

# Neuberger Berman U.S. Equity Index PutWrite Strategy Fund

**TICKER:** Institutional Class: NUPIX, Class A: NUPAX, Class C: NUPCX, Class R6: NUPRX

[NB.COM/USEQUITYPUTWRITE](http://NB.COM/USEQUITYPUTWRITE)

## Fund Highlights

- Seeks long-term, equity-like returns with less volatility (lower standard deviation) and market beta than broader equity markets by writing put options on the S&P 500 Index.
- Written put options are fully collateralized by a limited duration, laddered U.S. Treasury portfolio.
- An options fund with limited equity market exposure may be used to seek low volatility U.S. equity exposure or as a daily liquid alternative to certain long/short hedge fund offerings.
- Dedicated team has successfully managed institutional accounts since 2011. The Fund provides an opportunity for retail investors to access the strategy through a mutual fund vehicle.

## Portfolio Characteristics

Portfolio Assets (\$mn)	498.1
Index Exposures (S&P 500) <sup>3</sup>	100.0

## Morningstar Overall Rating™

Institutional Class: ★★ ★

(Out of 110 Options Trading funds)

The Morningstar ratings for Neuberger Berman U.S. Equity Index PutWrite Strategy Fund – Institutional Class for the 3-year period ended June 30, 2022, was 4 stars (out of 110 Options Trading funds). For each retail mutual fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive five stars, the next 22.5% receive four stars, the next 35% receive three stars, the next 22.5% receive two stars and the bottom 10% receive one star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a retail mutual fund is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Ratings are ©2022 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

## Investment Performance

As of June 30, 2022\*

AT NAV	AVERAGE ANNUALIZED						EXPENSE RATIOS <sup>1</sup>	
	Quarter	YTD	1 Year	3 Year	5 Year	Since Inception	Gross Expense	Total (Net) Expense <sup>1</sup>
Institutional Class <sup>1</sup>	-9.86	-12.47	-7.47	6.06	5.14	6.24	0.70	0.66
Class A <sup>1</sup>	-9.99	-12.61	-7.82	5.65	4.75	5.86	1.07	1.02
Class C <sup>1</sup>	-10.15	-12.88	-8.42	4.89	3.98	5.08	1.86	1.77
Class R6 <sup>1</sup>	-9.91	-12.42	-7.36	6.14	5.22	6.33	0.60	0.56
<b>WITH SALES CHARGE</b>								
Class A <sup>1</sup>	-15.16	-17.61	-13.11	3.58	3.51	4.78		
Class C <sup>1</sup>	-11.04	-13.74	-9.18	4.89	3.98	5.08		
50% / 50% PutWrite Blended Benchmark <sup>2</sup>	-10.52	-9.66	-3.42	3.11	2.24	3.55		
Previous Blended Benchmark <sup>2</sup>	-10.60	-9.85	-4.79	2.01	1.25	2.69		
S&P 500® Index <sup>3</sup>	-16.10	-19.96	-10.62	10.60	11.31	12.32		

**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 gain distributions. Current performance may be lower or higher than the performance data quoted. For current performance data, including current to the most recent month end, please visit [www.nb.com/performance](http://www.nb.com/performance).

\*The inception date for the Neuberger Berman U.S. Equity Index PutWrite Strategy Fund Class A, Class C, Institutional Class and Class R6 is 9/16/2016. Cumulative 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 is 1%, which is reduced to 0% after 1 year.

<sup>2</sup> The PutWrite Benchmark is represented by 50% Cboe S&P 500 PutWrite Index (PUT) and 50% Cboe S&P 500 One-Week PutWrite Index (WPUT). Prior to February 28, 2022, the Fund's benchmark ("Previous Blended Benchmark") was represented by 42.5% Cboe S&P 500 One-Week PutWrite Index, 42.5% Cboe S&P 500 PutWrite Index, 7.5% Cboe Russell 2000 One-Week PutWrite Index, and 7.5% Cboe Russell 2000 PutWrite Index.

## Collateral Characteristics\*\*

Weighted Average Duration	0.9
Number of Holdings	8
Collateral Investments	
U.S. Treasury Bonds (%)	76.2
Less than 1 Year	49.8
1 to 3 Years	26.3
Greater than 3 Years	0.0
Credit (%)	16.4
Cash (%)	7.4

## Option Statistics\*\*

	Short Put Options
Notional % of Collateral	99.3
Weighted Average % of Moneyness	100.2
Weighted Average Days to Expiration	12.6
Weighted Average Breakeven	97.3
Short Market Value % of Collateral	-2.06
Weighted Average Delta	0.41
Number of Holdings	30

*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.*

## Management Team

### **DEREK DEVENS, CFA**

25 Years of Industry Experience

### **RORY EWING**

19 Years of Industry Experience

## **\*\*Definitions**

Option Market Value is the current market value of the option positions.

Option Intrinsic Value is the aggregate intrinsic gains/losses for the option positions.

Weighted Average Days to Expiration is the average number of days to expiration (weighted by notional exposures).

Weighted Average Breakeven is the average percentage decline/increase required for the underlying price level to fall/rise below the breakeven price level (strike less/plus the premium collected).

Beta is a measure of the systematic risk of a security or portfolio. Beta measures the historical sensitivity of portfolio or security excess returns to movement in the excess return of the market index. The value of beta is expressed as a percentage of the market where the market beta is 1.0. A security or portfolio with a beta above the market has volatility greater than the market.

Notional is the option notional (strike price x contracts x multiplier) held at prime broker.

Notional % of Collateral is the option notional of puts or calls (as applicable) divided by total collateral.

Weighted Average % of Moneyness is the average strike price as a percentage of the current underlying index/ETF price.

Short Market Value (SMV) % of Collateral is the short market value of options divided by total collateral investments.

Standard Deviation is a statistical measure of portfolio risk. The standard deviation describes the average deviation of the portfolio returns from the mean portfolio return over a certain period of time. Standard deviation measures how wide this range of returns typically is. The wider the typical range of returns, the higher the standard deviation of returns, and the higher the portfolio risk.

Weighted Average Delta is the average percentage ratio comparing the change in the price of an asset.

Weighted Average Duration is expressed as a number of years from its purchase date. It is a measurement of how long, in years, it takes for the price of a bond to be repaid by its internal cash flows. As bonds with higher durations carry more risk and have higher price volatility than bonds with lower durations.

*Unless otherwise stated, information (including holdings and portfolio characteristics) is as of the quarter end indicated in the document title and is subject to change without notice.*

Shares in the Fund may fluctuate, sometimes significantly, based on market conditions, interest rates, credit quality and other factors. Most of the Fund's performance depends on what happens in the equity, fixed income and options markets. 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.

To the extent the Fund invests more heavily in market sectors, its performance will be especially sensitive to developments that significantly affect those sectors.

The value of your investment may fall, sometimes sharply, and you could lose money by investing in the Fund.

Derivatives involve risks different from, and in some respects greater than, those associated with more traditional investments, as derivatives can be highly complex and volatile, difficult to value, highly illiquid, and the Fund may not be able to close out or sell a derivative at a particular time or at an anticipated price. Derivatives can create leverage, investment exposure can exceed total assets, and the Fund could lose more than the amount it invests. There can be no assurance that the Fund's use of any leverage will be successful.

By writing put options, the Fund assumes the risk of declines in the value of the underlying instrument and the risk that it must purchase the underlying instrument at an exercise price that may be higher than the market price of the instrument, including the possibility of a loss up to the entire strike price of each option it sells but without the corresponding opportunity to benefit from potential increases in the value of the underlying instrument. If there is a broad market decline and the Fund is not able to close out its written put options, it may result in substantial losses to the Fund. The Fund will receive a premium from writing options, but the premium received may not be sufficient to offset any losses sustained from exercised put options. Put writing makes an explicit trade-off between up-market participation and down-market participation, while still seeking reasonable returns in flat markets. As such, in up markets, the Fund typically will not participate in the full gain of the underlying index above the premium collected.

Debt is subject to the credit risk of the issuer. The Fund's performance could be affected if borrowers pay back principal on certain debt securities before or after the market anticipates. Although certain securities carry U.S. government guarantees, these guarantees do not extend to shares of the Fund itself or to the market prices of the securities; not all securities issued by the U.S. government and its agencies and instrumentalities are backed by the full faith and credit of the U.S. Treasury.

Fund performance is dependent upon the Portfolio Managers' success in implementing the Fund's investment strategies and in implementing and managing the investment models that assist in allocating the Fund's assets. The Fund may engage in active and frequent trading and have high portfolio turnover, which may increase transaction costs and adversely affect performance. The Fund's investments in ETFs subject it to such ETF's expenses and risks, including tracking error, inability to sell underperforming stocks included in their index, secondary market trading at prices below the value of their underlying portfolios and liquidity.

The COVID-19 health pandemic has negatively affected and may continue to affect the economies of many nations, individual companies and the global securities and commodities markets. There may continue to be increased market volatility, which may affect the Fund's performance.

1 Total (net) expense represents the total annual operating expenses that shareholders currently pay (after the effect of fee waivers and/or expense reimbursement). Neuberger Berman Investment Advisers LLC contractually caps certain direct expenses of the Fund (excluding interest, taxes, brokerage commissions, acquired fund fees and expenses, dividend expenses relating to short sales, and extraordinary expenses, if any; consequently, total expenses may exceed the contractual cap) through 10/31/2025 for Class A at 1.01%, Class C at 1.76%, Institutional Class at 0.65% and Class R6 at 0.56% (each as a % 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 prospectus dated February 28, 2022, as amended.

## Neuberger Berman U.S. Equity Index PutWrite Strategy Fund

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2 The **Cboe S&P 500 PutWrite Index (PUT)** is designed to represent a proposed hypothetical short put strategy. PUT is an award-winning benchmark index that measures the performance of a hypothetical portfolio that sells S&P 500 Index put options against collateralized cash reserves held in a money market account. The PUT strategy is designed to sell a sequence of one-month, at-the-money, S&P 500 Index puts and invest cash at one- and three-month Treasury Bill rates. The **Cboe Russell 2000 PutWrite Index (PUTR)** is designed to represent a proposed hypothetical short put strategy that sells a monthly at-the-money (ATM) Russell 2000 Index put option. The written Russell 2000 put option is collateralized by a money market account invested in one-month Treasury Bills. The **Cboe S&P 500 One-Week PutWrite Index (WPUT)** is designed to track the performance of a hypothetical strategy that sells an at-the-money (ATM) S&P 500 Index (SPX) put option on a weekly basis. The maturity of the written SPX put option is one week to expiry. The written SPX put option is collateralized by a money market account invested in one-month Treasury bills. The index rolls on a weekly basis, typically every Friday. The **Cboe Russell 2000 One-Week PutWrite Index (WPTR)** is designed to track the performance of a hypothetical strategy that sells an at-the-money (ATM) Russell 2000 Index put option on a weekly basis. The maturity of the written Russell 2000 put option is one week to expiry. The written Russell 2000 put option is collateralized by a money market account invested in one-month Treasury bills.

3 The **S&P 500® Index** is a float-adjusted market capitalization-weighted index that focuses on the large-cap segment of the U.S. equity market and includes a significant portion of the total value of the market. The **Russell 2000® Index** is a float-adjusted market capitalization-weighted index that measures the performance of the small-cap segment of the U.S. equity market. It includes approximately 2,000 of the smallest securities in the Russell 3000 Index (which measures the performance of the 3,000 largest U.S. public companies based on total market capitalization). Please note that indices do not take into account any fees and 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 these indices 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.

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