

# BARINGS



## **Developed & Emerging Markets High Yield Bond Fund**

November 2022

## Firm Overview

# Barings Overview

- Barings is a **GLOBAL INVESTMENT MANAGER** sourcing differentiated opportunities and building portfolios across public and private fixed income, real estate and specialist equity markets
- A subsidiary of **MASSMUTUAL**, we have the financial stability and flexibility to take a long-term approach
- Our **GLOBAL FOOTPRINT** gives us a broad perspective and the ability to truly partner with our clients to invest across North America, Europe and Asia Pacific
- We are committed to **SUSTAINABLE PRACTICES AND RESPONSIBLE INVESTMENT** as we aim to serve our clients, communities and employees



## \$338+B

ASSETS UNDER MANAGEMENT

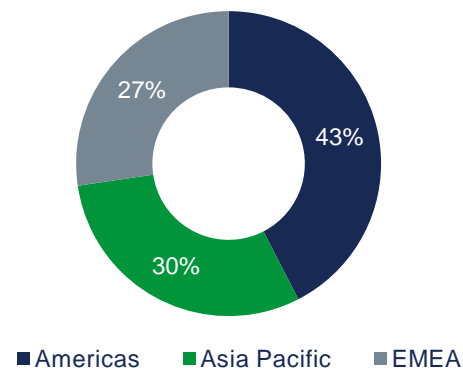
## 1,200+

EXTERNAL CLIENTS

## 1,900+

PROFESSIONALS GLOBALLY

EXTERNAL AUM BY REGION<sup>1</sup>



1. Includes third party, external AUM only.

All figures are as of September 30, 2022 unless otherwise indicated. Assets shown are denominated in USD. Percentages may not equal 100 due to rounding.

# Global Investment Capabilities

Barings leverages its **DEPTH AND BREADTH OF EXPERTISE** across public and private markets to help meet our clients' evolving investment needs

## PUBLIC

### PUBLIC FIXED INCOME<sup>1</sup>

Provides access to strategies ranging from investment grade to high yield across developed and emerging markets

#### INVESTMENT GRADE

**\$100.6 B AUM**

#### HIGH YIELD BONDS & LOANS<sup>3</sup>

**\$51.2 B AUM**

#### STRUCTURED CREDIT

**\$22.7 B AUM**

#### GLOBAL SOVEREIGN DEBT & CURRENCIES

**\$12.7 B AUM**

### PUBLIC EQUITIES & MULTI ASSET<sup>2</sup>

Aims to deliver superior risk-adjusted returns through fundamental analysis and high-conviction, high-active share solutions

#### GLOBAL & INTERNATIONAL EQUITIES

**\$2.7 B AUM**

#### EMERGING MARKET EQUITIES

**\$5.9 B AUM**

#### SMALL CAP EQUITIES

**\$1.9 B AUM**

#### MULTI ASSET

**\$1.9 B AUM**

## CAPITAL SOLUTIONS<sup>4</sup>

**\$0.8 B AUM**

## PRIVATE

### PRIVATE CREDIT

Offers a diverse range of private debt financing solutions by partnering with our broad industry network

#### GLOBAL PRIVATE FINANCE

**\$35.7 B AUM**

#### INFRASTRUCTURE & PRIVATE PLACEMENTS

**\$38.4 B AUM**

### REAL ESTATE<sup>5</sup>

Provides a broad spectrum of solutions across private real estate debt and equity

#### REAL ESTATE DEBT<sup>6</sup>

**\$27.1 B AUM**

#### REAL ESTATE EQUITY

**\$19.8 B AUM**

### PRIVATE EQUITY<sup>5</sup>

Leverages our global presence in an effort to identify unique risk-adjusted return opportunities

#### DIRECT PRIVATE EQUITY

**\$2.6 B AUM**

#### DIVERSIFIED ALTERNATIVE EQUITY

**\$5.7 B AUM**

## MULTI STRATEGY

Utilize our expansive asset market coverage to offer solutions such as income, target return and absolute return

1. Excludes the Korean fixed income strategy totaling \$1.8 billion in AUM.
2. Excludes the Korean domestic equities strategy, which has \$6.7 billion in AUM and other equities of \$0.1 billion.
3. Includes the EM Corporate Debt strategy, which has \$4.0 billion in AUM.
4. Represents dedicated capital solutions accounts and does not include assets managed in other cross-platform portfolios.
5. Projected AUM figures.
6. Includes real estate debt assets that are managed as part of affiliated fixed income portfolios.

All figures are as of September 30, 2022 unless otherwise indicated. Assets shown are denominated in USD.

*For investment professionals only*

# Investing in Lasting Change, Together

## WE ARE DELIBERATE IN OUR DIRECTION, PARTNERSHIPS AND DECISION MAKING TO ACHIEVE LONG-TERM, LASTING CHANGE



### ESG INTEGRATION

We **integrate environmental, social and governance** information into our analysis and decision-making across our investment teams and business lines.



### STEWARDSHIP

We are **active stewards** of the entities in which we invest; this goes hand-in-hand with our active investment approach. We believe the best way to advance change is by rewarding progress.



### CORPORATE RESPONSIBILITY

ESG is ingrained in **our business activities** through our corporate responsibility program. This includes our Barings Social Impact philanthropic program, as well as our focus on diversity, equity and inclusion across our business.

## OUR SUSTAINABILITY GOVERNANCE, RESOURCES AND PARTNERSHIPS



### FORMAL GOVERNANCE

Our **Sustainability Committee** consists of senior business leaders and is tasked with supporting sustainability strategy execution.

Our Sustainability Working Groups focus on long-term strategic projects and regularly meet and report to the Sustainability Committee.



### DEDICATED RESOURCES

Our **dedicated resources** help develop and deliver our sustainability and ESG strategy, policy, partnerships, research, training and reporting.



### INDUSTRY PARTNERS

We are a signatory to the **Principles for Responsible Investment**, a member of the **United Nations Global Compact** and **Climate Action 100+**, and public supporters of the **Task Force on Climate-related Financial Disclosures**.

We work to advance the missions of these industry partnerships.

Barings achieved a **LEED GOLD CERTIFICATION** for our global Charlotte headquarters, a **BREEAM EXCELLENT RATING** for our London office, and a **LEED GOLD CERTIFICATION** for our Shanghai office.

# Our Commitment To Diversity, Equity & Inclusion

## MISSION

To foster an **EQUITABLE AND INCLUSIVE** environment where everyone can succeed

### PHILOSOPHY

The varying backgrounds, life experiences and perspectives of our people influence our approach to investing and creating culture.

### OUR APPROACH

Outcome and impact-centered global strategy tailored to regional needs. Leaders first. Managers model. Everyone's responsible.

### CULTURE

Maintain a culture of respect and integrity that prioritizes genuine interactions and courageous conversations to encourage authenticity, belonging and psychological safety.

### PEOPLE FOCUS

Six Employee Resource Groups (ERG) support overall strategy and help build community, utilizing culture surveys and focus groups to collect qualitative data and regularly assess impact.

### COMMUNITY IMPACT

Cross-collaboration with Barings Social Impact and other teams to effectuate broader impact for diverse communities.

### PARTNERSHIPS

Evaluate talent opportunities and gaps, and actively partner with organizations to broaden access to entry, mid- and senior-level diverse talent.

# Global High Yield Platform

# Global High Yield – Distinguishing Features of Barings

## TIME-TESTED APPROACH TO INVESTING IN GLOBAL HIGH YIELD MARKETS

We believe that attractive long-term risk adjusted returns can best be achieved through rigorous fundamental credit analysis and disciplined active portfolio management aimed at identifying mis-priced opportunities

### WHY BARINGS?



#### DEEP AND EXPERIENCED GLOBAL TEAM

Managing over \$73 billion<sup>1</sup> in below investment grade credit, with 97 investment professionals<sup>2</sup> covering bonds, loans and structured credit across North America, Europe and Asia; Barings is uniquely positioned to underwrite and evaluate opportunities across the breadth of global high yield credit markets



#### CONSISTENT TEAM BASED APPROACH

Collaborative team based approach focused on diversified portfolios built from our “best ideas” with an emphasis on relative value and total risk adjusted returns

Investment Committees comprised of senior investment professionals fosters a team environment where all aspects of the high yield platform are utilised, instead of relying solely on individuals



#### EXPERIENCE THROUGH MULTIPLE CREDIT CYCLES

Barings have managed large global high yield credit portfolios through multiple credit cycles and periods of volatility

The Capital Solutions Group provide local expertise in the event of underperforming situations or restructurings

Dedicated high yield traders have deep market relationships driving best execution and access to primary markets in scale

Source: Barings. For illustrative purposes only.

1. As of September 30, 2022.

2. Number of professionals are as of September 30, 2022.

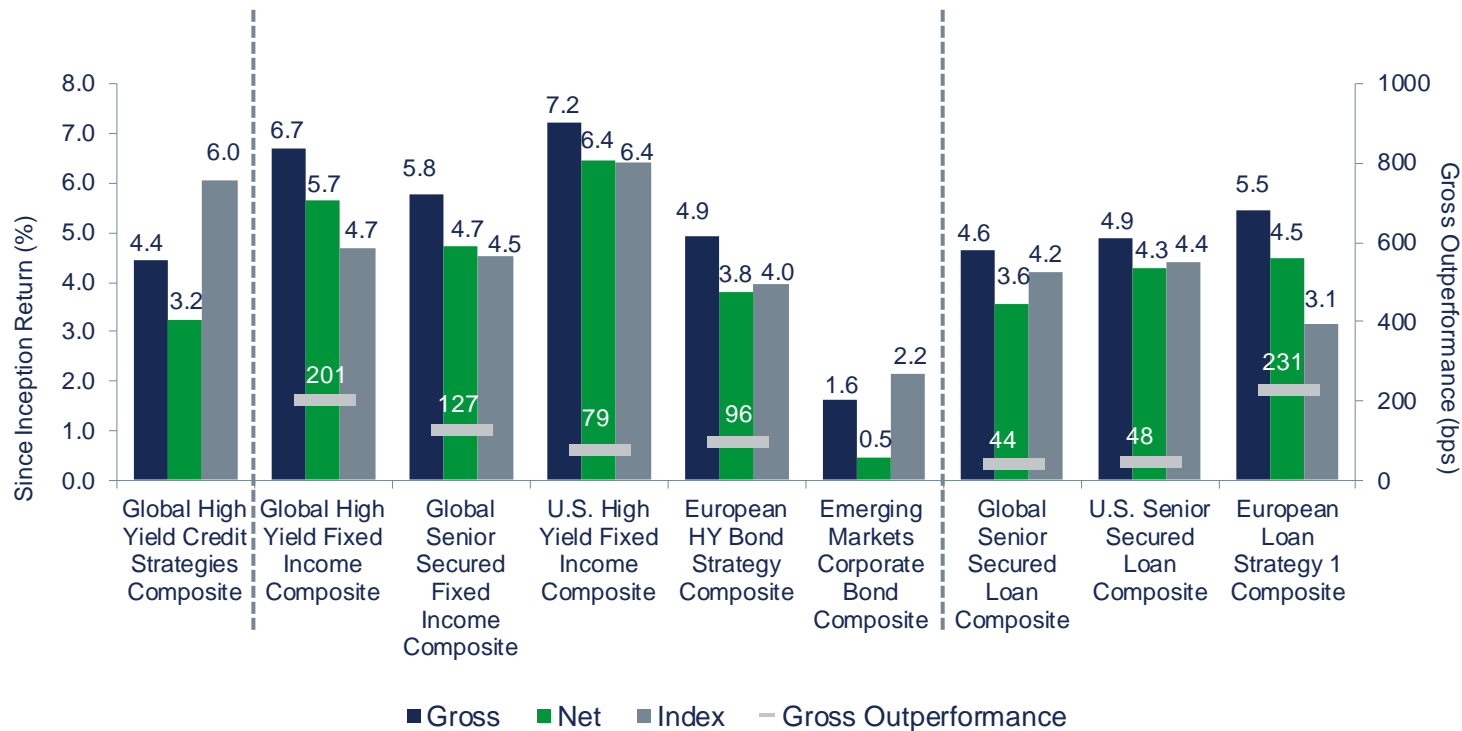
*For investment professionals only*



# Global High Yield – Platform Highlights

Barings' range of single credit and multi-credit strategies gives investors access to the global below-investment grade corporate credit asset class

## GLOBAL HIGH YIELD SINCE INCEPTION ANNUALIZED STRATEGY RETURNS<sup>1</sup>



**Strategy Inception:** 7/2013 6/2012 3/2011 10/2000 7/2011 5/2014 11/2010 1/1999 8/2009<sup>2</sup>

- Source: Barings. As of October 31, 2022; outperformance for each composite versus its respective index is shown gross of fees. In order from left to right, the benchmarks used for the strategies above are: SOFR + 500 bps; ICE BofA Non-Financial Developed Markets High Yield Constrained Index; ICE BofA BB-B Global High Yield Secured Bond Index; Bloomberg U.S. Corporate High Yield Index; ICE BofA European Currency Non-Financial High Yield Constrained Index; J.P. Morgan CEMBI Broad Diversified Index; customized Credit Suisse Global Loan Benchmark; Credit Suisse U.S. Leveraged Loan Index; Credit Suisse Institutional Western European Leveraged Loan Index;
  - The European Loan Strategy track record begins July 2001. The GIPS compliant track record for the European Loan Strategy 1 Composite begins August 2009. Net of Fee Returns have been calculated using Model Investment Management Fees, which represent the highest fee charged to an Institutional Client within the Composite, and are therefore applicable to Institutional Investors. The model fees applied are available in the 'Applicable Institutional Fees' section of the attached Report in the Appendix of the presentation. These net of fee returns may be higher than net of fee returns that would have been calculated using actual investment Management Fees.
- Note: Effective June 30, 2022, the ICE Fixed Income Index reflects transaction costs. As a result, existing index level total return, price return and excess return fields have been adjusted to reflect the new methodology. All return information prior to June 30, 2022 has not been adjusted.

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.** An investment entails a risk of loss.

**BARINGS**

# Global High Yield – Organization

## MARTIN HORNE

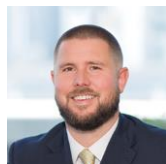
HEAD OF GLOBAL PUBLIC FIXED INCOME



**US\$73.9 BILLION IN GLOBAL HIGH YIELD AUM**

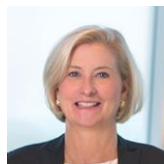
*97 dedicated global high yield investment professionals*

### EUROPEAN HIGH YIELD INVESTMENTS



**CHRIS SAWYER**

### U.S. HIGH YIELD INVESTMENTS



**ADRIENNE BUTLER**



**SCOTT ROTH**

### STRUCTURED CREDIT



**TARYN LEONARD**



**MELISSA RICCO**

### EMERGING MARKET CORPORATE DEBT



**OMOTUNDE LAWAL**

**US\$17.2 BILLION IN AUM**

*26 investment professionals:*

12 research analysts

2 dedicated traders

5 client portfolio managers

*7 portfolio managers:*

Martin Horne (26) Chris Sawyer (17)  
Gareth Hall (16) Craig Abouchar (28)  
Oliver Harker-Smith (17) Natalie Heawood (10)  
Christopher Ellis (11)

**US\$31.6 BILLION IN AUM**

*43 investment professionals:*

24 research analysts

4 dedicated traders

5 client portfolio managers

*10 portfolio managers:*

Adrienne Butler (32) Scott Roth (29)  
Art McMahon, Jr (29) Sean Feeley (26)  
Tom McDonnell (26) Kelly Burton (22)  
Casey McKinney (24) Adam Schauer (15)  
Meredith Lynch (19) Michael Best (19)

**US\$24.0 BILLION IN AUM<sup>1</sup>**

*15 investment professionals:*

6 research analysts

1 dedicated trader

2 client portfolio managers

*6 portfolio managers:*

Taryn Leonard (25) Melissa Ricco (23)  
Jeffrey Prince (22) Laura Grant (26)  
Kathleen Kraez (29) Brandon Berthiaume (19)

**US\$4.4 BILLION IN AUM**

*13 investment professionals:*

7 research analysts

2 dedicated traders

1 client portfolio manager<sup>2</sup>

*3 portfolio managers:*

Omotunde Lawal (22) Natalia Krol (20)  
Michael Liu (14)

Assets are as of September 30, 2022.

Number of professionals are as of September 30, 2022. (xx) represents number of years experience.

1. Excludes cash flow CLOs co-managed with Investment Grade Corporate Team.

2. Product manager shares responsibilities across emerging market corporate debt and high yield investment strategies.

*For investment professionals only*

# Global High Yield – Research Team and Additional Firm Shared Resources

## U.S. SECTOR COVERAGE

### CONSUMER; HEALTHCARE & GAMING

Ryan Christenson (22)  
Kevin Rate (12)  
Michael Slaughter (6)  
Michael Alfieri (1)  
Tyler Schachner (<1)

### TECHNOLOGY, MEDIA, TELECOM; FINANCIAL SERVICES

Karl Hermann (18)  
Charles Creech (18)  
Andrew Mees (18)  
Brad Lewis (12)  
Shayan Farrukh (3)  
Michael Foley (2)  
John Love (<1)

### INDUSTRIALS & SERVICES

Chad Campbell (21)  
Megan Figueroa (16)  
Greg White (14)  
Daniel Harris (12)  
Austin Brantley (2)  
Jenna Taylor (1)

### ENERGY & COMMODITIES

Brian Pacheco (22)  
Stuart Dowling (17)  
Daniel Lang (7)  
Nicole Rocha (1)  
Michael Dodd (<1)  
Daniyal Khan (<1)

## EUROPEAN SECTOR COVERAGE

### CONSUMER; HEALTHCARE & GAMING

Gareth Hall (16)  
Nick Roope (8)  
Alex Apostolidis (6)  
Jeff Kottaram (6)  
Remel Anno-Barnieh (1)  
Sumeet Sikka (17)

### TECHNOLOGY, MEDIA, TELECOM & FINANCIAL SERVICES

Christopher Ellis (11)  
Natalie Heawood (10)  
Aaiza Ali (8)  
Demi Ogunwusi (1)

### INDUSTRIALS, SERVICES & COMMODITIES

Sebastian Potocean (14)  
Lais Doerrenhaus (11)  
Daniel Gardiner (9)  
Yuqi Wang (4)  
Ujan Shrestha (0)

## CAPITAL SOLUTIONS<sup>1</sup>

Stuart Mathieson (23)  
Tom Kilpatrick (18)  
Michael Searles (13)  
Abhi Bothra (9)  
Charles Shaffner (8)

Bryan High (20)  
JM Chadonic (16)  
Tom Murphy (9)  
Aaron Hutchinson (6)  
Daniel Parks (4)

## EMERGING MARKETS CORPORATE COVERAGE

Omotunde Lawal (22)  
Ashwinder Bakhshi (18)  
Janet Sun (16)  
YunYun Bai (14)  
Jerry Tsui (5)

Natalia Krol (20)  
Yejide Onabule (15)  
Lemer Salah (14)  
Tomas Laymuns (9)

## ADDITIONAL SHARED RESOURCES<sup>2</sup>

Legal Support – 9

Portfolio Solutions & Analytics – 9

Sustainability Team - 11

(xx) = years of investment experience

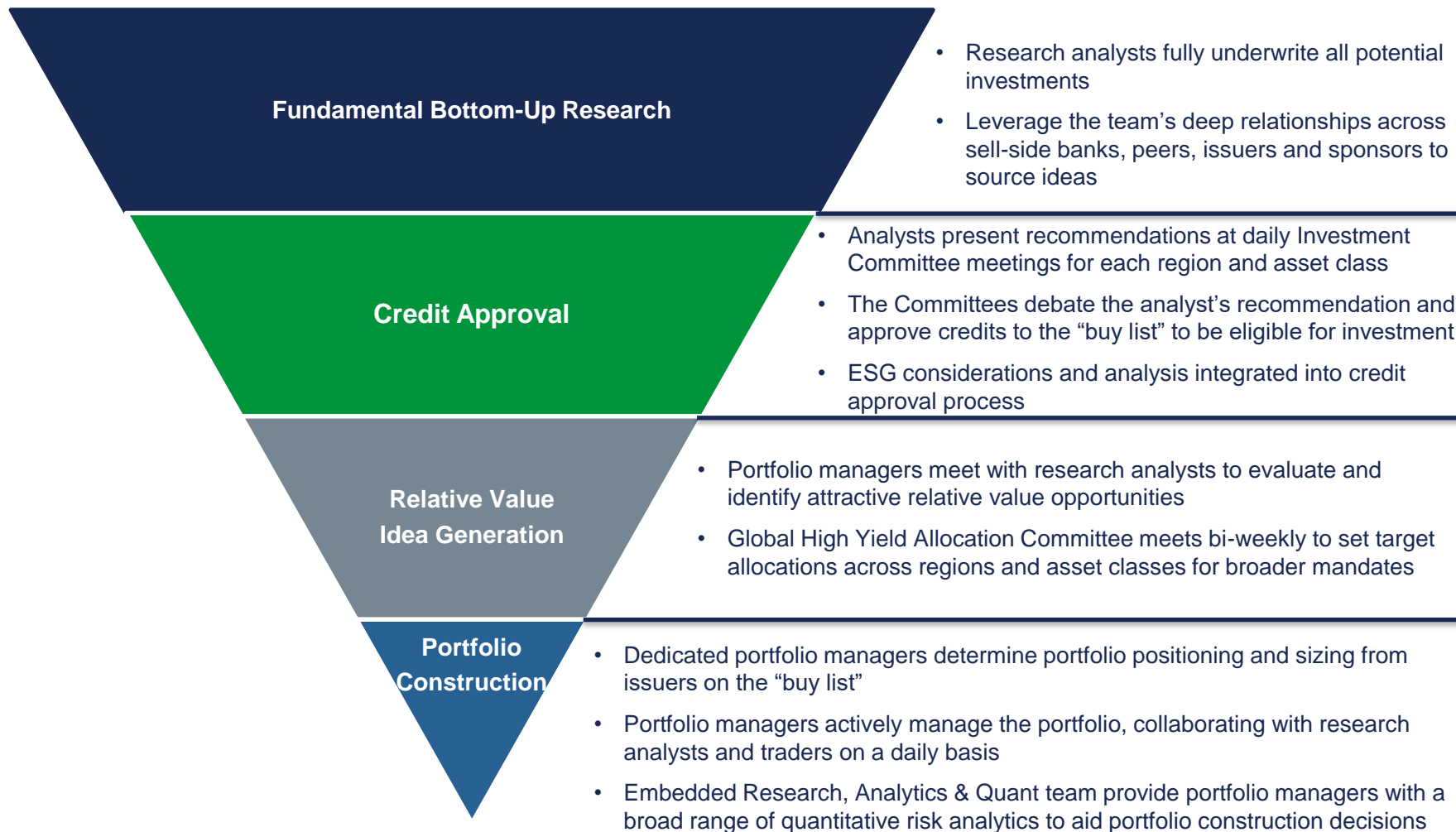
1. The Capital Solutions Group are a cross functional team and are not included in the Global High Yield headcount. As of September 30, 2022.

2. Number of professionals as of September 30, 2022.

*For investment professionals only*

# Global High Yield – Investment Process

Collaborative, team-based, fundamental approach to building diverse portfolios that utilizes our large, globally integrated investment team to identify attractive relative value and express conviction in our portfolios



Source: Barings. For illustrative purposes only.

For investment professionals only

# Global High Yield – Committees

## Daily Investment Committees

### U.S. High Yield

Chair: Scott Roth (29)  
Voting Members: 7

### European High Yield

Chair: Martin Horne (26)  
Voting Members: 6

### Emerging Markets Corporates

Chair: Omotunde Lawal (22)  
Voting Members: 4

### Structured Credit

Chairs: Taryn Leonard (25)  
& Melissa Ricco (23)  
Voting Members: 6

## Global High Yield Allocation Committee

Chair: Martin Horne (26)

Deputy Chair: Scott Roth (29)

Sean Feeley (26)

Chris Sawyer (17)

Omotunde Lawal (22)

Taryn Leonard (25)<sup>1</sup>

Ricardo Adrogué (30)<sup>1</sup>

- Each Investment Committee meets daily
- All team members join encouraging team-based decision making
- Committees discuss material ESG risks for all issuers
- Committees are responsible for approving credits to “buy list”
- A majority vote is required for approval
- Also establishes issuer limits

- Meets bi-weekly or more frequently if required
- Sets allocation targets across regions and asset classes
- A majority vote is required for approval
- Portfolio managers and traders join, providing real-time market intel
- Barings Investment Institute share insights on macroeconomic trends facilitating a team discussion on the overall macroeconomic environment

Source: Barings. For illustrative purposes only.

1. Only vote on expanded asset classes (CLOs and Emerging Markets Sovereign Debt).

(xx) = years of investment experience. As of September 30, 2022.

*For investment professionals only*

# Global High Yield – ESG Integration

Barings' risk-focused, integrated ESG process is supported by high yield credit analysts and dedicated in-house systems and resources



## PROPRIETARY ESG RATINGS

- 1 (favorable) to 5 (unfavorable) ratings process for all investments
- Outlook ratings assess ESG momentum
- ESG Rating may also adjust internal credit grade



## INVESTMENT COMMITTEE

- Risk-focused ESG assessments debated
- Worst ESG issuers not approved to Buy List



## RELATIVE VALUE

- Total return to compensate for ESG risks
- ESG factored into portfolio construction



## EMPOWERED TEAM

- ESG analysis by high yield analysts
- Leverage long-term company relationships



## DEDICATED RESOURCES

- Internal sustainability & quantitative ESG teams
- External ratings research and data providers
  - Regular formal ESG training



## ENGAGEMENT

- Focused on issuer and market risks
- Tracked through in-house system



## INCENTIVISATION

- Annual ESG goals
- PM / Analyst alignment of interest



## CARBON REPORTING

- Emissions and intensity portfolio reporting
  - TCFD<sup>1</sup> / SFDR<sup>2</sup> metrics



## COLLABORATION

- Investor Forum engagements
- Market disclosure initiatives e.g., ELFA<sup>3</sup>

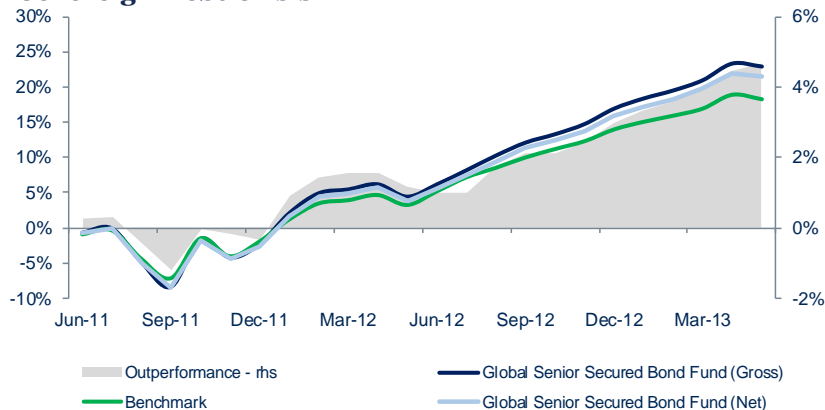
1. TCFD: Task Force on Climate-Related Financial Disclosure.

2. SFDR: Sustainable Finance Disclosure Regulation.

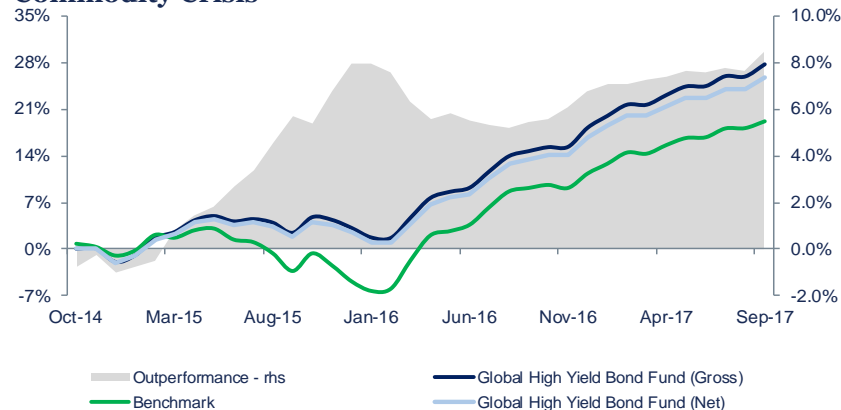
3. ELFA: European Leveraged Finance Association.

# History of Strong Recovery After Volatile Periods

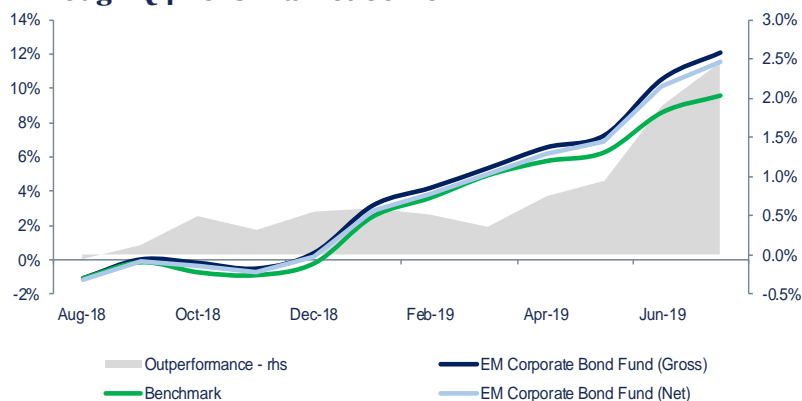
## Global Senior Secured Bond Fund Performance Through Sovereign Debt Crisis<sup>1</sup>



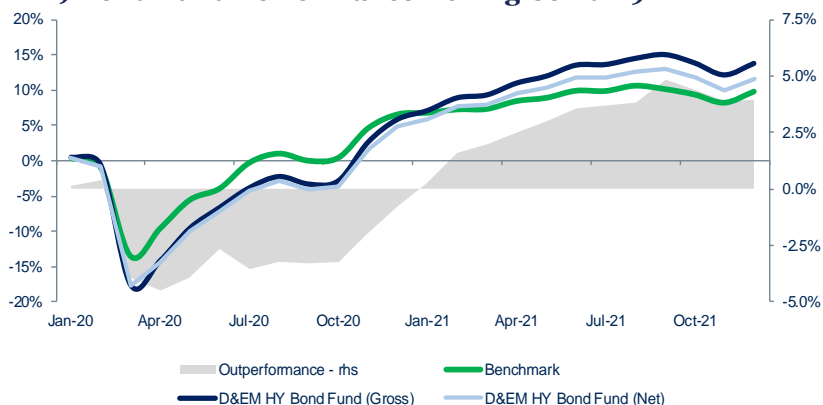
## Global High Yield Bond Fund Performance Through Commodity Crisis<sup>2</sup>



## Emerging Markets Corporate Bond Fund Performance Through Q4 2018 Market Sell-off<sup>3</sup>



## Developed and Emerging Markets High Yield (D&EM HY) Bond Fund Performance During Covid-19<sup>4</sup>



1. Barings Global Senior Secured Bond Fund cumulative return, June 1, 2011 through May 31, 2013. Benchmark is BAML BB-B Global High Yield Secured Bond Index
2. Barings Global High Yield Bond Fund cumulative return, October 1, 2014 through September 30, 2017. Benchmark is BAML Non-Financial Developed Markets HY Constrained Index
3. Barings Emerging Markets Corporate Bond Fund cumulative return, August 1 2018 to July 31, 2019. Benchmark is JPM CEMBI-BD Index
4. Barings Developed and Emerging Markets High Yield Bond Fund cumulative return, January 1, 2020 to December 31, 2021. Benchmark is BAML Global High Yield Index

For illustrative purposes only. This analysis is intended to demonstrate only the specific elements provided, particularly the performance during volatile periods. Additional information is available upon request. **PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.**

**BARINGS**

# Developed & Emerging Market High Yield Bond Fund



# Differing Market Technical Factors Can Create Opportunities

Flexibility is key as annual performance across high yield corporate credit markets varies based on different market environments and technical factors

## Global High Yield Asset Class Returns 2011 – YTD 2022 – USD Hedged

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD 2022
European Bonds (HPID)	-1.36%	24.93%	9.26%	5.39%	1.46%	11.82%	8.28%	-0.66%	14.09%	4.50%	4.11%	-12.6%
U.S. HY Bonds (HCNF)	4.91%	14.74%	7.22%	2.10%	-5.38%	18.32%	7.31%	-2.21%	13.98%	5.92%	5.39%	-12.1%
High Yield Emerging Markets Corporates (CEMBI BD HY)	-3.80%	20.37%	1.45%	0.54%	1.11%	16.14%	10.45%	-2.94%	13.66%	6.61%	2.05%	-17.4%

----- Highest Performance    - - - - - Lowest Performance

~\$2.5 trillion of paper outstanding, ~2,000 issuers

Source: Bank of America Merrill Lynch, Credit Suisse, JP Morgan. As of October 31, 2022.

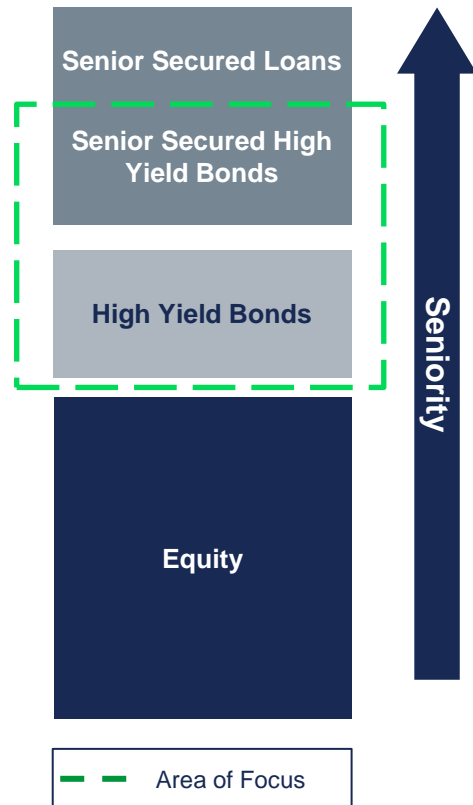
Note: Effective June 30, 2022, the ICE Fixed Income Index reflects transaction costs. As a result, existing index level total return, price return and excess return fields have been adjusted to reflect the new methodology. All return information prior to June 30, 2022 has not been adjusted.

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.**

*For investment professionals only*

# Lending to Large, Performing, Market-Leading Businesses

## Typical Capital Structure



### Global High Yield Bonds and Global Senior Secured Bonds

- Provide consistent fixed coupon income
- Senior secured bonds secured on tangible and intangible assets of the issuing company and can provide protection in periods of volatility
- Call protection enables potential for capital growth above par/100

### Emerging Markets High Yield Corporate Bonds (Hard Currency)

- EM economies have historically provided higher growth rates and compelling risk-reward opportunities
- Represent the fastest growing countries, uncorrelated assets to Developed market equities and credit



NETFLIX

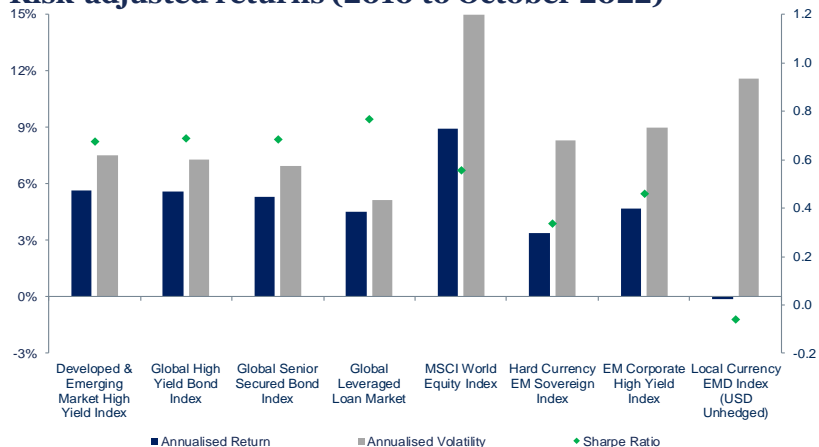


1. There is no guarantee that the Fund will achieve the targeted return rate.

# The Case for Investing in Global High Yield

Global High Yield bonds have delivered attractive long term risk-adjusted return profiles

Risk-adjusted returns (2010 to October 2022)<sup>1</sup>



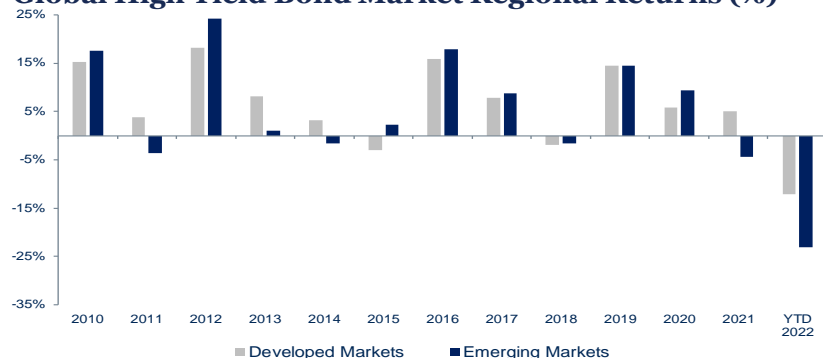
This market provides access to large and well established asset class with high income prospects

Growth of the High Yield Bond Market<sup>2</sup>



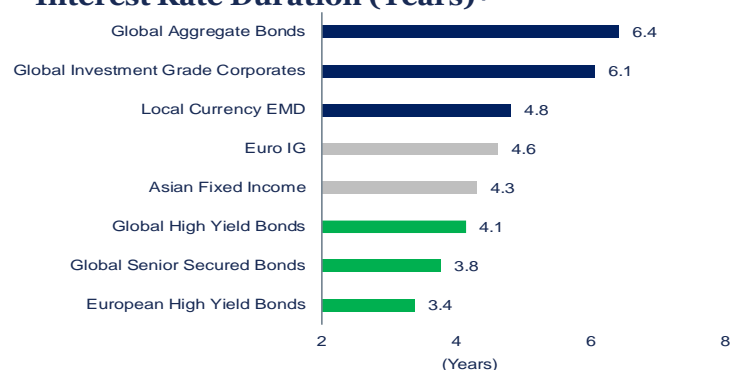
A diverse global opportunity set provides ample total return and alpha generation potential

Global High Yield Bond Market Regional Returns (%)<sup>3</sup>



Relative to other major Fixed Income asset classes, Global High Yield exhibits low interest rate sensitivity

Interest Rate Duration (Years)<sup>4</sup>



1. Source: ICE BofA Global High Yield Index (USD Hedged), ICE BofA BB-B Global High Yield Secured Bond Index (USD Hedged), JPM CEMBI BD Non-Investment Grade Index, JPM EMBI GD Index, JPM GBI-EM GD Index (USD Unhedged), MSCI World Equity Index, CS Leveraged Loan Index, CS Western European Leveraged Loan Index (USD Hedged). As of October 31, 2022.

2. Source: ICE BofA Global High Yield Index (HW00). As of October 31, 2022.

3. Source: ICE BofA Global High Yield Index (USD Hedged). As of October 31, 2022.

4. Source: JPM JACI Index, JPM GABI Index, JPM CEMBI BD Non-Investment Grade Index, JPM EMBI GD Index, JPM GBI-EM GD Index, ICE BofA Non-Financial Developed Markets High Yield Constrained Index, ICE BofA BB-B Global High Yield Secured Bond Index, ICE BofA Global Corporate Index. As of October 31, 2022.

Note: Effective June 30, 2022, the ICE Fixed Income Index reflects transaction costs. As a result, existing index level total return, price return and excess return fields have been adjusted to reflect the new methodology. All return information prior to June 30, 2022 has not been adjusted.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

# The Case for Emerging Market Corporates

Emerging Market Corporates are now a mature asset class with attractive risk-return characteristics



## GROWING AND MATURE ASSET CLASS

Established and liquid asset class offering attractive risk adjusted returns



## STRONG CREDIT FUNDAMENTALS

- Many EM issuers exhibit stronger credit fundamentals than similarly rated developed market peers
- Many EM High Yield issuers which are capped by their Sovereign rating exhibit investment grade fundamentals



## ATTRACTIVE SPREAD PREMIA

Offers an attractive spread pick up over similarly rated developed market issuers



## CREDIT DIVERSIFICATION

Access to diverse universe of issuers across sectors and geographies



## GLOBAL COMPANIES

Many EM issuers although headquartered in EM countries, have more than 50% of their production facilities in DM economies such as Mexichem, Braskem, JBS, Embraer, Nemark

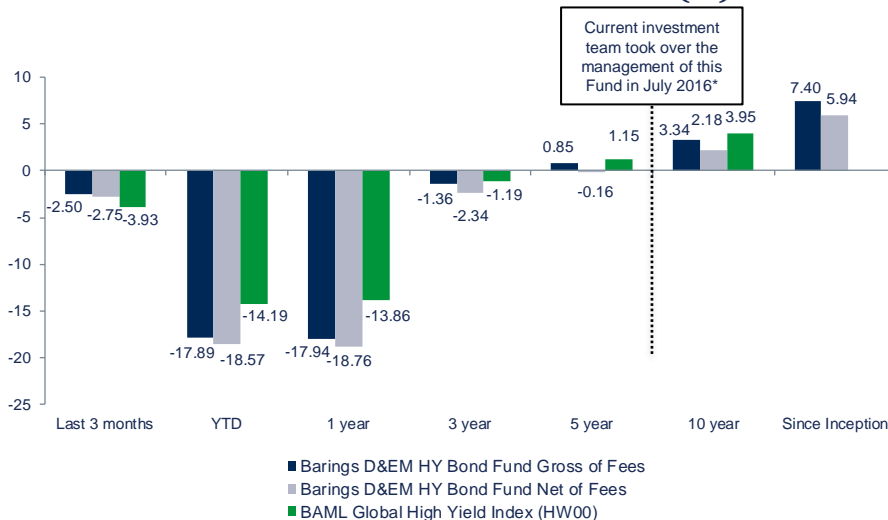


## DEVELOPED AND GROWING ECONOMIES

Countries classified as Emerging Markets such as South Korea, Hong Kong, Singapore, Taiwan, Israel, Thailand, Peru, Chile, Malaysia, Mexico, are all large economies with strong macro economic fundamentals and should be considered "quasi-DM economies".

# Developed & Emerging Markets High Yield Bond Fund Characteristics

## Historical Performance\* vs. Benchmark (%)<sup>1,2</sup>



## Annual Performance vs. Benchmark (%)<sup>1,2</sup>

	BARINGS D&EM HY BOND FUND GROSS OF FEES	BARINGS D&EM HY BOND FUND NET OF FEES	BAML GLOBAL HIGH YIELD INDEX (HW00)
2022 YTD	-17.89	-18.57	-14.19
2021	7.46	6.39	3.04
2020	5.88	4.82	6.61
2019	14.80	13.66	14.54
2018	-2.86	-3.83	-1.90
2017	8.99	7.66	8.01

### Total Return & Income

Yield to Maturity (%)	10.75
Yield to Worst (%)	10.72
OAS (bps)	695
Average Price (\$)	76.16

### Diversity & Spread of Risk

Number of Issuers	206
Effective Duration	3.86
Unsecured / Secured / Others (% NAV)	58 / 34 / 8
North America / Europe / Other (% NAV)	58 / 21 / 21

### TOP 5 Issuers (% of NAV)

Occidental Petroleum Corp.	2.45
Energy Transfer Operating LP	2.36
Avolon Holdings Limited	2.00
Travellex	1.49
Icahn Enterprises	1.45

### TOP 10 Sectors (% of NAV)

Energy	21.07
Basic Industry	9.97
Telecommunications	7.47
Financial Services	6.52
Services	6.45
Transportation	6.16
Healthcare	5.60
Media	5.02
Banking	4.61
Retail	4.18

Source: Barings. As of October 31, 2022.

1. Fund inception date: July 19, 1993. For periods greater than one year, returns are annualized.
2. Effective August 1, 2016 the Fund's Benchmark changed from BAML Global High Yield BB-B Rated USD Hedged to the BAML Global High Yield USD Hedged. The performance figures have been backdated to August 1, 2016, and are now reflective of BAML Global High Yield USD Hedged. Prior to August 1, 2016, the Fund's Benchmark was changed from BAML Global High Yield BB-B Rated to the BAML Global High Yield BB-B Rated USD Hedged. Those performance figures were backdated to June 1, 2009 and was made effective on February 5, 2015.

• Please note that the current investment team officially took over portfolio management responsibility for this Fund in July 2016, from the legacy Barings investment team.

Note: Effective June 30, 2022, the ICE Fixed Income Index reflects transaction costs. As a result, existing index level total return, price return and excess return fields have been adjusted to reflect the new methodology. All return information prior to June 30, 2022 has not been adjusted.

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.** An investment entails a risk of loss. Performance reflects the deduction of fees and expenses based upon the lowest fee share class available within the periods provided. Please note that this does not reflect what a new investor will experience, as their returns will be reduced by the deduction of such fees and expenses of the applicable share class. Supplemental information to the compliant presentation. For information purposes only and not a recommendation to buy or sell any securities shown. Information subject to change without notice.

**BARINGS**

# Developed & Emerging Markets High Yield Bond Fund

## Characteristics – Portfolio Changes

Portfolio Metrics	Oct-22	Index	Dec-21
NAV (\$)	333,386,016	-	604,396,263
Number of Issues	308	3,482	406
Number of Issuers	206	1,781	276
Effective Duration	3.86	3.91	3.90
Years to Maturity (yrs)	6.99	5.42	11.53
Weighted Average Coupon (%)	6.22	5.38	6.10
Yield to Maturity (%)	10.75	9.49	6.44
Yield to Worst (%)	10.72	9.46	6.05
OAS (bps)	695	550	517
Average Market Value (\$)	76.16	83.22	98.29

Top 10 Countries (% NAV)	Oct-22	Index	Dec-21
United States	53.57	55.99	51.62
United Kingdom	5.62	4.51	8.50
Mexico	3.55	3.09	3.20
France	2.81	4.12	3.33
Georgia	2.16	0.05	1.00
India	2.12	1.11	1.81
Germany	1.79	2.77	1.48
South Africa	1.65	0.42	1.26
Greece	1.34	0.41	1.26
Brazil	1.13	3.03	1.22

Security (% NAV)	Oct-22	Index	Dec-21
Secured	34.40	25.31	33.85
Unsecured	58.08	74.69	60.23

Ratings (% NAV) <sup>1</sup>	Oct-22	Index	Dec-21	Dec-20	Dec-19
BBB	7.76	-	3.66	5.60	3.66
BB	40.99	58.93	37.41	35.53	37.41
B	33.65	32.28	42.49	37.90	42.49
CCC	6.22	8.55	8.70	10.50	8.70
CC	-	0.09	0.23	0.27	0.23
C	0.04	0.11	0.14	-	0.14
D	-	0.04	-	-	-
NR	4.45	-	2.36	7.08	2.36

Top 10 Sectors (% NAV) <sup>2</sup>	Oct-22	Index	Dec-21	Dec-20	Dec-19
Energy	21.07	13.96	16.52	17.71	8.49
Basic Industry	9.97	7.98	10.95	15.55	13.50
Telecommunications	7.47	7.41	5.55	7.09	9.74
Financial Services	6.52	4.81	5.62	3.93	8.33
Services	6.45	5.37	6.55	4.79	5.64
Transportation	6.16	3.29	4.41	2.55	1.82
Healthcare	5.60	6.62	7.08	5.80	10.03
Media	5.02	6.38	5.52	4.98	8.08
Banking	4.61	5.13	3.93	5.33	4.95
Retail	4.18	4.87	4.85	1.62	1.46

Currency (% NAV)	Oct-22	Index	Dec-21	Dec-20	Dec-19
USD	74.77	78.15	73.28	75.55	70.51
EUR	14.48	19.02	15.53	15.10	15.80
GBP	3.25	2.15	4.92	6.21	9.06
CAD	0.20	0.69	0.64	-	-
CHF	0.40	-	0.61	-	-

Geographical Breakout (% NAV)	Oct-22	Index	Dec-21	Dec-20	Dec-19
North America	57.88	62.28	55.54	53.67	55.23
Europe	21.36	23.94	24.26	24.91	26.03
Asia Pacific	4.42	3.85	7.72	7.06	4.21
Rest Of World	9.45	9.94	7.45	11.22	9.90

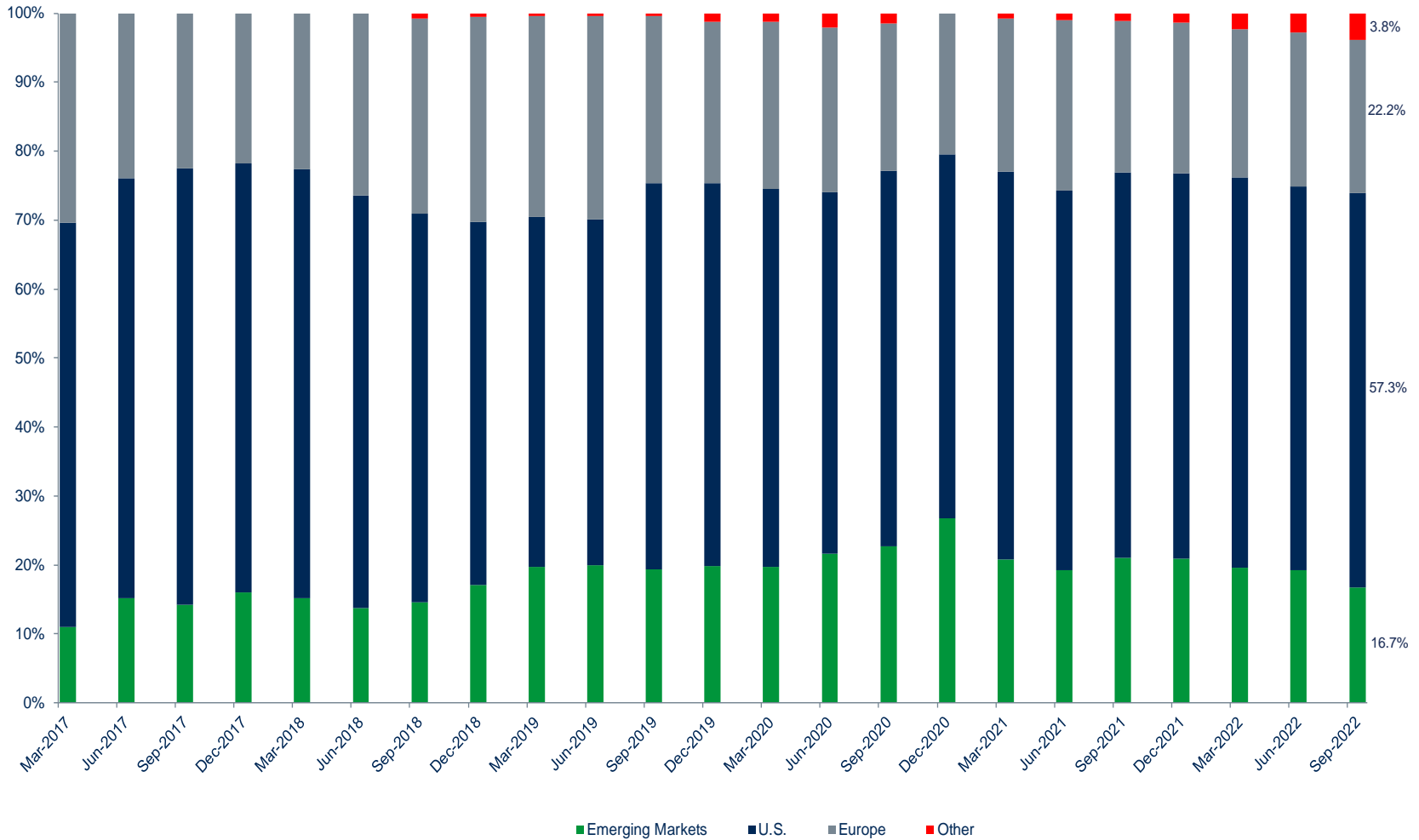
1. Based on the highest rating between Fitch, Moody's and S&P.

2. Based on BAML industry classification.

As of October 31, 2022. Index is the ICE BofA Global High Yield Index (HW00) – hedged to USD.

# Developed & Emerging Markets High Yield Bond Fund Geographical Positioning

## Developed & Emerging Markets High Yield Bond Fund Geographical Exposure<sup>1</sup>



Source: Barings. As of September 30, 2022.

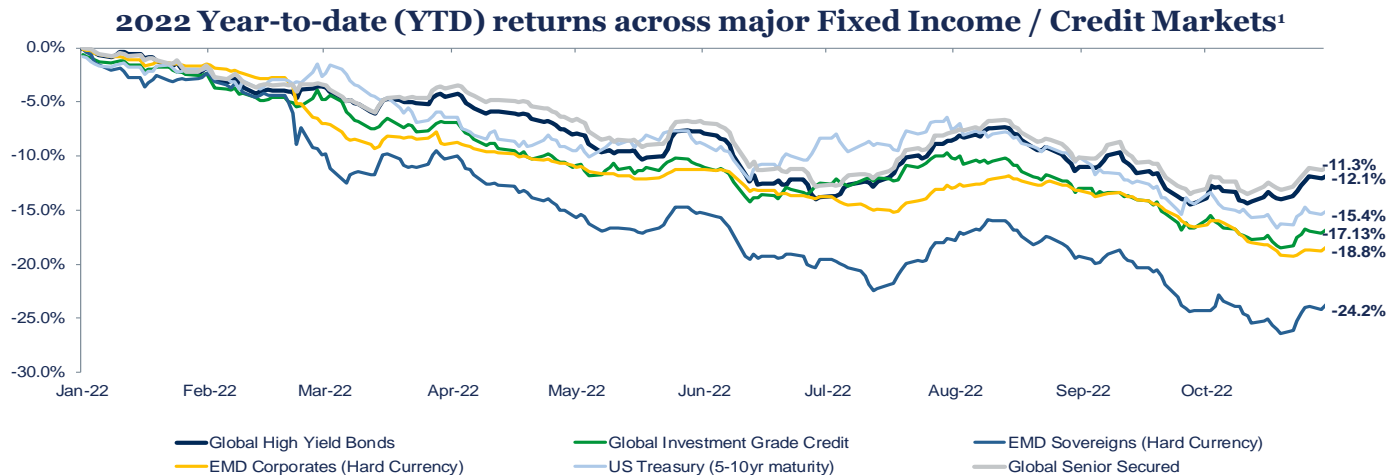
PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. An investment entails a risk of loss.

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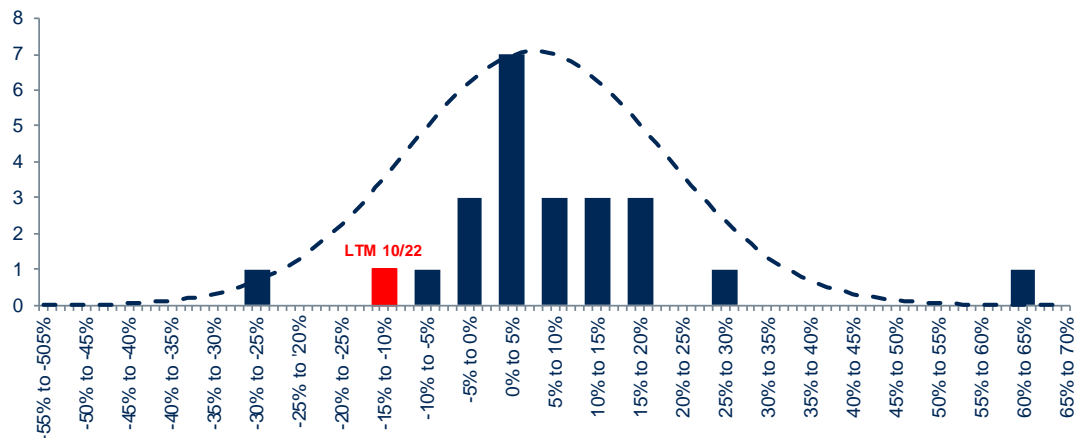
# Market Themes



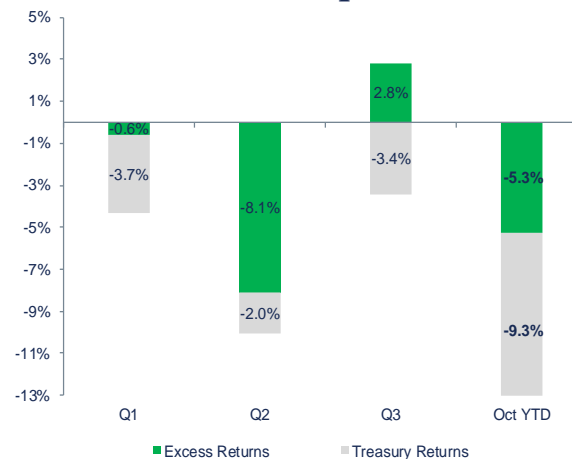
# 2022 Thus Far Extremely Challenging for Most Financial Markets



## Historical Annual Return Distribution for D&EM High Yield Bonds: Last Twelve Month (LTM) a Meaningful Outlier<sup>2</sup>



## 2022 YTD D&EM High Yield: Return Decomposition<sup>3</sup>



1. Source: ICE BofA Non-Financial Developed Markets High Yield Constrained Index, JPM CEMBI BD Index, ICE BofA Global Corporate Index, JPM U.S. Government Bond Index, Credit Suisse Leveraged Loan US & Western Europe - Variable Weight Index, JPM EMBI GD Index and ICE BofA BB-B Global High Yield Secured Bond Index. As of October 31, 2022. Returns in USD hedged terms. Note: Effective June 30, 2022, the ICE Fixed Income Index reflects transaction costs. As a result, existing index level total return, price return and excess return fields have been adjusted to reflect the new methodology. All return information prior to June 30, 2022 has not been adjusted.

2. Source: ICE BofA Global High Yield Index (HW00) – hedged to USD. Return distribution shows full calendar years since inception through 2021. LTM 10/22 represents last twelve month return through October 31, 2022.

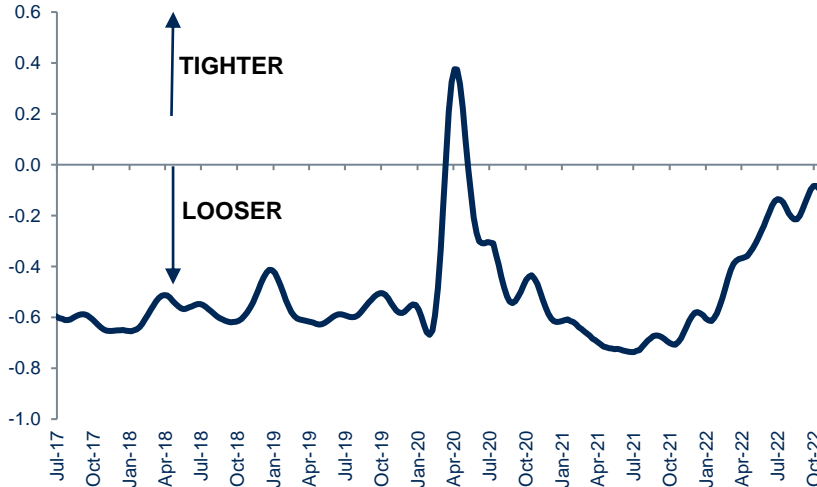
3. Source: ICE BofA Global High Yield Index (HW00) – hedged to USD. As of October 31, 2022.

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.**

# A Challenging Market Environment

## Financial Conditions Starting to Tighten<sup>1</sup>

Chicago Fed National Financial Conditions Index



## U.S. Treasury Yield and Inflation Expectations (%)<sup>3</sup>



## Real GDP (Y/Y %)<sup>2</sup>

Region	2020	2021	2022 (E)	2023 (E)
U.S.	-2.8	5.9	1.8	0.4
Euro Zone	-6.1	5.2	3.1	-0.1
U.K.	-11.0	8.5	4.2	-0.5
China	2.2	8.1	3.3	4.8

## CPI (Y/Y%)<sup>2</sup>

Region	2020	2021	2022 (E)	2023 (E)
U.S.	1.2	4.7	8.1	4.1
Euro Zone	0.3	2.6	8.5	5.8
U.K.	0.9	2.6	9.0	6.5
China	2.5	0.9	2.2	2.4

1. Source: Bloomberg and Haver. As of October 21, 2022.

2. Source: Bloomberg. As of November 14, 2022. (E) —Bloomberg private market consensus estimates.

3. Source: Federal Reserve Bank of St. Louis. As of October 28, 2022. The breakeven inflation rate represents a measure of expected inflation and implies what market participants expect inflation to be in the next 5 years, on average.

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.**

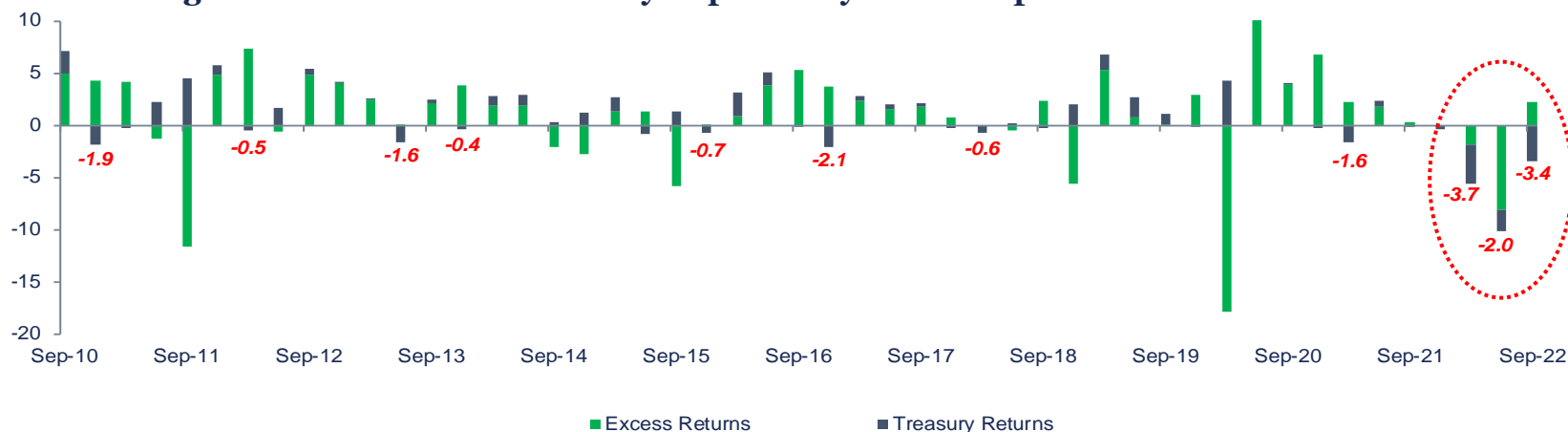
# High Yield Bond Markets Have Repriced Significantly in H1 2022

Yields across HY materially higher due to wider credit spreads and higher treasury yields

5 Year Government Yields (%) <sup>1</sup>				
Region	Dec-21	Mar-22	Jun-22	Oct-22
United States	1.26	2.42	3.01	4.27
Germany	-0.45	0.38	1.07	2.01
U.K	0.82	1.41	1.89	3.63

D&EM High Yield Bond Index (%) <sup>2</sup>					Change
Market	Dec-21	Mar-22	Jun-22	Oct-22	Year to Date
Yield to Worst (%)	4.6	6.2	9.0	9.4	+4.8
Spread to Worst (bps)	388	432	642	559	+171

## Negative HY returns YTD heavily impacted by Rates despite robust credit fundamentals<sup>3</sup>



1. Source: Bloomberg. As of October 31, 2022.

2. ICE BofA Global High Yield Index (HW00). As of October 31, 2022.

3. ICE BofA Global High Yield Index (HW00) – hedged to USD. As of September 30, 2022. Figures in red font indicate periods when Treasury Returns have been a negative contribution to total returns within D&EM HY.

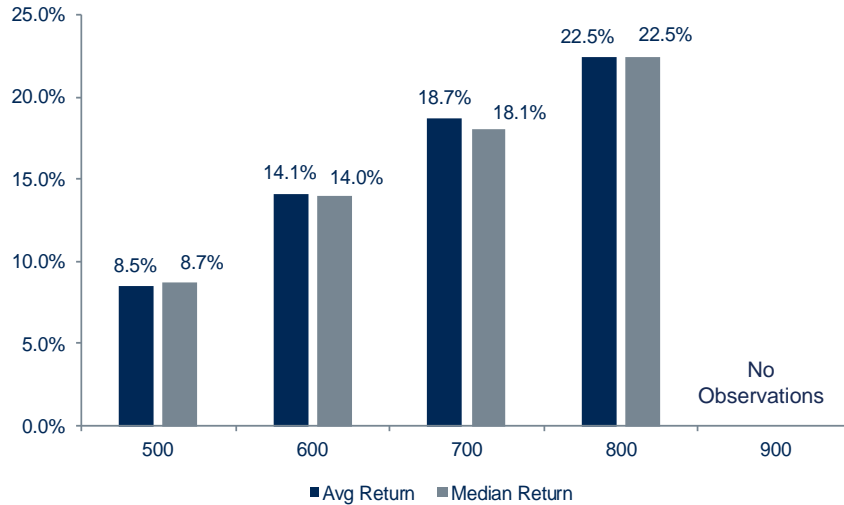
Note: Effective June 30, 2022, the ICE Fixed Income Index reflects transaction costs. As a result, existing index level total return, price return and excess return fields have been adjusted to reflect the new methodology. All return information prior to June 30, 2022 has not been adjusted.

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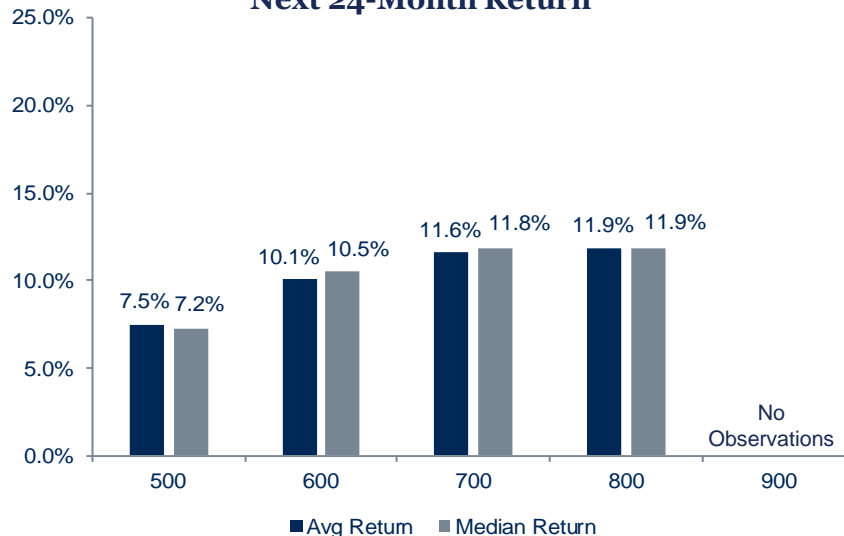
# Developed & Emerging Markets High Yield Historical Return Scenarios since 2010

## Next 12-Month Return

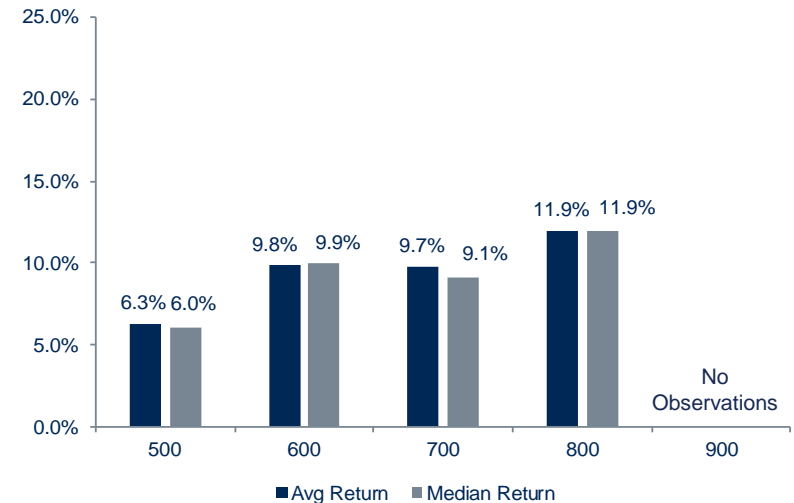


- Once spreads reach 600 bps, longer-term total return potential becomes increasingly attractive and consistent for High Yield Bonds
- Since 2010, there have only been 6 instances where spreads have surpassed 600 bps
- Return potential increases as spreads increase but wider spread events are difficult to time and very infrequent (>800s, only 3 instances)
- Timing the market is extremely difficult and it is important to be invested once the market rebounds as previous inflection points have been fast and at times un-investible

## Next 24-Month Return



## Next 36-Month Return

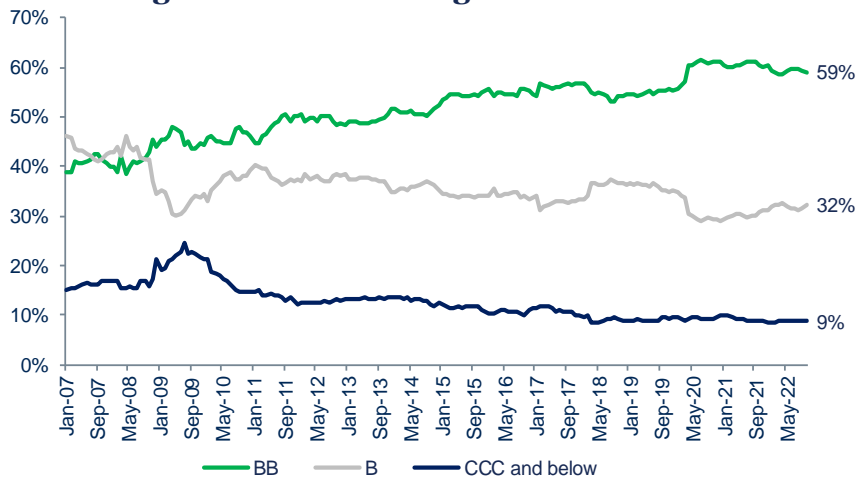


Source: ICE Global High Yield Index (HW00) – hedged to USD. As of June 30, 2022. The analysis uses monthly time series data. **PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.**

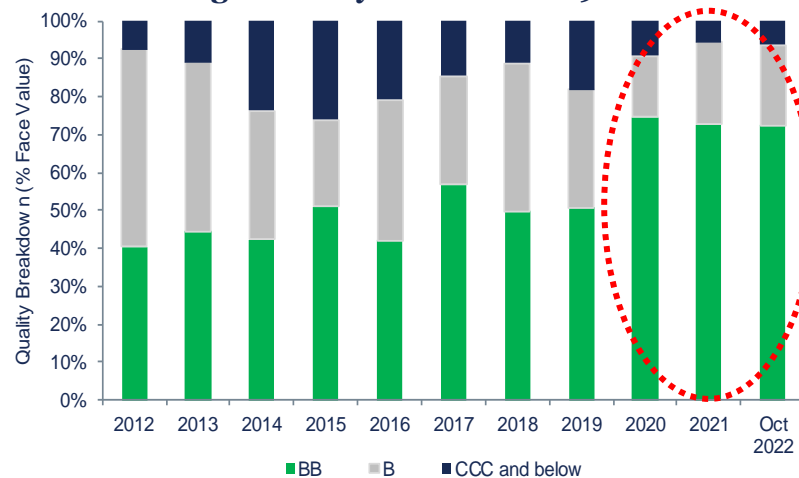
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# An Improved Credit Rating Profile

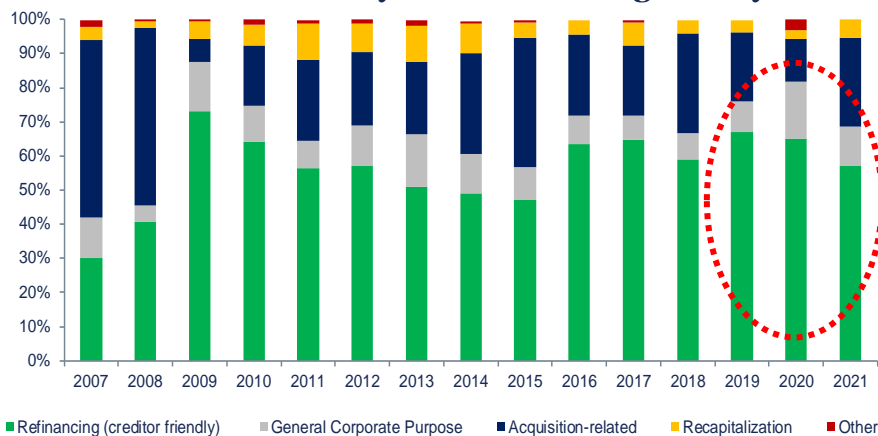
## D&EM High Yield Bond Ratings Profile<sup>1</sup>



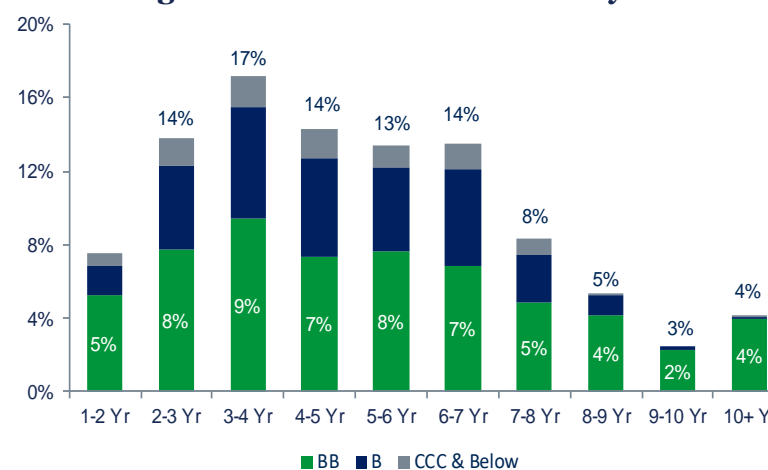
## Credit Quality of the High Yield Energy Sector has increased significantly since Covid-19<sup>1</sup>



## Majority of Post COVID new issue proceeds have been used for creditor friendly debt refinancing activity<sup>2</sup>



## D&EM High Yield Bond Market Maturity Profile<sup>3</sup>



1. Source: ICE BofA Global High Yield Index (HW00). As of October 31, 2022.

2. Source: LCD, PitchBook Data, Inc. As November 4, 2022. The red circle highlights the increased use of high yield bond new issuance proceeds for debt refinancing purposes in recent years.

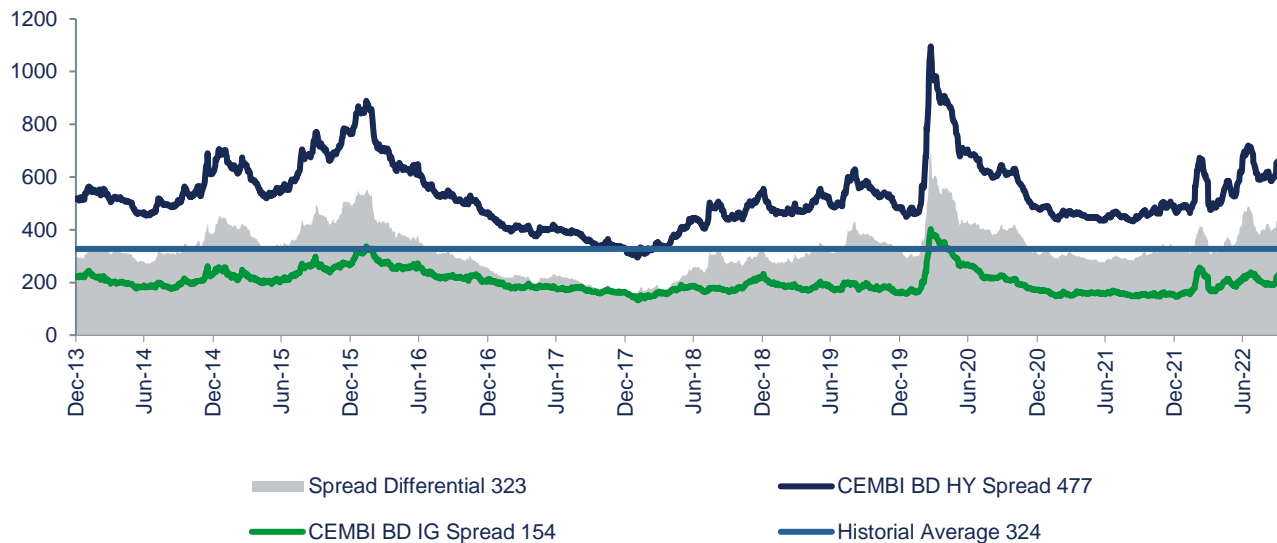
3. ICE BofA Global High Yield Index (HW00). As of September 30, 2022

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

# Opportunities in EM Corporates: HY Segment Looks Attractive

- High yield EM corporates have historically shown greater resilience to rising treasury rates
- While the events in Ukraine have led to market volatility in 2022 parts of the EM universe outside of the region have benefited from the current events such as crude exporters, mining companies and soft commodity exporters
- We also continue to find value opportunities in globally diversified EM companies that have been unfairly punished by markets due to risk flare-ups in the countries in which they're domiciled

**Spread differential between EM IG and EM HY**

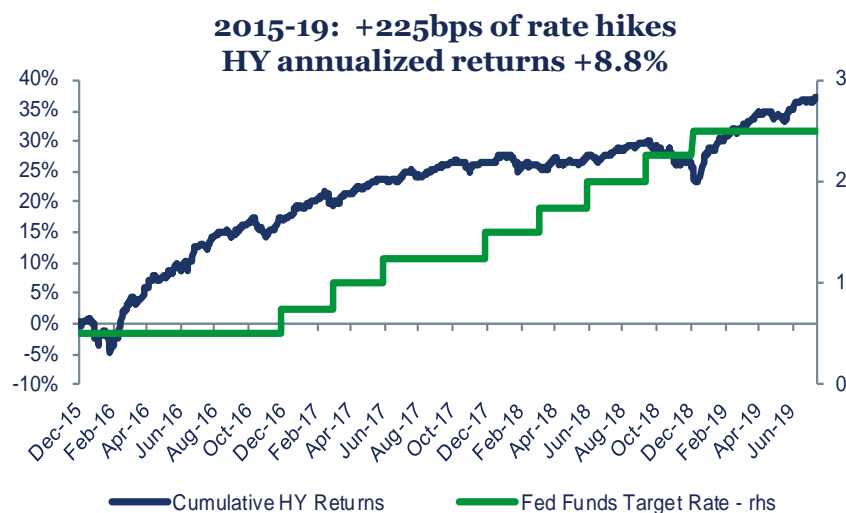
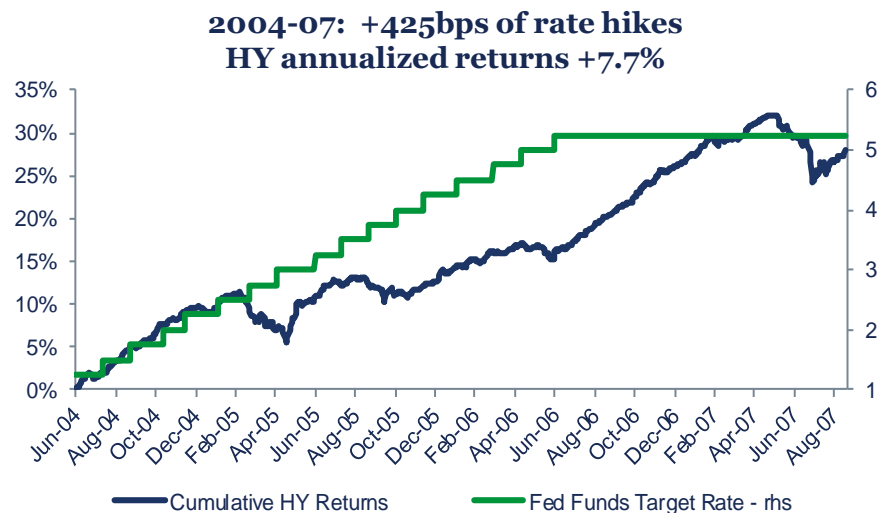
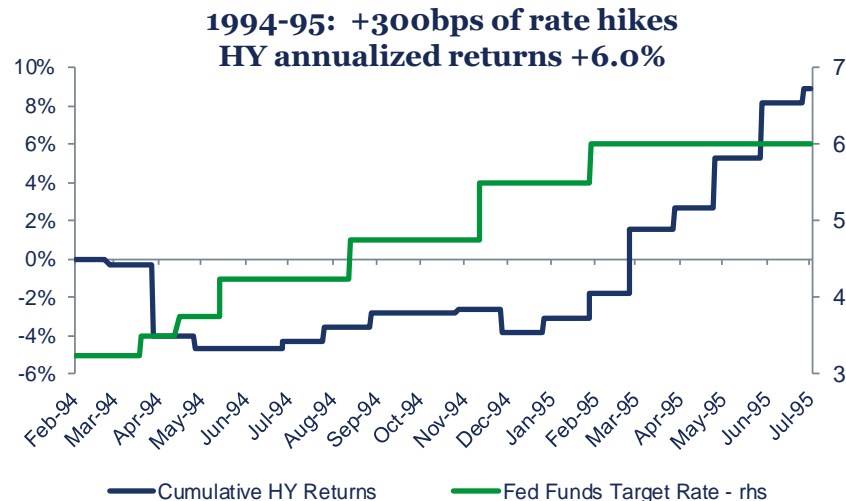
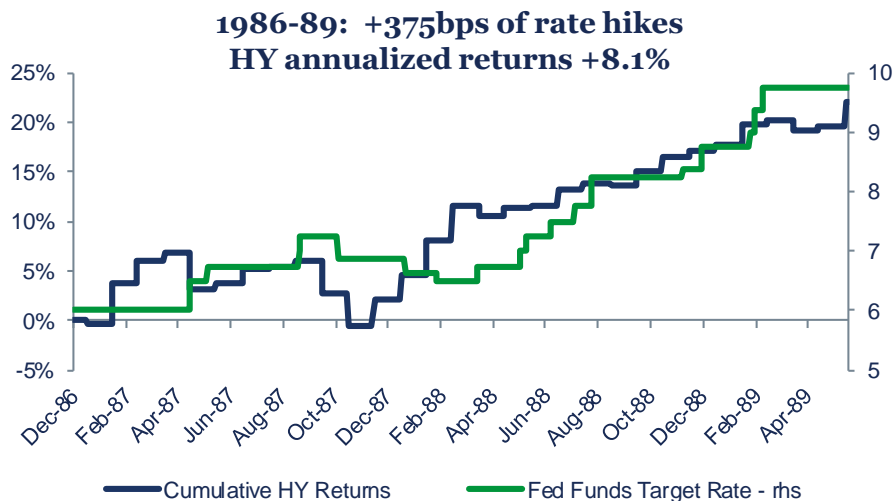


- The basis between High Yield and Investment Grade is currently 464 bps versus a 5 year average basis of 328 bps

The above information and forward looking statements represents Barings' view as of March 2022 and is subject to change without notice  
 1. Source: J.P. Morgan, as of October 31, 2022.

# High Yield (HY) Performance During Previous large (2%+) Rate Hiking Cycles

In previous large U.S. rate hiking cycles, HY markets rebounded prior to the first subsequent interest rate cut



Bloomberg. As of September 30, 2022.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

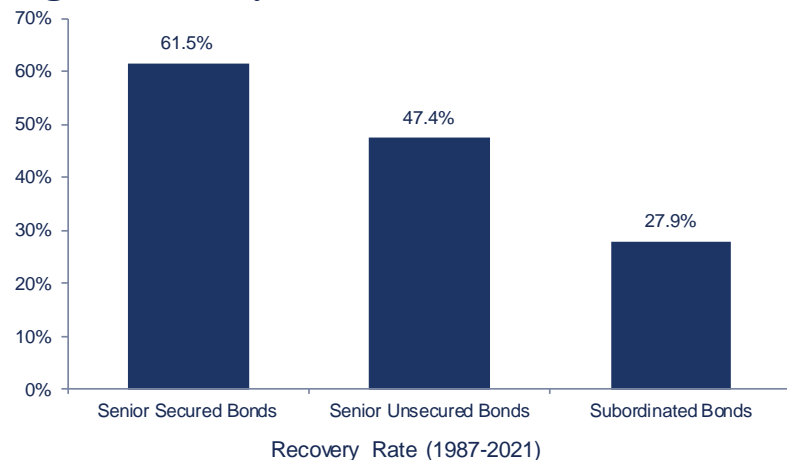
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## Market Characteristic



# High Yield Bond Market Overview

## Senior Secured Bonds have generally offered higher recovery rates<sup>1</sup>



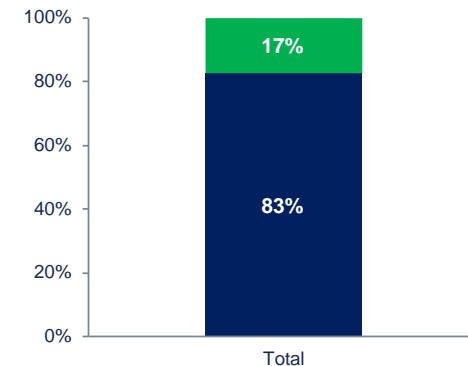
## Market Characteristics (%) Global High Yield

No. of Issues	3,482
Market Value (Millions)	1,952,385
Yield to Worst (%)	9.44
Avg. Coupon (%)	5.38
Modified Dur. To Worst (%)	4.06
Weighted Avg. Life (yrs)	5.42
OAS (bps)	550
Price	83.22

## Ratings Allocation

Avg. Rating	BB-
BB	58.93
B	32.28
CCC & Below	8.79

## Sector Breakdown across Emerging vs. Developed Markets<sup>2</sup>

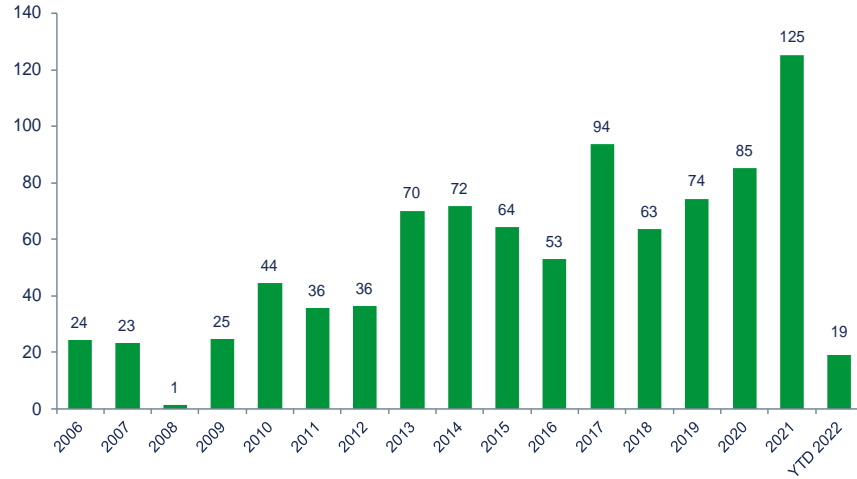


1. Moody's Investors Services Annual Default Study. As of February 8, 2022.

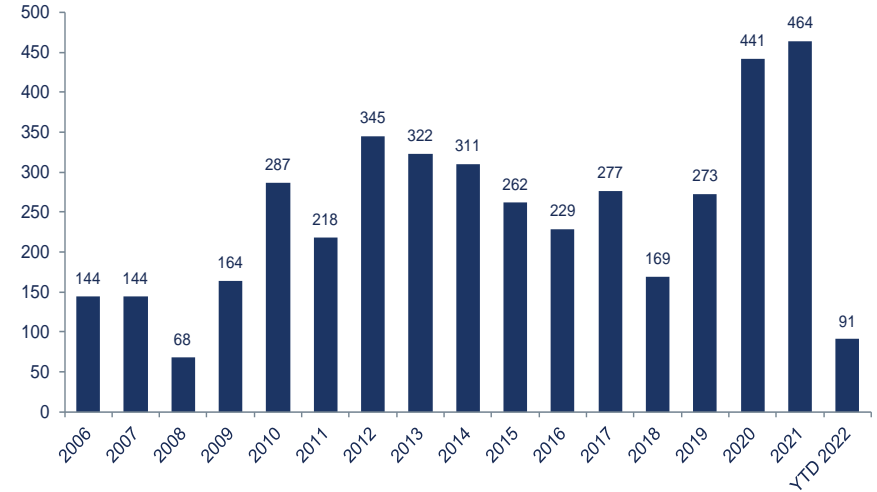
2. Source: BAML Global High Yield Index (HW00); As of October 31, 2022. Industry breakdown figures are shown as a percentage of Market Value.

# Global High Yield Bond Market New Issuance

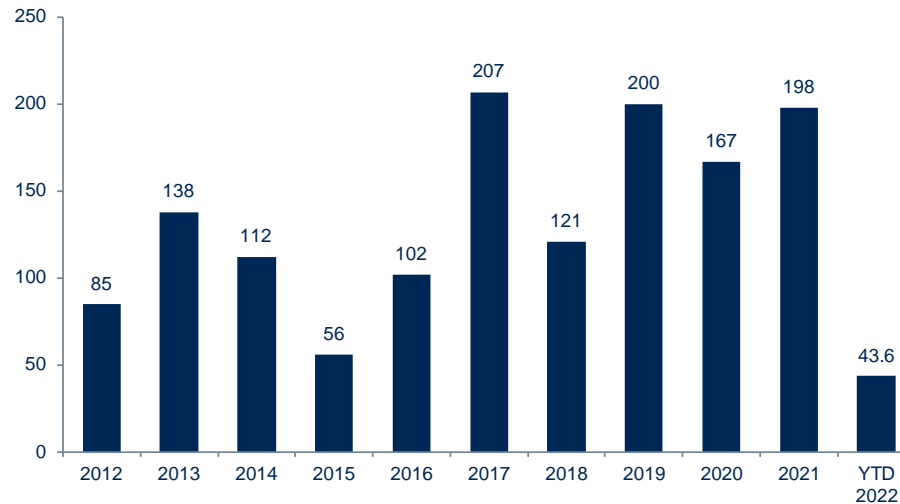
## European High Yield Bond Issuance (€B)<sup>1</sup>



## U.S. High Yield Bond Issuance (US\$B)<sup>1</sup>



## Emerging Corporates High Yield – New Issuance (\$bns)<sup>2</sup>



1. S&P LCD. As of October 31, 2022.

2. Source: JP Morgan EM Corporate Technicals. As of October 31, 2022.

# Global High Yield Bond Default Rates

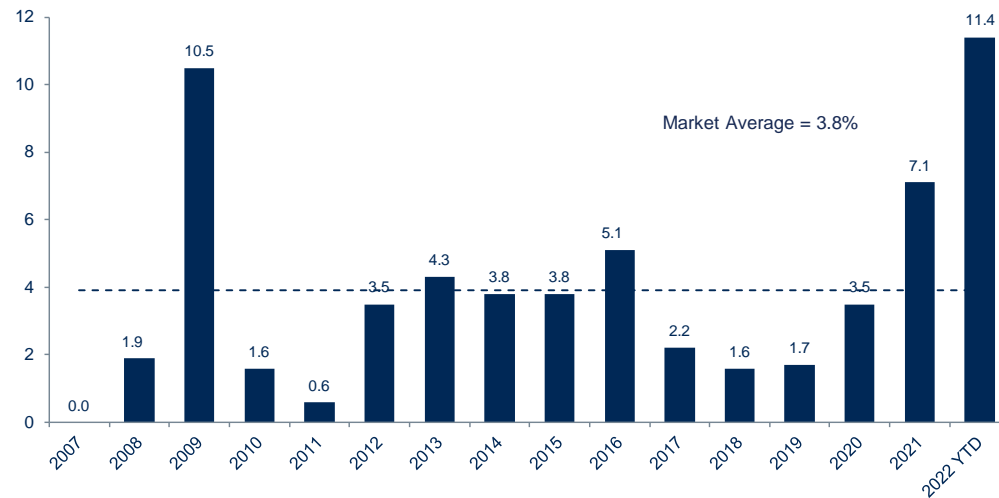
## U.S. High Yield Bond Default Rates (%)<sup>1</sup>



## European High Yield Bond Default Rates (%)<sup>1</sup>



## EM High Yield Corporate Bond Default Rates (%)<sup>2</sup>

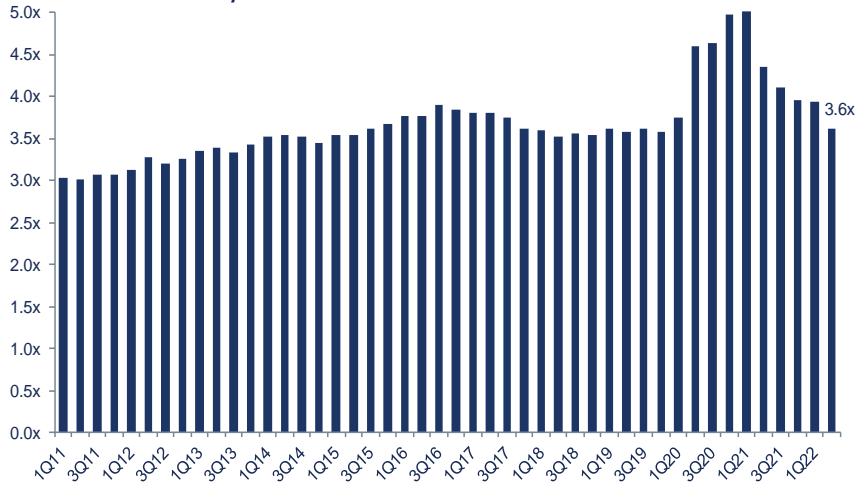


1. Source: Credit Suisse. Historical trailing twelve month market default rates. As of October 31, 2022.

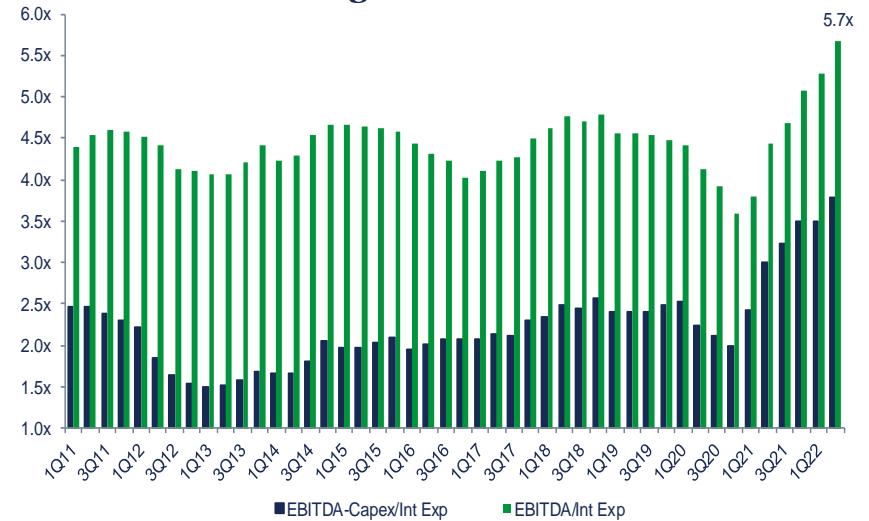
2. Source: JP Morgan. As of October 31, 2022.

# High Yield Fundamentals Have Recovered Significantly From Pandemic Lows

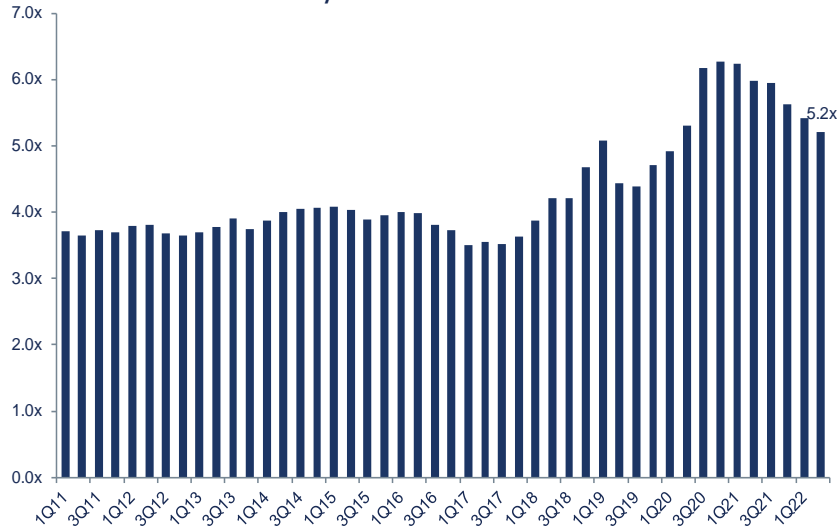
## U.S. Net Debt/LTM EBITDA<sup>1</sup>



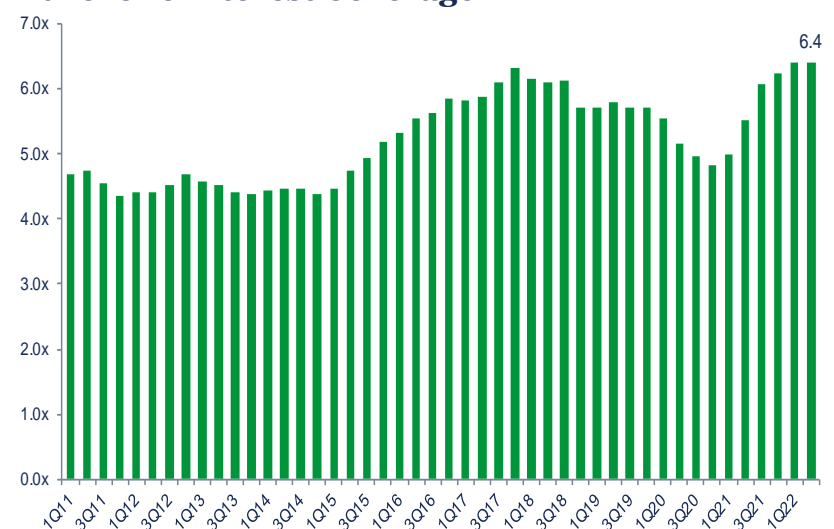
## U.S. Interest Coverage<sup>1</sup>



## Eurozone Net Debt/LTM EBITDA<sup>1</sup>



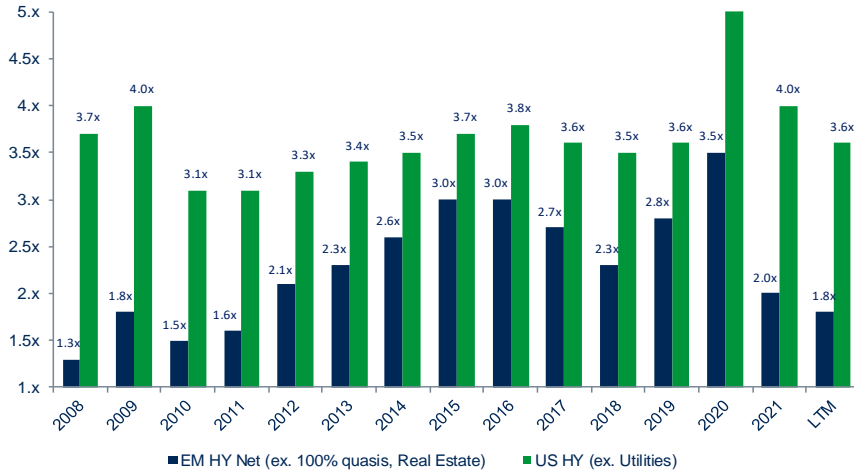
## Eurozone Interest Coverage<sup>1</sup>



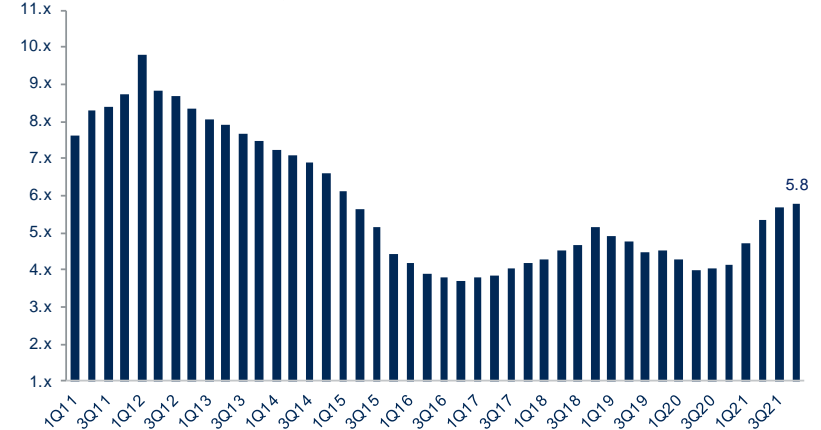
1. Source: J.P. Morgan. As of 2Q22.

# Emerging Market Corporate High Yield Credit Fundamentals

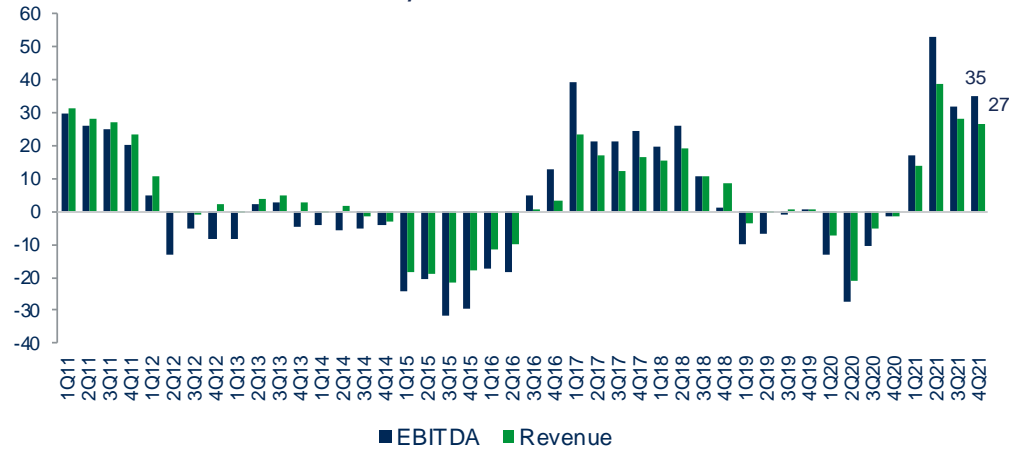
## Net Debt/LTM EBITDA<sup>1</sup>



## Interest Coverage<sup>2</sup>



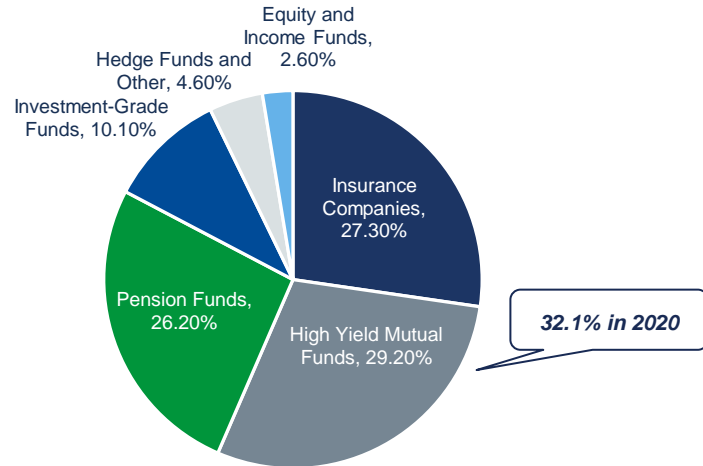
## Revenue and EBITDA Y/Y Growth (%)<sup>3</sup>



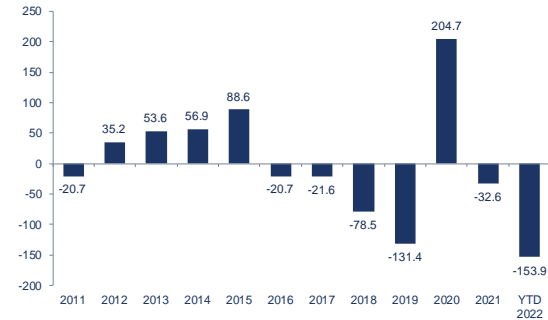
1. Source: J.P. Morgan data, as of September 19, 2022.  
 2. Source: Bank of America data, as of December 31, 2021.  
 3. Source: Bank of America data, as of December 31, 2021.

# Supportive Market Technicals within High Yield despite Retail Outflows

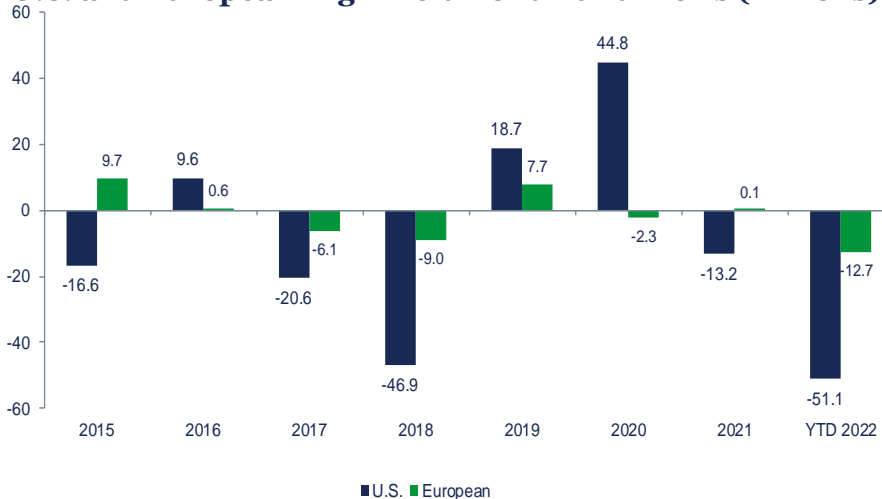
## High Yield Bond Ownership Structure<sup>1</sup>



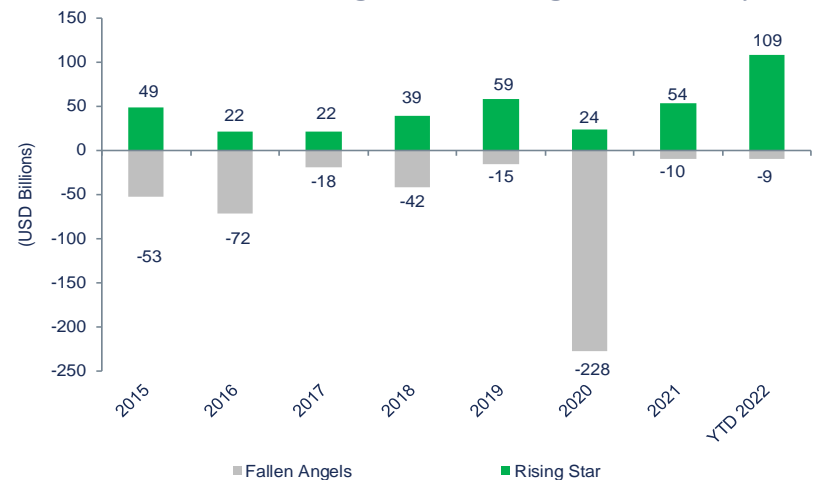
## U.S. High Yield Net Supply Surplus / Shortfall (\$Bn)<sup>2</sup>



## U.S. and European High Yield Bond Fund Flows (Billions)<sup>2</sup>



## Volume of Fallen Angel and Rising Star Activity<sup>2</sup>



1. JP Morgan, as of December 31, 2021.

2. JP Morgan. As of October 31, 2022.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

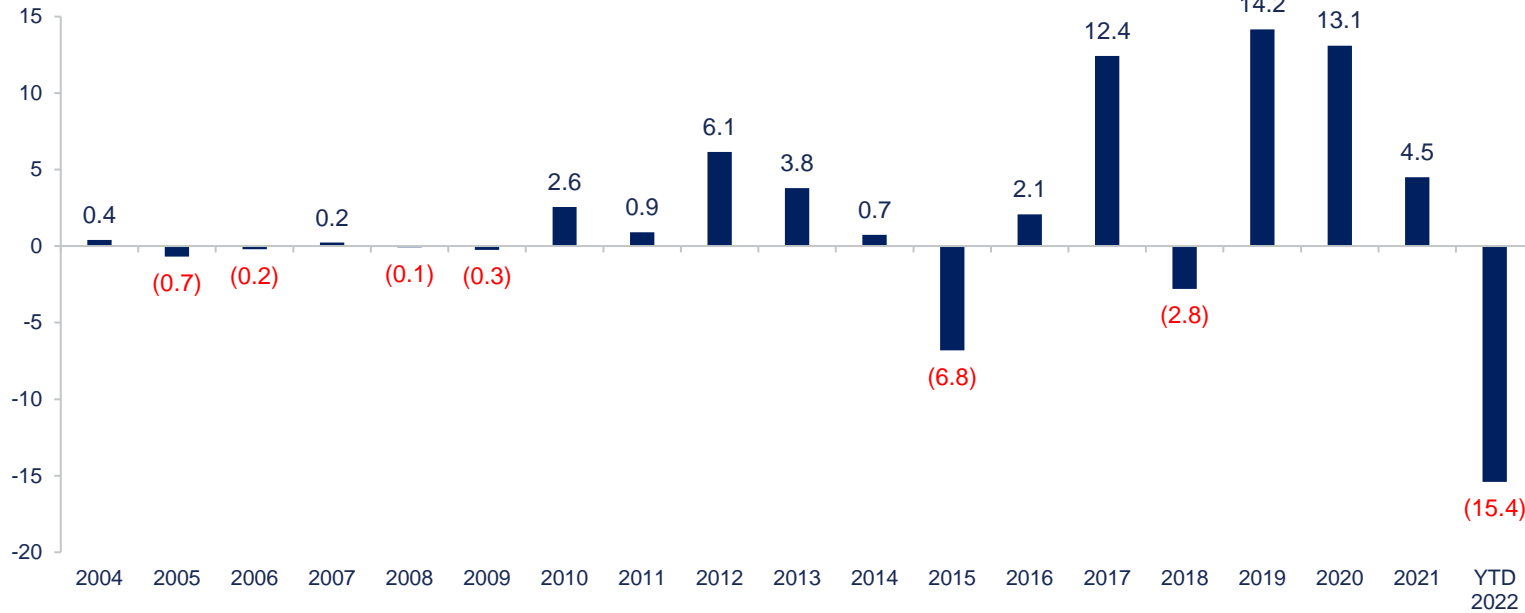
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# Emerging Market Bond Fund Flows

Dedicated Emerging Market Corporate Bond strategies have seen increased investor flows in recent years.

EM corporates have seen outflows thus far in 2022, with year-to-date flows at -\$15.4bn.

## Corporate Bond Fund Flows (\$bn)



Source: JP Morgan. As of October 31, 2022.

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# Appendix



# Developed & Emerging Markets High Yield Bond Fund Monthly Performance

Performance (%) <sup>1</sup>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2022</b>													
Portfolio (gross)	-2.28%	-3.83%	-2.37%	-2.13%	-1.61%	-6.81%	2.28%	1.22%	-4.43%	0.78%			-17.89%
Portfolio (net)	-2.36%	-3.91%	-2.45%	-2.21%	-1.69%	-6.89%	2.19%	1.14%	-4.51%	0.69%			-18.57%
BAML Global HY Index (HW00)	-2.45%	-2.09%	-1.10%	-3.19%	-0.35%	-6.66%	4.96%	-1.55%	-4.22%	1.89%			-14.19%
<b>2021</b>													
Portfolio (gross)	1.16%	1.68%	0.37%	1.53%	0.88%	1.39%	0.08%	0.76%	0.47%	-1.02%	-1.49%	1.45%	7.46%
Portfolio (net)	1.07%	1.59%	0.29%	1.45%	0.80%	1.30%	0.00%	0.67%	0.39%	-1.11%	-1.57%	1.37%	6.39%
BAML Global HY Index (HW00)	0.20%	0.45%	0.06%	1.05%	0.42%	0.93%	-0.03%	0.68%	-0.43%	-0.70%	-1.06%	1.46%	3.04%
<b>2020</b>													
Portfolio (gross)	0.52%	-1.10%	-17.02%	4.12%	5.35%	3.21%	2.98%	1.66%	-1.08%	0.48%	5.61%	3.16%	5.88%
Portfolio (net)	0.44%	-1.18%	-17.09%	4.03%	5.26%	3.13%	2.90%	1.57%	-1.16%	0.39%	5.52%	3.08%	4.82%
BAML Global HY Index (HW00)	0.39%	-1.37%	-12.68%	4.55%	4.48%	1.71%	3.80%	1.31%	-1.00%	0.42%	4.17%	1.89%	6.61%
<b>2019</b>													
Portfolio (gross)	3.64%	2.01%	0.96%	2.09%	-1.03%	1.81%	0.80%	-0.11%	0.47%	0.60%	0.60%	2.13%	14.80%
Portfolio (net)	3.56%	1.92%	0.88%	2.00%	-1.11%	1.72%	0.72%	-0.19%	0.39%	0.52%	0.51%	2.04%	13.66%
BAML Global HY Index (HW00)	4.02%	1.69%	1.05%	1.34%	-0.98%	2.48%	0.72%	0.05%	0.50%	0.54%	0.51%	1.82%	14.54%
<b>2018</b>													
Portfolio (gross)	0.84%	-0.87%	-0.67%	0.64%	-0.60%	-0.26%	1.54%	0.56%	0.97%	-1.47%	-1.84%	-1.66%	-2.86%
Portfolio (net)	0.75%	-0.95%	-0.75%	0.55%	-0.69%	-0.35%	1.46%	0.48%	0.88%	-1.55%	-1.92%	-1.75%	-3.83%
BAML Global HY Index (HW00)	0.65%	-0.82%	-0.42%	0.41%	-0.50%	-0.05%	1.40%	-0.02%	0.87%	-1.26%	-0.95%	-1.19%	-1.90%
<b>2017</b>													
Portfolio (gross)	1.21%	1.42%	-0.04%	1.33%	1.10%	0.10%	1.37%	-0.03%	1.50%	0.59%	-0.24%	0.36%	8.99%
Portfolio (net)	1.10%	1.31%	-0.14%	1.22%	1.00%	0.00%	1.27%	-0.14%	1.39%	0.48%	-0.34%	0.27%	7.66%
BAML Global HY Index (HW00)	1.44%	1.51%	-0.08%	1.21%	0.76%	0.09%	1.09%	0.30%	0.85%	0.61%	-0.30%	0.27%	8.01%
<b>2016</b>													
Portfolio (gross)							2.70%	1.94%	0.18%	0.63%	-0.72%	2.37%	13.08%
Portfolio (net)							2.59%	1.84%	0.08%	0.53%	-0.82%	2.26%	11.68%
BAML Global HY Index (HW00)							2.36%	2.10%	0.55%	0.42%	-0.60%	1.88%	15.19%

1. Fund inception date: July 19, 1993.
2. BAML Global High Yield Index (HW00).

Please note that the current investment team officially took over portfolio management responsibility for this Fund in July 2016, from the legacy Barings investment team.

Note: Effective June 30, 2022, the ICE Fixed Income Index reflects transaction costs. As a result, existing index level total return, price return and excess return fields have been adjusted to reflect the new methodology. All return information prior to June 30, 2022 has not been adjusted.

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.** An investment entails a risk of loss. Performance reflects the deduction of fees and expenses based upon the lowest fee share class available within the periods provided. Please note that this does not reflect what a new investor will experience, as their returns will be reduced by the deduction of such fees and expenses of the applicable share class.

Supplemental information to the compliant presentation. For information purposes only and not a recommendation to buy or sell any securities shown. Information subject to change without notice.

# Global High Yield – Investment Committee Approval Rates

## European High Yield Bonds Approval / Invested Rates

	Q3 2022		2021		2020		2019	
Total No. Bonds Reviewed	6		216		143		129	
Total No. Credits Invested In	2	33%	77	36%	59	41%	38	29%
Total No. Credits Not Invested In	4	67%	139	64%	84	59%	91	71%

## U.S. High Yield Bonds Approval / Invested Rates

	Q3 2022		2021		2020		2019	
Total No. Bonds Reviewed	22		288		596		353	
Total No. Credits Invested In	20	91%	116	40%	331	56%	194	55%
Total No. Credits Not Invested In	2	9%	172	60%	265	44%	159	45%

## European Loans Approval / Invested Rates

	Q3 2022		2021		2020		2019	
Total No. Loans Reviewed	23		231		164		178	
Total No. Credits Invested In	6	26%	123	53%	68	41%	81	46%
Total No. Credits Not Invested In	17	74%	108	47%	96	59%	97	54%

## U.S. Loans Approval / Invested Rates

	Q3 2022		2021		2020		2019	
Total No. Loans Reviewed	23		273		296		347	
Total No. Credits Invested In	3	13%	180	66%	180	61%	150	43%
Total No. Credits Not Invested In	20	87%	93	34%	116	39%	197	57%

Source: Barings. As of September 30, 2022.

For investment professionals only

# Emerging Markets Corporate Investment Process – Approve / Decline List

Portfolio manager can only invest in credits that are approved to be on the Buy List

Sector	All <sup>1</sup>	Approve	Decline
Consumer	115	84	31
Diversified	20	6	14
Financial	422	268	154
Industrial	123	75	48
LGFV	28	0	28
Metals & Mining	76	44	32
Oil & Gas	120	73	47
Pulp & Paper	11	7	4
Real Estate	130	66	64
TMT	97	71	26
Transport/Infrastructure/ Logistics	97	50	47
Utilities	176	121	55
	1415	865	550

Underwritten Credits

Credits Eligible for  
Portfolio

Non-investable  
Credits

Source: Barings

For the period November 1, 2013 (commencement of EM Corporate underwriting process) through January 11, 2022

1. "All" includes credits To Be Reviewed (TBR) / Subject To Call (STC) / Hold. TBR = the credit still has to be reviewed; STC = final Approve / Decline decision is subject to a call with company management to address specific concerns the Analyst and/or PM may have.

For investment professionals only

# Key Professional Biographies

## Martin Horne

### *Head of Global Public Fixed Income*

Martin Horne is Barings' Head of Public Fixed Income with responsibility of the Global High Yield Investments Group and the Investment Grade Group. Martin is also Chairman of the European High Yield Investment Committee and Chairman of the Global High Yield Allocation Committee. His responsibilities include portfolio management for several of the firm's loan and multi-strategy portfolios. Martin has worked in the industry since 1996 and his experience has encompassed the mid cap, structured credit, investment grade and leverage finance markets. Prior to joining the firm in 2002, Martin was a member of the European Leverage team at Dresdner Kleinwort Wasserstein where he focused on lead arranging and underwriting senior, mezzanine and high yield facilities for financial sponsor driven leverage buyouts throughout Europe. He has also held positions at KPMG Corporate Finance where he advised on complex debt transactions and National Westminster Bank in the corporate banking unit. Martin also previously served on the board of directors of the Loan Market Association. Martin holds a B.A. in Economics from Reading University.

## Adrienne Butler

### *Co-Head of U.S. High Yield*

Adrienne Butler is co-Head of Barings' U.S. High Yield Investments Group and head of U.S. CLO Funds. She is also a member of the U.S. High Yield Investment Committee. She is responsible for new CLO marketing and formation as well as existing CLO portfolio management. Adrienne has worked in the industry since 1990 and her experience has encompassed sell-side relationship banking, media and telecom specialty lending, and CLO portfolio management. Prior to joining the firm in 2002, she was part of the acquisition of First Union Institutional Debt Management ("IDM"), where she was a senior analyst in IDM's Loan Research Group. Before IDM, she was a vice president/relationship manager at First Union Corporation and worked in corporate banking at First Union National Bank of South Carolina. She also served as a loan officer at NationsBank. Adrienne holds a B.A. from Furman University and an M.B.A. from University of Notre Dame's Mendoza College of Business.

## Scott Roth

### *Co-Head of U.S. High Yield*

Scott Roth is co-Head of Barings' U.S. High Yield Investments Group, Chair of the U.S. High Yield Investment Committee and a member of the Global High Yield Allocation Committee. His responsibilities include portfolio management for various high yield bond total return strategies. Scott has worked in the industry since 1993 and his experience has encompassed fund management, underwriting, leveraged loans and high yield. Prior to joining the firm in 2002, he was a vice president at Webster Bank and was a high yield analyst at Times Square Capital Management. He also served as an underwriter at Chubb Insurance Company. Scott holds a B.B.A. from Western Michigan University, an M.B.A. from the Ross School of Business at University of Michigan and is a member of the CFA Institute.

## Chris Sawyer

### *Head of European High Yield*

Chris Sawyer is Head of Barings' European High Yield Investments Group as well as a member of the firm's European High Yield Investment and Global High Yield Allocation Committees. Chris is responsible for the portfolio management of several loan, high yield bond and multi-credit strategies. Chris has worked in the industry since 2005. Prior to joining the trading team in 2008, he was a member of the portfolio monitoring team where he was responsible for the ongoing credit analysis of individual portfolio assets. Chris holds a B.Sc. in Economics and Business Finance from Brunel University.

# Key Professional Biographies

## Craig Abouchar, CFA

### *Managing Director*

Craig Abouchar is a member of Barings' European High Yield Investments Group and the European High Yield Investment Committee. He is a lead portfolio manager for the firm's European High Yield Bond business and he is responsible for the portfolio management of numerous strategies. Craig has worked in the industry since 1994 and his experience has encompassed a focus on below-investment-grade assets across all investment types and geographic markets. Prior to joining the firm in 2016, Craig was Co-CEO, Europe of Castle Hill Asset Management. Prior to Castle Hill, he was a portfolio manager at Ignis Investment Management. Craig was also previously the chairman of the board of directors for the European High Yield Association. Craig earned a B.B.A. in Finance from Emory University and an M.B.A in Finance and International Business from Columbia University.

## Omotunde Lawal, CFA

### *Managing Director*

Omotunde Lawal, CFA is Head of the Emerging Markets Corporate Debt team. She is the Lead portfolio manager on the Emerging Markets Debt Corporate Bond and Short Duration strategies. Tunde has worked in the industry since 2000, and prior to joining the firm in 2014, she was a Portfolio Manager at Cosford Capital Management, focusing on high yield and distressed LATAM and CEEMEA corporates. Prior to that she was at Standard Bank London where she traded and invested in distressed and stressed Emerging Markets corporate debt in LATAM and CEEMEA for the Principal Trading team. Earlier, Tunde worked at Barclays Capital and Deloitte & Touche/Arthur Andersen. Tunde holds a B.Sc. in Accounting & Finance from University of Warwick and is a Fellow of the Chartered Institute of Accountants in England and Wales and is a CFA Charterholder.

## Natalia Krol

### *Managing Director*

Natalia Krol is a Portfolio Manager for Barings' Emerging Markets Blended Total Return strategies and a Research Analyst for the Barings Emerging Markets Corporate Debt Team. Natalia is responsible for covering global metals & mining and energy corporates. Natalia has worked in the industry since 2002. Prior to joining the firm in 2014, she was a Credit Analyst at Schroders Investment Management covering the natural resources and capital goods sectors across Emerging Markets, European High Yield and Investment Grade markets. Prior to this, Natalia was a European High Yield Research Analyst at Barclays Capital. Natalia holds an M.Sc. in Accounting and Finance from London School of Economics and a B.Ss. in International Economics from Plekhanov Russian Economic Academy.

# Global Senior Secured Loan Composite Performance Notes

	Composite Annual Return (Gross)	Composite Annual Return (Net)	Benchmark Annual Returns	Composite Asset-Weighted Dispersion	3-Year Annualized Standard Deviation (Composite)	3-Year Annualized Standard Deviation (Benchmark)	Total Composite Assets (millions, USD)	Total Firm Assets (millions, USD)	Percentage of Firm Assets	# of Portfolios at End of Period (# of Entire Period)
12/31/2021	7.15%	5.81%	5.42%	NM	9.18%	8.59%	6,507	379,384	1.72%	1 (1)
12/31/2020	2.39%	1.11%	3.02%	NM	9.31%	8.72%	6,079	332,197	1.83%	1 (1)
12/31/2019	8.65%	7.29%	8.18%	NM	2.70%	2.39%	7,454	319,147	2.34%	1 (1)
12/31/2018	1.06%	-0.20%	1.61%	NM	2.87%	2.60%	7,938	286,629	2.77%	1 (1)
12/31/2017	5.00%	3.95%	4.42%	NM	2.85%	2.51%	9,469	284,798	3.32%	1 (1)
12/31/2016	10.89%	9.79%	9.58%	NM	2.92%	2.65%	7,878	178,724	4.41%	1 (1)
12/31/2015	0.57%	-0.44%	0.25%	NM	2.19%	1.97%	6,878	163,934	4.20%	1 (1)
12/31/2014	2.45%	1.42%	2.03%	NM	2.28%	1.91%	5,792	157,257	3.68%	1 (1)
12/31/2013	7.66%	6.58%	6.77%	NM	4.93%	3.50%	4,638	142,832	3.25%	1 (1)
12/31/2012	12.61%	11.88%	9.80%	NM	N/A	N/A	1,631	116,633	1.40%	1 (1)

Benchmark returns © Copyright CSFB, 2021 – all rights reserved.

NM The asset-weighted dispersion of five or fewer portfolios for the entire year is not meaningful.

## Compliance Statement:

Barings, fka Babson Capital Management LLC, claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Barings has been independently verified for the periods 1993-2021. See firm definition for further information. 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. The Global Senior Secured Loan composite has had a performance examination for the periods 2010-2021. The verification and performance examination reports are available upon request.

## Definition of the Firm:

Barings, "Firm", provides investment management and advisory services to both institutional and individual clients. For purposes of compliance with the GIPS standards, the Firm defines itself as consisting of the portfolios that it manages directly. In 2017, the previous subsidiaries of Babson Capital Management, "Babson", including Babson, were consolidated under the Barings name for Firm definition purposes. Those entities included Babson Capital Management LLC, Cornerstone Real Estate Advisers LLC, Baring Asset Management Limited, Babson Capital Europe and Wood Creek Capital Management LLC. In 2017, the firm assets represent the consolidated entity. Barings, "Firm", excludes Barings Shanghai and Baring Asset Management Korea Limited. Baring Asset Management Korea Limited independently claims compliance with the GIPS standards. Lists of composite descriptions, limited distribution pooled fund descriptions, and broad distribution pooled funds are available upon request.

## Policies:

The Firm's policies for valuing investments, calculating performance and preparing GIPS reports are available upon request.

## Composite Description:

The objective of this investment strategy is to achieve current income, and where appropriate capital appreciation by investing primarily in floating rate senior secured loans, and to a lesser extent senior secured and unsecured bonds issued by North American and European companies (including those debt instruments issued by issuing entities based in offshore centers, such as the Channel Islands, Cayman Islands, Bermuda, and other offshore jurisdictions). The minimum portfolio value requirement for inclusion in the composite is USD \$20,000,000. The composite was created in November 2010. Inception date of the composite is 1st of November 2010. Principle risks include below investment grade, credit risk, market risk, liquidity risk and volatility risk.

## Benchmark:

The weighted custom benchmark is constructed as follows: Credit Suisse, "CS"; Leveraged Loan Index USD (CSLLI) and the CS Western European Leveraged Loan Index (CSWELLI). Index is calculated as a market value-weighted percentage of the CSLLI & the CSWELLI. The weight of each index is calculated monthly as follows: the weight attributable to the CSLLI benchmark is the beginning USD denominated asset portion of the portfolio divided by the total beginning Market Value (based in USD) of the portfolio. The weight attributable to the CSWELLI is 1 minus the calculated result from CSLLI. Both results are summed to arrive at the blended benchmark return for the composite.

## Fees:

Returns are presented gross of management fees, custodial fees, and withholding taxes, except for non-reclaimable taxes, but net of all trading expenses. Net of fee performance results are calculated by deducting from the gross monthly return using the highest fee charged ("Model Fee") for a member portfolio on an annual basis dedicated to this strategy during the periods presented. The annual Model Fee is raised to the power of one-twelfth to compute the monthly fee. The composite monthly gross return is reduced by this monthly fee to arrive at a composite return netted of investment advisory fees. Actual fees may depend on, among other things, the applicable fee schedule and portfolio size. Previous versions of the reports used the highest Institutional Fee charged as the Model Fee.

Applicable Institutional Fees: Inception - December 2016 55bps, 2017 forward: 65bps

The Composite contains a Limited Distribution Pooled Fund, the Barings Global Loan Fund. Tranche G Management Fee 1.25%, Total Expense Ratio 1.34%

## Performance Results:

Results are calculated using a time-weighted total-rate-of-return formula. The composite is asset-weighted; individual portfolios are valued daily on a trade-date basis and include accrued income. The composite and benchmark results assume the reinvestment of distributions. Performance results include all portfolios under the Firm's management that meet the Composite Definition. A portfolio is included in the composite when it is deemed that the investments made by the investment advisor fully reflect the intended investment strategy. Past performance is not a guarantee of future performance.

## Assets, Composite Dispersion, Ex-Post Standard Deviation:

The asset base used to calculate the composite's percentage of Firm assets includes both discretionary and non-discretionary portfolios managed by the Firm, and also includes non-fee paying portfolios. The asset-weighted dispersion calculation measures the deviation of individual portfolio returns around the aggregate composite return. Only portfolios that have been managed for a full annual period have been included in the dispersion calculation. No Dispersion is reported for periods with five or fewer portfolios (shown as NM). The three-year annualized ex-post standard deviation of the composite gross return and benchmark are displayed above unless 36 monthly returns are not available (shown as N/A).

## Trademark

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# U.S. Senior Secured Loan Composite Performance Notes

Annual	Composite Annual Return (Gross)	Composite Annual Return (Net)	Benchmark Annual Returns	Composite Asset-Weighted Dispersion	3-Year Annualized Standard Deviation (Composite)	3-Year Annualized Standard Deviation (Benchmark)	Total Composite Assets (millions, USD)	Total Firm Assets (millions, USD)	Percentage of Firm Assets	# of Portfolios at End of Period (# of Entire Period)
12/31/2021	5.77%	4.90%	5.40%	NM	8.00%	8.46%	936	379,384	0.25%	1 (1)
12/31/2020	1.70%	0.87%	2.78%	NM	8.24%	8.63%	1,346	332,197	0.41%	2 (2)
12/31/2019	8.22%	7.33%	8.17%	NM	3.11%	2.63%	3,002	319,147	0.94%	3 (3)
12/31/2018	0.72%	0.17%	1.14%	NM	3.05%	2.75%	2,928	286,629	1.02%	3 (2)
12/31/2017	4.74%	4.21%	4.25%	NM	2.73%	2.63%	2,715	284,798	0.95%	3 (2)
12/31/2016	9.22%	8.67%	9.88%	NM	2.83%	2.78%	2,228	178,724	1.25%	2 (2)
12/31/2015	0.45%	-0.05%	-0.38%	NM	2.07%	2.07%	1,995	163,934	1.22%	2 (2)
12/31/2014	2.25%	1.74%	2.06%	NM	1.86%	1.92%	1,959	157,257	1.25%	2 (2)
12/31/2013	6.16%	5.63%	6.15%	NM	3.50%	3.51%	2,467	142,832	1.73%	3 (3)
12/31/2012	9.32%	8.78%	9.43%	NM	4.09%	4.07%	1,878	116,633	1.61%	4 (4)

Benchmark returns © Copyright CSFB, 2021 – all rights reserved.

NM The asset-weighted dispersion of five or fewer portfolios for the entire year is not meaningful.

## Compliance Statement:

Barings, fka Babson Capital Management LLC, claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Barings has been independently verified for the periods 1993-2021. See firm definition for further information. 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. The US Senior Secured Loan composite has had a performance examination for the periods 2010-2021. The verification and performance examination reports are available upon request.

## Definition of the Firm:

Barings, "Firm", provides investment management and advisory services to both institutional and individual clients. For purposes of compliance with the GIPS standards, the Firm defines itself as consisting of the portfolios that it manages directly. In 2017, the previous subsidiaries of Babson Capital Management, "Babson", including Babson, were consolidated under the Barings name for Firm definition purposes. Those entities included Babson Capital Management LLC, Cornerstone Real Estate Advisers LLC, Baring Asset Management Limited, Babson Capital Europe and Wood Creek Capital Management LLC. In 2017, the firm assets represent the consolidated entity, Barings, "Firm", excludes Barings Shanghai and Baring Asset Management Korea Limited. Baring Asset Management Korea Limited independently claims compliance with the GIPS standards. Lists of composite descriptions, limited distribution pooled fund descriptions, and broad distribution pooled funds are available upon request.

## Policies:

The Firm's policies for valuing investments, calculating performance and preparing GIPS reports are available upon request.

## Composite Description:

The objective of these total-rate-of-return and structured accounts is to achieve a high level of current income and principal preservation and appreciation in certain circumstances, by investing primarily in U.S. dollar denominated floating rate senior secured loans. Valuations are computed and performance results are reported in U.S. dollars. The minimum portfolio value requirement for inclusion in the composite is USD \$25,000,000. The composite was created in June 2009. Inception date of the composite is 1st of January 1999. Principle risks include below investment grade, credit risk, market risk, liquidity risk, volatility risk and interest rate risk.

## Benchmark:

The Credit Suisse Leveraged Loan Index (the CS Index) is a representative, unmanaged index of tradable, U.S. dollar denominated floating rate senior secured loans and is designed to mirror the investable universe of the U.S. dollar denominated leveraged loan market. The performance results in the CS Index assume the reinvestment of interest payments. The CS Index total returns do not reflect fees or expenses that would have been incurred if an investor individually purchased or sold the securities represented in the index.

## Fees:

Returns are presented gross of management fees, custodial fees, and withholding taxes, except for non-reclaimable taxes, but net of all trading expenses. Net of fee performance results are calculated by deducting from the gross monthly return using the highest fee charged ("Model Fee") for a member portfolio on an annual basis dedicated to this strategy during the periods presented. The annual Model Fee is raised to the power of one-twelfth to compute the monthly fee. The composite monthly gross return is reduced by this monthly fee to arrive at a composite return netted of investment advisory fees. Actual fees may depend on, among other things, the applicable fee schedule and portfolio size. Previous versions of the reports used the highest Institutional Fee charged as the Model Fee.

Applicable Institutional Fees: Inception - December 2017 50bps, January 2018 forward: 55bps

The Composite contains a Limited Distribution Pooled Fund, the Barings US Loan Fund. Tranche Z Management Fee 0.82%, Total Expense Ratio 0.94%

## Performance Results:

Results are calculated using a time-weighted total-rate-of-return formula. The composite is asset-weighted; individual portfolios are valued daily on a trade-date basis and include accrued income. The composite and benchmark results assume the reinvestment of distributions. Performance results include all portfolios under the Firm's management that meet the Composite Definition. A portfolio is included in the composite when it is deemed that the investments made by the investment advisor fully reflect the intended investment strategy. Past performance is not a guarantee of future performance.

## Assets, Composite Dispersion, Ex-Post Standard Deviation:

The asset base used to calculate the composite's percentage of Firm assets includes both discretionary and non-discretionary portfolios managed by the Firm, and also includes non-fee paying portfolios. The asset-weighted dispersion calculation measures the deviation of individual portfolio returns around the aggregate composite return. Only portfolios that have been managed for a full annual period have been included in the dispersion calculation. No Dispersion is reported for periods with five or fewer portfolios (shown as NM). The three-year annualized ex-post standard deviation of the composite gross return and benchmark are displayed above unless 36 monthly returns are not available (shown as N/A).

## Trademark

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**BARINGS**

# European Loan Strategy 1 Composite Performance Notes

Date	Composite Annual Return (Gross)	Composite Annual Return (Net)	Benchmark Annual Returns	Composite Asset-Weighted Dispersion	3-Year Annualized Standard Deviation (Composite)	3-Year Annualized Standard Deviation (Benchmark)	Total Composite Assets (millions, EUR)	Total Firm Assets (millions, EUR)	Percentage of Firm Assets	# of Portfolios at End of Period (# of Entire Period)
12/31/2020 <sup>^</sup>	3.26%	2.54%	-4.56%	NM	10.29%	8.78%	4,398	272,292	1.62%	2 (2)
12/31/2019	5.26%	4.53%	4.51%	NM	1.90%	1.17%	5,236	284,521	1.84%	2 (2)
12/31/2018	0.67%	-0.04%	1.51%	NM	2.28%	1.71%	5,855	250,168	2.34%	2 (1)
12/31/2017 <sup>^</sup>	5.34%	4.61%	3.58%	NM	2.07%	1.57%	6,086	237,362	2.56%	1 (1)
12/31/2016 <sup>^</sup>	6.99%	6.24%	5.46%	NM	2.04%	1.53%	4,528	169,785	2.67%	1 (1)
12/31/2015 <sup>^</sup>	5.68%	4.94%	4.31%	NM	1.62%	1.15%	3,774	150,848	2.50%	1 (1)
12/31/2014 <sup>^</sup>	4.25%	3.52%	3.50%	NM	2.48%	1.41%	2,246	129,959	1.73%	1 (1)
12/31/2013 <sup>^</sup>	9.21%	8.44%	6.91%	NM	5.30%	3.17%	1,289	103,825	1.24%	1 (1)
12/31/2012 <sup>^</sup>	15.64%	14.83%	8.60%	NM	5.78%	3.74%	373	88,362	0.42%	1 (1)
12/31/2011 <sup>^</sup>	0.24%	-0.46%	0.43%	NM	N/A	N/A	234	77,430	0.30%	1 (1)

Source: Credit Suisse/Barings

NM The asset-weighted dispersion of five or fewer portfolios or periods of less than a year is not meaningful.

<sup>^</sup> All information for the periods indicated has not been examined by independent accountants.

## Compliance Statement

Barings, fka Babson Capital Management LLC, claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Barings has been independently verified for the periods 1993-2019. See firm definition for further information. 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. The European Loan Strategy 1 composite has had a performance examination for the periods 2018-2019. The verification and performance examination reports are available upon request.

## Definition of Firm

Barings, "Firm", provides investment management and advisory services to both institutional and individual clients. For purposes of compliance with the GIPS standards, the Firm defines itself as consisting of the portfolios that it manages directly. In 2017, the previous subsidiaries of Babson Capital Management, "Babson", including Babson, were consolidated under the Barings name for Firm definition purposes. Those entities included Babson Capital Management LLC, Cornerstone Real Estate Advisers LLC, Baring Asset Management Limited, and Wood Creek Capital Management LLC. In 2017, the firm assets represent the consolidated entity. Barings, "Firm", excludes Barings Shanghai and Baring Asset Management Korea Limited. Baring Asset Management Korea Limited independently claims compliance with the GIPS standards. Lists of composite descriptions, limited distribution pooled fund descriptions, and broad distribution pooled funds are available upon request.

## Policies

The Firm's policies for valuing investments, calculating performance and preparing GIPS reports are available upon request.

## Composite Description

Portfolios in this composite seek to provide investors with high current income generation, and where appropriate, capital appreciation. They will invest primarily in senior secured loans and, to a lesser extent, senior secured bonds issued by European companies in any currency, or issued in a European currency by corporations established outside of Europe and/or listed on a Recognised Market in Europe. The Composite was created in September 2017. Inception Date of the Composite is 1st August 2009. Principal risks of the Composite Strategy include below investment grade risk, credit risk, market risk, liquidity risk, and volatility risk.

## Benchmark

Credit Suisse Institutional Western European Leverage Loan Index\_Non US, hedged to EUR

## Fees

Returns are presented gross of management fees, custodial fees, and withholding taxes, except for non-reclaimable taxes, but net of all trading expenses. Net of fee performance results are calculated by deducting from the gross monthly return using the highest Institutional fee charged ("Model Fee") for a member portfolio on an annual basis dedicated to this strategy during the periods presented. The annual Model Fee is raised to the power of one-twelfth to compute the monthly fee. The composite monthly gross return is reduced by this monthly fee to arrive at a composite return netted of investment advisory fees. Actual fees may depend on, among other things, the applicable fee schedule and portfolio size. Applicable Fees 2009 forward: 70bps.

The Composite contains a Limited Distribution Pooled Fund, the Barings European Loan Fund. Tranche E Management Fee 1%, Total Expense Ratio 1.1%.

## Performance Results

Results are calculated using a time-weighted total-rate-of-return formula. The composite is asset-weighted; individual portfolios are valued daily on a trade-date basis and include accrued income. The composite and benchmark results assume the reinvestment of distributions. Performance results include all portfolios under the Firm's management that meet the Composite Definition. A portfolio is included in the composite when it is deemed that the investments made by the investment advisor fully reflect the intended investment strategy. Past performance is not a guarantee of future performance.

## Assets, Composite Dispersion, Ex-Post Standard Deviation

The asset base used to calculate the composite's percentage of Firm assets includes both discretionary and non-discretionary portfolios managed by the Firm, and also includes non-fee paying portfolios. The asset-weighted dispersion calculation measures the deviation of individual portfolio returns around the aggregate composite return. Only portfolios that have been managed for a full annual period have been included in the dispersion calculation. No Dispersion is reported for periods with five or fewer portfolios (shown as NM). The three-year annualized ex-post standard deviation of the composite gross return and benchmark are displayed above unless 36 monthly returns are not available (shown as N/A).

**BARINGS**



# Global Senior Secured Fixed Income Composite Performance Notes

	Composite Annual Return (Gross)	Composite Annual Return (Net)	Benchmark Annual Returns	Composite Asset-Weighted Dispersion	3-Year Annualized Standard Deviation (Composite)	3-Year Annualized Standard Deviation (Benchmark)	Total Composite Assets (millions, USD)	Total Firm Assets (millions, USD)	Percentage of Firm Assets	# of Portfolios at End of Period (# of Entire Period)
12/31/2021	6.68%	5.34%	2.55%	NM	8.11%	9.36%	1,724	379,384	0.45%	1 (1)
12/31/2020	3.75%	2.46%	3.68%	NM	8.26%	9.44%	1,275	332,197	0.38%	1 (1)
12/31/2019	14.38%	12.95%	13.92%	NM	3.12%	3.15%	971	319,147	0.30%	1 (1)
12/31/2018	-1.06%	-2.30%	-0.37%	NM	3.24%	3.39%	299	286,629	0.10%	1 (1)
12/31/2017	8.50%	7.42%	7.22%	NM	3.19%	4.22%	240	284,798	0.08%	1 (1)
12/31/2016	11.56%	10.44%	12.83%	NM	3.44%	4.57%	208	178,724	0.12%	1 (1)
12/31/2015	4.36%	3.31%	0.14%	NM	3.49%	4.30%	227	163,934	0.14%	1 (1)
12/31/2014	3.22%	2.19%	3.15%	NM	4.33%	3.92%	185	157,257	0.12%	1 (1)
12/31/2013 <sup>^</sup>	11.11%	10.45%	7.97%	NM	N/A	N/A	174	142,832	0.12%	1 (1)
12/31/2012 <sup>^</sup>	19.71%	18.99%	16.26%	NM	N/A	N/A	109	116,633	0.09%	1 (1)

Benchmark returns © Copyright ICE BofA, 2021 – all rights reserved.

<sup>^</sup> All information for the periods indicated has not been examined by independent accountants

NM The asset-weighted dispersion of five or fewer portfolios for the entire year is not meaningful.

## Compliance Statement:

Barings, fka Babson Capital Management LLC, claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Barings has been independently verified for the periods 1993-2021. See firm definition for further information. 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. The Global Senior Secured Fixed Income composite has had a performance examination for the periods 2014-2021. The verification and performance examination reports are available upon request.

## Definition of the Firm:

Barings, "Firm", provides investment management and advisory services to both institutional and individual clients. For purposes of compliance with the GIPS standards, the Firm defines itself as consisting of the portfolios that it manages directly. In 2017, the previous subsidiaries of Babson Capital Management, "Babson", including Babson, were consolidated under the Barings name for Firm definition purposes. Those entities included Babson Capital Management LLC, Cornerstone Real Estate Advisers LLC, Baring Asset Management Limited, Babson Capital Europe and Wood Creek Capital Management LLC. In 2017, the firm assets represent the consolidated entity. Barings, "Firm", excludes Barings Shanghai and Baring Asset Management Korea Limited. Baring Asset Management Korea Limited independently claims compliance with the GIPS standards. Lists of composite descriptions, limited distribution pooled fund descriptions, and broad distribution pooled funds are available upon request.

## Policies:

The Firm's policies for valuing investments, calculating performance and preparing GIPS reports are available upon request.

## Composite Description:

The investment objective of the composite is to provide high current income generation and, where appropriate, capital appreciation. To achieve this objective, the portfolios within this composite will invest principally in a portfolio of fixed and floating rate Corporate Debt Instruments, focusing primarily on North American and European senior secured High Yield Instruments which are listed or traded on Recognised Markets in Europe or North America. While the portfolios within the composite will invest principally in North American and European issuers, they may also invest in issuers located in other geographic areas, subject to a limit of 5% of Net Asset Value in issuers from Emerging Markets. The minimum portfolio value requirement for inclusion in the composite is USD \$5,000,000. The composite was created in March 2011. Inception date of the composite is 1st of March 2011. Principle risks include below investment grade, credit risk, market risk, liquidity risk, volatility risk and interest rate risk.

## Benchmark:

The ICE BofA BB-B Global High Yield Secured Bond Index, Hedged to USD "Index", is the benchmark for the composite.

## Fees:

Returns are presented gross of management fees, custodial fees, and withholding taxes, except for non-reclaimable taxes, but net of all trading expenses. Net of fee performance results are calculated by deducting from the gross monthly return using the highest fee charged ("Model Fee") for a member portfolio on an annual basis dedicated to this strategy during the periods presented. The annual Model Fee is raised to the power of one-twelfth to compute the monthly fee. The composite monthly gross return is reduced by this monthly fee to arrive at a composite return netted of investment advisory fees. Actual fees may depend on, among other things, the applicable fee schedule and portfolio size. Previous versions of the reports used the highest Institutional Fee charged as the Model Fee. Applicable Institutional Fees: 2011 forward: 60bps

## Performance Results:

Results are calculated using a time-weighted total-rate-of-return formula. The composite is asset-weighted; individual portfolios are valued daily on a trade-date basis and include accrued income. The composite and benchmark results assume the reinvestment of distributions. Performance results include all portfolios under the Firm's management that meet the Composite Definition. A portfolio is included in the composite when it is deemed that the investments made by the investment advisor fully reflect the intended investment strategy. Past performance is not a guarantee of future performance.

## Assets, Composite Dispersion, Ex-Post Standard Deviation:

The asset base used to calculate the composite's percentage of Firm assets includes both discretionary and non-discretionary portfolios managed by the Firm, and also includes non-fee paying portfolios. The asset-weighted dispersion calculation measures the deviation of individual portfolio returns around the aggregate composite return. Only portfolios that have been managed for a full annual period have been included in the dispersion calculation. No Dispersion is reported for periods with five or fewer portfolios (shown as NM). The three-year annualized ex-post standard deviation of the composite gross return and benchmark are displayed above unless 36 monthly returns are not available (shown as N/A).

## Trademark

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**BARINGS**

# Global High Yield Fixed Income Composite Performance Notes

	Composite Annual Return (Gross)	Composite Annual Return (Net)	Benchmark Annual Returns	Composite Asset-Weighted Dispersion	3-Year Annualized Standard Deviation (Composite)	3-Year Annualized Standard Deviation (Benchmark)	Total Composite Assets (millions, USD)	Total Firm Assets (millions, USD)	Percentage of Firm Assets	# of Portfolios at End of Period (# of Entire Period)
12/31/2021	7.92%	6.57%	5.10%	NM	9.76%	9.13%	2,881	379,384	0.76%	3 (3)
12/31/2020	5.09%	3.78%	5.56%	NM	9.98%	9.35%	1,966	332,197	0.59%	3 (3)
12/31/2019	14.39%	12.96%	14.02%	NM	3.97%	3.89%	1,937	319,147	0.61%	4 (4)
12/31/2018	-1.81%	-3.04%	-1.98%	NM	4.00%	4.50%	1,266	286,629	0.44%	4 (4)
12/31/2017	8.27%	7.19%	7.53%	NM	3.99%	5.43%	1,052	284,798	0.37%	4 (2)
12/31/2016	14.31%	13.16%	16.92%	NM	4.52%	5.75%	700	178,724	0.39%	3 (2)
12/31/2015	5.10%	4.47%	-3.89%	NM	4.55%	4.96%	211	163,934	0.13%	2 (1)
12/31/2014	3.27%	2.65%	2.81%	NM	N/A	N/A	43	157,257	0.03%	1 (1)
12/31/2013 <sup>^</sup>	14.33%	13.65%	7.64%	NM	N/A	N/A	49	142,832	0.03%	1 (1)
12/31/2012 <sup>**^</sup>	13.69%	13.29%	10.56%	NM	N/A	N/A	39	116,633	0.03%	1 (1)

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<sup>^</sup> All information for the periods indicated has not been examined by independent accountants

NM The asset-weighted dispersion of five or fewer portfolios for the entire year is not meaningful.

<sup>\*\*</sup> Returns from composite inception date of June 01, 2012 to December 31, 2012

## Compliance Statement:

Barings, fka Babson Capital Management LLC, claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Barings has been independently verified for the periods 1993-2021. See firm definition for further information. 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. The Global High Yield Fixed Income composite has had a performance examination for the periods 2014-2021. The verification and performance examination reports are available upon request.

## Definition of the Firm:

Barings, "Firm", provides investment management and advisory services to both institutional and individual clients. For purposes of compliance with the GIPS standards, the Firm defines itself as consisting of the portfolios that it manages directly. In 2017, the previous subsidiaries of Babson Capital Management, "Babson", including Babson, were consolidated under the Barings name for Firm definition purposes. Those entities included Babson Capital Management LLC, Cornerstone Real Estate Advisers LLC, Baring Asset Management Limited, Babson Capital Europe and Wood Creek Capital Management LLC. In 2017, the firm assets represent the consolidated entity. Barings, "Firm", excludes Barings Shanghai and Baring Asset Management Korea Limited. Baring Asset Management Korea Limited independently claims compliance with the GIPS standards. Lists of composite descriptions, limited distribution pooled fund descriptions, and broad distribution pooled funds are available upon request.

## Policies:

The Firm's policies for valuing investments, calculating performance and preparing GIPS reports are available upon request.

## Composite Description:

The investment objective of the total rate of return vehicles included in this composite is to provide high current income generation and, where appropriate, capital appreciation. To achieve this objective, the portfolios within this composite will invest principally in a portfolio of below investment grade rated fixed and floating rate Corporate Debt Instruments, which are listed or traded on Recognized Markets in Europe or North America and issued by corporations domiciled primarily in North America and Western Europe. While the portfolios within the composite will invest principally in North American and European issuers, they may also invest in issuers located in other geographic areas, subject to a limit of 10% of Net Asset Value in issuers from Emerging Markets. Valuations are computed and performance results are reported in U.S. dollars. The minimum portfolio value requirement for inclusion in the composite is USD \$5,000,000. The composite was created in 2012. Inception date of the composite is 1st of June 2012. Principle risks include below investment grade, credit risk, market risk, liquidity risk, volatility risk and interest rate risk.

## Benchmark:

The benchmark is the ICE BofA Non-Financial Developed Markets High Yield Constrained Index (HNDC), Hedged to USD, but caps issuer exposure at 2%, "Index". This index tracks the performance of USD, CAD, GBP and EUR denominated below investment grade corporate debt publicly issued in the major domestic or Eurobond markets. The benchmark total returns do not reflect fees or expenses that would have been incurred if an investor individually purchased or sold the securities represented in the index. The performance benchmark was changed effective as of 31st December 2015 from the ICE BofA Global Non-Financial High Yield Constrained Index (HNOC) to the ICE BofA Non-Financial Developed Markets High Yield Constrained Index (HNDC), with all of the historic benchmark performance data now illustrating the performance of the Bank of America / Merrill Lynch Non-Financial Developed Markets High Yield Constrained Index (HNDC).

## Fees:

Returns are presented gross of management fees, custodial fees, and withholding taxes, except for non-reclaimable taxes, but net of all trading expenses. Net of fee performance results are calculated by deducting from the gross monthly return using the highest fee charged ("Model Fee") for a member portfolio on an annual basis dedicated to this strategy during the periods presented. The annual Model Fee is raised to the power of one-twelfth to compute the monthly fee. The composite monthly gross return is reduced by this monthly fee to arrive at a composite return netted of investment advisory fees. Actual fees may depend on, among other things, the applicable fee schedule and portfolio size. Previous versions of the reports used the highest Institutional Fee charged as the Model Fee. Applicable Institutional Fees: 2012 forward: 60bps

## Performance Results:

Results are calculated using a time-weighted total-rate-of-return formula. The composite is asset-weighted; individual portfolios are valued daily on a trade-date basis and include accrued income. The composite and benchmark results assume the reinvestment of distributions. Performance results include all portfolios under the Firm's management that meet the Composite Definition. A portfolio is included in the composite when it is deemed that the investments made by the investment advisor fully reflect the intended investment strategy. Past performance is not a guarantee of future performance.

## Assets, Composite Dispersion, Ex-Post Standard Deviation:

The asset base used to calculate the composite's percentage of Firm assets includes both discretionary and non-discretionary portfolios managed by the Firm, and also includes non-fee paying portfolios. The asset-weighted dispersion calculation measures the deviation of individual portfolio returns around the aggregate composite return. Only portfolios that have been managed for a full annual period have been included in the dispersion calculation. No Dispersion is reported for periods with five or fewer portfolios (shown as NM). The three-year annualized ex-post standard deviation of the composite gross return and benchmark are displayed above unless 36 monthly returns are not available (shown as N/A).

## Trademark

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**BARINGS**

# U.S. High Yield Fixed Income Composite Performance Notes

Annual	Composite Annual Return (Gross)	Composite Annual Return (Net)	Benchmark Annual Returns	Composite Asset-Weighted Dispersion	3-Year Annualized Standard Deviation (Composite)	3-Year Annualized Standard Deviation (Benchmark)	Total Composite Assets (millions, USD)	Total Firm Assets (millions, USD)	Percentage of Firm Assets	# of Portfolios at End of Period (# of Entire Period)
12/31/2021	7.52%	6.18%	5.28%	NM	8.83%	9.00%	1,680	379,384	0.44%	6 (5)
12/31/2020	5.82%	4.55%	7.11%	0.46%	9.11%	9.24%	2,079	332,197	0.63%	12 (7)
12/31/2019	14.17%	12.80%	14.32%	0.64%	4.17%	4.02%	1,651	319,147	0.52%	10 (8)
12/31/2018	-2.70%	-3.67%	-2.08%	NM	4.32%	4.59%	2,439	286,629	0.85%	14 (5)
12/31/2017	8.68%	7.60%	7.50%	NM	4.64%	5.57%	1,975	284,798	0.69%	11 (4)
12/31/2016	15.53%	14.83%	17.13%	NM	5.14%	6.00%	1,136	178,724	0.64%	6 (4)
12/31/2015	0.21%	-0.34%	-4.47%	NM	4.96%	5.26%	945	163,934	0.58%	6 (5)
12/31/2014	2.25%	1.69%	2.45%	NM	4.50%	4.50%	936	157,257	0.60%	5 (3)
12/31/2013	11.67%	11.06%	7.44%	NM	5.94%	6.41%	734	142,832	0.51%	5 (3)
12/31/2012	17.63%	16.98%	15.81%	NM	6.82%	7.08%	603	116,633	0.52%	5 (3)

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NM The asset-weighted dispersion of five or fewer portfolios for the entire year is not meaningful.

## Compliance Statement:

Barings, fka Babson Capital Management LLC, claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Barings has been independently verified for the periods 1993-2021. See firm definition for further information. 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. The US High Yield Fixed Income composite has had a performance examination for the periods 2006-2021. The verification and performance examination reports are available upon request.

## Definition of the Firm:

Barings, "Firm", provides investment management and advisory services to both institutional and individual clients. For purposes of compliance with the GIPS standards, the Firm defines itself as consisting of the portfolios that it manages directly. In 2017, the previous subsidiaries of Babson Capital Management, "Babson", including Babson, were consolidated under the Barings name for Firm definition purposes. Those entities included Babson Capital Management LLC, Cornerstone Real Estate Advisers LLC, Baring Asset Management Limited, Babson Capital Europe and Wood Creek Capital Management LLC. In 2017, the firm assets represent the consolidated entity. Barings, "Firm", excludes Barings Shanghai and Baring Asset Management Korea Limited. Baring Asset Management Korea Limited independently claims compliance with the GIPS standards. Lists of composite descriptions, limited distribution pooled fund descriptions, and broad distribution pooled funds are available upon request.

## Policies:

The Firm's policies for valuing investments, calculating performance and preparing GIPS reports are available upon request.

## Composite Description:

Portfolios included in this composite seek to provide a total rate of return in excess of its benchmark, the Bloomberg U.S. Corporate High Yield Index, through a combination of high current income and price appreciation by investing primarily in publicly traded high yield (rated below Baa3/BBB-) U.S. debt securities. The minimum portfolio value requirement for inclusion in the composite is USD \$20,000,000. The minimum portfolio value was changed from USD \$25,000,000 in 2017. In 2014, the composite name was changed from High Yield to US High Yield Fixed Income. The composite was created in October 2000. Inception date of the composite is 1st of October 2000. Principle risks include below investment grade, credit risk, market risk, liquidity risk, volatility risk and interest rate risk.

## Benchmark:

The Bloomberg U.S. Corporate High Yield Index, "Index", is the benchmark for the composite, representing the universe of fixed rate, non-investment grade debt.

## Fees:

Returns are presented gross of management fees, custodial fees, and withholding taxes, except for non-reclaimable taxes, but net of all trading expenses. Net of fee performance results are calculated by deducting from the gross monthly return using the highest fee charged ("Model Fee") for a member portfolio on an annual basis dedicated to this strategy during the periods presented. The annual Model Fee is raised to the power of one-twelfth to compute the monthly fee. The composite monthly gross return is reduced by this monthly fee to arrive at a composite return netted of investment advisory fees. Actual fees may depend on, among other things, the applicable fee schedule and portfolio size. Previous versions of the reports used the highest Institutional Fee charged as the Model Fee. Applicable Institutional Fees: Inception - December 2019 55bps, January 2020 forward: 60bps

## Significant Cash Flow:

Any portfolios determined to exceed the Significant Cash Flow Percentage, "SCFP", within a month, will be removed from the composite assignment for a period of at least one month and up to three months, depending on the timing of the client directed cash flow and/or the investment strategy. The SCFP for this composite is 10%. Additional information regarding the treatment of significant cash flows is available upon request.

## Performance Results:

Results are calculated using a time-weighted total-rate-of-return formula. The composite is asset-weighted; individual portfolios are valued daily on a trade-date basis and include accrued income. The composite and benchmark results assume the reinvestment of distributions. Performance results include all portfolios under the Firm's management that meet the Composite Definition. A portfolio is included in the composite when it is deemed that the investments made by the investment advisor fully reflect the intended investment strategy. Past performance is not a guarantee of future performance.

## Assets, Composite Dispersion, Ex-Post Standard Deviation:

The asset base used to calculate the composite's percentage of Firm assets includes both discretionary and non-discretionary portfolios managed by the Firm, and also includes non-fee paying portfolios. The asset-weighted dispersion calculation measures the deviation of individual portfolio returns around the aggregate composite return. Only portfolios that have been managed for a full annual period have been included in the dispersion calculation. No Dispersion is reported for periods with five or fewer portfolios (shown as NM). The three-year annualized ex-post standard deviation of the composite gross return and benchmark are displayed above unless 36 monthly returns are not available (shown as N/A).

## Trademark

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# Global High Yield Credit Strategies Composite Performance Notes

	Composite Annual Return (Gross)	Composite Annual Return (Net)	Benchmark Annual Returns	Composite Asset-Weighted Dispersion	3-Year Annualized Standard Deviation (Composite)	3-Year Annualized Standard Deviation (Benchmark)	Total Composite Assets (millions, USD)	Total Firm Assets (millions, USD)	Percentage of Firm Assets	# of Portfolios at End of Period (# of Entire Period)
12/31/2021	7.45%	6.27%	5.17%	NM	11.30%	0.30%	4,116	379,384	1.09%	1 (1)
12/31/2020	2.48%	0.84%	5.70%	NM	11.40%	0.27%	3,884	332,197	1.17%	1 (1)
12/31/2019	10.76%	8.99%	7.47%	NM	3.07%	0.19%	3,465	319,147	1.09%	1 (1)
12/31/2018	0.38%	-1.23%	7.49%	NM	4.31%	0.21%	2,883	286,629	1.01%	1 (1)
12/31/2017	8.17%	6.98%	6.31%	NM	4.33%	0.13%	2,351	284,798	0.83%	1 (1)
12/31/2016	14.81%	13.55%	5.86%	NM	4.63%	0.09%	1,106	178,724	0.62%	1 (1)
12/31/2015	1.68%	0.97%	5.43%	NM	N/A	N/A	612	163,934	0.37%	1 (1)
12/31/2014	2.90%	2.18%	5.36%	NM	N/A	N/A	277	157,257	0.18%	1 (1)
12/31/2013**^	7.34%	6.97%	2.71%	NM	N/A	N/A	106	142,832	0.07%	1 (1)

^ All information for the periods indicated has not been examined by independent accountants

NM The asset-weighted dispersion of five or fewer portfolios for the entire year is not meaningful.

\*\* Returns from composite inception date of July 01, 2013 to December 31, 2013

## Compliance Statement:

Barings, fka Babson Capital Management LLC, claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Barings has been independently verified for the periods 1993-2021. See firm definition for further information. 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. The Global High Yield Credit Strategies composite has had a performance examination for the periods 2014-2021. The verification and performance examination reports are available upon request.

## Definition of the Firm:

Barings, "Firm", provides investment management and advisory services to both institutional and individual clients. For purposes of compliance with the GIPS standards, the Firm defines itself as consisting of the portfolios that it manages directly. In 2017, the previous subsidiaries of Babson Capital Management, "Babson", including Babson, were consolidated under the Barings name for Firm definition purposes. Those entities included Babson Capital Management LLC, Cornerstone Real Estate Advisers LLC, Baring Asset Management Limited, Babson Capital Europe and Wood Creek Capital Management LLC. In 2017, the firm assets represent the consolidated entity. Barings, "Firm", excludes Barings Shanghai and Baring Asset Management Korea Limited. Baring Asset Management Korea Limited independently claims compliance with the GIPS standards. Lists of composite descriptions, limited distribution pooled fund descriptions, and broad distribution pooled funds are available upon request.

## Policies:

The Firm's policies for valuing investments, calculating performance and preparing GIPS reports are available upon request.

## Composite Description:

The investment objective of the total rate of return vehicles included in this composite is to achieve current income, and where appropriate, capital appreciation by investing primarily in a portfolio of high yield fixed and floating rate corporate debt instruments issued by North American and European companies. The Fund may also invest in structured credit products and securitized assets (including debt and equity tranches of collateralized loan obligations, mortgage backed securities, and other asset backed securities), corporate debt instruments issued by companies outside North America and Europe, stressed and distressed corporate debt instruments, corporate debt instruments from Emerging Markets (meaning non-OECD member states with a Sub-Investment Grade credit rating), payment-in-kind corporate debt instruments, convertible debt obligations, preferred stock, common equity and other equity instruments where associated with issuers of high yield debt instruments, and in units and/or shares in collective investment schemes. Valuations are computed and performance results are reported in U.S. Dollars. The minimum portfolio value requirement for inclusion in the composite is USD 10,000,000. The composite was created in 2013.

Inception date of the composite is 1st of July 2013. Principle risks include below investment grade, credit risk, market risk, liquidity risk, volatility risk, interest rate risk, structured products, distressed securities and illiquid securities.

## Benchmark:

The benchmark is an average annual return of 3 month Libor +500 basis points over a full market cycle, typically considered to be 3+years.

## Fees:

Returns are presented gross of management fees, custodial fees, and withholding taxes, except for non-reclaimable taxes, but net of all trading expenses. Net of fee performance results are calculated by deducting from the gross monthly return using the highest fee charged ("Model Fee") for a member portfolio on an annual basis dedicated to this strategy during the periods presented. The annual Model Fee is raised to the power of one-twelfth to compute the monthly fee. The composite monthly gross return is reduced by this monthly fee to arrive at a composite return netted of investment advisory fees. Actual fees may depend on, among other things, the applicable fee schedule and portfolio size. Previous versions of the reports used the highest Institutional Fee charged as the Model Fee. Applicable Institutional Fees: Inception - December 2021 70bps, January 2022 forward: 60bps. The Composite contains a Limited Distribution Pooled Fund, the Barings Global High Yield Credit Strategies Fund. Tranche G Management Fee 1.60%, Total Expense Ratio 1.70%

## Performance Results:

Results are calculated using a time-weighted total-rate-of-return formula. The composite is asset-weighted; individual portfolios are valued daily on a trade-date basis and include accrued income. The composite and benchmark results assume the reinvestment of distributions. Performance results include all portfolios under the Firm's management that meet the Composite Definition. A portfolio is included in the composite when it is deemed that the investments made by the investment advisor fully reflect the intended investment strategy. Past performance is not a guarantee of future performance.

## Assets, Composite Dispersion, Ex-Post Standard Deviation:

The asset base used to calculate the composite's percentage of Firm assets includes both discretionary and non-discretionary portfolios managed by the Firm, and also includes non-fee paying portfolios. The asset-weighted dispersion calculation measures the deviation of individual portfolio returns around the aggregate composite return. Only portfolios that have been managed for a full annual period have been included in the dispersion calculation. No Dispersion is reported for periods with five or fewer portfolios (shown as NM). The three-year annualized ex-post standard deviation of the composite gross return and benchmark are displayed above unless 36 monthly returns are not available (shown as N/A).

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**BARINGS**

# European High Yield Bond Strategy Composite Performance Notes

Annual	Composite Annual Return (Gross)	Composite Annual Return (Net)	Benchmark Annual Returns	Composite Asset-Weighted Dispersion	3-Year Annualized Standard Deviation (Composite)	3-Year Annualized Standard Deviation (Benchmark)	Total Composite Assets (millions, EUR)	Total Firm Assets (millions, EUR)	Percentage of Firm Assets	# of Portfolios at End of Period (# of Entire Period)
12/31/2021	6.07%	4.79%	3.23%	NM	10.30%	9.23%	488	333,231	0.15%	1 (1)
12/31/2020	0.48%	-0.72%	2.85%	NM	10.55%	9.45%	455	271,925	0.17%	1 (1)
12/31/2019	11.55%	10.21%	10.74%	NM	3.71%	3.34%	514	284,521	0.18%	1 (1)
12/31/2018	-3.22%	-4.18%	-3.46%	NM	4.13%	3.99%	343	250,168	0.14%	1 (1)
12/31/2017 <sup>^</sup>	6.50%	5.43%	6.16%	NM	3.86%	4.66%	358	237,362	0.15%	1 (1)
12/31/2016 <sup>^</sup>	10.01%	8.91%	10.07%	NM	4.24%	4.74%	323	169,785	0.19%	1 (1)
12/31/2015 <sup>^</sup>	7.88%	6.81%	1.15%	NM	3.97%	4.28%	52	150,848	0.03%	1 (1)
12/31/2014 <sup>^</sup>	3.72%	2.68%	5.25%	NM	5.59%	4.83%	40	129,959	0.03%	1 (1)
12/31/2013 <sup>^</sup>	11.61%	10.50%	8.97%	NM	N/A	N/A	39	103,825	0.04%	1 (1)
12/31/2012 <sup>^</sup>	27.84%	26.56%	24.19%	NM	N/A	N/A	35	88,362	0.04%	1 (1)

Source: ICE BofA/Barrings

<sup>^</sup> All information for the periods indicated has not been examined by independent accountants.

NM The asset-weighted dispersion of five or fewer portfolios for the entire year is not meaningful.

## Compliance Statement:

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## Definition of the Firm:

Barrings, "Firm", provides investment management and advisory services to both institutional and individual clients. For purposes of compliance with the GIPS standards, the Firm defines itself as consisting of the portfolios that it manages directly. In 2017, the previous subsidiaries of Babson Capital Management, "Babson", including Babson, were consolidated under the Barrings name for Firm definition purposes. Those entities included Babson Capital Management LLC, Cornerstone Real Estate Advisers LLC, Baring Asset Management Limited, Babson Capital Europe and Wood Creek Capital Management LLC. In 2017, the firm assets represent the consolidated entity. Barrings, "Firm", excludes Barrings Shanghai and Baring Asset Management Korea Limited. Baring Asset Management Korea Limited independently claims compliance with the GIPS standards. Lists of composite descriptions, limited distribution pooled fund descriptions, and broad distribution pooled funds are available upon request.

## Policies:

The Firm's policies for valuing investments, calculating performance and preparing GIPS reports are available upon request.

## Composite Description:

Portfolios in this composite seek to provide investors with high current income generation, and where appropriate, capital appreciation. They will invest primarily in European High Yield Instruments, comprising High Yield fixed and floating rate Corporate Debt Instruments issued either by European corporations in any currency, or issued in a European currency by corporations established outside Europe and/or listed or traded on a Recognised Market in Europe. Non-Euro assets are hedged back into Euro's. This Composite was created in September 2017. The inception date of the Composite is 1st July 2011. Principal risks of the Composite Strategy include below investment grade risk, credit risk, market risk, liquidity risk, volatility risk and Interest Rate risk. Performance prior to 2017 represents results from Babson Capital Europe, a previous subsidiary of Babson Capital Management included within the Firm consolidation of 2017. The Firm Assets reflected prior to 2017 are Babson Capital Management.

## Benchmark:

ICE BofA European Currency Non Financial High Yield Constrained Index, hedged to EUR

## Fees:

Returns are presented gross of management fees, custodial fees, and withholding taxes, except for non-reclaimable taxes, but net of all trading expenses. Net of fee performance results are calculated by deducting from the gross monthly return using the highest fee charged ("Model Fee") for a member portfolio on an annual basis dedicated to this strategy during the periods presented. The annual Model Fee is raised to the power of one-twelfth to compute the monthly fee. The composite monthly gross return is reduced by this monthly fee to arrive at a composite return netted of investment advisory fees. Actual fees may depend on, among other things, the applicable fee schedule and portfolio size. Previous versions of the reports used the highest Institutional Fee charged as the Model Fee. Applicable Institutional Fees: 60bps

## Performance Results:

Results are calculated using a time-weighted total-rate-of-return formula. The composite is asset-weighted; individual portfolios are valued daily on a trade-date basis and include accrued income. The composite and benchmark results assume the reinvestment of distributions. Performance results include all portfolios under the Firm's management that meet the Composite Definition. A portfolio is included in the composite when it is deemed that the investments made by the investment advisor fully reflect the intended investment strategy. Past performance is not a guarantee of future performance.

## Assets, Composite Dispersion, Ex-Post Standard Deviation:

The asset base used to calculate the composite's percentage of Firm assets includes both discretionary and non-discretionary portfolios managed by the Firm, and also includes non-fee paying portfolios. The asset-weighted dispersion calculation measures the deviation of individual portfolio returns around the aggregate composite return. Only portfolios that have been managed for a full annual period have been included in the dispersion calculation. No Dispersion is reported for periods with five or fewer portfolios (shown as NM). The three-year annualized ex-post standard deviation of the composite gross return and benchmark are displayed above unless 36 monthly returns are not available (shown as N/A).

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# Emerging Markets Corporate Bond Composite Performance Notes

Annual	Composite Annual Return (Gross)	Composite Annual Return (Net)	Benchmark Annual Returns	Composite Asset-Weighted Dispersion	3-Year Annualized Standard Deviation (Composite)	3-Year Annualized Standard Deviation (Benchmark)	Total Composite Assets (millions, USD)	Total Firm Assets (millions, USD)	Percentage of Firm Assets	# of Portfolios at End of Period (# of Entire Period)
12/31/2020	14.24%	13.50%	7.13%	NM	12.90%	8.30%	65	332,646	0.02%	1 (1)
12/31/2019	15.68%	14.93%	13.09%	NM	3.81%	2.82%	57	319,147	0.02%	1 (1)
12/31/2018	-0.98%	-1.77%	-1.65%	NM	3.64%	3.39%	49	286,629	0.02%	1 (1)
12/31/2017	9.80%	8.70%	7.96%	NM	4.17%	3.70%	103	284,798	0.04%	1 (1)
12/31/2016	9.95%	8.85%	9.65%	NM	N/A	N/A	110	178,724	0.06%	1 (1)
12/31/2015	-0.37%	-1.36%	1.30%	NM	N/A	N/A	103	163,934	0.06%	1 (1)
12/31/2014**	1.86%	1.18%	1.31%	NM	N/A	N/A	105	157,257	0.07%	1 (1)

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NM The asset-weighted dispersion of five or fewer portfolios for the entire year is not meaningful.

\*\* Returns from composite inception date of May 01, 2014 to December 31, 2014

## Compliance Statement

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## Definition of the Firm

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## Policies

The Firm's policies for valuing investments, calculating performance and preparing GIPS reports are available upon request.

## Composite Description

The Barings Emerging Markets Corporate Debt Strategy (the Strategy) will seek maximum total return, consistent with preservation of capital and prudent investment management, by investing primarily in a diversified portfolio of hard currency investment grade and high yield senior unsecured bonds issued by EM companies. The Strategy's investment philosophy is to exploit market imperfections by seeking to identify favorable secular and cyclical credit stories, capitalizing on relative value opportunities, and avoiding credit events. The Barings Emerging Markets Corporate Debt investment team applies Barings' disciplined bottom-up approach to credit underwriting and structured evaluation of security selection opportunities to identify and act on inefficiencies as they are presented in the market. Derivative use within the composite membership incorporates certain options, futures contracts, options on futures contracts, forward contracts, swaps, caps, floors, collars, structured notes, indexed securities, options on indexed securities and other derivative instruments to modify risk exposures, such as duration, sector & issuer spread, term structure, and volatility. Derivative activity within the composite is not viewed as material. The composite was created in 2017. Inception date of the composite is 1st of May 2014. Principle risks include below investment grade, credit risk, market risk, liquidity risk, volatility risk and interest rate risk.

instruments to modify risk exposures, such as duration, sector & issuer spread, term structure, and volatility. Derivative activity within the composite is not viewed as material. The composite was created in 2017. Inception date of the composite is 1st of May 2014. Principle risks include below investment grade, credit risk, market risk, liquidity risk, volatility risk and interest rate risk.

## Benchmark

The J.P. Morgan Corporate Emerging Market Bond Index Broad Diversified (CEMBI BD), the common benchmark for EM corporate strategies, includes over 45 countries and over 500 issuers across 12 broadly defined industry sectors.

## Fees

Returns are presented gross of management fees, custodial fees, and withholding taxes, except for non-reclaimable taxes, but net of all trading expenses. Net of fee performance results are calculated by deducting from the gross monthly return using the highest Institutional fee charged ("Model Fee") for a member portfolio on an annual basis dedicated to this strategy during the periods presented. The annual Model Fee is raised to the power of one-twelfth to compute the monthly fee. The composite monthly gross return is reduced by this monthly fee to arrive at a composite return netted of investment advisory fees. Actual fees may depend on, among other things, the applicable fee schedule and portfolio size. Applicable Fees Inception - December 2017 100bps, January 2018 - December 2018 80bps, January 2019 forward: 65bps.

## Performance Results

Results are calculated using a time-weighted total-rate-of-return formula. The composite is asset-weighted; individual portfolios are valued daily on a trade-date basis and include accrued income. The composite and benchmark results assume the reinvestment of distributions. Performance results include all portfolios under the Firm's management that meet the Composite Definition. A portfolio is included in the composite when it is deemed that the investments made by the investment advisor fully reflect the intended investment strategy. Past performance is not a guarantee of future performance.

## Assets, Composite Dispersion, Ex-Post Standard Deviation

The asset base used to calculate the composite's percentage of Firm assets includes both discretionary and non-discretionary portfolios managed by the Firm, and also includes non-fee paying portfolios. The asset-weighted dispersion calculation measures the deviation of individual portfolio returns around the aggregate composite return. Only portfolios that have been managed for a full annual period have been included in the dispersion calculation. No Dispersion is reported for periods with five or fewer portfolios (shown as NM). The three-year annualized ex-post standard deviation of the composite gross return and benchmark are displayed above unless 36 monthly returns are not available (shown as N/A).

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As of September 30, 2022.

*For investment professionals only*

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adviser with the SEC (Baring International Investment Limited also relies on section 8.26 of NI 31-103 (international adviser exemption) and has filed the Form 31-103F2 in Quebec and Manitoba;

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Baring Asset Management Switzerland Sàrl, which is authorized by the Switzerland Financial Market Supervisory Authority to offer and/or distribute collective capital investments;

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Baring SICE (Taiwan) Limited, an independently operated business (Business license number: 2017 FSC-SICE- Xin- 002; Address: 21 F, No.333, Sec. 1 Keelung Road, Taipei 11012; Taiwan Contact telephone number: 0800 062 068); or

Baring Asset Management Korea Limited, which is authorized by the Korean Financial Services Commission to engage in collective investment business and is registered with the Korean Financial Services Commission to engage in privately placed collective investment business for professional investors, discretionary investment business and advisory business.

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As of September 30, 2022.

*For investment professionals only*

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