NEUBERGER | BERMAN

Neuberger Berman International Equity Fund

TICKER: Institutional Class: NBIIX, Class A: NIQAX, Class C: NIQCX, Class R6: NRIQX, Investor Class: NIQVX, Trust Class: NIQTX

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Performance Highlights

Neuberger Berman International Equity Fund (the "Fund") Institutional Class at NAV finished the year in positive territory and ahead of the benchmark. In the fourth quarter, the Fund marginally outperformed its benchmark, the MSCI EAFE Index, though both were negative.

Market Context

In the fourth quarter, global equity markets produced mixed results following the US election. International developed markets, represented by the MSCI EAFE Index (Net), fell -8.0%, while US equities, as measured by the S&P 500, rose +2.4%. Emerging Markets, as measured by the MSCI EM Index (Net), ended the period -7.9% lower.

In November, the US election result significantly influenced market dynamics, with Donald Trump's victory and the Republican party's control of Congress setting the stage for policies anticipated to reinforce American economic and market leadership. The US market reacted positively to the potential for further tax cuts and deregulation, however, foreign markets fell due to concerns over future US trade policy under the Trump administration. Additionally, the US dollar's rally, driven by expectations that Trump's fiscal plans might be inflationary and lead to a premature end to the Federal Reserve's rate-cutting cycle, marked the strongest monthly gains for the dollar in over two years.

In Europe, despite the persistence of resilient inflation figures, market participants are maintaining expectations that subdued demand in major economies like France and Germany will provide the European Central Bank (ECB) with ample rationale for additional rate cuts. Germany and France are also contending with heightened political uncertainty as the German coalition government collapsed during the quarter, and French Prime Minister, Michel Barnier, was ousted after a vote of no confidence due to concerns over the budget. Peripheral Eurozone bond markets have benefitted from this uncertainty in the core of Europe with yields falling during the quarter.

This nuanced landscape underscores the complex interplay between economic indicators and political developments within the Eurozone, shaping investor sentiment and influencing bond market dynamics. As we move forward, the ECB's monetary policy decisions, driven by economic data and geopolitical developments, will remain a focal point for investors assessing the risk-reward profile of Eurozone equity markets.

In the UK, the new Labour government's first budget, announced in the Fall, included larger-than-anticipated tax increases, denting some of the optimism borne from signs of a cyclical rebound earlier in the year. UK equities outperformed the broader international benchmark, however, helped by Financials and some of the large-cap, more globally oriented firms that dominate the local benchmarks.

Asian markets were weak largely due to apprehension about potential trade conflicts, particularly with China. Chinese equities suffered declines amid fears of insufficient government measures to counter domestic real estate challenges and a confidence crisis. Meanwhile, Japanese equities also fell during the quarter but held up better than other markets. Some of the weakness can be attributed to a new, if somewhat familiar, bout of political uncertainty following the general election where the ruling LDP party's coalition lost its majority. For the calendar year, however, Japan outperformed given continued optimism about the end of deflation, coupled with a weak yen and ongoing corporate reforms.

Within the MSCI EAFE Index, very few markets were positive during the quarter but Israel (+14.1% in USD) was the clear outperformer, while Denmark (-21.5% in USD) was the weakest market, weighed down by index heavyweight Novo Nordisk. By sector, Materials was the weakest, falling -17.8%, while Financials held up best but still fell -2.5%.

Portfolio Review

For the quarter, the Fund generated a negative absolute return but slightly outperformed the benchmark. Financials and Materials were the main contributors to returns by sector. In Financials, the portfolio's capital markets exposure, benefitted from the market volatility and the prospect of more corporate activity with major central banks beginning to cut interest rates. While in Materials, the underweight to the very weak metals and mining sub-sector provided an allocation tailwind. IT was the main headwind due to the underperformance of the semiconductors sub-sector, where the portfolio is overweight. Stock selection was also a headwind, however, with Dutch semi-equipment firm, ASML (see bottom performers below), among the weaker performers. Communication Services also detracted from relative returns with weak stock selection in the entertainment sub-sector the main drawback for relative returns.

Geographically, Switzerland and France were the best-performing markets on a relative basis. The underweight to the weak French market provided an allocation benefit, but stock selection was the key driver. In Switzerland meanwhile, Health Care (see Galderma under best performers below) and Financials were the main tailwind for stock selection. Japan and The Netherlands were the weakest markets. The underweight to the outperforming Japanese market held back returns, together with weak stock selection in IT names. While in The Netherlands the overweight to the weak Dutch market was the main headwind.

For the calendar year the portfolio outperformed the MSCI EAFE Index. IT was the main tailwind by sector, helped by a combination of electronic equipment, software and IT services names. Industrials was the main headwind for returns, with weak stock selection in the professional services and distributors sub-sectors. Spain was the weakest country on a relative basis due to weak stock selection, while Switzerland was the best-performing country helped mostly by good stock picking in Health Care.

BEST AND WORST PERFORMERS FOR THE QUARTER[1]

Best Performers	Worst Performers
Galderma	Novo Nordisk
Leonardo	ASML
Barclays	Symrise
Softchoice	Lasertec
BAWAG	Experian

[1]Reflects the best and worst performers, in descending order, to the Fund's performance based on individual security performance and portfolio weighting. Positions listed may include securities that are not held in the Fund as of 12/31/2024. It should not be assumed that any investments in securities identified and described were or will be profitable. Specific securities identified and described do not represent all of the securities purchased, sold or recommended for the Fund.

Best Performers

Galderma – the Swiss-based producer of specialty pharmaceutical and dermatology products released a positive third-quarter trading update. The firm continued to make good progress across its product categories securing key regulatory approvals and new product launches are expected to further fuel its growth trajectory.

Leonardo – the Italian defense company rose following the US election in early November. Russian aggression and concerns around US support under the incoming Trump administration could lead to significant increases in defense budgets and benefit key players such as Leonardo.

Barclays – the UK bank reported consensus beating quarterly earnings driven by decent momentum in the domestic UK business coupled with an upgrade to net interest income guidance.

Softchoice – the Canadian software and IT solutions provider entered into a definitive agreement to be acquired by a private competitor pushing the stock sharply higher during the quarter.

BAWAG – the Austrian Bank reported solid third quarter results and raised guidance due to the recent regulatory approval of an acquisition of a smaller Netherlands based bank.

Worst Performers

Novo Nordisk – the Danish pharmaceutical firm's stock fell sharply following disappointing phase III trial results for a new weight-loss compound. However, the weight loss percentage in the trial still exceeded its existing blockbuster compound, Wegovy, and should provide protection to the franchise over the longer term and beyond Wegovy's patent expiry.

ASML – the Netherlands–headquartered lithography equipment producer's stock sank following the release of its third-quarter earnings report which showed orders were well below market expectations. 2025 guidance was also lower than consensus due to weakness in foundry, logic and memory.

Symrise – the German specialty chemical firm's stock was weak during the quarter, as yield concerns weighed on the sub-sector, also comps may be challenging moving into 2025.

Lasertec – the Japanese semiconductor manufacturing equipment developer reported softer-than-expected quarterly earnings due to declining cutting-edge semiconductor investment and the delayed recovery in memory.

Experian – the Irish consumer credit specialist fell after releasing somewhat noisy first half results. While revenue rose, profits fell due to adverse movements in foreign exchange and interest rates. Underlying performance remains solid however, despite the subdued lending environment in key markets, the US and UK.

Outlook

More than half the world's population went to the polls in 2024, opting for new regimes in most cases. This created significant yet localized volatility, particularly in France and the UK. Donald Trump's election as the next US President in November was seen as broadly positive for the US economy, given his proposals for lower taxes and de-regulation, although some concerns remain regarding his policies on tariffs and immigration and to what extent these could impact growth and inflation. Beyond geopolitics, equity markets were predominantly driven by central bank policy.

While the Federal Reserve, ECB and Bank of England started normalizing monetary policy in 2024, sticky inflation meant markets pared back expectations of how quickly rate cuts would be delivered, particularly in the US. While US growth remained resilient, economic momentum in Europe weakened significantly during the year. The manufacturing sector was particularly hard hit due to a combination of higher energy costs and weak Chinese demand. Political turmoil in France and Germany added a further layer of uncertainty as the year progressed. This economic pressure and Europe's limited exposure to Artificial Intelligence weighed on the region's equity markets leading to one of the largest calendar years of underperformance relative to US equity markets on record.

Within the international markets, the MSCI EAFE Value Index rose +6.5%, the MSCI EAFE Growth Index rose 2.4%, while the MSCI EAFE Quality Index fell -2.5%. This was a very different outcome to US markets where growth, once again, significantly outperformed. Despite the quality bias that underpins our strategy we were able to outperform the MSCI EAFE benchmark during the calendar year, helped mostly by solid stock picking. Our unique approach to Quality investing has presented us with opportunities that are proving to be a tailwind for relative performance. Aside from using many standard quantitative and qualitative metrics, our approach includes a heavy emphasis on valuation and an open mind to industries not typically considered quality undergoing fundamental improvements. Applying the same discipline when researching small and mid-cap names – as we have done historically in this strategy - has also been additive to performance this year with a number of these niche businesses solid contributors to relative performance.

Moving into 2025, the macroeconomic backdrop and investor sentiment could largely depend on how US policy materializes after President Trump's inauguration in January. While US exceptionalism was the dominant trade in 2024, it does not come cheap and significant dispersion between winners and losers since the US election means much risk is already baked in. With far cheaper valuations, modest earnings growth expectations, weak currencies, and the potential for reforms in major economies (e.g. Germany, Japan), the risk-reward for international markets looks interesting. Further Chinese stimulus and any reflationary effects from 'Trumponomics' could also be useful tailwinds.

With this backdrop, positioning has not altered significantly. We continue to monitor corporate earnings, which in general have remained decent. However, sales beats have become more subdued, and guidance on full-year results became more cautious as the year progressed with Chinese demand and inventories cited as the main concerns. We remain optimistic about the medium to longer-term prospects for the companies in the portfolio and continue to generate plenty of new ideas. While international markets have been overshadowed by US mega-cap technology companies, many overseas businesses are global in nature and are benefitting from similar trends, often at more appealing valuations. Overall, the Fund is well diversified in our view and, with the uncertain economic backdrop, continues to be focused on what we believe are quality businesses with resilient earnings streams and businesses with attractive structural growth.

NEUBERGER BERMAN INTERNATIONAL EQUITY FUND RETURNS (%)

				(ANNUALIZED AS OF 12/31/2024)				
	December 2024	4Q 2024	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
At NAV								
Institutional Class	-3.56	-7.77	5.36	5.36	-2.06	3.98	5.25	5.11
Class A	-3.64	-7.84	5.01	5.01	-2.42	3.60	4.87	4.88
Class C	-3.72	-8.05	4.15	4.15	-3.15	2.82	4.08	4.39
Class R6	-3.64	-7.78	5.44	5.44	-1.97	4.08	5.34	5.16
Investor Class	-3.57	-7.79	5.20	5.20	-2.26	3.75	5.05	4.98
Trust Class	-3.61	-7.83	5.15	5.15	-2.32	3.70	5.00	4.95
With Sales Charge								
Class A	-9.18	-13.16	-1.02	-1.02	-4.31	2.38	4.25	4.56
Class C	-4.65	-8.94	3.15	3.15	-3.15	2.82	4.08	4.39
MSCI EAFE® Index (Net)	-2.27	-8.11	3.82	3.82	1.65	4.73	5.20	5.00

Performance data quoted represent past performance, which is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Results are shown on a "total return" basis and include reinvestment of all dividends and capital gains distributions. Current performance may be higher or lower than the performance given. For current performance data, including current to the most recent month end, please visit www.nb.com/performance.

The inception date for Neuberger Berman International Equity Fund Institutional Class (formerly known as International Institutional Fund) was 6/17/05. The inception date for Class A, Class C, Investor Class and Trust Class was January 25, 2013. The inception date for Class R6 was September 3, 2013. Performance prior to that date is the Institutional Class. Because Institutional Class has lower expenses than the other share classes, its performance typically would have been better. The inception date used to calculate benchmark performance is that of the Institutional Class. Average Annual Total Returns with sales charge reflect deduction of current maximum initial sales charge of 5.75% for Class A shares and applicable contingent deferred sales charges ("CDSC") for Class C shares. The maximum CDSC for Class C shares is 1%, which is reduced to 0% after 1 year.

EXPENSE RATIOS (%)

	Gross Expense	Total (net) Expense
Institutional Class	1.06	0.89
Class A	1.45	1.26
Class C	2.19	2.01
Class R6	0.97	0.79
Investor Class	1.26	N/A
Trust Class	1.32	N/A

For Institutional Class, Class A, Class C and Class R6, total (net) expense represents, and for Investor and Trust Classes, gross expense represents, the total annual operating expenses that shareholders pay (after the effect of fee waivers and/or expense reimbursement). The Fund's investment manager has contractually undertaken to waive and/or reimburse certain fees and expenses of the Fund so that the total annual operating expenses are capped (excluding interest, brokerage commissions, acquired fund fees and expenses, taxes including any expenses relating to tax reclaims, dividend and interest expenses relating to short sales, and extraordinary expenses, if any; consequently, total (net) expenses may exceed the contractual cap) through 8/31/2028 for Class A at 1.21%, Class C at 1.96%, Class R6 at 0.75%, Investor Class at 1.40%, Institutional Class at 0.85% and Trust Class at 2.00% (each as a percentage of average net assets). Absent such arrangements, which cannot be changed without Board approval, the returns may have been lower. Information as of the most recent prospectuses dated December 18, 2024, as amended, restated and supplemented.

An investor should consider the Fund's investment objectives, risks and fees and expenses carefully before investing. This and other important information can be found in the Fund's prospectus and, if available, summary prospectus, which you can obtain by calling 877.628.2583. Please read the prospectus and, if available, the summary prospectus, carefully before making an investment.

The **MSCI EAFE Index (Net) (Europe, Australasia, Far East)** is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. The MSCI EAFE Index consists of the following 21 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

The **MSCI EAFE Growth Index** captures large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries (Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK) around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend.

The **MSCI Emerging Markets (Net) Index** is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of emerging markets. The index consists of the following 24 emerging market country indexes: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, the Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey, and the UAE.

The **S&P 500 Index** consists of 500 stocks chosen for market size, liquidity, and industry group representation. It is a market value weighted index (stock price times number of shares outstanding), with each stock's weight in the Index proportionate to its market value. The "500" is one of the most widely used benchmarks of U.S. equity performance.

Please note that indices do not take into account any fees, expenses or taxes of investing in the individual securities that they track, and that individuals cannot invest directly in any index. Data about the performance of this index are prepared or obtained by the Manager and include reinvestment of all dividends and capital gain distributions. The Fund may invest in many securities not included in the above-described indices.

Past performance is not indicative of future results. This material is not intended to address every situation, nor is it intended as a substitute for the legal, tax, accounting or financial counsel of your professional advisors with respect to your individual circumstances. This material is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied on as such. Portfolio holdings and opinions expressed are as of the date herein and are subject to change without notice. This material is not intended to be a formal research report and should not be construed as an offer to sell or the solicitation of an offer to buy any security.

As of 12/31/2024, the weightings of the Best and Worst Performers listed above, as a percentage of Fund net assets, were: Galderma 1.08%, Leonardo 1.11%, Barclays 1.43%, Softchoice 0.73%, BAWAG 1.29%; Novo Nordisk 2.19%, ASML 1.46%, Symrise 1.33%, Lasertec 0.53%, Experian 1.65%.

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

Foreign securities involve risks in addition to those associated with comparable U.S. securities. Additional risks include exposure to less developed or less efficient trading markets; social, political, diplomatic, or economic instability; trade barriers and other protectionist trade policies (including those of the U.S.); significant government involvement in an economy and/or market structure; fluctuations in foreign currencies or currency redenomination; potential for default on sovereign debt; nationalization or expropriation of assets; settlement, custodial or other operational risks; higher transaction costs; confiscatory withholding or other taxes; and less stringent auditing, corporate disclosure, governance, and legal standards. As a result, foreign securities may fluctuate more widely in price, and may also be less liquid, than comparable U.S. securities. Regardless of where a company is organized or its stock is traded, its performance may be affected significantly by events in regions from which it derives its profits or in which it conducts significant operations.

Investing in emerging market countries involves risks in addition to and greater than those generally associated with investing in more developed foreign countries. Securities of issuers in emerging market countries may be more volatile and less liquid than securities of issuers in foreign countries with more developed economies or markets and the situation may require that the Fund fair value its holdings in those countries.

Because the prices of most growth stocks are based on future expectations, these stocks tend to be more sensitive than value stocks to bad economic news and negative earnings surprises.

An individual security may be more volatile, and may perform differently, than the market as a whole.

From time to time, the trading market for a particular investment in which the Fund invests, or a particular type of instrument in which the Fund is invested, may become less liquid or even illiquid. Illiquid investments frequently can be more difficult to purchase or sell at an advantageous price or time, and there is a greater risk that the investments may not be sold for the price at which the Fund is carrying them. During periods of substantial market volatility, an investment or even an entire market segment may become illiquid, sometimes abruptly, which can adversely affect the Fund's ability to limit losses.

To the extent the Fund invests in securities of small-, mid-, or large-cap companies, it takes on the associated risks.

Markets may be volatile and values of individual securities and other investments, including those of a particular type, may decline significantly in response to adverse issuer, political, regulatory, market, economic or other developments that may cause broad changes in market value, public perceptions concerning these developments, and adverse investor sentiment or publicity.

Epidemics and/or pandemics, such as the coronavirus, have and may further result in, among other things, closing borders, extended quarantines and stay-at-home orders, order cancellations, disruptions to supply chains and customer activity, widespread business closures and layoffs, as well as general concern and uncertainty.

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

From time to time, based on market or economic conditions, the Fund may have significant positions in one or more sectors of the market. To the extent the Fund invests more heavily in particular sectors, its performance will be especially sensitive to developments that significantly affect those sectors. Individual sectors may be more volatile, and may perform differently, than the broader market. The industries that constitute a sector may all react in the same way to economic, political or regulatory events.

Securities lending involves a possible delay in recovery of the loaned securities or a possible loss of rights in the collateral should the borrower fail financially. The Fund could also lose money if the value of the collateral decreases.

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

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

There can be no guarantee that the Portfolio Managers will be successful in their attempts to manage the risk exposure of the Fund or will appropriately evaluate or weigh the multiple factors involved in investment decisions, including issuer, market and/or instrument-specific analysis, valuation and environmental, social and governance (ESG) factors.

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

Risk is an essential part of investing. No risk management program can eliminate the Fund's exposure to adverse events.