2023 ANNUAL REPORT

BARINGS
GLOBAL SHORT DURATION
HIGH YIELD FUND

Barings Global Short Duration High Yield Fund
c/o Barings LLC
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Suite 2500
Charlotte, NC 28202
704.805.7200
http://www.Barings.com/bgh

ADVISER
Barings LLC
300 S Tryon St.
Suite 2500
Charlotte, NC 28202

SUB-ADVISOR
Baring International Investment Limited
20 Old Bailey
London EC4M 78F UK

COUNSEL TO THE FUND
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New York, NY, 10036-6797

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
Deloitte & Touche LLP
30 Rockefeller Plaza
New York, NY 10112

CUSTODIAN
US Bank
MK-WI-S302
1555 N. River Center Drive
Milwaukee, WI 53212

TRANSFER AGENT & REGISTRAR
U.S. Bancorp Fund Services, LLC, d/b/a
U.S. Bank Global Fund Services
615 E. Michigan St.
Milwaukee, WI 53202

FUND ADMINISTRATION/ACCOUNTING
U.S. Bancorp Fund Services, LLC, d/b/a
U.S. Bank Global Fund Services
615 E. Michigan St.
Milwaukee, WI 53202

BGH
LISTED
NYSE

PROXY VOTING POLICIES & PROCEDURES
The Trustees of Barings Global Short Duration High Yield Fund (the “Fund”) have delegated proxy voting responsibilities relating to the voting of securities held by the Fund to Barings LLC (“Barings”). A description of Barings’ proxy voting policies and procedures is available (1) without charge, upon request, by calling, toll-free 1-866-399-1516; (2) on the Fund’s website at http://www.barings.com/bgh; and (3) on the U.S. Securities and Exchange Commission’s (“SEC”) website at http://www.sec.gov.

FORM N-PORT PART F
The Fund will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Part F of Form N-PORT. This information is available (1) on the SEC’s website at http://www.sec.gov; and (2) at the SEC’s Public Reference Room in Washington, DC (which information on their operation may be obtained by calling 1-800-SEC-0330). A complete schedule of portfolio holdings as of each quarter-end is available on the Fund’s website at http://www.barings.com/bgh or upon request by calling, toll-free, 1-866-399-1516.

CERTIFICATIONS
The Fund’s President has submitted to the NYSE the annual CEO Certification as required by Section 303A.12(a) of the NYSE Listed Company Manual.

LEGAL MATTERS
The Fund has entered into contractual arrangements with an investment adviser, transfer agent and custodian (collectively “service providers”) who each provide services to the Fund. Shareholders are not parties to, or intended beneficiaries of, these contractual arrangements, and these contractual arrangements are not intended to create any shareholder right to enforce them against the service providers or to seek any remedy under them against the service providers, either directly or on behalf of the Fund.

Under the Fund’s Bylaws, any claims asserted against or on behalf of the Fund, including claims against Trustees and officers must be brought in courts located within the Commonwealth of Massachusetts.

The Fund’s registration statement and this shareholder report are not contracts between the Fund and its shareholders and do not give rise to any contractual rights or obligations or any shareholder rights other than any rights conferred explicitly by federal or state securities laws that may not be waived.

OFFICERS OF THE FUND

Sean Feeley
President

Christopher Hanscom
Chief Financial Officer

Andrea Nitzan
Treasurer

Gregory MacCordy
Chief Compliance Officer

Ashlee Steinnerd
Chief Legal Officer

Alexandra Pacini
Secretary

Matthew Curtis
Tax Officer

Barings Global Short Duration High Yield Fund is a closed-end investment company, first offered to the public in 2012, whose shares are traded on the New York Stock Exchange.

INVESTMENT OBJECTIVE & POLICY

Barings Global Short Duration High Yield Fund (the "Fund") was organized as a business trust under the laws of the Commonwealth of Massachusetts. The Fund is registered under the Investment Company Act of 1940, as amended, as a de facto diversified, closed-end management investment company with its own investment objective. The Fund's common shares are listed on the New York Stock Exchange under the symbol "BGH".

The Fund's primary investment objective is to seek as high a level of current income as the Adviser (as defined herein) determines is consistent with capital preservation. The Fund seeks capital appreciation as a secondary investment objective when consistent with its primary investment objective. There can be no assurance that the Fund will achieve its investment objectives.

The Fund seeks to take advantage of inefficiencies between geographies, primarily the North American and Western European high yield bond and loan markets and within capital structures between bonds and loans. For example, the Fund seeks to take advantage of differences in pricing between bonds and loans of an issuer denominated in U.S. dollars and substantially similar bonds and loans of the same issuer denominated in Euros, potentially allowing the Fund to achieve a higher relative return for the same credit risk exposure.

Dear Fellow Shareholders,

We present the 2023 Annual Report for the Barings Global Short Duration High Yield Fund (the "Fund") to recap portfolio performance and positioning. We believe our Global High Yield Investments Group is one of the largest teams in the market primarily focused on North American and Western European credit. Utilizing the Group's unparalleled expertise, deep resources and time-tested process, we believe we can provide investors with an attractive level of current income while navigating the challenging times that may still lie ahead and continuing to uncover compelling opportunities across the global high yield market.

The Fund's strategy focuses primarily on North American and Western European high yield companies, with the flexibility to dynamically shift the geographic weighting in order to capture, in our opinion, the best risk-adjusted investment opportunities. Inflationary, economic, and geopolitical dynamics are poised to evolve in coming periods, and Barings' global capabilities on the ground in major markets allow for us to be nimble in these times and take advantage of unique opportunities as they arise. In addition, the strategy focuses closely on limiting the duration of the Fund, while maintaining what we consider to be a reasonable amount of leverage.

Market Review

After a challenging 2022, an improved market environment supported strong absolute returns across fixed income markets in 2023. A supportive macroeconomic backdrop drove spreads tighter, while moderating inflation in the second half of the year led government rates lower, reversing a primary headwind from the preceding 18 months. Returns were particularly strong in the fourth quarter, as nearly half of the 13.6% total return of the global high yield bond market generated in this period through both the tailwind of lower interest rates as well as spread compression. While corporate fundamentals in both the U.S. and Europe moderated from record high levels, earnings continued to beat forecasts.

Credit spreads in the U.S. peaked at 516 bps in the first quarter following stress in the regional banking system, before rallying through the remainder of the year to close at 323 bps. Similarly, index yields reached a low of 7.6% at year-end, driven by the decline in base rates. While all sectors generated strong absolute returns, pro-cyclical parts of the market, such as Leisure, led the way. Triple-C rated assets also outperformed given spread compression as well as reduced exposure to interest rates. New issuance of $190 bn increased from the prior year but remained muted versus historical levels. European markets experienced similar dynamics. The option-adjusted spread for the European market tightened 123 bps to close at 422 bps, while yield-to-worst fell 128 bps to 6.88%. New issue activity totaled €57 billion for the year.

Barings Global Short Duration High Yield Fund Overview and Performance

The Fund ended December 2023 with a portfolio of 191 issuers, slightly above prior year-end levels of 174. From a regional perspective, exposure remained relative similar from the prior year-end, with exposure to the United States decreasing to 80.1% from 81.4; the United Kingdom remains the second largest exposure at 6.6% (See Country Composition chart below). The Fund's exposure to Rest of World issuers, whose country of risk is outside of the U.S. and Europe but fit within the Fund's developed market focus, increased from the previous year-end to 5.9% from 4.2%. The Fund's primary exposure continues to be in the North American market, which features the most robust opportunity set across fixed income markets.

As of December 31, 2023, the Fund's positioning across the credit quality spectrum was as follows: 45.1% double-B rated and above, 31.6% single-B rated, and 21.3% triple-C rated and below, with approximately 36% of the portfolio consisting of secured obligations. Compared to the end of the prior period, the Fund's exposure to higher-rated credits increased, primarily sourced from lower-rated triple-C and below securities. Non-publicly rated securities represented 2.1%.[1]

The distribution per share was constant throughout the year at $0.1056 per share in addition to a onetime special dividend payment of $0.1666 per share in August. The special dividend was paid to allow the Fund to meet its 2022 distribution requirements as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended. The Fund's share price and net asset value ("NAV") ended the reporting period at $15.20 and $13.44, respectively, or at an 11.6% discount to NAV. Based on the Fund's share price and NAV on December 31, 2023, the Fund's market price and NAV distribution rates—using the most recent monthly dividend, on an annualized basis—were 9.43% and 8.30%, respectively. Assets acquired through leverage, which represented 25.7% of the Fund's total assets at the end of December, were accretive to net investment income and benefited shareholders.

For fiscal year 2023, the NAV total return for the Fund was 19.23%, outperforming the global high yield bond market, as measured by the ICE Bank of America Non-Financial Developed Markets High Yield Constrained Index (HNDC), which returned 13.60% on a hedged to the U.S. dollar basis. From a market value perspective, the total return year-to-date through December 31, 2023, was 18.09%.[2] Performance during the year was driven by strong credit selection and overweight allocations in Energy and an underweight allocation in Media & Broadcasting. The Fund's floating rate exposure through allocations to second lien senior secured loans and collateralized loan obligations continued to benefit in the high-income capture in the current interest rate environment.

Market Outlook

Despite a strong rebound in 2023, value remains in the high yield market. While current spread levels are tight and may move wider should the macroeconomic environment deteriorate beyond expectations, a significant discount to par remains priced and provides potential for strong prospective total returns. In addition, investors demonstrated a willingness throughout 2023 to support the asset class at elevated yield levels and we expect this support to continue in the new year, providing a backstop for spread widening. Finally, while maturity walls inch closer, capital markets should be receptive considering the higher-quality nature of near-term debt and minimal distress priced into markets.

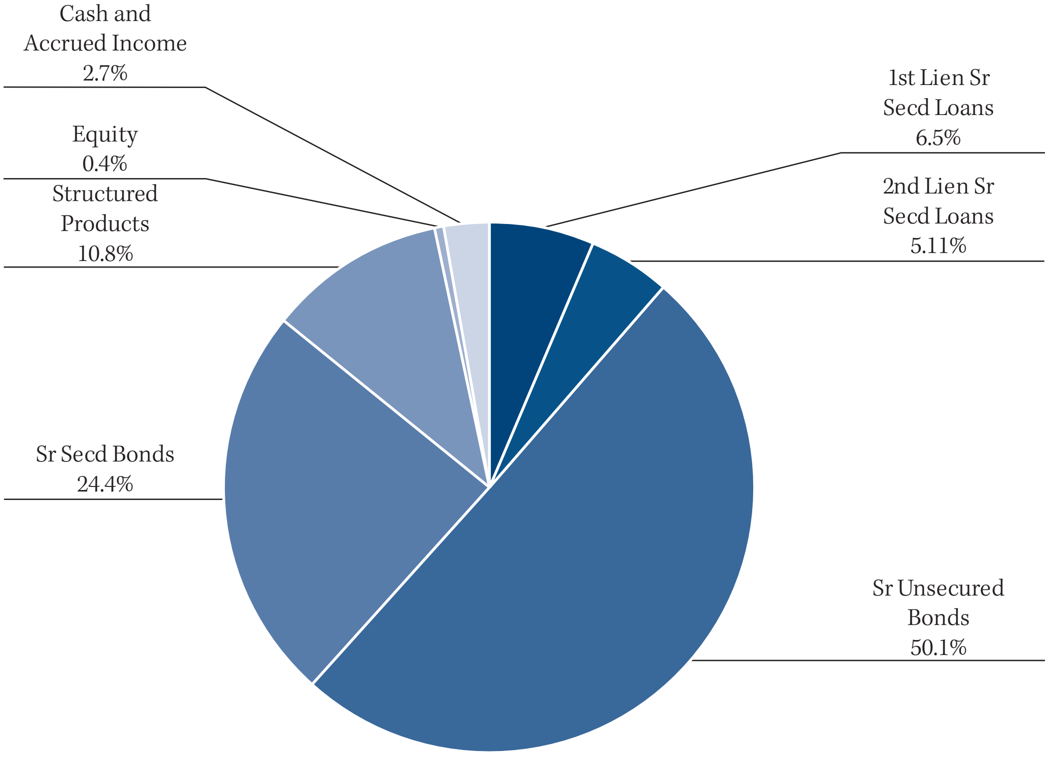
At Barings, we remain committed to focusing on corporate fundamentals as market sentiment can change quickly and unexpectedly. Our focused and disciplined approach emphasizes our fundamental bottom-up research, with the goal of preserving investor capital while seeking to capture attractive capital appreciation opportunities that may exist through market and economic cycles. On behalf of the Barings team, we continue to take a long-term view of investing despite the recent economic challenges and look forward to helping you achieve your investment goals.

Sincerely,

Sean Feeley

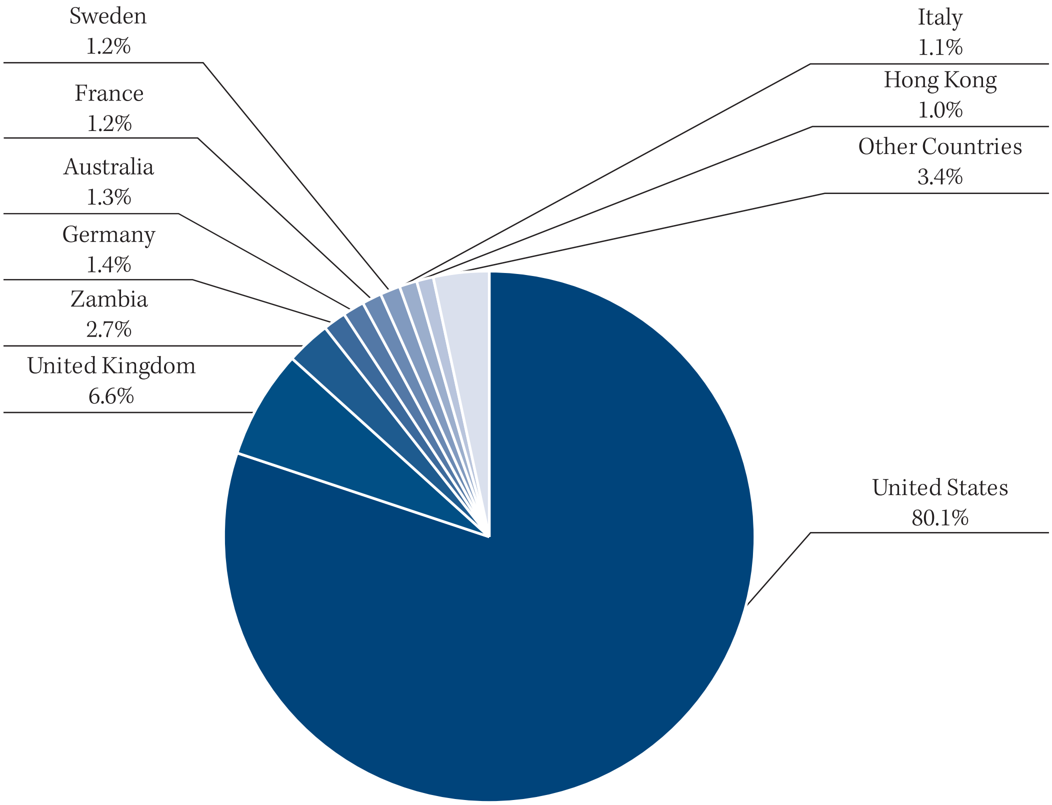
1. Ratings are based on Moody's, S&P and Fitch. If securities are rated differently by the rating agencies, the higher rating is applied and all ratings are converted to the equivalent Moody's major rating category for purposes of the category shown. Credit ratings are based largely on the rating agency's investment analysis at the time of rating and the rating assigned to any particular security is not necessarily a reflection of the issuer's current financial condition. The rating assigned to a security by a rating agency does not necessarily reflect its assessment of the volatility of the security's market value or of the liquidity of an investment in the security. Ratings of Baa3 or higher by Moody's and BBB- or higher by S&P and Fitch are considered to be investment grade quality.
2. **Past performance is not necessarily indicative of future results. Current performance may be lower or higher.** All performance is net of fees, which is inclusive of advisory fees, administrator fees and interest expenses.

PORTFOLIO COMPOSITION (% OF ASSETS*)

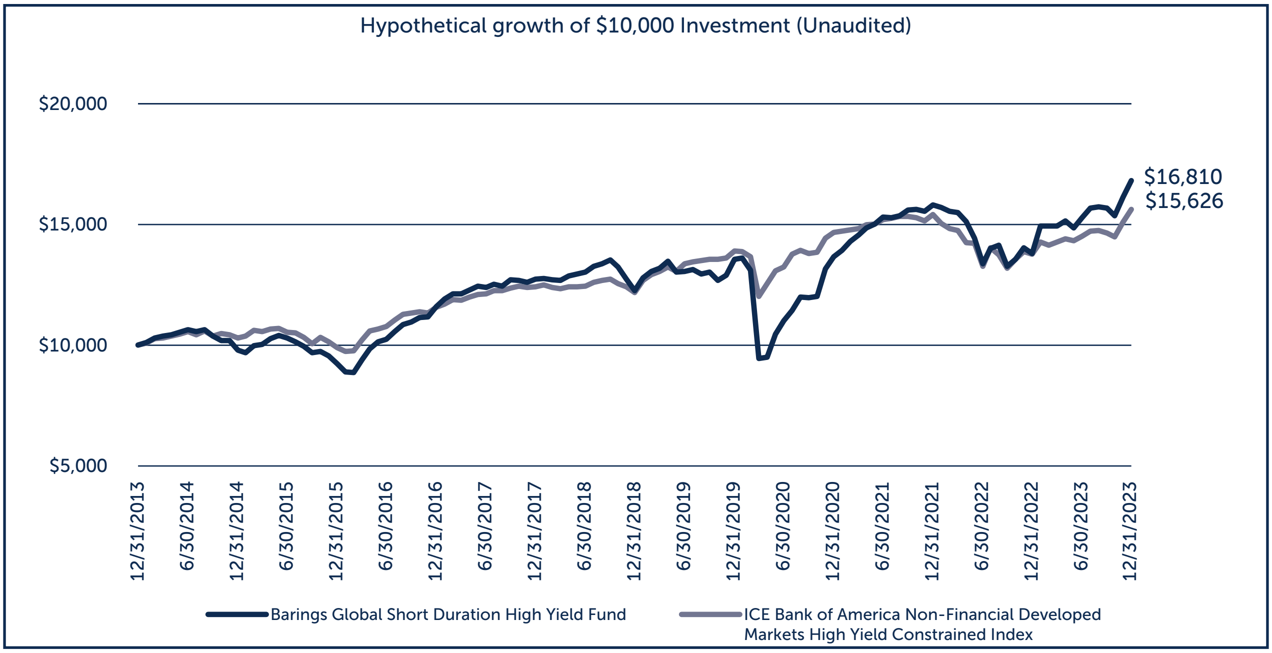


* The percentages shown above represent a percentage of the assets as of December 31, 2023.

COUNTRY COMPOSITION (% OF ASSETS*)



* The percentages shown above represent a percentage of the assets as of December 31, 2023.



AVERAGE ANNUAL RETURNS DECEMBER 31, 2023	1 YEAR	5 YEAR	10 YEAR
Barings Global Short Duration High Yield Fund (BGH)	18.09%	6.29%	4.69%
ICE Bank of America Non-Financial Developed Markets High Yield Constrained Index (HNDC)	13.60%	4.65%	5.63%

Data for Barings Global Short Duration High Yield Fund (the "Fund") represents returns based on the change in the Fund's net asset value assuming the reinvestment of all dividends and distributions. These returns differ from the total investment return based on market value of the Fund's shares due to the difference between the Fund's net asset value of its shares outstanding (See the Fund's Financial Highlights within this report for total investment return based on market value). Past performance is no guarantee of future results.

ICE Bank of America Non-Financial Developed Markets High Yield Constrained Index (HNDC) contains all securities in the ICE Bank of America Global High Yield Index that are non-financials and from developed markets countries, but caps issuer exposure at 2%. Developed markets is defined as an FX G10 member, a Western European nation, or a territory of the U.S. or a Western European nation. Indices are unmanaged. It is not possible to invest directly in an index.

The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of the Fund shares.

FINANCIAL REPORT

STATEMENT OF ASSETS AND LIABILITIES

	DECEMBER 31, 2023
Assets	
Investments, at fair value (cost $434,470,378)	$ 402,010,748
Cash and cash equivalents	14,287,905
Foreign currency, at fair value (cost $353,640)	363,876
Interest receivable	9,019,428
Receivable for investments sold	1,730,229
Prepaid expenses and other assets	79,506
Total assets	427,491,692
Liabilities	
Credit facility	109,500,000
Payable for investments purchased	7,628,999
Dividend payable	2,118,791
Payable to adviser	294,057
Excise tax payable on undistributed income	1,038,466
Unrealized depreciation on forward foreign exchange contracts	1,043,070
Accrued expenses and other liabilities	885,053
Total liabilities	122,508,436
Total net assets	$ 304,983,256
Net assets:	
Common shares, $0.00001 par value	$ 201
Additional paid-in capital	465,778,590
Total accumulated loss	(160,795,535)
Total net assets	$ 304,983,256
Common shares issued and outstanding (unlimited shares authorized)	20,064,313
Net asset value per share	$ 15.20

See accompanying Notes to the Financial Statements.

STATEMENT OF OPERATIONS

	YEAR ENDED DECEMBER 31, 2023
Investment Income	
Interest income	$ 40,916,370
Dividend income (net of foreign taxes withheld of $55)	87,862
Other income	2,988
Total investment income	41,007,220
Operating Expenses	
Interest expense	6,105,722
Advisory fees	3,401,105
Accounting and administration fees	444,469
Other operating expenses	225,706
Professional fees	284,171
Trustee fees	126,250
Excise tax on undistributed income	1,038,466
Total expenses	11,625,889
Net investment income	29,381,331
Realized losses and unrealized appreciation/depreciation on investments and foreign currency related transactions	
Net realized loss on investments	(13,785,967)
Net realized loss on forward foreign exchange contracts	(116,212)
Net realized loss on foreign currency related transactions	(432,359)
Net realized loss on investments, forward foreign exchange contracts and foreign currency transactions	(14,334,538)
Net change in unrealized appreciation/depreciation on investments	33,510,950
Net change in unrealized appreciation/depreciation on forward foreign exchange contracts	(839,727)
Net change in unrealized appreciation/depreciation on foreign currency transactions	(20,089)
Net change in unrealized appreciation/depreciation on investments, forward foreign exchange contracts and foreign currency transactions	32,651,134
Net realized loss and unrealized appreciation/depreciation on investments and foreign currency transactions	18,316,596
Net increase in net assets resulting from operations	$ 47,697,927

See accompanying Notes to the Financial Statements.

STATEMENT OF CASH FLOWS

	YEAR ENDED DECEMBER 31, 2023
Cash flows from operating activities	
Net increase in net assets resulting from operations	$ 47,697,927
Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities:	
Purchases of long-term investments	(203,761,227)
Proceeds from sales of long-term investments	197,716,353
Proceeds from short-term investments	15,000,000
Net change in unrealized appreciation on investments	(33,510,950)
Net change in unrealized depreciation on foreign currency transactions	20,089
Net realized loss on investments	12,731,850
Net realized loss on forward foreign exchange contracts	116,212
Net realized loss on foreign currency related transactions	432,359
Amortization and accretion	(1,719,158)
Net change in unrealized depreciation on forward foreign exchange contracts	839,727
Changes in assets and liabilities:	
Increase in interest and dividend receivable	(180,976)
Increase in prepaid expenses and other assets	(52,485)
Increase in payable to Adviser	4,632
Increase in excise tax payable on undistributed income	20,988
Decrease in accrued expenses and other liabilities	(28,938)
Net cash provided by operating activities	**35,326,403**
Cash flows from financing activities	
Advances from credit facility	19,000,000
Repayments on credit facility	(18,000,000)
Distributions paid to common shareholders	(28,756,173)
Net cash used in financing activities	**(27,756,173)**
Net change in cash and cash equivalents	7,570,230
Cash and cash equivalents (including foreign currency), beginning of year	7,081,551
Cash and cash equivalents (including foreign currency), end of year	**$ 14,651,781**
Supplemental disclosure of cash flow information	
Excise taxes paid	$ 1,017,478
Interest paid	6,000,128

See accompanying Notes to the Financial Statements.

STATEMENTS OF CHANGES IN NET ASSETS

	YEAR ENDED DECEMBER 31, 2023	YEAR ENDED DECEMBER 31, 2022
Operations		
Net investment income	$ 29,381,331	$ 29,393,217
Net realized loss on investments, forward foreign exchange contracts and foreign currency transactions	(14,334,538)	(8,537,949)
Net change in unrealized appreciation/depreciation on investments, forward foreign exchange contracts and foreign currency translation	32,651,134	(68,060,177)
Net increase (decrease) in net assets resulting from operations	47,697,927	(47,204,909)
Distributions to common shareholders		
From distributable earnings	(28,756,173)	(25,425,498)
Total Distributions to common shareholders	(28,756,173)	(25,425,498)
Total increase (decrease) in net assets	18,941,754	(72,630,407)
Net assets		
Beginning of year	286,041,502	358,671,909
End of year	$304,983,256	$286,041,502

See accompanying Notes to the Financial Statements.

FINANCIAL HIGHLIGHTS

	YEAR ENDED DECEMBER 31, 2023	YEAR ENDED DECEMBER 31, 2022	YEAR ENDED DECEMBER 31, 2021	YEAR ENDED DECEMBER 31, 2020	YEAR ENDED DECEMBER 31, 2019
Per Common Share Data					
Net asset value, beginning of year	$ 14.26	$ 17.88	$ 16.68	$ 18.32	$ 18.28
Income from investment operations:					
Net investment income	1.49	1.46	1.72	1.59	1.87
Net realized gain (loss) and unrealized appreciation/ depreciation on investments and foreign currency transactions	0.88	(3.81)	0.75	(1.86)	(0.05)
Total increase (decrease) from investment operations	2.37	(2.35)	2.47	(0.27)	1.82
Less distributions to common stockholders:					
Net investment income	(1.43)	(1.27)	(1.27)	(1.37)	(1.78)
Total distributions to common stockholders	(1.43)	(1.27)	(1.27)	(1.37)	(1.78)
Net asset value, end of year	$ 15.20	$ 14.26	$ 17.88	$ 16.68	$ 18.32
Per common share market value, end of year	$ 13.44	$ 12.68	$ 17.34	$ 15.09	$ 17.53
Total investment return based on net asset value (1)	19.23 %	(12.88)%	15.71%	0.79%	10.77 %
Total investment return based on market value (1)	18.09 %	(19.98)%	23.97%	(4.65)%	21.45 %
Supplemental Data and Ratios					
Net assets, end of year (000's)	$304,983	$286,042	$358,672	$334,576	$367,649
Ratio of expenses (before reductions and reimbursements) to average net assets	3.95 %	2.73%	2.17%	2.32%	3.00 %
Ratio of expenses (after reductions and reimbursements) to average net assets	3.95 %	2.60%	1.95%	2.23%	3.00 %
Ratio of net investment income (before reductions and reimbursements) to average net assets	9.98 %	9.17%	8.54%	10.53%	10.22 %
Ratio of net investment income (after reductions and reimbursements) to average net assets	9.98 %	9.31%	8.76%	10.61%	10.22 %
Portfolio turnover rate	49.94%	34.04%	52.08%	42.21%	52.25 %

(1) Total investment return calculation assumes reinvestment of dividends at actual prices pursuant to the Fund's dividend reinvestment plan. Total investment return does not reflect brokerage commissions.

See accompanying Notes to the Financial Statements.

SCHEDULE OF INVESTMENTS

December 31, 2023

	SHARES	COST	FAIR VALUE
Equities* — 0.60%:			
Common Stocks — 0.56%:			
Flint Group Ordinary A Shares Stapled to 2L¤+	1,395,572	$149	$0
ESC CB 144A High Ridge	2,982	0	0
KCA Deutag Ordinary A Shares	25,580	1,103,387	1,711,302
Travelex Private Equity Stapled to 12.5% New Money Notes¤+	16,764	1	0
Naviera Armas Class B2 Shares Stapled to 1.5L SSNS¤+	169	0	0
Naviera Armas Class B3 Shares¤+	1,194	0	0
Naviera Armas Class A3 Shares¤+	937	0	0
Naviera Armas Class A2 Shares Stapled to 1.5L SSNS¤+	133	0	0
Total Common Stocks	1,443,331	1,103,537	1,711,302
Warrant — 0.04%:			
Travelex Topco Limited+	2,218	0	113,087
Total Warrant	2,218	0	113,087
Total Equities	1,445,549	1,103,537	1,824,389

	EFFECTIVE INTEREST RATE ‡	DUE DATE	PRINCIPAL	COST	FAIR VALUE
Fixed Income — 131.21%:					
Asset-Backed Securities — 14.55%:					
CDO/CLO — 14.55%:					
610 FDG 2016-2R CLO LTD, 3M SOFR + 7.250%+~^#	12.93%	1/20/2034	$1,550,000	$1,534,190	$1,483,386
Anchorage Capital 2016-9A ER2, 3M SOFR + 6.820%+~^#	12.48	7/15/2032	1,500,000	1,485,000	1,466,607
Anchorage Capital CLO LTD 2013-1R, 3M SOFR + 6.800%+~^#	12.46	10/13/2030	1,000,000	977,213	1,000,235
Anchorage Capital CLO LTD 2021-20 E, 3M SOFR + 7.350%+~^#	13.03	1/20/2035	1,000,000	980,000	940,113
Ares CLO LTD 2013-27R2, 3M SOFR + 6.750%+~^#	12.40	10/28/2034	1,700,000	1,683,000	1,679,802
Bain CAP CR CLO 2020-2R LTD, 3M SOFR + 6.610%+~^#	12.27	7/19/2034	1,000,000	990,000	930,152
Ballyrock CLO LTD 2019-2R, 3M SOFR + 6.500%+~^#	12.13	11/20/2030	2,000,000	2,000,000	2,000,100
BlueMountain CLO LTD 2018-23A, 3M SOFR + 5.650%+~^#	11.33	10/20/2031	1,000,000	1,000,000	953,055
Canyon CLO LTD 2019-2R, 3M SOFR + 6.750%+~^#	12.41	10/15/2034	1,000,000	1,000,000	950,629
Carbone CLO, LTD 2017-1A, 3M SOFR + 5.900%+~^#	11.58	1/20/2031	750,000	750,000	723,648
Carlyle US CLO LTD 2019-3R, 3M SOFR + 6.750%+~^#	12.43	10/20/2032	1,000,000	1,000,000	997,196

See accompanying Notes to the Financial Statements.

SCHEDULE OF INVESTMENTS (CONTINUED)

December 31, 2023

	EFFECTIVE INTEREST RATE ‡	DUE DATE	PRINCIPAL	COST	FAIR VALUE
Asset-Backed Securities (Continued)					
CDO/CLO — (Continued)					
Carlyle Global Market Strategies 2017-5A, 3M SOFR + 5.300%+~^#	10.98%	1/20/2030	$700,000	$700,000	$641,103
CIFC Funding 2020-1 LTD, 3M SOFR + 6.250%+~^#	11.91	7/15/2036	1,900,000	1,900,000	1,878,566
Galaxy CLO LTD 2017-24A, 3M SOFR + 5.500%+~^#	11.16	1/15/2031	1,000,000	1,000,000	950,153
GoldenTree Loan Management 2018-3A, 3M SOFR + 6.500%+~^#	12.18	4/20/2030	1,500,000	1,471,617	1,253,293
GoldenTree Loan Opportunities XI LTD 2015-11A, 3M SOFR + 5.400%+~^#	11.06	1/18/2031	500,000	500,000	492,522
KKR Financial CLO LTD 2017-20, 3M SOFR + 5.500%+~^#	11.16	10/16/2030	1,500,000	1,500,000	1,402,443
KKR Financial CLO LTD 34-2, 3M SOFR + 6.850%+~^#	12.51	7/15/2034	2,000,000	1,980,000	1,928,814
KVK 2016-1A ER2, 3M SOFR + 7.350%+~^#	13.01	10/15/2034	3,000,000	2,970,000	2,483,400
LCM LTD 2031-30, 3M SOFR + 6.500%+~^#	12.18	4/20/2031	1,100,000	1,100,000	1,054,560
Madison Park Funding LTD 2015-19A, 3M SOFR + 4.350%+~^#	10.02	1/22/2028	1,000,000	1,000,000	1,000,000
Madison Park Funding LTD 2018-29A, 3M SOFR + 7.570%+~^	13.23	10/18/2030	2,000,000	1,960,000	1,886,678
Madison Park Funding LTD XXXV 2019-35R E-R, 3M SOFR + 6.100%+~^#	11.78	4/20/2032	1,400,000	1,400,000	1,399,951
Madison Park Funding LTD 2019-32R E-R, 3M SOFR + 6.200%+~^#	11.87	1/22/2031	1,000,000	1,000,000	999,074
Magnetite CLO LTD 2016-18A, 3M SOFR + 7.600%+~^#	13.24	11/15/2028	1,400,000	1,386,000	1,341,080
Octagon 2021-57 LTD, 3M SOFR + 6.600%+~^#	12.26	10/15/2034	1,500,000	1,500,000	1,456,252
OHA Credit Partners LTD 2015-11A, 3M LSOFR + 7.900%+~^#	13.58	1/20/2032	2,000,000	1,970,323	1,827,162
OHA Loan Funding LTD 2013-1A, 3M SOFR + 7.900%+~^#	13.57	7/23/2031	1,500,000	1,477,500	1,461,349
Sound Point CLO XVIII 2018-18D, 3M SOFR + 5.500%+~^#	11.18	1/21/2031	2,000,000	2,000,000	1,341,486
Sound Point CLO LTD 2020-27R, 3M SOFR + 6.560% E-R+~^#	12.20	10/25/2034	1,400,000	1,372,000	1,198,431
Sound Point CLO LTD Series 2020-1A Class ER, 3M SOFR + 6.860%+~^#	12.54	7/20/2034	1,600,000	1,584,000	1,376,813
TICP CLO LTD 2018-10A, 3M SOFR + 5.500%+~^#	11.18	4/20/2031	1,000,000	966,216	962,019
Wellfleet CLO LTD 2017-3A, 3M SOFR + 5.550%+~^#	11.21	1/17/2031	1,500,000	1,500,000	1,143,091

See accompanying Notes to the Financial Statements.

SCHEDULE OF INVESTMENTS (CONTINUED)

December 31, 2023

	EFFECTIVE INTEREST RATE ‡	DUE DATE	PRINCIPAL	COST	FAIR VALUE
Asset-Backed Securities (Continued)					
CDO/CLO — (Continued)					
Wind River 2017-1A ER, 3M SOFR + 7.060%+~^#	12.72%	4/18/2036	$2,000,000	$1,960,000	$1,784,024
Total CDO/CLO			48,000,000	47,597,059	44,387,187
Total Asset-Backed Securities			48,000,000	47,597,059	44,387,187
Bank Loans§ — 15.76%:					
Beverage, Food and Tobacco — 0.73%:					
8th Avenue Food & Provisions, 3M SOFR + 7.7500%~	13.22	10/1/2026	368,204	256,941	290,653
Dessert Holdings, 3M SOFR + 7.2500%~	12.71	6/8/2029	1,000,000	982,700	835,000
Florida Food Products 2nd Lien T/L, 3M SOFR + 8.0000%¤~	13.46	10/18/2029	1,500,000	1,463,333	1,095,000
Total Beverage, Food and Tobacco			2,868,204	2,702,974	2,220,653
Broadcasting and Entertainment — 0.48%:					
Learfield Communications, Inc., 3M SOFR + 5.5000%	10.85	6/30/2028	1,524,000	1,466,850	1,466,850
Total Broadcasting and Entertainment			1,524,000	1,466,850	1,466,850
Cargo Transport — 0.83%:					
Worldwide Express 2nd Lien T/L, 3M SOFR + 7.0000%~	12.50	7/26/2029	3,000,000	2,955,227	2,535,000
Total Cargo Transport			3,000,000	2,955,227	2,535,000
Chemicals, Plastics and Rubber — 0.38%:					
Flint Group 2L, 3M EURIBOR + 6.9000% PIK and 0.1000% Cash~¤+	10.93	12/31/2027	1,544,116	265,461	154,412
LSF 11 A5 Holdco LLC, 3M SOFR + 3.5000%~	8.96	9/29/2028	994,937	988,718	995,564
Total Chemicals, Plastics and Rubber			2,539,053	1,254,179	1,149,976
Diversified/Conglomerate Manufacturing — 1.78%:					
Belfor, 3M SOFR + 3.7500%~	9.10	10/31/2030	813,954	805,814	815,484
CP Iris Holdco I 2nd Lien T/L (IPS), 3M SOFR + 7.0000%~	12.45	9/21/2029	2,398,019	2,374,039	2,152,222
SunSource, Inc., 3M SOFR + 8.0000%~	13.45	4/30/2026	2,500,000	2,507,245	2,468,750
Total Diversified/Conglomerate Manufacturing			5,711,973	5,687,098	5,436,456
Diversified/Conglomerate Service — 1.91%:					
Evertec, 3M SOFR + 3.5000%¤~	8.85	10/31/2030	1,983,471	1,953,719	1,985,950
Internet Brands, Inc., 3M SOFR + 4.2500%~	9.60	4/20/2028	1,423,706	1,383,168	1,397,410
Quest Software, 3M SOFR + 7.5000%~	9.77	1/19/2029	724,620	515,339	550,508
Quest Software, 3M SOFR + 7.5000%~	13.18	1/18/2030	879,573	868,578	519,572
Sonicwall, Inc., 3M SOFR + 7.5000%~	13.01	5/18/2026	1,506,038	1,498,508	1,369,079
Total Diversified/Conglomerate Service			6,517,408	6,219,312	5,822,519

See accompanying Notes to the Financial Statements.

SCHEDULE OF INVESTMENTS (CONTINUED)

December 31, 2023

	EFFECTIVE INTEREST RATE ‡	DUE DATE	PRINCIPAL	COST	FAIR VALUE
Bank Loans§ (Continued)					
Ecological — 0.39%:					
Patriot Container 2nd Lien T/L, 3M SOFR + 7.7500%~	13.20%	3/20/2026	$1,400,000	$1,346,008	$1,204,000
Total Ecological			1,400,000	1,346,008	1,204,000
Electronics — 1.44%:					
McAfee Enterprise 2nd Lien T/L, 3M SOFR + 8.2500%~	13.89	5/3/2029	11,567,000	11,488,073	4,395,460
Total Electronics			11,567,000	11,488,073	4,395,460
Finance — 1.02%:					
Cetera Financial Group, 3M SOFR + 4.5000%~	10.06	8/9/2030	1,963,922	1,905,454	1,959,680
GIP Pilot Acquisition Partners, L.P., 3M SOFR + 3.0000%~	8.39	9/30/2030	1,166,975	1,161,140	1,166,006
Total Finance			3,130,897	3,066,594	3,125,686
Healthcare, Education and Childcare — 1.72%:					
Bausch Health Cos Inc., 3M SOFR + 4.0000%~	9.35	9/14/2028	3,145,034	3,113,584	3,133,240
LifePoint Health, 3M SOFR + 5.5000%~	11.17	11/16/2028	876,552	875,457	872,827
Medical Solutions T/L, 3M SOFR + 7.0000%~	12.52	9/22/2027	1,473,684	1,458,947	1,236,053
Total Healthcare, Education and Childcare			5,495,270	5,447,988	5,242,120
Hotels, Motels, Inns and Gaming — 0.61%:					
Four Seasons Holdings, Inc., 3M SOFR + 3.2500%~	7.92	11/30/2029	1,851,439	1,824,564	1,856,530
Total Hotels, Motels, Inns and Gaming			1,851,439	1,824,564	1,856,530
Machinery Non-Agricultural, Non-Construction, Non-Electronic — 0.50%:					
Barnes Group, Inc., 3M SOFR + 3.0000%~	8.45	8/12/2030	1,520,767	1,510,424	1,523,808
Total Machinery Non-Agricultural, Non-Construction, Non-Electronic			1,520,767	1,510,424	1,523,808
Mining, Steel, Iron and Non Precious Metals — 0.38%:					
Arsenal AIC Parent LLC, 3M SOFR + 4.5000%~	9.85	7/26/2030	1,151,700	1,140,183	1,154,936
Total Mining, Steel, Iron and Non Precious Metals			1,151,700	1,140,183	1,154,936
Packaging and Containers — 0.99%:					
Pretium Package Holdings 2nd Lien T/L (9/21), 3M SOFR + 6.7500%~	12.21	9/21/2029	2,770,637	2,763,527	1,035,027
Valcour Packaging (MOLD-RITE) 2nd Lien T/L, 3M SOFR + 7.0000%~	12.46	9/30/2029	5,000,000	4,950,000	1,975,000
Total Packaging and Containers			7,770,637	7,713,527	3,010,027
Personal Transportation — 0.05%:					
Anarafe SLU Facility C, 3M EURIBOR + 10.0000% Cash, 5.00% PIK¤+~	15.00	6/30/2025	40,015	43,465	41,966

See accompanying Notes to the Financial Statements.

SCHEDULE OF INVESTMENTS (CONTINUED)

December 31, 2023

	EFFECTIVE INTEREST RATE ‡	DUE DATE	PRINCIPAL	COST	FAIR VALUE
Bank Loans§ (Continued)					
Personal Transportation — (Continued)					
Anarafe SLU Facility F, 3M EURIBOR + 10.0000% Cash, 5.00% PIK¤+~	15.00%	6/30/2025	$88,869	$88,888	$85,059
Anarafe SLU Facility A, 3M EURIBOR + 10.0000% Cash, 5.00% PIK¤+~	15.00	6/30/2025	19,213	19,896	20,149
Total Personal Transportation			148,097	152,249	147,174
Printing and Publishing — 0.30%:					
Nielsen Holdings Ltd., 3M SOFR + 5.0000%~	10.40	4/11/2029	993,758	903,317	905,562
Total Printing and Publishing			993,758	903,317	905,562
Telecommunication — 1.58%:					
BMC Software, 3M SOFR + 4.2500%~	9.60	12/31/2028	3,816,155	3,798,619	3,838,098
BMC Software~	10.40	6/28/2029	1,000,000	987,126	990,630
Total Telecommunication			4,816,155	4,785,745	4,828,728
Utilities — 0.67%:					
Invenergy Thermal Operating I LLC, 3M SOFR + 4.5000%~	9.93	8/4/2029	1,881,912	1,844,489	1,879,560
Invenergy Thermal Operating I LLC, 3M SOFR + 4.5000%~	9.93	8/4/2029	155,530	152,437	155,336
Total Utilities			2,037,442	1,996,926	2,034,896
Total Bank Loans			64,043,800	61,661,238	48,060,381
Corporate Bonds — 100.90%:					
Aerospace and Defense — 2.12%:					
American Airlines^#	8.50	5/15/2029	858,000	858,000	905,937
Spirit AeroSystems Inc^	9.75	11/15/2030	1,696,000	1,696,000	1,823,716
Triumph Group, Inc.^	9.00	3/15/2028	886,000	886,000	941,950
Triumph Group, Inc.	7.75	8/15/2025	2,789,000	2,764,212	2,781,969
Total Aerospace and Defense			6,229,000	6,204,212	6,453,572
Automobile — 3.70%:					
Adient PLC+^	8.25	4/15/2031	870,000	870,000	921,088
Faurecia SE+#	7.25	6/15/2026	721,000	788,409	842,708
Ford Motor Company	9.63	4/22/2030	5,000,000	5,842,432	5,898,468
INA-Holding Schaeffler GmbH & Co KG+#	8.75	5/15/2028	2,350,000	2,530,941	2,821,095
RAC Group Holdings Limited+#	8.25	11/6/2028	575,000	701,127	788,953
Total Automobile			9,516,000	10,732,909	11,272,312
Banking — 0.37%:					
Macquarie Airfinance Holdings Ltd.+^	8.13	3/30/2029	281,000	281,000	293,708
Macquarie Airfinance Holdings Ltd.+^	8.38	5/1/2028	788,000	788,000	825,312
Total Banking			1,069,000	1,069,000	1,119,020

See accompanying Notes to the Financial Statements.

SCHEDULE OF INVESTMENTS (CONTINUED)

December 31, 2023

	EFFECTIVE INTEREST RATE ‡	DUE DATE	PRINCIPAL	COST	FAIR VALUE
Corporate Bonds (Continued)					
Broadcasting and Entertainment — 5.45%:					
Banijay+	6.50%	3/1/2026	$3,700,000	$3,901,405	$4,072,067
Clear Channel Worldwide Holdings Inc.^	9.00	9/15/2028	708,000	708,000	738,773
Clear Channel Worldwide Holdings Inc.^#	7.75	4/15/2028	3,337,000	3,402,977	2,875,734
Dish Dbs Corporation#	7.38	7/1/2028	6,000,000	5,484,608	3,586,667
Dish Network Corporation^	11.75	11/15/2027	1,770,000	1,765,944	1,853,082
iHeartCommunications, Inc.	8.38	5/1/2027	607,000	610,230	393,989
Inmarsat Finance PLC+^	6.75	10/1/2026	1,500,000	1,453,420	1,491,225
Reorganized ISA SA+^	6.50	3/15/2030	1,000,000	914,639	952,683
Townsquare Media, LLC^	6.88	2/1/2026	659,000	668,189	645,556
Total Broadcasting and Entertainment			19,281,000	18,909,412	16,609,776
Buildings and Real Estate — 6.07%:					
BlueLinx^#	6.00	11/15/2029	1,101,000	1,000,067	1,018,899
Knife River Corporation^	7.75	5/1/2031	2,107,000	2,123,450	2,243,140
Maison Hold Limited+	6.00	10/31/2027	1,045,000	1,419,991	1,148,191
New Enterprise Stone & Lime Co.^	9.75	7/15/2028	11,859,000	12,029,606	11,859,000
Service Properties Trust^	8.63	11/15/2031	545,000	537,316	570,972
Smyrna Ready Mix Concrete^	8.88	11/15/2031	1,583,000	1,583,000	1,664,225
Total Buildings and Real Estate			18,240,000	18,693,430	18,504,427
Cargo Transport — 4.16%:					
Atlas Corporation+^#	5.50	8/1/2029	4,786,000	3,978,132	4,003,869
Carriage Purchaser Inc.^#	7.88	10/15/2029	7,106,000	6,387,665	5,817,784
Railworks Hldgs Lp / Railworks Sr^	8.25	11/15/2028	2,881,000	2,821,297	2,852,190
Total Cargo Transport			14,773,000	13,187,094	12,673,843
Chemicals, Plastics and Rubber — 5.45%:					
Consolidated Energy Finance SA+^	6.50	5/15/2026	492,000	447,955	444,030
LSF11 A5 Holdco LLC^#	6.63	10/15/2029	4,448,000	3,985,515	3,761,387
Monitchem HoldCo+#	8.75	5/1/2028	300,000	328,904	337,332
Monitchem HoldCo, 3M EURIBOR + 5.2500%+~#	9.18	5/1/2028	215,000	230,517	239,129
Olympus Water US Holding Corporation^	7.13	10/1/2027	1,500,000	1,482,940	1,501,680
Olympus Water US Holding Corporation^#	6.25	10/1/2029	2,348,000	2,179,250	2,084,651
Prince^#	9.00	2/15/2030	3,689,000	3,687,540	2,895,274
Proman AG+^	5.63	10/15/2028	3,427,000	2,993,686	2,901,915
SI Group^#	6.75	5/15/2026	1,176,000	1,035,449	376,320
Windsor Holdings III LLC^	8.50	6/15/2030	2,000,000	2,000,000	2,090,056
Total Chemicals, Plastics and Rubber			19,595,000	18,371,756	16,631,774
Containers, Packaging and Glass — 5.42%:					
Ardagh Packaging+	4.75	7/15/2027	100,000	108,367	92,161
Novolex Holdings, Inc.^	8.75	4/15/2030	7,423,000	6,791,026	6,920,958
Packaging Holdings Ltd.^#	7.13	8/15/2028	1,775,000	1,558,148	1,597,500
SCI Packaging Inc.^	7.88	8/15/2026	5,197,000	5,197,000	5,288,436

See accompanying Notes to the Financial Statements.

SCHEDULE OF INVESTMENTS (CONTINUED)

December 31, 2023

	EFFECTIVE INTEREST RATE ‡	DUE DATE	PRINCIPAL	COST	FAIR VALUE
Corporate Bonds (Continued)					
Containers, Packaging and Glass — (Continued)					
SCI Packaging Inc.^	9.25%	4/15/2027	$1,327,000	$1,228,600	$1,302,480
Titan Holdings II+	5.13	7/15/2029	113,000	133,866	106,658
Trident Parent, LLC^	12.75	12/31/2028	1,151,000	1,156,032	1,231,570
Total Containers, Packaging, and Glass			17,086,000	16,173,039	16,539,763
Diversified/Conglomerate Manufacturing — 0.62%:					
Heat Exchangers+	7.78	10/9/2025	652,344	707,298	667,841
United Site Services^#	8.00	11/15/2029	2,397,000	2,374,500	1,222,470
Total Diversified/Conglomerate Manufacturing			3,049,344	3,081,798	1,890,311
Diversified/Conglomerate Service — 8.48%:					
Albion Fing 1 S A R L & Aggre Sr+^	8.75	4/15/2027	1,800,000	1,807,263	1,773,000
AMS Osram AG+#	10.50	3/30/2029	2,000,000	2,148,336	2,395,015
Apcoa Parking Holdings+	4.63	1/15/2027	385,000	455,648	398,547
Engineering Group+#	11.13	5/15/2028	1,485,000	1,627,861	1,749,973
Global Infrastructure Solutions, Inc.^	7.50	4/15/2032	5,298,000	4,767,074	4,885,435
Libra Group Bhd+	5.00	5/15/2027	700,000	850,082	743,785
Presidio, Inc.^	8.25	2/1/2028	5,462,000	5,423,255	5,518,248
Sabre Holdings Corporation^	11.25	12/15/2027	317,000	312,101	311,462
Summer BC Holdco+	9.25	10/31/2027	1,666,932	2,084,645	1,637,783
Verisure Midholding AB+#	7.13	2/1/2028	915,000	994,381	1,060,501
Verisure Midholding+	5.25	2/15/2029	3,575,000	4,323,356	3,759,149
Veritas Bermuda Ltd.^	7.50	9/1/2025	1,958,000	1,834,398	1,616,467
Total Diversified/Conglomerate Service			25,561,932	26,628,400	25,849,365
Finance — 9.17%:					
Avolon Holdings+^	6.50	9/15/2024	3,214,964	3,002,493	3,022,066
Cerved Group, 3M EURIBOR + 5.250%+~	9.18	2/15/2029	477,000	542,554	508,837
Cetera Financial Group^	10.00	8/15/2030	1,107,000	1,107,000	1,176,354
CPUK FINANCE LTD+#	5.88	8/28/2027	235,000	292,809	306,486
Galaxy Bidco Ltd.+	6.50	7/31/2026	500,000	664,453	615,018
GTCR W Dutch Finance Sub B.V.^	7.50	1/15/2031	434,000	434,000	458,617
Hannon Armstrong Sustainable Infrastructure Capital, Inc. (HASI)^#	8.00	6/15/2027	428,000	428,000	445,670
Icahn Enterprises LP#	6.38	12/15/2025	5,451,000	5,316,678	5,351,531
Icahn Enterprises LP#	6.25	5/15/2026	1,762,000	1,662,398	1,680,944
OneMain Finance Corporation#	7.88	3/15/2030	600,000	596,478	617,697
OneMain Finance Corporation+#	4.50	8/28/2027	965,000	1,021,190	1,082,397
PRA Group^#	5.00	10/1/2029	3,835,000	2,830,983	3,162,690
PRA Group^	7.38	9/1/2025	473,000	431,197	468,294
PRA Group^#	8.38	2/1/2028	4,518,000	4,268,396	4,349,546
Travelex(12.50%PIK)¤+	12.50	8/5/2025	3,037,988	3,923,064	4,511,307
Travelex¤+#>	8.00	5/15/2024	4,600,000	5,097,344	0
TVL FINANCE PLC, 3M EURIBOR + 5.5000%+~#	9.45	4/28/2028	200,000	217,342	224,786
Total Finance			31,837,952	31,836,379	27,982,240

See accompanying Notes to the Financial Statements.

SCHEDULE OF INVESTMENTS (CONTINUED)

December 31, 2023

	EFFECTIVE INTEREST RATE ‡	DUE DATE	PRINCIPAL	COST	FAIR VALUE
Corporate Bonds (Continued)					
Healthcare, Education and Childcare — 6.84%:					
AdaptHealth LLC^#	4.63%	8/1/2029	$602,000	$499,899	$464,442
AdaptHealth LLC^#	5.13	3/1/2030	2,729,000	2,341,280	2,130,093
Bausch Health Companies Inc.+^	8.38	10/1/2028	296,000	296,000	312,262
Bausch Health Companies Inc.+^	9.00	12/15/2025	846,000	844,943	790,494
Bausch Health Companies Inc.+^	9.00	1/30/2028	337,000	673,270	328,609
Bausch Health Companies Inc.+^	11.00	9/30/2028	598,000	1,036,213	434,734
Bausch Health Companies Inc.+^	14.00	10/15/2030	118,000	151,158	64,810
Cidron Aida Finco+	6.25	4/1/2028	1,650,000	2,275,266	1,975,255
Community Health System Inc.^#	10.88	1/15/2032	1,650,000	1,650,000	1,728,248
Community Health System Inc.^	6.88	4/15/2029	286,000	286,000	187,390
Consensus Cloud Solutions Inc.^	6.50	10/15/2028	717,000	625,060	650,359
LifePoint Health Inc.^	9.88	8/15/2030	2,140,000	2,138,189	2,162,214
LifePoint Health Inc.^	11.00	10/15/2030	1,785,000	1,785,000	1,880,205
Neogen Corporation^	8.63	7/20/2030	2,298,000	2,315,601	2,458,906
Nidda BondCo GmbH+#	7.50	8/21/2026	500,000	514,818	567,836
Radiology Partners Inc.^	9.25	2/1/2028	6,061,000	6,355,465	3,103,535
RP Escrow Issuer LLC^#	5.25	12/15/2025	2,035,000	1,532,609	1,628,188
Total Healthcare, Education and Childcare			24,648,000	25,320,771	20,867,580
Home and Office Furnishings, Housewares, and Durable Consumer Products — 0.83%:					
Staples Inc.^	10.75	4/15/2027	3,478,000	3,550,446	2,534,878
Total Home and Office Furnishings, Housewares, and Durable Consumer Products			3,478,000	3,550,446	2,534,878
Hotels, Motels, Inns and Gaming — 0.07%:					
SANI/IKOS Financial Holdings+#	5.63	12/15/2026	215,000	253,957	223,583
Total Lodging			215,000	253,957	223,583
Leisure, Amusement, Entertainment — 3.13%:					
Allegiant Travel Co.^	7.25	8/15/2027	2,810,000	2,778,907	2,749,420
Carnival Corp.+^	7.00	8/15/2029	183,000	183,000	191,168
Carnival Corp.+^#	6.00	5/1/2029	1,873,000	1,530,516	1,801,648
Center Parcs+#	6.50	8/28/2026	825,000	1,151,050	1,014,721
Center Parcs+#	6.14	8/28/2031	235,000	292,798	310,971
Motion Topco Limited+#	7.38	6/15/2030	1,600,000	1,723,284	1,801,791
Ontario Gaming GTA LP+^	8.00	8/1/2030	694,000	700,680	715,687
Silk TopCo AS+	3.38	2/24/2025	950,000	874,584	954,153
Total Leisure, Amusement, Entertainment			9,170,000	9,234,819	9,539,559
Machinery (Non-Agriculture, Non-Construct, Non-Electronic) — 1.03%:					
Emerald JV Holdings LP^	6.63	12/15/2030	2,371,000	2,371,000	2,421,668
Harsco Corp.^#	5.75	7/31/2027	793,000	704,566	739,415
Total Machinery (Non-Agriculture, Non-Construct, Non-Electronic)			3,164,000	3,075,566	3,161,083

See accompanying Notes to the Financial Statements.

SCHEDULE OF INVESTMENTS (CONTINUED)

December 31, 2023

	EFFECTIVE INTEREST RATE ‡	DUE DATE	PRINCIPAL	COST	FAIR VALUE
Corporate Bonds (Continued)					
Mining, Steel, Iron and Non-Precious Metals — 7.23%:					
Arsenal AIC Parent LLC^	8.00%	10/1/2030	$1,182,000	$1,180,155	$1,233,252
Coronado Global Resources Inc.+^	10.75	5/15/2026	4,846,000	5,072,157	5,048,624
First Quantum Minerals+^	7.50	4/1/2025	7,774,000	7,649,906	7,427,408
First Quantum Minerals+^	6.88	10/15/2027	200,000	200,000	169,969
First Quantum Minerals+^	8.63	6/1/2031	4,045,000	4,045,000	3,429,675
Hecla Mining Company	7.25	2/15/2028	4,699,000	4,956,582	4,730,378
Total Mining, Steel, Iron and Non-Precious Metals			22,746,000	23,103,800	22,039,306
Oil and Gas — 17.60%:					
AmeriGas Partners LP^	9.38	6/1/2028	1,273,000	1,273,000	1,314,834
Calumet Specialty Products^	9.25	7/15/2024	2,850,000	2,832,042	2,850,000
CGG SA+	7.75	4/1/2027	1,500,000	1,787,033	1,520,063
Energy Transfer LP~#	6.50	11/15/2172	3,440,000	3,147,600	3,268,963
Energy Transfer LP~#	7.13	5/15/2172	2,211,000	1,890,405	2,037,389
Enlink Midstream Partners LP	5.60	4/1/2044	5,413,000	3,631,396	4,707,354
Enlink Midstream Partners LP#	5.45	6/1/2047	3,000,000	2,402,234	2,617,500
Genesis Energy LP	7.75	2/1/2028	3,408,000	3,213,780	3,419,850
Genesis Energy LP	8.00	1/15/2027	2,639,000	2,639,388	2,684,953
Genesis Energy LP	8.88	4/15/2030	1,000,000	979,463	1,033,626
Harvest Midstream I LP^	7.50	9/1/2028	4,015,000	3,973,948	3,992,820
IMTT^#	6.50	8/1/2029	6,018,000	5,663,686	5,323,764
KCA Deutag+	9.88	12/1/2025	1,179,286	1,179,286	1,192,621
KCA Deutag International Limited(15.00%PIK)+	15.00	12/1/2027	991,351	991,352	1,001,265
KCA Deutag, 3M SOFR + 9.0000%+~	14.46	12/1/2025	1,343,874	1,343,874	1,357,313
Nabors Industries LTD^	9.13	1/31/2030	246,000	246,000	246,999
NGL Energy Finance Corp.^	7.50	2/1/2026	4,203,000	4,236,766	4,245,215
Occidental Pete Corp.	8.50	7/15/2027	4,523,000	4,553,376	4,933,568
Var Energi+~#	7.86	11/15/2083	1,350,000	1,440,675	1,585,010
Waldorf Production UK LD+#	9.75	10/1/2024	1,139,956	1,136,139	1,108,607
Weatherford Intl Ltd Bermuda Sr Glbl+^	8.63	4/30/2030	3,092,000	3,105,579	3,227,652
Total Oil and Gas			54,835,467	51,667,022	53,669,366
Personal, Food, and Miscellaneous — 0.44%:					
Brinker International^	8.25	7/15/2030	998,000	997,288	1,043,988
Raising Cane's Restaurants LLC^	9.38	5/1/2029	296,000	296,000	315,901
Total Personal, Food, and Miscellaneous			1,294,000	1,293,288	1,359,889
Personal Transportation — 0.12%:					
Naviera Armas¤+	15.64	3/31/2026	542,950	677,933	377,615
Total Personal Transportation			542,950	677,933	377,615

See accompanying Notes to the Financial Statements.

SCHEDULE OF INVESTMENTS (CONTINUED)

December 31, 2023

	EFFECTIVE INTEREST RATE ‡	DUE DATE	PRINCIPAL	COST	FAIR VALUE
Corporate Bonds (Continued)					
Printing and Publishing — 2.63%:					
Cimpress PLC+	7.00%	6/15/2026	$2,069,000	$2,069,000	$2,022,447
Getty Images Inc.^	9.75	3/1/2027	5,972,000	6,081,919	6,006,835
Total Printing and Publishing			8,041,000	8,150,919	8,029,282
Retail Store — 2.37%:					
Bath & Body Works Inc.#	6.88	11/1/2035	262,000	238,394	265,322
Bath & Body Works Inc.#	7.60	7/15/2037	1,471,000	1,315,322	1,500,420
Life Time, Inc.^	8.00	4/15/2026	861,000	834,254	869,166
Marcolin S.p.A+	6.13	11/15/2026	475,000	578,239	500,302
Nordstrom Inc.#	5.00	1/15/2044	2,000,000	1,200,488	1,426,882
PetSmart LLC^#	4.75	2/15/2028	616,000	565,776	581,159
PetSmart LLC^	7.75	2/15/2029	1,108,000	1,092,328	1,077,639
Tapestry, INC	7.05	11/27/2025	988,000	988,989	1,010,604
Total Retail Store			7,781,000	6,813,790	7,231,494
Telecommunications — 5.17%:					
Altice France Holding S.A.+#	4.00	7/15/2029	643,000	508,331	550,977
Altice France Holding S.A.+^#	5.13	7/15/2029	957,000	681,257	743,201
Altice France Holding S.A.+^	10.50	5/15/2027	2,240,000	2,081,820	1,450,667
BMC Software^	7.13	10/2/2025	103,000	100,891	103,552
British Telecom+#	8.38	12/20/2083	600,000	732,312	806,348
C&W Senior Financing Designated Activity Co+^#	6.88	9/15/2027	1,572,000	1,437,342	1,464,632
Commscope Inc.^	8.25	3/1/2027	1,173,000	1,142,045	619,344
Digicel Limited ¤+^>	8.25	9/30/2025	2,500,000	2,491,364	0
Frontier Communications Corporation^	8.75	5/15/2030	774,000	774,000	796,220
Frontier Communications Hldgs Sr Sec Glbl^#	6.00	1/15/2030	3,976,000	3,369,219	3,393,689
Level III^#	4.25	7/1/2028	550,000	326,696	272,250
Telecom Italia+#	7.88	7/31/2028	600,000	651,878	734,567
Telefonica SA+#	7.13	11/23/2172	1,400,000	1,524,573	1,666,866
Uniti Group LP / Uniti Group Finance Inc.^	6.50	2/15/2029	330,000	330,000	238,015
Viasat^#	6.50	7/15/2028	2,239,000	1,825,089	1,838,779
Vodafone Group PLC+#	8.00	8/30/2086	400,000	538,600	543,765
Vodafone Group PLC+	6.25	10/3/2078	550,000	542,025	546,623
Total Telecommunications			20,607,000	19,057,442	15,769,495
Utilities — 2.43%:					
Electricite de France SA+	9.13	12/15/2172	350,000	350,000	390,740
Electricite de France SA+#	4.00	10/4/2172	700,000	715,783	766,156
Enbridge Inc.+	8.25	1/15/2084	1,624,000	1,624,000	1,675,687
Talen Energy Supply, LLC^	8.63	6/1/2030	3,837,000	3,880,495	4,093,807

See accompanying Notes to the Financial Statements.

SCHEDULE OF INVESTMENTS (CONTINUED)

December 31, 2023

	EFFECTIVE INTEREST RATE ‡	DUE DATE	PRINCIPAL	COST	FAIR VALUE
Corporate Bonds (Continued)					
Utilities — (Continued)					
Techem+#	6.00%	7/30/2026	$439,599	$451,084	$482,868
Total Utilities			6,950,599	7,021,362	7,409,258
Total Corporate Bonds			329,711,244	324,108,544	307,738,791
Total Fixed Income			441,755,044	433,366,841	400,186,359
Total Investments				$434,470,378	$402,010,748
Other assets and liabilities — (31.81%)					**(97,027,492)**
Net Assets — 100.00%					**$304,983,256**

Percentages are calculated as a percent of net assets applicable to common shareholders.

EURIBOR – Euro Interbank Offered Rate
SOFR – Secured Overnight Financing Rate

* Securities are non-income producing.
‡ The effective interest rates are based on settled commitment amount.
¤ Value determined using significant unobservable inputs, security is categorized as Level 3.
+ Foreign security.
^ Security exempt from registration under Rule 144a of the Securities Act of 1933. These securities may only be resold in transactions exempt from registration, normally to qualified institutional buyers.
~ Variable rate security. The interest rate shown is the rate in effect at December 31, 2023.
# All or a portion of the security is segregated as collateral for the credit facility.
§ Bank loans are exempt from registration under the Securities Act of 1933, as amended, but contain certain restrictions on resale and cannot be sold publicly. These loans pay interest at rates which adjust periodically. The interest rates shown for bank loans are the current interest rates at December 31, 2023. Bank loans are also subject to mandatory and/or optional prepayment which cannot be predicted. As a result, the remaining maturity may be substantially less than the stated maturity shown.
> Defaulted security.

PIK – Payment-in-kind

Distributions of investments by country of risk. Percentage of assets are expressed by market value excluding cash and accrued income as of December 31, 2023.

United States of America	80.1%
United Kingdom	6.6%
Zambia	2.7%
Germany	1.4%
Australia	1.3%
France	1.2%
Sweden	1.2%
Italy	1.1%
Hong Kong	1.0%
(Individually less than 1%)	3.4%
	100.0%

See accompanying Notes to the Financial Statements.

SCHEDULE OF INVESTMENTS (CONTINUED)

December 31, 2023

A summary of outstanding derivatives at December 31, 2023 is as follows:

Schedule of Open Forward Foreign Exchange Contracts
December 31, 2023

CURRENCY TO BE RECEIVED		CURRENCY TO BE DELIVERED[1]		COUNTERPARTY OF CONTRACT	FORWARD SETTLEMENT DATE	UNREALIZED APPRECIATION / (DEPRECIATION)
33,690,790	USD	34,507,851	EUR	Morgan Stanley	1/18/2024	$ (817,061)
14,711,862	USD	14,937,871	GBP	Morgan Stanley	1/18/2024	(226,009)
						$(1,043,070)

[1] Values are listed in U.S. dollars.

See accompanying Notes to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. Organization

Barings Global Short Duration High Yield Fund (the "Fund") was organized as a business trust under the laws of the Commonwealth of Massachusetts on May 20, 2011 and commenced operations on October 26, 2012. The Fund is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a de facto diversified, closed-end management investment company.

Barings LLC (the "Adviser"), a wholly owned indirect subsidiary of Massachusetts Mutual Life Insurance Company, is a registered investment adviser under the Investment Advisers Act of 1940, as amended, and serves as investment adviser to the Fund.

Baring International Investment Limited (the "Sub-Adviser"), an indirect wholly owned subsidiary of the Adviser, serves as sub-adviser with respect to the Fund's European investments.

The Fund's primary investment objective is to seek as high a level of current income as the Adviser determines is consistent with capital preservation. The Fund seeks capital appreciation as a secondary investment objective when consistent with its primary investment objective. There can be no assurance that the Fund will achieve its investment objectives. The Fund seeks to take advantage of inefficiencies between geographies, primarily the North American and Western European high yield bond and loan markets and within capital structures between bonds and loans. Under normal market conditions, the Fund will invest at least 80% of its Managed Assets in bonds, loans and other income-producing instruments that are, at the time of purchase, rated below investment grade (below Baa3 by Moody's Investors Service, Inc. ("Moody's") or below BBB- by either Standard & Poor's Rating Services, a division of the McGraw-Hill Company, Inc. ("S&P") or Fitch, Inc. ("Fitch"), or unrated but judged by the Adviser or Sub-Adviser to be of comparable quality).

2. Significant Accounting Policies

The Fund is an investment company and follows accounting and reporting guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 946. The following is a summary of significant accounting policies followed consistently by the Fund in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

A Valuation of Investments

Pursuant to Rule 2a-5, the Board of Trustees (the "Board") has designated the Adviser as valuation designee to perform the fair value determinations relating to the value of the assets held by the Fund and making fair value determinations on any day on which the net asset value ("NAV") per share of the Fund is determined, in accordance with the 1940 Act and the rules and regulations thereunder, and the registration statement for the Fund, subject to the oversight of the Board.

Valuation of the Fund's securities is based on the market price whenever market quotations are readily available and all securities of the same class held by the Fund can be readily sold in such market. Market prices are obtained from reputable pricing services using market pricing conventions, to the extent such a price is available. Where a market price quotation for a security is not readily available or if the investment is not a security, the security will be fair valued as determined in good faith by the Adviser, subject to the oversight of the Board.

The pricing services may use valuation models or matrix pricing, which consider yield or prices with respect to comparable bond quotations from bond dealers or by reference to other securities that are considered comparable in such characteristics as credit rating, interest rates and maturity date, to determine the current value. The closing prices of domestic or foreign securities may not reflect their market values at the time the Fund calculates its NAV if an event that materially affects the value of those securities has occurred since the closing prices were established on the domestic or foreign exchange market, but before the Fund's NAV calculation. Under certain conditions, the Board has approved an independent pricing service to fair value foreign securities. This is generally accomplished by adjusting the closing price for movements in correlated indices, securities or derivatives. Fair value pricing may cause the value of the security on the books of the Fund to be different from the closing value on the non-U.S. exchange and may affect the calculation of the Fund's NAV. The Fund may fair value securities in other situations, for example, when a particular foreign market is closed but the Fund is pricing their shares.

The Fund's investments in bank loans are normally valued at the bid quotation obtained from dealers in loans by an independent pricing service in accordance with the Fund's valuation policies and procedures approved by the

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

Board. Forward foreign exchange contracts are normally valued on the basis of independent pricing service providers.

Where market quotations are not readily available or deemed unreliable, a Valuation Committee, made up of officers of the Fund and employees of the Adviser, is responsible for determining the fair value of investments, in accordance with the Fund's valuation policies and procedures as approved by the Board: The Valuation Committee is subject to the oversight of the Board and is responsible for the approval, implementation, and oversight of the processes and methodologies that relate to the pricing and valuation of assets held by the Fund. In certain cases, authorized pricing service vendors may not provide prices for a security held by the Fund, or the price provided by such pricing service vendor is deemed unreliable by the Adviser. In such cases, the Fund may use market maker quotations provided by an established market maker for that security (i.e. broker quotes) to value the security if the Adviser has experience obtaining quotations from the market maker and the Adviser determines that quotations obtained from the market maker in the past have generally been reliable (or, if the Adviser has no such experience with respect to a market maker, it determines based on other information available to it that quotations obtained by it from the market maker are reasonably likely to be reliable). In any such case, the Adviser will review any market quotations so obtained in light of other information in its possession for their general reliability.

Bank loans in which the Fund may invest have similar risks to lower-rated fixed income securities. Changes in the financial condition of the borrower or economic conditions or other circumstances may reduce the capacity of the borrower to make principal and interest payments on such instruments and may lead to defaults. Senior secured bank loans are supported by collateral; however, the value of the collateral may be insufficient to cover the amount owed to the Fund. By relying on a third party to administer a loan, the Fund is subject to the risk that the third party will fail to perform it obligations. The loans in which the Fund will invest are largely floating rate instruments; therefore, the interest rate risk generally is lower than for fixed-rate debt obligations. However, from the perspective of the borrower, an increase in interest rates may adversely affect the borrower's financial condition. Due to the unique and customized nature of loan agreements evidencing loans and the private syndication thereof, loans are not as easily purchased or sold as publicly traded securities. Although the range of investors in loans has broadened in recent years, there can be no assurance that future levels of supply and demand in loan trading will provide the degree of liquidity which currently exists in the market. In addition, the terms of the loans may restrict their transferability without borrower consent. These factors may have an adverse effect on the market price and the Fund's ability to dispose of particular portfolio investments. A less liquid secondary market also may make it more difficult for the Fund to obtain precise valuations of the high yield loans in its portfolio.

The Fund may invest in collateralized debt obligations ("CDOs"), which include collateralized bond obligations ("CBOs") and collateralized loan obligations ("CLOs"). CBOs and CLOs are types of asset-backed securities. A CDO is an entity that is backed by a diversified pool of debt securities (CBOs) or syndicated bank loans (CLOs). The cash flows of the CDO can be split into multiple segments, called "tranches," which will vary in risk profile and yield. The riskiest segment is the subordinated or "equity" tranche. This tranche bears the greatest risk of defaults from the underlying assets in the CDO and serves to protect the other, more senior, tranches from default in all but the most severe circumstances. Since it is shielded from defaults by the more junior tranches, a "senior" tranche will typically have higher credit ratings and lower yields than their underlying securities, and often receive investment grade ratings from one or more of the nationally recognized rating agencies. Despite the protection from the more junior tranches, senior tranches can experience substantial losses due to actual defaults, increased sensitivity to future defaults and the disappearance of one or more protecting tranches as a result of changes in the credit profile of the underlying pool of assets.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-tier hierarchy is utilized to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. For example, market participants would consider the risk inherent in a particular valuation technique used to measure fair value, such as a pricing model, and/or the risk inherent in the

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

inputs to the valuation technique. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability and are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability and are developed based on the best information available in the circumstances. The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

Level 1 – quoted prices in active markets for identical securities

Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)

Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The following is a summary of the inputs used as of December 31, 2023 in valuing the Fund's investments:

DESCRIPTION	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL INVESTMENTS
Assets:				
Equities:				
Common Stocks	$ —	$ 1,711,302	$ —	$ 1,711,302
Warrants	—	113,087	—	113,087
Total Equities:	—	1,824,389	—	1,824,389
Fixed Income:				
Asset-Backed Securities	—	44,387,187	—	44,387,187
Bank Loans	—	44,677,845	3,382,536	48,060,381
Corporate Bonds	—	302,849,869	4,888,922	307,738,791
Total Fixed Income	—	391,914,901	8,271,458	400,186,359
Forward Foreign Exchange Contracts	—	—	—	—
Total Assets:	$ —	$393,739,290	$8,271,458	$402,010,748
Liabilities:				
Forward Foreign Exchange Contracts:	$ —	$ 1,043,070	$ —	$ 1,043,070
Total Liabilities:	$ —	$ 1,043,070	$ —	$ 1,043,070

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

As of December 31, 2023, the Fund held no Level 3 financial instruments with values based on significant unobservable valuation inputs and Level 3 financial instruments in the amount of $8,271,458 had values based on unadjusted third-party pricing information.

Although the Fund believes the valuation method described above is appropriate, the use of different methodologies or assumptions to determine fair value could result in different estimates of fair value at the reporting date. The Fund discloses transfers between levels based on valuations at the end of the reporting period. The following is a reconciliation of Level 3 investments based upon the inputs used to determine fair value:

	BALANCE AT DECEMBER 31, 2022	TRANSFERS INTO LEVEL 3	TRANSFERS OUT OF LEVEL 3	PURCHASES	SALES	ACCRETION OF DISCOUNT	REALIZED GAIN / (LOSS)	CHANGE IN UNREALIZED APPRECIATION / (DEPRECIATION) ON INVESTMENTS	BALANCE AT DECEMBER 31, 2023	CHANGE IN UNREALIZED APPRECIATION / (DEPRECIATION) FROM INVESTMENTS HELD AS OF DECEMBER 31, 2023
Equities										
Flint Group Ordinary A Shares Stapled to 2L	$ —	$ —	$ —	$ 149	$ —	$ —	$ —	$ (149)	$ —	$ (149)
ESC CB 144A High Ridge	41,748	—	—	—	—	—	—	(41,748)	—	(41,748)
Travelex Private Equity	—	—	—	—	—	—	—	—	—	—
Naviera Armas Class B2 Shares Stapled to 1.5L SSNS	—	—	—	—	—	—	—	—	—	—
Naviera Armas Class B3 Shares	—	—	—	—	—	—	—	—	—	—
Naviera Armas Class A3 Shares	—	—	—	—	—	—	—	—	—	—
Naviera Armas Class A2 Shares Stapled to 1.5L SSNS	—	—	—	—	—	—	—	—	—	—
Common Stocks	41,748	—	—	149	—	—	—	(41,897)	—	(41,897)
Travelex Topco Limited	120,666	—	(120,666)	—	—	—	—	—	—	—
Warrants	120,666	—	(120,666)	—	—	—	—	—	—	—
Total Equities	162,414	—	(120,666)	149	—	—	—	(41,897)	—	(41,897)
Bank Loans										
Anarafe SLU Facility F	—	—	—	97,569	(13,233)	3,072	1,481	(3,830)	85,059	(3,830)
Anarafe SLU Facility A	—	—	—	19,656	—	240	—	253	20,149	253
Anarafe SLU Facility C	—	—	—	43,465	—	—	—	(1,499)	41,966	(1,499)
Evertec	—	—	—	2,170,799	(220,386)	—	3,306	32,231	1,985,950	32,231
Flint Group	—	—	—	250,147	—	15,315	—	(111,050)	154,412	(111,050)
Dessert Holdings	900,000	—	(900,000)	—	—	—	—	—	—	—
CP Iris Holdco I 2nd Lien T/L (IPS)	2,014,336	—	(2,014,336)	—	—	—	—	—	—	—
Florida Food Products 2nd Lien T/L	1,350,000	—	—	—	—	3,762	—	(258,762)	1,095,000	(368,333)
Koppers T/L	—	—	—	1,251,613	(1,290,322)	1,791	36,918	—	—	—
Valcour Packaging (MOLD-RITE) 2nd Lien T/L	3,750,000	—	(3,750,000)	—	—	—	—	—	—	—
Bank Loans	8,014,336	—	(6,664,336)	3,833,249	(1,523,941)	24,180	41,705	(342,657)	3,382,536	(452,228)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

	BALANCE AT DECEMBER 31, 2022	TRANSFERS INTO LEVEL 3	TRANSFERS OUT OF LEVEL 3	PURCHASES	SALES	ACCRETION OF DISCOUNT	REALIZED GAIN / (LOSS)	CHANGE IN UNREALIZED APPRECIATION / (DEPRECIATION) ON INVESTMENTS	BALANCE AT DECEMBER 31, 2023	CHANGE IN UNREALIZED APPRECIATION / (DEPRECIATION) FROM INVESTMENTS HELD AS OF DECEMBER 31, 2023
Corporate Bonds										
Naviera Armas	$ 357,193	$—	$ —	$ 91,189	$ —	$(22,402)	$ —	$ (48,365)	$ 377,615	$ (300,318)
Digicel Limited	—	—	—	—	—	—	—	—	—	—
Travelex	—	—	—	—	—	—	—	—	—	—
Travelex	4,011,338	—	—	683,223	(95,519)	53,387	15,466	(156,588)	4,511,307	588,243
Corporate Bonds	4,368,531	—	—	774,412	(95,519)	30,985	15,466	(204,953)	4,888,922	287,925
Total	$12,545,281	$—	$(6,785,002)	$4,607,810	$(1,619,460)	$ 55,165	$57,171	$(589,507)	$8,271,458	$ (206,200)

During the period, transfers into and out of Level 3 resulted from observable market data for the security.

B. Cash and Cash Equivalents

Cash and cash equivalents consist principally of short-term investments that are readily convertible into cash and have original maturities of three months or less. As of December 31, 2023, the Fund held no cash equivalents and all cash is held by U.S. Bank, N.A.

C. Investment Transactions, Related Investment Income and Expenses

Investment transactions are accounted for on a trade-date basis. Interest income is recorded on the accrual basis, including the amortization of premiums and accretion of discounts on bonds held using the yield-to-maturity method.

Interest income from securitized investments in which the Fund has a beneficial interest, such as the "equity" security class of a CLO vehicle (typically in the form of income or subordinated notes), is recorded upon receipt. The accrual of interest income related to these types of securities is periodically reviewed and adjustments are made as necessary.

Realized gains and losses on investment transactions and unrealized appreciation and depreciation of investments are reported for financial statement and Federal income tax purposes on the identified cost method.

Expenses are recorded on the accrual basis as incurred.

D. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

E. Federal Income Taxation

The Fund has elected to be taxed as a Regulated Investment Company ("RIC") under sub-chapter M of the U.S. Internal Revenue Code of 1986, as amended, and intends to maintain this qualification and to distribute substantially all of its net taxable income to its shareholders.

F. Dividends and Distributions

The Fund declares and pays dividends monthly from net investment income. To the extent that these distributions exceed net investment income, they may be classified as return of capital. The Fund also pays a distribution at least annually from its net realized capital gains, if any. Dividends and distributions are recorded on the ex-dividend date. All common shares have equal dividend and other distribution rights. A notice disclosing the source(s) of a distribution will be provided if payment is made from any source other than net investment income. Any such notice would be provided only for informational purposes in order to comply with the requirements of Section 19(a) of the 1940 Act and not for tax reporting purposes. The tax composition of the Fund's distributions for each calendar year is reported on Internal Revenue Service Form 1099-DIV.

Dividends from net investment income and distributions from realized gains from investment transactions have been determined in accordance with Federal income tax regulations and may differ from net investment income and realized gains recorded by the Fund for financial reporting purposes. These differences, which could be temporary or permanent in nature may result in reclassification of distributions; however, net investment income, net realized gains and losses, and net assets are not affected.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

G. Derivative Instruments

The following is a description of the derivative instruments that the Fund utilizes as part of its investment strategy, including the primary underlying risk exposures related to the instrument.

Forward Foreign Exchange Contracts – The Fund is subject to foreign currency exchange rate risk in the normal course of pursuing its investment objectives. The Fund transacted in and currently holds forward foreign exchange contracts to hedge against changes in the value of foreign currencies. The Fund entered into forward foreign exchange contracts obligating the Fund to deliver or receive a currency at a specified future date. Forward foreign exchange contracts are valued daily, and unrealized appreciation or depreciation is recorded daily as the difference between the contract exchange rate and the closing forward rate applied to the face amount of the contract. A realized gain or loss is recorded at the time the forward contract expires. Credit risk may arise as a result of the failure of the counterparty to comply with the terms of the contract. The Fund considers the creditworthiness of each counterparty to a contract in evaluating potential credit risk quarterly. The Fund is also subject to credit risk with respect to the counterparties to the derivative contracts which are not cleared through a central counterparty but instead are traded over-the-counter between two counterparties. If a counterparty to an over-the-counter derivative becomes bankrupt or otherwise fails to perform its obligations under a derivative contract due to financial difficulties, the Fund may experience significant delays in obtaining any recovery under the derivative contract in a bankruptcy or other reorganization proceeding. The Fund may obtain only a limited recovery or may obtain no recovery in such circumstances. The counterparty risk for cleared derivatives is generally lower than for uncleared over-the-counter derivative transactions since generally a clearing organization becomes substituted for each counterparty to a cleared derivative contract and, in effect, guarantees the parties' performance under the contract as each party to a trade looks only to the clearing house for performance of financial obligations. However, there can be no assurance that the clearing house, or its members, will satisfy its obligations to the Fund. In addition, in the event of a bankruptcy of a clearing house, the Fund could experience a loss of the funds deposited with such clearing house as margin and any profits on its open positions. The counterparty risk to the Fund is limited to the net unrealized gain, if any, on the contract.

The use of forward foreign exchange contracts does not eliminate fluctuations in the underlying prices of the Fund's investment securities; however, it does establish a rate of exchange that can be achieved in the future. The use of forward foreign exchange contracts involves the risk that anticipated currency movements will not be accurately predicted. A forward foreign exchange contract would limit the risk of loss due to a decline in the value of a particular currency; however, it would also limit any potential gain that might result should the value of the currency increase instead of decrease. These contracts may involve market risk in excess of the amount of receivable or payable reflected on the Statement of Assets and Liabilities.

The Fund recognized an asset and a liability on the Statement of Assets and Liabilities as a result of forward foreign exchange contracts with Morgan Stanley. The Fund's policy is to recognize an asset equal to the net value of all forward foreign exchange contracts with an unrealized gain and a liability equal to the net value of all forward foreign exchange contracts with an unrealized loss. The Fund has recognized a liability of $1,043,070 in net unrealized depreciation on forward foreign exchange contracts. Outstanding forward foreign exchange contracts as of December 31, 2023 are indicative of the volume of activity during the year.

For the year ended December 31, 2023, the Fund's direct investment in derivatives consisted of forward foreign exchange contracts.

The following is a summary of the fair value of derivative instruments held by the Fund as of December 31, 2023. These derivatives are presented in the Schedule of Investments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

Fair values of derivative instruments on the Statement of Assets and Liabilities as of December 31, 2023:

DERIVATIVES	STATEMENT OF ASSETS AND LIABILITIES LOCATION	FAIR VALUE
Asset Derivatives		
Forward Foreign Exchange Contracts	Unrealized appreciation on forward foreign exchange contracts	$ –
Total Asset Derivatives		$ –
Liability Derivatives		
Forward Foreign Exchange Contracts	Unrealized depreciation on forward foreign exchange contracts	$1,043,070
Total Liability Derivatives		$1,043,070

The effect of derivative instruments on the Statement of Operations for the period ended December 31, 2023:

DERIVATIVES	STATEMENT OF OPERATIONS LOCATION	REALIZED GAIN/ (LOSS) ON DERIVATIVES
Forward Foreign Exchange Contracts	Net realized loss on forward foreign exchange contracts	$(116,212)
Total		$(116,212)

DERIVATIVES	STATEMENT OF OPERATIONS LOCATION	CHANGE IN UNREALIZED APPRECIATION/ (DEPRECIATION) ON DERIVATIVES
Forward Foreign Exchange Contracts	Net change in unrealized depreciation of forward foreign exchange contracts	$(839,727)
Total		$(839,727)

H.Disclosures about Offsetting Assets and Liabilities

The following is a summary by counterparty of the fair value of derivative investments subject to Master Netting Agreements and collateral pledged (received), if any, as of December 31, 2023.

				AMOUNTS NOT OFFSET IN THE STATEMENT OF ASSETS AND LIABILITIES		
LIABILITIES:	GROSS AMOUNT OF RECOGNIZED LIABILITIES	GROSS AMOUNT OFFSET IN THE STATEMENT OF ASSETS AND LIABILITIES	NET AMOUNTS PRESENTED IN THE STATEMENT OF ASSETS AND LIABILITIES	FINANCIAL INSTRUMENTS	COLLATERAL PLEDGED	NET AMOUNT*
Forward foreign exchange contracts						
Morgan Stanley	$1,043,070	$ –	$1,043,070	$ -	$ –	$1,043,070

*The net amount represents the amount owed by the Fund to the counterparty as of December 31, 2023.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-11 "*Disclosures about Offsetting Assets and Liabilities*" ("ASU 2011-11"). These disclosure requirements are intended to help better assess the effect or potential effect of offsetting arrangements on a Fund's financial position. In addition, FASB issued Accounting Standards Update No. 2013-01 "Clarifying the Scope of Offsetting Assets and Liabilities" ("ASU 2013-01"), specifying which transactions are subject to disclosures about offsetting. In order to better define its contractual rights and to secure rights that will help the Fund mitigate its counterparty risk, the Fund may enter into an International Swaps and Derivatives Association, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement with its counterparties. An ISDA Master Agreement is a bilateral agreement between the Fund and a counterparty that governs certain OTC derivatives and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event. Under an ISDA Master Agreement, the Fund may, under certain circumstances, offset with the counterparty certain derivative financial instruments' payables and/or receivables with collateral held and/or posted and create one single net payment. The provisions of the ISDA Master Agreement typically permit a single net payment in the event of default including the bankruptcy or insolvency of the counterparty. Bankruptcy or insolvency laws of a particular jurisdiction may restrict or prohibit the right of offset in bankruptcy, insolvency or other events. In addition, certain ISDA Master Agreements allow counterparties to terminate derivative contracts prior to maturity in the event the Fund's net assets decline by a stated percentage or the Fund fails to meet the terms of its ISDA Master Agreements. The result would cause the Fund to accelerate payment of any net liability owed to the counterparty.

For derivatives traded under an ISDA Master Agreement, the collateral requirements are typically calculated by netting the mark to market amount for each transaction under such agreement and comparing that amount to the value of any collateral currently pledged by the Fund and the counterparty.

Cash collateral that has been pledged to cover obligations of the Fund and cash collateral received from the counterparty, if any, is reported separately on the Statement of Assets and Liabilities as cash collateral held at broker or cash collateral due to broker, respectively. Non-cash collateral pledged by or received by the Fund, if any, is noted in the Schedule of Investments. Generally, the amount of collateral due from or to a party has to exceed a minimum transfer amount threshold before a transfer is required, which is determined each day at the close of business of the Fund, typically based on changes in market values for each transaction under an ISDA Master Agreement and netted into one amount for such agreement and any additional required collateral is delivered to/pledged by the Fund on the next business day. Typically, the Fund and counterparties are not permitted to sell, re-pledge or use the collateral they receive. To the extent amounts due to the Fund from its counterparties are not fully collateralized, contractually or otherwise, the Fund bears the risk of loss from counterparty non-performance. The Fund attempts to mitigate counterparty risk by entering into agreements only with counterparties that they believe have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties.

I. Foreign Securities

Investing in securities of foreign companies and foreign governments involves special risks and considerations not typically associated with investing in U.S. companies and the U.S. government. These risks include valuation of currencies and adverse political and economic developments. Moreover, securities of many foreign companies, foreign governments, and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies and the U.S. government.

J. Foreign Currency Translation

The books and records of the Fund are maintained in U.S. dollars. Foreign currency transactions are translated into U.S. dollars on the following basis: (i) market value of investment securities, assets and liabilities at the daily rates of exchange, and (ii) purchases and sales of investment securities, dividend and interest income and certain expenses at the rates of exchange prevailing on the respective dates of such transactions. For financial reporting purposes, the Fund does not isolate changes in the exchange rate of investment securities from the fluctuations arising from changes in the market prices of securities. However, for Federal income tax purposes, the Fund does isolate and treat as ordinary income the effect of changes in foreign exchange rates on realized gain or loss from the sale of investment securities and payables and receivables arising from trade-date and settlement-date differences.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

K. Counterparty Risk

The Fund seeks to manage counterparty credit risk by entering into agreements only with counterparties the Adviser believes have the financial resources to honor their obligations. The Adviser monitors the financial stability of the Fund's counterparties.

L. New Accounting Pronouncements

In March 2020, FASB issued ASU 2020-04, Reference Rate Reform: Facilitation of the Effects of Reference Rate Reform on Financial Reporting ("ASU 2020-04"), in January 2021, the FASB issued ASU 2021-01, Reference Rate Reform (Topic 848): Scope ("ASU 2021-01"), and in December 2022, the FASB issued ASU 2022-06, Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848 ("ASU 2022-06"), which provides optional, temporary relief with respect to the financial reporting of contracts subject to certain types of modifications due to the planned discontinuation of the London Interbank Offered Rate ("LIBOR") and other interbank offered rates as of the end of 2021. The temporary relief provided by ASU 2020-04, ASU 2021-01, and ASU 2022-06 is effective for certain reference rate-related contract modifications that occur during the period from March 12, 2020 through December 31, 2024. Management is evaluating the impact of ASU 2020-04, ASU 2021-01, and ASU 2022-06 on the Fund's investments, derivatives, debt, and other contracts that will undergo reference rate-related modifications as a result of the reference rate reform. Management is also actively working with other financial institutions and counterparties to modify contracts as required by applicable regulation and within the regulatory deadlines.

3. Advisory Fee

The Fund was previously a party to an investment management agreement with the Adviser, a related party, dated October 25, 2012 (the "Prior Management Agreement"). Effective September 1, 2022, the Fund entered into an amended and restated management agreement (the "New Management Agreement") that supersedes the Prior Management Agreement in its entirety. Pursuant to the Prior Management Agreement, the Fund agreed to pay the Adviser a fee payable at the end of each calendar month, at an annual rate of 1.00% of the Fund's average daily managed assets during such month. Effective August 6, 2020 the Adviser had waived 0.15% of its fee payable from the Fund. The waiver expired on August 31, 2022. Effective September 1, 2022, pursuant to the New Management Agreement, effective September 1, 2022, the Fund has agreed to pay the Adviser a fee payable at the end of each calendar month, at an annual rate of 0.85% of the Fund's average daily managed assets during such month. Managed assets are the total assets of the Fund, which include any assets attributable to leverage such as assets attributable to reverse repurchase agreements, or bank loans, minus the sum of the Fund's accrued liabilities (other than liabilities incurred for the purpose of leverage).

Subject to the supervision of the Adviser and the Board, the Sub-Adviser manages the investment and reinvestment of a portion of the assets of the Fund, as allocated from time to time. As compensation for its services, the Adviser (not the Fund) pays the Sub-Adviser a portion of the investment management fees it receives from the Fund, in an amount in U.S. dollars equal to 35% of such investment management fees ("Sub-Advisory Fees").

4. Administrator Fee

The Fund has engaged U.S. Bancorp Fund Services, LLC, d/b/a U.S. Bank Global Fund Services ("Fund Services") to serve as the Fund's administrator, fund accountant, and transfer agent. The Fund has engaged U.S. Bank, N.A. to serve as the Fund's custodian. The Fund has agreed to pay Fund Services a fee payable at the end of each calendar month, at an annual rate of 0.075% of the Fund's average daily managed assets.

5. Income Taxes

It is the Fund's intention to qualify as a RIC under sub-chapter M of the Internal Revenue Code and distribute all of its taxable income. Accordingly, no provision for federal income taxes is required in the financial statements.

The tax character of dividends paid to shareholders during the tax years ended in 2023 and 2022, as noted below, was as follows:

	2023	2022
Ordinary Income	$28,756,173	$25,425,498
Total Distributions Paid	$28,756,173	$25,425,498

The amount and character of income and capital gain distributions to be paid, if any, are determined in accordance with federal income tax regulations, which may differ from U.S. GAAP.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

Permanent items identified during the year ended December 31, 2023 have been reclassified among the component of net assets based on their tax basis treatment as follows:

ADDITIONAL PAID IN CAPITAL	ACCUMULATED LOSSES
$(1,038,466)	$1,038,466

The permanent differences are primarily attributable to non-deductible excise taxes. The Fund's excise tax expense of $1,038,466 as shown on the Statement of Operations represents excise tax on undistributed income.

The following information is provided on a tax basis as of December 31. 2023:

Cost of investments	$ 436,337,514
Unrealized appreciation	10,367,537
Unrealized depreciation	(44,694,303)
Net unrealized appreciation/ (depreciation)	(34,326,766)
Undistributed ordinary income	25,192,014
Undistributed long term gains	–
Distributable earnings	25,192,014
Accumulated gain/(loss)	(151,660,783)
Total accumulated gain/(loss)	$(160,795,535)

The capital loss carryforward is available to offset future taxable income. The Fund has $14,195,867 of short-term capital loss carryforwards and $137,490,226 of long-term capital loss carryforwards, both of which have unlimited expiration.

The Fund recognizes the tax benefits of uncertain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. Management has analyzed the Fund's tax positions and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on U.S. tax returns and state tax returns filed since inception of the Fund. No income tax returns are currently under examination. Tax years ended December 31, 2019 through December 31, 2023 remain subject to examination by the tax authorities in the United States. Due to the nature of the Fund's investments, the Fund may be required to file income tax returns in several states. The Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.

6. Investment Transactions

For the year ended December 31, 2023, the Fund purchased (at cost) and sold securities in the amount of $211,304,930 and $198,377,166 (excluding corporate actions and short-term debt securities), respectively.

7. Credit Facility

On November 8, 2012, the Fund entered into a $200,000,000 credit facility with BNP Paribas Prime Brokerage International, Ltd ("BNP"). On January 6, 2014, the Fund entered into an amended agreement with a variable annual interest rate of one-month LIBOR plus 0.75 percent. On April 28, 2022, the Fund entered into an amended agreement with a variable interest rate of USD SOFR plus 0.76 percent. Unused portions of the credit facility will accrue a commitment fee equal to an annual rate of 0.65 percent.

The average principal balance and interest rate for the period during which the credit facility was utilized for the year ended December 31, 2023 was approximately $105,700,000 and 5.76 percent, respectively. As of December 31, 2023, the principal balance outstanding was $109,500,000 at an interest rate of 6.14 percent. If measured at fair value, borrowings under the credit facility would have been considered as Level 2 in the fair value hierarchy (see Note 2A) as of December 31, 2023. For the year ended December 31, 2023, the total amount of income netted against the interest expense was $57,631.

8. Securities Lending

Through an agreement with the Fund, BNP may lend out securities the Fund has pledged as collateral on the note payable. In return, the Fund receives additional income that is netted against the interest charged on the outstanding credit facility balance. As of December 31, 2023, the Fund has pledged securities as collateral in the amount of $223,289,296. As of December 31, 2023, $103,797,164 of the Fund's pledge securities were lent out by BNP.

9. Common Stock

The Fund had unlimited shares authorized and 20,064,313 shares outstanding as of December 31, 2023 and 2022. There were no changes to shares outstanding during the year ended December 31, 2023 and 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

10. Aggregate Remuneration Paid to Officers, Trustees and Their Affiliated Persons

For the year ended December 31, 2023, the Fund paid its Trustees aggregate remuneration of $126,250. During the year ended December 31, 2023, the Fund did not pay any compensation to any of its Trustees who are "interested persons" (as defined by the 1940 Act) of the Fund. The Fund classifies Mr. Mihalick an interested person of the Fund.

With the exception of the Fund's Chief Compliance Officer, all of the Fund's officers are employees of the Adviser. Pursuant to the Agreement, the Fund does not compensate its officers who are employees of the Adviser.

The Fund's Chief Compliance Officer is a Principal Consultant of ACA Group ("ACA"). For the period February 27, 2023, to December 31, 2023, the Fund paid ACA an annual fee plus out-of-pocket expenses for the provision of personnel and services provided related to the Fund's compliance program. Prior to February 27, 2023, the Fund's previous Chief Compliance Officer was an employee of the Adviser. For the period January 1, 2023 to February 26, 2023, the Adviser paid the compensation of the previous Chief Compliance Officer of the Fund.

The Fund did not make any payments to the Adviser for the year ended December 31, 2023, other than the amounts payable to the Adviser pursuant to the Agreement.

11. Risks

Investment Risks

In the normal course of its business, the Fund trades various financial instruments and enters into certain investment activities with investment risks. These risks include:

Below Investment Grade (high yield/junk bond) Instruments Risk

Below investment grade securities, commonly known as "junk" or "high yield" bonds, have speculative characteristics and involve greater volatility of price and yield, greater risk of loss of principal and interest, and generally reflect a greater possibility of an adverse change in financial condition that could affect an issuer's ability to honor its obligations. Below investment grade debt instruments are considered to be predominantly speculative investments. In some cases, these obligations may be highly speculative and have poor prospects for reaching investment grade standing. Below investment grade debt instruments are subject to the increased risk of an issuer's inability to meet principal and interest payment obligations. These instruments may be subject to greater price volatility due to such factors as specific corporate developments, interest rate sensitivity, negative perceptions of the financial markets generally and less secondary market liquidity. The prices of below investment grade debt instruments may be affected by legislative and regulatory developments. Because below investment grade debt instruments are difficult to value and are more likely to be fair valued, particularly during erratic markets, the values realized on their sale may differ from the values at which they are carried on the books of the Fund.

The Fund may invest in bonds and loans of corporate issuers that are, at the time of purchase, rated below investment grade by at least one credit rating agency or unrated but determined by Barings to be of comparable quality. The Fund may also invest in other below investment grade debt obligations. Barings consider both credit risk and market risk in making investment decisions for the Fund. If a default occurs with respect to any below investment grade debt instruments and the Fund sells or otherwise disposes of its exposure to such instruments, it is likely that the proceeds would be less than the unpaid principal and interest. Even if such instruments are held to maturity, recovery by the Fund of its initial investment and any anticipated income or appreciation would be uncertain and may not occur. Market trading volume for high yield instruments is generally lower and the secondary market for such instruments could contract under adverse market or economic conditions, independent of any specific adverse changes in the condition of a particular issuer.

Borrowing and Leverage Risk

The Fund may borrow, subject to certain limitations, to fund redemptions, post collateral for hedges or to purchase loans, bonds and structured products prior to settlement of pending sale transactions. Any such borrowings, as well as transactions such as when-issued, delayed-delivery, forward commitment purchases and loans of portfolio securities, can result in leverage. The use of leverage involves special risks, and makes the net asset value of the Fund and the yield to shareholders more volatile. There can be no assurance that the Fund's leveraging strategies would be successful. In addition, the counterparties to the Fund's leveraging transactions will have priority of payment over the Fund's shareholders.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

Credit Risk

Credit risk is the risk that one or more debt obligations in the Fund's portfolio will decline in price, or fail to pay dividends, interest or principal when due because the issuer of the obligation experiences an actual or perceived decline in its financial status. Credit ratings issued by credit rating agencies are designed to evaluate the safety of principal and interest payments of rated instruments. They do not, however, evaluate the market value risk of below investment grade debt instruments and, therefore, may not fully reflect the true risks of an investment. In addition, credit rating agencies may or may not make timely changes in a rating to reflect changes in the economy or in the conditions of the issuer that affect the market value of the instruments. Consequently, credit ratings are used only as a preliminary indicator of investment quality. Investments in below investment grade and comparable unrated obligations will be more dependent on Barings's credit analysis than would be the case with investments in investment grade instruments. Barings employ their own credit research and analysis, which includes a study of existing debt, capital structure, ability to service debt and to pay dividends, sensitivity to economic conditions, operating history and current earnings trends.

One or more debt obligations in the Fund's portfolio may decline in price, or fail to pay dividends, interest or principal when due because the issuer of the obligation experiences an actual or perceived decline in its financial status or due to changes in the specific or general market, economic, industry, political, regulatory, public health or other conditions.

Derivatives Risk

Derivatives involve special risks and costs and may result in losses to the Fund. The prices of derivatives may move in unexpected ways, especially in abnormal market conditions. Some derivatives are "leveraged" or may create economic leverage for the Fund and therefore may magnify or otherwise increase investment losses to the Fund. The Fund's use of derivatives may also increase the amount of taxes payable by shareholders.

Other risks arise from the potential inability to terminate or sell derivatives positions. A liquid secondary market may not always exist for the Fund's derivatives positions. In fact, many over-the-counter derivative instruments will not have liquidity beyond the counterparty to the instrument. Over-the-counter derivative instruments also involve the risk that the other party will not meet its obligations to the Fund. The use of derivatives also exposes the Fund to operational issues, such as documentation and settlement issues, systems failures, inadequate control and human error.

Derivatives may also involve legal risks, such as insufficient documentation, the lack of capacity or authority of a counterparty to execute or settle a transaction, and the legality and enforceability of derivatives contracts. The U.S. Government and foreign governments have adopted (and may adopt further) regulations governing derivatives markets, including mandatory clearing of certain derivatives, margin and reporting requirements and risk exposure limitations. Regulation of derivatives may make derivatives more costly, limit their availability or utility to the Fund, or otherwise adversely affect their performance or disrupt markets.

Duration Risk

The Fund may invest in investments of any duration or maturity. Although stated in years, duration is not simply a measure of time. Duration measures the time-weighted expected cash flows of a security, which can determine the security's sensitivity to changes in the general level of interest rates (or yields). Securities with longer durations tend to be more sensitive to interest rate (or yield) changes than securities with shorter durations. Duration differs from maturity in that it considers potential changes to interest rates, and a security's coupon payments, yield, price and par value and call features, in addition to the amount of time until the security matures. Various techniques may be used to shorten or lengthen the Fund's duration. The duration of a security will be expected to change over time with changes in market factors and time to maturity.

Foreign Securities Risk

Investments in securities of non-U.S. issuers (including those denominated in U.S. dollars) may involve more risk than investing in securities of U.S. issuers. Foreign political, economic and legal systems, especially those in developing and emerging market countries, may be less stable and more volatile than in the United States. Foreign legal systems generally have fewer regulatory requirements than the U.S. legal system, particularly those of emerging markets. In general, less information is publicly available with respect to non-U.S. companies than U.S. companies. Non-U.S. companies generally are not subject to the same accounting, auditing, and financial reporting standards as are U.S. companies.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

Additionally, the changing value of foreign currencies and changes in exchange rates could also affect the value of the assets the Fund holds and the Fund's performance. Certain foreign countries may impose restrictions on the ability of issuers of foreign securities to make payment of principal and interest or dividends to investors located outside the country, due to blockage of foreign currency exchanges or otherwise. Investments in emerging markets are subject to greater volatility and price declines.

In addition, the Fund's investments in non-U.S. securities may be subject to the risks of nationalization or expropriation of assets, imposition of currency exchange controls or restrictions on the repatriation of non-U.S. currency, confiscatory taxation and adverse diplomatic developments. Special U.S. tax considerations may apply.

Liquidity Risk

The Fund may, subject to certain limitations, invest in illiquid securities (i.e., securities that cannot be disposed of in current market conditions in seven calendar days or less without the disposition significantly changing the market value of the security). Illiquid securities may trade at a discount from comparable, more liquid investments, and may be subject to wide fluctuations in market value. Some securities may be subject to restrictions on resale. Illiquid securities may be difficult to value. Also, the Fund may not be able to dispose of illiquid securities at a favorable time or price when desired, and the Fund may suffer a loss if forced to sell such securities for cash needs. Below investment grade loans and other debt securities tend to be less liquid than higher-rated securities.

Loan Risk

The loans in which the Fund may invest are subject to a number of risks. Loans are subject to the risk of non-payment of scheduled interest or principal. Such non-payment would result in a reduction of income to the Fund, a reduction in the value of the investment and a potential decrease in the net asset value of the Fund. There can be no assurance that the liquidation of any collateral securing a loan would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal payments, or that such collateral could be readily liquidated. In the event of bankruptcy of a borrower, the Fund could experience delays or limitations with respect to its ability to realize the benefits of the collateral securing a loan. Loan participations and assignments involve credit risk, interest rate risk, liquidity risk, and the risks of being a lender. Loans are not as easily purchased or sold as publicly traded securities and there can be no assurance that future levels of supply and demand in loan trading will provide the degree of liquidity which currently exists in the market. In addition, the terms of the loans may restrict their transferability without borrower consent.

These factors may have an adverse effect on the market price of the loan and the Fund's ability to dispose of particular portfolio investments. A less liquid secondary market also may make it more difficult for the Fund to obtain precise valuations of the high yield loans in its portfolio. The settlement period (the period between the execution of the trade and the delivery of cash to the purchaser) for some loan transactions may be significantly longer than the settlement period for other investments, and in some cases longer than seven days. It is possible that sale proceeds from loan transactions will not be available to meet redemption obligations, in which case the Fund may be required to utilize cash balances or, if necessary, sell its more liquid investments or investments with shorter settlement periods. Some loans may not be considered "securities" for certain purposes under the federal securities laws, and purchasers, such as the Fund, therefore may not be entitled to rely on the anti-fraud protections of the federal securities laws.

Management Risk

The Fund is subject to management risk because it is an actively managed portfolio. Barings apply investment techniques and risk analyses in making investment decisions for the Fund, but there can be no guarantee that such techniques and analyses will produce the desired results.

Market Risk

The value of the Fund's portfolio securities may decline, at times sharply and unpredictably, as a result of unfavorable market-induced changes affecting particular industries, sectors, or issuers. Stock and bond markets can decline significantly in response to issuer, market, economic, industry, political, regulatory, geopolitical, public health and other conditions, as well as investor perceptions of these conditions. Such conditions may include, but are not limited to, war, terrorism, natural and environmental disasters and epidemics or pandemics (including the recent coronavirus pandemic), which may be highly disruptive to economies and markets. Such conditions may also adversely affect the liquidity of the Fund's securities. The Fund is subject to risks affecting

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

December 31, 2023

issuers, such as management performance, financial leverage, industry problems, and reduced demand for goods or services.

Prepayment and Extension Risk

Prepayment and extension risk is the risk that a loan, bond or other investment might be called or otherwise converted, prepaid or redeemed before maturity. This risk is primarily associated with mortgage-backed and other asset-backed securities and floating rate loans. If the investment is converted, prepaid or redeemed before maturity, particularly during a time of declining interest rates or spreads, the Fund may not be able to invest the proceeds in other investments providing as high a level of income, resulting in a reduced yield to the Fund. Conversely, as interest rates rise or spreads widen, the likelihood of prepayment decreases and the maturity of the investment may extend. The Fund may be unable to capitalize on securities with higher interest rates or wider spreads because the Fund's investments are locked in at a lower rate for a longer period of time.

12. Subsequent Events

The Fund has evaluated the possibility of subsequent events existing in this report through the date that the financial statements were issued. The Fund has determined that there were no material events that would require recognition or disclosure in this report through this date.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Trustees of Barings Global Short Duration High Yield Fund:

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statement of assets and liabilities of Barings Global Short Duration High Yield Fund (the "Fund"), including the schedule of investments, as of December 31, 2023, the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended, and the related notes. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of December 31, 2023, and the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of December 31, 2023, by correspondence with the custodian, brokers, and agent banks; when replies were not received from brokers and agent banks, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

DELOITTE & TOUCHE LLP

New York, New York
February 29, 2024

We have served as the auditor of one or more Barings LLC investment companies since 2013.

RESULTS OF SHAREHOLDER MEETING

The Annual Meeting of Shareholders ("Annual Meeting") was held on Monday, August 8, 2023. The shareholders were asked to elect Thomas W. Okel as Trustee for a three-year term. The shareholders approved the proposal. The results of shareholder voting are set forth below:

SHARES FOR	WITHHELD	TOTAL VOTED	% OF SHARES VOTED FOR
Thomas W. Okel	992,477	16,874,700	94.12%

The Fund's other Trustees, David M. Mihalick, Mark F. Mulhern and Jill E. Olmstead continued to serve their respective terms following the Annual Meeting.

INTERESTED TRUSTEE

NAME (AGE), ADDRESS	POSITION(S) WITH THE FUND	OFFICE TERM AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATIONS DURING PAST 5 YEARS	PORTFOLIOS OVERSEEN IN FUND COMPLEX	OTHER DIRECTORSHIPS HELD BY DIRECTOR
David M. Mihalick (50) 300 South Tryon Street Suite 2500 Charlotte, NC 28202	Trustee	Trustee since 2020	Head of Private Assets (since 2021), Head of U.S. Public Fixed Income and Member of Global Investment Grade Allocation Committee (2019-2021), Head of U.S. High Yield and Member of Global High Yield Allocation Committee (2017-2021), and U.S. High Yield Research Analyst and Portfolio Manager (2008-2017), Barings LLC.	5	Director (since 2020), Barings BDC, Inc. (business development company advised by Barings); Director (since 2021), Barings Capital Investment Corporation (business development company advised by Barings); Trustee (since May 2022), Barings Corporate Investors and Barings Participation Investors (closed-end investment companies advised by Barings); and Trustee (2020-2021), Barings Funds Trust (open-end investment company advised by Barings).

INDEPENDENT TRUSTEES

NAME (AGE), ADDRESS	POSITION(S) WITH THE FUND	OFFICE TERM AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATIONS DURING PAST 5 YEARS	PORTFOLIOS OVERSEEN IN FUND COMPLEX	OTHER DIRECTORSHIPS HELD BY DIRECTOR
Mark F. Mulhern (64) 300 South Tryon Street Suite 2500 Charlotte, NC 28202	Trustee	Trustee since 2021	Executive Vice President and Chief Financial Officer (2014-2021), Highwood Properties, Inc.	5	Director (since 2016 (Triangle Capital)), Barings BDC, Inc. (business development company advised by Barings); Director (since 2020), Barings Capital Investment Corporation (business development company advised by Barings); Director (since May 2021), Barings Private Credit Corporation (business development company advised by Barings); Trustee (since September 2022), Barings Private Equity Opportunities and Commitments Fund; Director (since 2020), Intercontinental Exchange (NYSE: ICE); Director (since 2020), ICE Mortgage Technology; Director (since 2015), McKim and Creed (engineering service firm); Director and Audit Committee member (2012-2014), Highwood Properties (real estate investment trust); and Director (2015-2017), Azure MLP (midstream oil and gas).
Thomas W. Okel (61) 300 South Tryon Street Suite 2500 Charlotte, NC 28202	Trustee	Trustee since 2012	Executive Director (2011-2019), Catawba Lands Conservancy.	5	Director (since 2018), Barings BDC, Inc. (business development company advised by Barings); Director (since 2020), Barings Capital Investment Corporation (business development company advised by Barings); Director (since 2021), Barings Private Credit Corporation (business development company advised by Barings); Trustee (since September 2022), Barings Private Equity Opportunities and Commitments Fund; Trustee (since 2015), Horizon Funds (mutual fund complex); and Trustee (2013-2021), Barings Funds Trust (open-end investment company advised by Barings until 2021).
Jill Olmstead (60) 300 South Tryon Street Suite 2500 Charlotte, NC 28202	Trustee	Trustee since 2021	Chief Human Resources Officer, (since 2018), LendingTree, Inc.; and Founding Partner (2010-2018), Spivey & Olmstead, LLC (talent and leadership consulting firm).	5	Director (since 2018), Barings BDC, Inc. (business development company advised by Barings); Director (since 2020), Barings Capital Investment Corporation (business development company advised by Barings; Director (since 2021), Barings Private Credit Corporation (business development company advised by Barings); and Trustee (since September 2022), Barings Private Equity Opportunities and Commitments Fund.

OFFICERS OF THE FUND

NAME (AGE), ADDRESS	POSITION(S) WITH THE FUND	OFFICE TERM* AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATIONS(S) DURING PAST 5 YEARS
Sean Feeley (56) 300 South Tryon Street Suite 2500 Charlotte, NC 28202	President	Since 2017	Vice President (2012-2017) of the Fund; Managing Director (since 2003), Barings; Vice President (since 2011), Barings Corporate Investors and Barings Participation Investors (closed-end investment companies advised by Barings); and Vice President (since 2011), CI Subsidiary Trust and PI Subsidiary Trust.
Christopher Hanscom (41) 300 South Tryon Street Suite 2500 Charlotte, NC 28202	Chief Financial Officer	Since 2021	Treasurer (2021-2023) of the Fund; Senior Director (since 2023), Director (2018-2023), Associate Director (2015-2018), Analyst (2005-2015), Barings; Chief Financial Officer (since 2022), Treasurer (since 2017), Barings Corporate Investors and Barings Participation Investors (closed-end investment companies advised by Barings); and Trustee (since 2022), Chief Financial Officer (since December 2022), Assistant Controller (2020-2022), CI Subsidiary Trust and PI Subsidiary Trust.
Andrea Nitzan (56) 300 South Tryon Street Suite 2500 Charlotte, NC 28202	Treasurer	Since January 2023	Managing Director and Chief Accounting Officer (since 2020), Barings; Principal Accounting Officer (since January 2023), Barings Corporate Investors and Barings Participation Investors (closed-end investment companies advised by Barings); and Principal Accounting Officer (since January 2023), CI Subsidiary Trust and PI Subsidiary Trust.
Gregory MacCordy (70) 300 South Tryon Street Suite 2500 Charlotte, NC 28202	Chief Compliance Officer	Since February 2023	Chief Compliance Officer (since February 2023), Barings BDC, Inc. (business development company advised by Barings); Director (since 2021), ACA Group; Director (2018-2021), Alaric Compliance Services LLC.
Ashlee Steinnerd (42) 300 South Tryon Street Suite 2500 Charlotte, NC 28202	Chief Legal Officer	Since February 2023	Secretary (2021-February 2023) of the Fund; Managing Director (since April 2022), Head of Regulatory (since 2021), Director (2019-2022), Barings; Chief Legal Officer (since February 2023), Secretary (2020-February 2023), Barings Corporate Investors and Barings Participation Investors (closed-end investment companies advised by Barings); Chief Legal Officer (since February 2023), Secretary (2020-February 2023), CI Subsidiary Trust and PI Subsidiary Trust; Chief Legal Officer (since February 2023), Secretary (2020-February 2023), Barings BDC, Inc. (business development company advised by Barings); Chief Legal Officer (since February 2023), Secretary (2020-February 2023), Barings Capital Investment Corporation (business development company advised by Barings); Chief Legal Officer (since February 2023), Secretary (2021-February 2023), Barings Private Credit Corporation (business development company advised by Barings); Chief Legal Officer (since February 2023), Secretary (2022-February 2023), Barings Private Equity Opportunities and Commitments Fund; and Senior Counsel (2011-2019), Securities and Exchange Commission.

OFFICERS OF THE FUND (CONTINUED)

NAME (AGE), ADDRESS	POSITION(S) WITH THE FUND	OFFICE TERM* AND LENGTH OF TIME SERVED	PRINCIPAL OCCUPATIONS(S) DURING PAST 5 YEARS
Alexandra Pacini (31) 300 South Tryon Street Suite 2500 Charlotte, NC 28202	Secretary	Since February 2023	Assistant Secretary (2020-February 2023) of the Fund; Director (since April 2023), Associate Director (2021-April 2023), Analyst (2017-2021), Barings; Secretary (since February 2023), Assistant Secretary (2020-February 2023), Barings Corporate Investors and Barings Participation Investors (closed-end investment companies advised by Barings); Secretary (since February 2023), Assistant Secretary (2020-February 2023), CI Subsidiary Trust and PI Subsidiary Trust; Secretary (since February 2023), Assistant Secretary (2020-February 2023), Barings BDC, Inc. (business development company advised by Barings); Secretary (since February 2023), Assistant Secretary (2021-February 2023), Barings Capital Investment Corporation (business development company advised by Barings); Secretary (since February 2023), Assistant Secretary (2021-February 2023), Barings Private Credit Corporation (business development company advised by Barings); Secretary (since February 2023), Assistant Secretary (2022-February 2023), Barings Private Equity Opportunities and Commitments Fund; and Assistant Secretary (2020-2021), Barings Funds Trust (open-end investment company advised by Barings until 2021).
Matthew Curtis (52) 300 South Tryon Street Suite 2500 Charlotte, NC 28202	Tax Officer	Since 2022	Managing Director and Global Head of Tax (since 2017), Barings; Tax Officer (since 2022), Barings Corporate Investors and Barings Participation Investors (closed-end investment companies advised by Barings); Tax Officer (since 2022), CI Subsidiary Trust and PI Subsidiary Trust; Tax Officer (since 2022), Barings BDC, Inc. (business development company advised by Barings); Tax Officer (since 2022), Barings Capital Investment Corporation (business development company advised by Barings); Tax Officer (since 2022), Barings Private Credit Corporation (business development company advised by Barings); and Tax Officer (since 2022), Barings Private Equity Opportunities and Commitments Fund.

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT AND SUB-ADVISORY AGREEMENT

The Investment Company Act of 1940 (the "1940 Act") requires that both the full Board of Trustees and a majority of the Trustees who are not interested persons of Barings Global Short Duration High Yield Fund (the "Fund"), as defined under the 1940 Act (the "Independent Trustees"), voting separately, annually approve the continuation of the Investment Management Agreement (the "Management Agreement") between the Fund and Barings LLC ("Barings") and the Sub-Advisory Agreement between Barings and Baring International Investment Limited ("BIIL Sub-Advisory Agreement" and, together with the Management Agreement, the "Agreements"). The Trustees considered matters bearing on the Fund and the Agreements at their meetings throughout the year, including a review of the Fund's performance at each regular meeting. In addition, the Trustees met at a meeting held on August 8, 2023 (the "Meeting") for the specific purpose of considering whether to approve the Agreements for the Fund. The Trustees' review process and considerations in approving the Agreements are summarized below.

Prior to the Meeting, the Trustees requested and received from Morgan, Lewis & Bockius LLP, independent legal counsel to the Independent Trustees, a memorandum describing the Trustees' legal responsibilities in connection with their review and approval of the Agreements. The Independent Trustees met prior to the August Board meeting with independent legal counsel to discuss their duties, the memorandum and the Agreements. The Trustees also requested and received from Barings extensive written and oral information regarding various matters including, but not limited to: the principal terms of the Agreements; Barings and its personnel; the Fund's investment performance, including comparative performance information; the nature and quality of the services provided by Barings to the Fund; the financial strength of Barings; the Fund's fee and expense information, including comparative fee and expense information; the profitability of the advisory arrangement to Barings; and the "fallout" benefits to Barings resulting from the Agreements.

The Trustees' conclusion as to the continuation of the Agreements was based on a comprehensive consideration of all information provided to the Board and not the result of any single issue. Some of the more significant factors that influenced the Trustees' deliberations are described below, although individual Trustees may have evaluated the information presented differently from one another, giving different weights to various factors. It is also important to recognize that the Board's review of the Agreements is the result of ongoing review and discussion, rather than a single discussion. The Trustees' conclusions may be based, in part, on their consideration of these arrangements throughout the year and in prior years.

The Trustees considered the terms of the Agreements, including the scope of the advisory and non-advisory services provided under the Agreements or otherwise. In evaluating the nature, scope and quality of the services provided by Barings and BIIL, the Trustees considered the specific responsibilities of Barings and BIIL in the day-to-day management of the Fund, the qualifications, experience and responsibilities of the portfolio managers and other key personnel that are involved in the day-to-day management of the Fund, the ability of Barings and BIIL to attract and retain high-quality personnel, and the organizational depth and stability of Barings and BIIL. The Trustees also considered the trading capabilities of Barings and BIIL.

Based on information provided by Broadridge Financial Solutions, Inc. ("Broadridge") and Barings, the Trustees reviewed the Fund's net total return investment performance, as well as the performance of peer groups of funds, over various time periods. The net total return performance of the Fund ranked in the 2nd quintile of its Broadridge performance universe for the one-year period, in the 1st quintile for the three-year period, and in the 4th quintile for the five-year period ended June 30, 2023 (the 1st quintile being the best performers and the 5th quintile being the worst performers). The Trustees also reviewed the Fund's performance in comparison to a custom peer group developed by Barings comprised of ten (including the Fund) high-yield closed-end funds that employ generally similar investment strategies and invest in the same asset classes as the Fund. Relative to the custom peer group, the net total return performance of the Fund ranked, respectively, 2nd, 1st, and 7th out of ten funds for the one-year, three-year and five-year periods ended June 30, 2023. The Trustees felt that BGH's ability to invest in senior secured loans, structured credit and non-U.S. securities required additional infrastructure and resources relative to peer funds using a pure high yield bond strategy. In the course of their deliberations, the Trustees also took into account information provided by Barings during investment review meetings conducted with portfolio management personnel during the course of the year. After reviewing these and related factors, the Trustees concluded, within the context of their overall conclusions regarding the Agreements, that they were satisfied with Barings' and BIIL's responses and efforts relating to investment performance.

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT AND SUB-ADVISORY AGREEMENT (CONTINUED)

The Trustees considered the investment management fee paid by the Fund to Barings pursuant to the Management Agreement. The Trustees noted that Barings (and not the Fund) pays BIIL its sub-advisory fee under the BIIL Sub-Advisory Agreement. In assessing the reasonableness of the fee paid by the Fund under the Management Agreement, the Trustees considered, among other information, the Fund's management fee and the total expense ratio for the Fund's shares as a percentage of net asset value and the advisory fee and total expense ratios of peer groups of funds based on information provided by Broadridge. The Trustees considered that, according to the Broadridge data, the Fund's effective management fee (which includes Barings' advisory fee and Fund administration fees) and total expense ratio were each higher than the Broadridge expense group median for common and leverage assets. The Trustees also reviewed the Fund's advisory fee and total expense ratio in comparison to a custom peer group developed by Barings comprised of ten (including the Fund) high-yield closed-end funds that employ generally similar investment strategies and invest in the same asset classes as the Fund. The Trustees considered that, according to the custom peer group data, the contractual advisory fee of the Fund ranked 3rd out of 10 funds. The Trustees also reviewed materials provided by Barings describing fees paid by other similar accounts managed by Barings, noting that Barings typically charges higher fees on its global accounts than on accounts that are invested primarily in domestic securities.

The Board noted that, because the Fund is closed-end and does not continue to offer its securities, its size was relatively stable and it was unlikely that Barings would realize economies of scale from the Fund's growth other than through capital gains and income. The Trustees reviewed information prepared by Barings regarding Barings' costs of managing the Fund, and the profitability of the Management Agreement to Barings. In considering the profitability to Barings, the Board noted that BIIL is an affiliate of Barings and is paid by Barings, and, therefore, did not consider its profitability separately.

The Trustees also considered the character and amount of other incidental benefits received by Barings and BIIL. Additionally, the Trustees considered so-called "fall-out benefits" to Barings and BIIL, such as reputational value derived from serving as investment manager to the Fund. The Trustees also considered costs incurred by Barings in connection with the organization and initial offering of the Fund.

On the basis of the information provided, the Trustees concluded, within the context of their overall review of the Agreements, that the management fees charged to the Fund and the sub-advisory fee paid by Barings to BIIL represent reasonable compensation in light of the services being provided by Barings and BIIL to the Fund. Based on their evaluation of factors that they deemed material, including those factors described above, the Board of Trustees, including the Independent Trustees, concluded that the Fund's Management Agreement with Barings and the BIIL Sub-Advisory Agreement should be continued for an additional one-year period through August 2024.

FUND DIVIDEND REINVESTMENT PLAN

The Fund offers a Dividend Reinvestment Plan (the "Plan"). The Plan provides a simple way for shareholders to add to their holdings in the Fund through the reinvestment of dividends in additional common shares of the Fund. Shareholders will have all dividends, including any capital gain dividends, reinvested automatically in additional shares of the Fund by U.S. Bancorp Fund Services, LLC, as Plan Agent, unless a shareholder elects to receive cash instead. An election to receive cash may be revoked or reinstated at the option of the shareholder. All distributions to investors who elect not to participate in the Plan (or whose broker or nominee elects not to participate on the investor's behalf) will receive dividends and distributions in cash.

Whenever the Fund declares a dividend payable in cash or shares, the Plan Agent, acting on behalf of each participating shareholder, will take the dividend in shares only if the net asset value per Fund share is equal to or less than the market price per Fund share plus estimated brokerage commissions as of the payment date for the dividend.

When the dividend is to be taken in shares, the number of shares to be received is determined by dividing the dollar amount of the cash dividend by the net asset value per Fund share as of the dividend payment date or, if greater than the net asset value per Fund share, 95% of the closing share price on the payment date. Generally, if the net asset value per Fund share is greater than the market price per Fund share plus estimated brokerage commissions as of the dividend payment date, the Plan Agent will endeavor to buy shares on the open market at current prices promptly after the dividend payment date.

The reinvestment of dividends does not, in any way, relieve participating shareholders of any Federal, state or local tax. For Federal income tax purposes, the amount reportable in respect of a dividend received in shares of the Fund will be the fair market value of the shares received, which will be reportable as ordinary income and/or capital gains. Investors should consult with their own tax advisors for further information about the tax consequences of dividend reinvestment.

There is no brokerage charge for the reinvestment of dividends in additional Fund shares; however, all participants pay a pro rata share of brokerage commissions incurred by the Plan Agent when it makes open market purchases. There is no direct service charge to participants in the Plan, though the Fund reserves the right to amend the Plan to include a service charge payable by participants.

Additional information about the Plan may be obtained from, and any questions regarding the Plan should be addressed to, U.S. Bancorp Fund Services, Plan Agent for Barings Global Short Duration High Yield Fund's Dividend Reinvestment Plan, P.O. Box 701, Milwaukee, WI 52301.

JOINT PRIVACY NOTICE OF BABSON CAPITAL MANAGEMENT LLC AND BARINGS GLOBAL SHORT DURATION HIGH YIELD FUND

This privacy notice is being provided on behalf of Barings LLC and its affiliates: Barings Securities LLC; Barings Australia Pty Ltd; Barings Advisers (Japan) KK; Barings Investment Advisers (Hong Kong) Limited; Barings Funds Trust; Barings Global Short Duration High Yield Fund; Barings Corporate Investors and Barings Participation Investors (together, for purposes of this privacy notice, "Barings").

When you use Barings you entrust us not only with your hard-earned assets but also with your personal and financial data. We consider your data to be private and confidential, and protecting its confidentiality is important to us. Our policies and procedures regarding your personal information are summarized below.

We may collect non-public personal information about you from:

- Applications or other forms, interviews, or by other means;
- Consumer or other reporting agencies, government agencies, employers or others;
- Your transactions with us, our affiliates, or others; and
- Our Internet website.

We may share the financial information we collect with our financial service affiliates, such as insurance companies, investment companies and securities broker-dealers. Additionally, so that we may continue to offer you products and services that best meet your investment needs and to effect transactions that you request or authorize, we may disclose the information we collect, as described above, to companies that perform administrative or marketing services on our behalf, such as transfer agents, custodian banks, service providers or printers and mailers that assist us in the distribution of investor materials or that provide operational support to Barings. These companies are required to protect this information and will use this information only for the services for which we hire them, and are not permitted to use or share this information for any other purpose. Some of these companies may perform such services in jurisdictions other than the United States. We may share some or all of the information we collect with other financial institutions with whom we jointly market products. This may be done only if it is permitted by the state in which you live. Some disclosures may be limited to your name, contact and transaction information with us or our affiliates.

Any disclosures will be only to the extent permitted by federal and state law. Certain disclosures may require us to get an "opt-in" or "opt-out" from you. If this is required, we will do so before information is shared. Otherwise, we do not share any personal information about our customers or former customers unless authorized by the customer or as permitted by law.

We restrict access to personal information about you to those employees who need to know that information to provide products and services to you. We maintain physical, electronic and procedural safeguards that comply with legal standards to guard your personal information. As an added measure, we do not include personal or account information in non-secure e-mails that we send you via the Internet without your prior consent. We advise you not to send such information to us in non-secure e-mails.

This joint notice describes the privacy policies of Barings, the Funds and Barings Securities LLC. It applies to all Barings and the Funds accounts you presently have, or may open in the future, using your social security number or federal taxpayer identification number – whether or not you remain a shareholder of our Funds or as an advisory client of Barings. As mandated by rules issued by the Securities and Exchange Commission, we will be sending you this notice annually, as long as you own shares in the Funds or have an account with Barings.

Barings Securities LLC is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). Investors may obtain information about SIPC including the SIPC brochure by contacting SIPC online at www.sipc.org or calling (202)-371-8300. Investors may obtain information about FINRA including the FINRA Investor Brochure by contacting FINRA online at www.finra.org or by calling (800) 289-9999.

December 2023

BARINGS

BARINGS GLOBAL SHORT DURATION HIGH YIELD FUND

2023 ANNUAL REPORT