

# Glasebrook Team Evolved Value Strategy

INVESTMENT STYLE: Mid to Large Cap with a Value Bias BENCHMARK: S&P 500 Index; Russell 1000 Value Index®

## INVESTMENT PHILOSOPHY AND PROCESS

The Evolved Value strategy's objective is to compound client assets at attractive rates of return with minimal turnover, which helps produce tax-efficiency. Our strategy prioritizes investments comprising reduced business risk and businesses we can own through an economic cycle.

We believe it is difficult to time the market. We seek to manage risk by focusing on high-quality businesses, defined as those with above-average profitability and balance sheets, and those which produce reliable free cash flow. Seminal to our research is understanding a firm's unit economics—both, historically and prospectively. We define a business's value by its discounted cash flow and are less influenced by GAAP defined statistics (P/E or P/BV). Portfolios generally consist of 30–40 securities characterized by significant 'active share'.

We favor businesses with superior and sustainable financial attributes, high returns on invested capital, and ample opportunity to re-invest within their core. We believe management incentives define prospective capital allocation goals. We favor structures which reward managements for investing capital at expected returns above their cost of capital. We avoid management teams who prioritize an intent to expand the size of their company. We regularly review a wide universe of ideas for opportunities to upgrade the quality and durability of portfolio investments, specifically focused on businesses with revenue/cash flow persistency, idiosyncratic levers to improve intrinsic value\*, combined with abundant free cash flow generation, and low financial leverage.

\*Intrinsic value reflects the team's analysis and estimates. There is no guarantee that any intrinsic values will be realized; security prices may decrease regardless of intrinsic values.

## MANAGEMENT TEAM

**Richard Glasebrook**  
Senior Portfolio Manager

**Taylor Glasebrook**  
Portfolio Manager

**John O'Brien**  
Associate Portfolio Manager

## INVESTMENT PERFORMANCE (%)\*

	Annualized Returns For Periods Ended 09/30/2025							Since Inception 4/1/2003
	QTD	YTD	1 Year	3 Years	5 Years	10 Years	20 Years	
Total Portfolio Return (Gross of Fee)	3.80	10.90	11.58	23.27	15.18	13.89	9.91	12.91
Total Portfolio Return (Net of Fee)	3.52	10.00	10.36	21.89	13.85	12.58	8.60	11.62
Equity Only Return (Gross of Fee)	3.82	11.09	11.72	24.05	15.51	14.35	10.00	13.07
S&P 500 Index	8.12	14.83	17.60	24.94	16.47	15.30	10.97	11.73
Russell 1000 Value	5.33	11.65	9.44	16.96	13.88	10.72	8.19	9.76

**Past performance is no guarantee of future results.** See GIPS® composite report disclosures for details on fees and net calculations. Please note that Neuberger Berman Private Wealth (NBPW) advisory program accounts are subject to different fee structures. Such fees are generally different from and may be higher in the aggregate than the investment advisory fees reflected. Please refer to NBPW materials for information on NBPW fee structures.

## PORTFOLIO CHARACTERISTICS

	Glasebrook Team Evolved Value	S&P 500
Weighted Average Market Cap(\$mm)	935,405	1,367,649
P/E FY1 (x)	25.21	25.06
Price/Cash Flow (x)	22.77	19.92

## SECTOR WEIGHTINGS (%)

	Glasebrook Team Evolved Value	S&P 500
Communication Services	7.10	10.14
Consumer Discretionary	2.82	10.54
Consumer Staples	0.13	4.91
Energy	0.88	2.89
Financials	20.01	13.54
Health Care	12.81	8.86
Industrials	11.13	8.29
Information Technology	35.40	34.78
Materials	8.04	1.77
Real Estate	0.00	1.94
Utilities	0.04	2.35
Cash	1.36	0.00
Other	0.27	0.00

## TOP TEN EQUITY HOLDINGS (%)

Microsoft Corporation	11.65
Oracle Corporation	8.78
Eli Lilly and Company	8.34
T-Mobile US, Inc.	5.73
GE Aerospace	4.65
Kyndryl Holdings Incorporation	4.52
Aon Plc Class A	4.51
Motorola Solutions, Inc.	4.48
CSX Corporation	4.05
Linde plc	4.03

Source: Neuberger Berman and FactSet.

Returns for periods of less than one year are not annualized. See GIPS® composite report disclosures for details on fees and net calculations. Portfolio characteristics, including attribution, relative returns and risk statistics are shown gross of fees. The portfolio characteristics do not reflect the deduction of all fees and expenses that a client or investor has paid or would have paid; please see the Portfolio Performance above for the total portfolio's gross and net performance to understand the overall effect of fees. Investing entails risks, including possible loss of principal. **Past performance is no guarantee of future results.** See Additional Disclosures which are an important part of this material and include any endnotes.

PORTFOLIO MANAGER FACTSHEET: THE GLASEBROOK TEAM EVOLVED VALUE

	Composite			Benchmark		Composite					3 Year Standard Deviation		
	Total Portfolio Return (% Gross of Fee)	Total Portfolio Return (% Net of Fee)	Equity Only Return (% Gross of Fee)	S&P 500 Index (%)	Russell 1000 Value Index (%)	No. of Accounts	Market Value (\$, m)	Total Firm Assets (\$, bn)*	% of Firm Assets	Internal Dispersion	Composite (%)	S&P 500 Index (%)	S&P 500 Index (%)
YTD Sep-2025	10.90	10.00	11.09	14.83	11.65	639	2,661.3	--	--	--	13.18	13.18	14.06
2024	23.30	21.92	23.59	25.02	14.37	605	2,384.4	387.0	0.62	1.28	16.75	17.15	16.66
2023	24.25	22.81	25.35	26.29	11.46	566	1,996.5	360.6	0.55	1.70	16.70	17.29	16.51
2022	-13.46	-14.55	-13.64	-18.11	-7.54	552	1,711.7	317.0	0.54	1.56	20.00	20.87	21.25
2021	24.17	22.76	24.46	28.71	25.16	624	2,462.8	460.5	0.53	2.50	16.40	17.17	19.06
2020	20.19	18.86	20.47	18.40	2.80	579	1,999.0	405.4	0.49	4.01	17.41	18.53	19.62
2019	26.67	25.32	28.05	31.49	26.54	524	1,831.6	355.8	0.51	2.32	11.85	11.93	11.85
2018	-9.69	-10.78	-10.28	-4.38	-8.27	500	1,668.5	304.1	0.55	1.02	11.88	10.80	10.82
2017	22.73	21.21	23.94	21.83	13.66	573	2,132.8	295.2	0.72	1.20	11.34	9.92	10.20
2016	14.12	12.82	14.89	11.96	17.34	554	2,034.3	255.2	0.80	1.58	11.91	10.59	10.77
2015	-8.59	-9.66	-9.11	1.38	-3.83	556	2,125.6	240.4	0.88	1.40	11.15	10.47	10.68

\*The redefining of the firm in December 2022 by excluding NB Alternatives Advisers LLC resulted in \$120.6 billion of assets being removed from the GIPS total firm assets as of December 2024.

**Glasebrook Team Evolved Value Composite- (Inception ) Compliance Statement**

Neuberger Berman Group LLC ("NB", "Neuberger Berman" or the "Firm") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. Neuberger Berman has been independently verified for the period January 1, 2011 to December 31, 2022. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not ensure the accuracy of any specific composite presentation. The verification reports are available upon request.

The GIPS® firm definition was redefined effective January 1, 2011. For prior periods there were two separate firms for GIPS® firm definition purposes and such firms were independently verified for the periods January 1, 1997 to December 31, 2010 and January 1, 1996 to December 31, 2010, respectively. The Firm definition was most recently changed in 2020 to include the addition of Neuberger Berman Loan Advisers LLC and Neuberger Berman Loan Advisers II LLC, and in 2024 to include the addition of Neuberger Berman Loan Advisers IV LLC.

**Definition of the Firm** The firm is currently defined for GIPS® purposes as Neuberger Berman Group LLC, ("NB", "Neuberger Berman" or the "Firm"), and includes the following subsidiaries and affiliates: Neuberger Berman Investment Advisers LLC, Neuberger Berman Europe Ltd., Neuberger Berman Asia Ltd., Neuberger Berman East Asia Ltd., Neuberger Berman Singapore Pte. Ltd., Neuberger Berman Taiwan (SITE) Ltd, Neuberger Berman Australia Ltd., Neuberger Berman Trust Company N.A., Neuberger Berman Trust Company of Delaware N.A., Neuberger Berman Canada ULC, Neuberger Berman Loan Advisers LLC and Neuberger Berman Loan Advisers II LLC and Neuberger Berman Loan Advisers IV LLC.

In December 2022, the firm decided to exclude NB Alternatives Advisers LLC from the GIPS Firm Definition.

**Policies** Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

**Composite Description** The Glasebrook Team - Evolved Value strategy includes the performance of all Glasebrook Team - Evolved Value portfolios greater than 85% invested in equities, with a minimum of \$250,000, managed on a fully discretionary basis by the Glasebrook Team. Richard J. Glasebrook II, CFA, managed the strategy beginning April 2003 and Taylor L. Glasebrook has co-managed the strategy beginning July 2015. The strategy generally seeks equity investments in mid and large capitalization companies with a value bias and a goal of long-term capital appreciation. The strategy may hold, at the managers' discretion, small cash allocations. The Composite creation date is December 2020 and the performance inception date is April 2003. A complete list of Neuberger Berman's composites is available upon request.

**Primary Benchmark Description** The benchmark is the S&P 500 Index (the "Index"). The Index is a float-adjusted market capitalization weighted index comprised of 500 stocks chosen for market size, liquidity, and industry group representation. The S&P 500 Index is constructed to represent a broad range of industry segments in the U.S. economy. The S&P 500 Index focuses on the large-cap segment of the market with approximately 80% coverage of US equities. Criteria for inclusion include financial stability (minimize turnover in the index), screening of common shares to eliminate closely held companies, and trading activity indicative of ample liquidity and efficient share pricing. Companies in merger, acquisition, leveraged-buy-outs, bankruptcy (Chapter 11 filing or any shareholder approval of recapitalization which changes a company's debt-to-equity ratio), restructuring, or lack of representation in their representative industry groups are eliminated from the index.

**Secondary Benchmark Description:** The benchmark is the Russell 1000 Value Index (the "Index"). The Index measures the performance of the large cap value segment of the US equity universe. It includes those Russell 1000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years). Effective after the market close on March 21, 2025, FTSE Russell implemented a capping methodology to all Russell U.S. Style Indices including this one. Any individual company weights in the index greater than 22.5% will be capped, and all individual companies that have an index weight greater than 4.5% will be capped to a 45% aggregate weight in the index. This will be applied quarterly going forward, but historical Index returns will not be restated.

**Reporting Currency** Valuations are computed and performance is reported in U.S. Dollars. Performance includes reinvestment of dividends and other earnings.

**Fees** Portfolios in the Composite use an all-inclusive fee schedule which includes investment advisory fees, trading expenses, custody fees, and other administrative fees.

Composite Gross of Fee returns are the return on investments reduced by any trading expenses incurred during the period. Composite Net of Fee returns are calculated using actual management fees borne by all client accounts included in the Composite (which only includes fee-paying accounts), are accounted for on an accrual basis, and may include performance fees. Composite Equity Only Return excludes the performance of any cash or fixed income securities that may also be held in the Composite and is presented as supplemental information. Composite Equity Only Return is shown gross of fees and does not reflect the deduction of the fees and expenses that a client or investor has paid or would have paid; please see the Total Portfolio gross and net performance to understand the overall effect of fees.

Please note that Neuberger Berman Private Wealth (PW) advisory program accounts are subject to different fee structures. Such fees are generally different from and may be higher in the aggregate than the investment advisory fees reflected. The actual fees charged to any particular client account will vary and fees to be charged to some

Fee returns. Clients who pay higher fees would experience returns that could be materially lower than those reflected in the net of fee returns presented in the Composite.

Presented risk measures are calculated using gross-of-fee composite returns.

To the extent that a composite contains fund(s) whereby performance is calculated based on changes in monthly NAV's, net returns reflect miscellaneous fund expenses (admin, legal, etc.) in addition to investment management fees for the portion of composite containing these vehicles.

**Fee Schedule** The annual investment advisory fee, generally payable quarterly, for each portfolio with a market value of less than \$10mn is: 1.50% of the first \$2.5mn of market value; 1.40% of the next \$2.5mn; 1.30% of the next 2.5mn; 1.2% of the next \$2.49mn. For each portfolio with a market value, equal to, or greater than \$10mn, the annual fee payable quarterly is: 1.25% of the first \$10mn of market value and 0.90% of the remaining value of market value. For cash equivalents and managed assets held for permanent investment in fixed income securities, the annual charge, payable quarterly, is 0.375% of the market value. The minimum quarterly fee is \$1,875. The total amount paid using this schedule may be more or less than the amount paid using other schedules offered, based upon the market value and composition of the Account. While commissions will not be charged for trades in connection with securities managed on a discretionary basis, client directed trades involving non-discretionary assets will be charged commissions at Neuberger Berman BD LLC's prevailing rates. The foregoing investment advisory fees shall be in addition to any other fees, commissions, expenses, or other charges which the Client may incur as a result of the Client's relationship with another broker-dealer and/or custodian. Composite Net of Fee returns are based on actual investment advisory fees and may include accounts that are on different fee schedules and accounts for which the fees were negotiated or discounted.

**Internal dispersion** is calculated using the asset-weighted standard deviation of annual gross returns of those portfolios that were in the Composite for the entire year. Internal dispersion is not calculated if the Composite does not contain at least 6 portfolios for the entire year.

**Annualized Standard Deviation** The three-year annualized standard deviation measures the variability of the Composite and the benchmark returns over the preceding 36-month period. The standard deviation is not required for periods prior to 2011.

**Availability and Trademark Disclosures** The firm's list of composite descriptions, limited distribution pooled fund descriptions, and broad distribution pooled fund descriptions are available upon request.

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**Additional Disclosures:**

This material is intended as a broad overview of the portfolio managers' current style, philosophy and process. This material is general in nature and is not directed to any category of investors and should not be regarded as individualized, a recommendation, investment advice or a suggestion to engage in or refrain from any investment-related course of action. Neuberger Berman is not providing this material in a fiduciary capacity and has a financial interest in the sale of its products and services. Investment decisions and the appropriateness of this material should be made based on an investor's individual objectives and circumstances and in consultation with his or her advisors.

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Representative portfolio information (characteristics, holdings, weightings, etc.) is based upon the composite or a representative/model account. Representative accounts are selected based on such factors as size, length of time under management and amount of restrictions. Any segment level performance shown (equity only or fixed income only) is presented gross of fees and focuses exclusively on the investments in that particular segment of the portfolio being measured (equity or fixed income holdings) and excludes cash. Client accounts are individually managed and may vary significantly from composite performance and representative portfolio information. Specific securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients. It should not be assumed that any investments in securities, companies, sectors or markets identified and described were or will be profitable.

Price-to-earnings ratio (P/E): The price-to-earnings ratio is calculated by dividing the price of the security by the earnings per share. The higher the PE ratio the more the investor is willing to pay for earnings. A higher PE ratio would imply that earnings will grow higher in the future.

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