



MEDIOBANCA
MANAGEMENT COMPANY SA



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CMB Global Lux – Dette Emergente

Article 10 (SFDR) – Website disclosure for an article 8 fund



A. Sustainable investment objective

The Neuberger Berman Emerging Market Debt Blend Fund does not have a Sustainable Investment objective, it is classified as an Article 8 financial product under the SFDR.

Neuberger Berman are aware of the 'No sustainable investment objective' disclosure, which is required under the SFDR Final Draft Level 2.

Neuberger Berman will fully comply with this and all other SFDR Final Draft Level 2 requirements once the SFDR Final Draft Level 2 is finalised and implemented - which we expect to be 1 January 2022.

B. Environmental or social characteristics of the financial product

The characteristics promoted by this fund consist of investing in corporates with excellent Environmental, Social and Governance ratings based on the Investment Manager's internal methodology, while excluding issuers involved controversial weapons and in direct child labour, in the tobacco industry, as well as certain companies with significant exposure to thermal coal or oil sands.

C. Investment strategy

The fund is a feeder fund of Neuberger Berman Emerging Market Debt Blend Fund, the Master Fund and will invest at least 85% of its assets under management in the Master Fund. The Investment Manager of the Master Fund ("Neuberger Berman") will manage the Portfolio in accordance with the ESG Policy on a continuous basis. The Investment Manager has fully integrated the ESG Policy into the overall investment process. The ESG Policy is available on the Neuberger Berman website, www.nb.com/esg.

The Investment Manager shall also apply its Controversial Weapons Policy when determining what investments to make for the Portfolio. In addition, the Portfolio excludes companies which are involved in direct child labour, in the tobacco industry, as well as certain companies with significant exposure to thermal coal or oil sands.

In addition to integrating the aforementioned screening/exclusion policies into the portfolio construction process, the Investment Manager utilises a proprietary ESG scoring system for Emerging Market corporate issuers, to identify qualitative risks and opportunities in the overall credit assessment. This scoring system includes an in-house governance assessment tool and a specific scoring methodology for environmental and social factors whereby the Investment Manager selects a number of underlying factors from different ESG research providers, which are material for corporate fundamental and spread developments. The ESG factors applied are sector-specific depending on their materiality for each sector. Companies that have a low score (i.e. of 33/100 or lower) are excluded from the investment, unless the Investment Manager's engagement efforts with the investee company result in a positive outlook regarding the ESG score.



D. Proportion of investments

This is an SFDR Final Draft Level 2 website disclosure requirement for Article 8 and Article 9 financial products.

Neuberger Berman are aware of this disclosure requirement under the SFDR Final Draft Level 2 - which has yet to be formally endorsed by the European Commission and remains subject to change.

Neuberger Berman will comply fully with this disclosure requirement and more generally with the SFDR Final Draft Level 2 once it is finalised and implemented.

E. Monitoring of environmental or social characteristics

The ESG characteristics promoted by the fund are integral to the Investment Manager's investment process, and are tracked and considered by all analysts and portfolio managers, with regular research and data management conducted by the Investment Manager's economists. The Investment Manager looks at a wide array of ESG factors that seek to capture immediate developments and long-term trends.

In relation to Emerging Market Countries, the Investment Manager shall consider environmental factors including (i) the energy intensity of GDP, (ii) CO2 emissions levels per GDP and per capita, (iii) the degree to which electricity is being produced from coal sources, and (iv) how countries score in the Notre Dame Global Adaptation Initiative Index, a global adaptation ranking which looks at country preparedness to climate change. The Investment Manager also monitors countries' contributions/adherence to the UN Sustainable Development Goals.

In terms of social factors, the Investment Manager analyses a country's relative position on (i) income, (ii) education and (iii) health as tracked by local and international organizations and development banks, as well as (iv) factors related to the effectiveness and legitimacy of the administration through public opinion surveys.

The governance factors that the 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.

F. Methodologies

The Investment Manager makes assessments on these ESG factors, the respect of the abovementioned exclusions and on the ESG scoring of the portfolio companies on a regular basis, at least at each quarterly portfolio review and expands upon these factors from time to time.

This quarterly review allows the Investment Manager to measure the attainment of the environmental and social characteristics promoted by the fund.



G. Data sources and processing

Portfolio managers and research analysts have access to a wide range of ESG data sources and research providers, as well as the advanced analytics capabilities of our Data Science team and the insights we glean from engaging directly with investee company management teams.

ESG inputs are derived from multiple datasets from international financial organizations and development agencies, to specialty ESG research providers. These data sources are used by the Portfolio's analysts and the portfolio management team, depending on their focus and strategy.

- Bloomberg ESG Data Service – ESG data analysis
- CarbonDelta – Climate Value-at-Risk Scenario Analysis
- CDP Environmental data
- Glass Lewis
- International Finance Corporation – “Doing Business: Measuring Business Regulations” Survey
- International Monetary Fund (“IMF”) – Financial Soundness Indicators
- ISS-Oekom
- MSCI ESG Research
- RepRisk
- Standard & Poor's - Banking Sector Country Risk Assessment
- Sustainalytics
- Transparency International – Corruption Perceptions Index
- Trucost
- United Nations Development Programme – Human Development Index
- World Bank – World Development Indicators
- World Economic Forum – Global Competitive Ranking
- World Bank – Worldwide Governance Indicators

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

H. Limitations to methodologies and data

This is an SFDR Final Draft Level 2 website disclosure requirement for Article 8 and Article 9 financial products.

Neuberger Berman are aware of this disclosure requirement under the SFDR Final Draft Level 2 – which, as mentioned above, remains subject to change.

Neuberger Berman will comply fully with this disclosure requirement and more generally with the SFDR Final Draft Level 2 once it is finalised and implemented.



I. Due diligence

This is an SFDR Final Draft Level 2 website disclosure requirement for Article 8 and Article 9 financial products.

Neuberger Berman are aware of this disclosure requirement under the SFDR Final Draft Level 2 - which remains subject to change.

Neuberger Berman will comply fully with this disclosure requirement and more generally with the SFDR Final Draft Level 2 once it is finalised and implemented.

J. Engagement policies

The Investment Manager engages directly with management teams of the investee companies through a robust qualitative ESG engagement program. This program is focused on in-person meetings and conference calls to understand risks and opportunities at investee companies. The Investment Manager views this direct engagement with investee companies, as an essential part of its investment process.

K. Designated reference benchmark

The Benchmark has not been designated as a reference benchmark for the purposes of SFDR. Therefore, it is not consistent with the promotion of environmental or social characteristics which are achieved by way of exclusions and ESG scorings.