience or assume that they will have a similar investment experience as any previous or existing client. Awards and ratings are not indicative of the past or future performance of any Neuberger Berman product or service. For more information, please visit <https://privateequityawards.com/>

<sup>35</sup> In 2022, Neuberger Berman ("NB") engaged Ortec Finance ("Ortec") to assist in the production of the Neuberger Berman Net Zero Matrix™ powered by Ortec Finance ClimateALIGN ("the Matrix"). The resource is intended as an educational tool to engage with GPs to understand net zero alignment and decarbonization pathways with portfolio companies. The Matrix is comprised of information from Ortec and a variety of other sources. Specifically, Ortec ClimateMAPS and Ortec ClimateALIGN comprise key portions of the Matrix. Ortec ClimateMAPS seeks to capture exposure to systemic, economic and financial climate risks. Ortec ClimateALIGN purports to monitor alignment with net zero goals by 2050, based on sector and region. Ortec also contributes emissions data from public sources. Please note that the Matrix relies on information provided by Ortec and other third-party sources. Neither Neuberger Berman nor its affiliates make any representation or assume any responsibility as to the accuracy or completeness of such information. Please also note that the assumptions referenced above represent key components of the Matrix and any change in these assumptions may produce materially different results. It should also be noted that much of the information depends on publicly available ESG data, and the same information may not be available for private companies. As such, there should be no reliance placed on the Matrix in making any investment decision. The Matrix is presented for illustrative and educational purposes only and is not intended as a promise or prediction of performance.

## ESG-RELATED DISCLOSURES

The use of ESG factors could result in selling or avoiding investments that subsequently perform well or purchasing investments that subsequently underperform.

As used in this document, NB Private Markets consists of the following investment strategies that are currently classified as ESG-Integrated by the Neuberger Berman ESG Product Committee: Private Equity Investment Portfolios and Co-investment Platform, Private Equity Secondary Platform, Almanac ARS Funds, Private Credit Platform, Marquee, NB Insurance-Linked Strategies Platform, Renaissance, Specialty Finance, Athyrum, and NBAIM Fund-of-Funds Platform. Unless explicitly noted, the ESG integration processes described in this document apply solely to the Private Equity Investment Portfolios and Co-investment Platform and Private Equity Secondary Platform ("NB Private Equity").

This material is intended as a broad overview of the portfolio managers' style, philosophy and process and is subject to change without notice. Many of the firm level processes described herein are subject to Neuberger Berman's policies and procedures, including certain information barriers within Neuberger Berman that are designed to prevent the misuse of material information between the NB Private Markets teams and the public side investment and ESG teams.

## RISK CONSIDERATIONS RELATING TO PRIVATE EQUITY STRATEGIES

Prospective investors should be aware that an investment in any private equity strategy is speculative and involves a high degree of risk that is suitable only for those investors who have the financial sophistication and expertise to evaluate the merits and risks of such investment and for which the investment does not represent a complete investment program. An investment should only be considered by persons who can afford a loss of their entire investment. This material is not intended to replace any the materials that would be provided in connection with an investor's consideration to invest in an actual private equity strategy, which would only be done pursuant to the terms of a confidential private placement memorandum and other related material. Prospective investors are urged to consult with their own tax and legal advisors about the implications of investing in a private equity strategy, including the risks and fees of such an investment.

You should consider the risks inherent with investing in private equity strategies:

**Market Conditions:** Private equity strategies are based, in part, upon the premise that investments will be available for purchase by at prices considered favorable. To the extent that current market conditions change or change more quickly anticipated investment opportunities may cease to be available. There can be no assurance or guarantee that investment objectives will be achieved, that the past, targeted or estimated results be achieved or that investors will receive any return on their investments. Performance may be volatile. An investment should only be considered by persons who can afford a loss of their entire investment.

**Legal, Tax and Regulatory Risks:** Legal, tax and regulatory changes (including changing enforcement priorities, changing interpretations of legal and regulatory precedents or varying applications of laws and regulations to particular facts and circumstances) could occur that may adversely affect a private equity strategy.



**Default or Excuse:** If an Investor defaults on or is excused from its obligation to contribute capital to a private equity strategy, other Investors may be required to make additional contributions to replace such shortfall. In addition, an Investor may experience significant economic consequences should it fail to make required capital contributions.

**Leverage:** Investments in underlying portfolio companies whose capital structures may have significant leverage. These companies may be subject to restrictive financial and operating covenants. The leverage may impair these companies' ability to finance their future operations and capital needs. The leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the portfolio company or its industry.

**Highly Competitive Market for Investment Opportunities:** The activity of identifying, completing and realizing attractive investments is highly competitive, and involves a high degree of uncertainty. There can be no assurance or guarantee that a private equity strategy will be able to locate, consummate and exit investments that satisfy rate of return objectives or realize upon their values or that it will be able to invest fully its committed capital.

**Reliance on Key Management Personnel.** The success of a private equity strategy may depend, in large part, upon the skill and expertise of investment professionals that manage the strategy.

**Limited Liquidity:** There is no organized secondary market for investors in most private equity strategies, and none is expected to develop. There are typically also restrictions on withdrawal and transfer of interests.

**Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues.** Neuberger Berman's business activities as well as the activities of any private equity strategy and its operations and investments could be materially adversely affected by outbreaks of disease, epidemics and public health issues in Asia, Europe, North America, the Middle East and/or globally, such as COVID-19 (and other novel coronaviruses), Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome, or SARS, or other epidemics, pandemics, outbreaks of disease or public health issues. In particular, coronavirus, or COVID-19, has spread rapidly around the world since its initial emergence in December 2019 and has negatively affected (and may continue to negative affect or materially impact) the global economy, global equity markets and supply chains (including as a result of quarantines and other government-directed or mandated measures or actions to stop the spread of outbreaks). Although the long-term effects of coronavirus, or COVID-19 (and the actions and measures taken by governments around the world to halt the spread of such virus), cannot be predicted, previous occurrences of other epidemics, pandemics and outbreaks of disease, such as H5N1, H1N1 and the Spanish flu, had material adverse effects on the economies, equity markets and operations of those countries and jurisdictions in which they were most prevalent. A recurrence of an outbreak of any kind of epidemic, communicable disease, virus or major public health issue could cause a slowdown in the levels of economic activity generally (or push the world or local economies into recession), which would be reasonably likely to adversely affect the business, financial condition and operations of Neuberger Berman. Should these or other major public health issues, including pandemics, arise or spread farther (or continue to worsen), Neuberger Berman could be adversely affected by more stringent travel restrictions (such as mandatory quarantines and social distancing),

additional limitations on Neuberger Berman's operations and business activities and governmental actions limiting the movement of people and goods between regions and other activities or operations.

**Geopolitical Risk.** Neuberger Berman's business activities, as well as the activities of any private equity strategy and its operations and investments, could be adversely affected by global geopolitical issues. In particular, conflicts between two or more nations and the varying involvement of the United States and other NATO countries could preclude prediction as to their ultimate adverse impact on global economic and market conditions, and, as a result, present material uncertainty and risk with respect to the Fund, the performance of its investments or operations, and the ability of any private equity strategy to achieve its investment objectives. Intra-country conflicts can cause a negative impact on and significant disruptions to the economy within that country as well as to business activities globally (including in the countries in which the Fund invests), and therefore could also adversely affect the performance of the Fund's investments. Additional governmental actions (sanctions-related, military or otherwise) may cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems in ways that could be adverse to the investment strategy that any private equity strategy intends to pursue, all of which could adversely affect any private equity strategy's ability to fulfill its investment objectives. Additionally, to the extent that third parties, investors, or related customer bases have material operations or assets in any of the impacted countries, they may have adverse consequences related to the ongoing conflict.

**Valuation Risk:** Due to the illiquid nature of many strategy investments, any approximation of their value will be based on a good-faith determination as to the fair value of those investments. There can be no assurance that these values will equal or approximate the price at which such investments may be sold or otherwise liquidated or disposed of. In particular, the impact of the recent COVID-19 pandemic is likely to lead to adverse impacts on valuations and other financial analyses for current and future periods.

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IN ADDITION TO THESE RISK CONSIDERATIONS, THERE ARE SPECIFIC RISKS THAT MAY APPLY TO A PARTICULAR PRIVATE EQUITY STRATEGY. ANY INVESTMENT DECISION WITH RESPECT TO AN INVESTMENT IN A PRIVATE EQUITY STRATEGY SHOULD BE MADE BASED UPON THE INFORMATION CONTAINED IN THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM OF THAT STRATEGY.

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# Talk to Neuberger Berman

For more information, please contact your Neuberger Berman representative or visit [www.nb.com](http://www.nb.com).

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NEUBERGER	BERMAN
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