

**BARINGS**

**BARINGS GLOBAL SHORT DURATION HIGH  
YIELD FUND**

Semi-Annual Report  
June 30, 2023

Barings Global Short Duration High Yield Fund  
c/o Barings LLC  
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Suite 2500  
Charlotte, NC 28202  
704.805.7200  
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Charlotte, NC 28202

**SUB-ADVISOR**

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London EC4M 78F UK

**COUNSEL TO THE FUND**

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**INDEPENDENT REGISTERED PUBLIC  
ACCOUNTING FIRM**  
Deloitte & Touche LLP  
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New York, NY 10112

**CUSTODIAN**

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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



**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

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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 Semi-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 to help navigate any market environment which may lie ahead, and continue 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. Barings’ global capabilities on the ground in major markets allow for us to be nimble in uncertain 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

Global fixed income markets navigated continued pressure from rising interest rates, persistent inflation, stress in the U.S. regional banking system, and the overhang of strains in China real estate, to generate strong performance through the first half of the year. Sharp returns in January mitigated weakness and increased volatility at the end of the first quarter, driving returns in excess of 3% in both the U.S. and Europe in 1Q. Spread tightening in the second quarter was offset by the continued rise in interest rates, resulting in more modest performance than the prior quarter. Corporate earnings continue to come in better than feared, while those companies missing earnings or reducing guidance are negatively impacted, driving increased dispersion in the market. Meanwhile, default rates have continued to trend higher but remain modest compared to prior cycles and within long-term averages.

Slowing inflation data in the closing months combined with strong equity markets bolstered risk appetite within high yield markets. Credit spreads peaked at 516 bps in March following the collapse of Silicon Valley Bank, before rallying through the second quarter to close at 390 bps, 79 bps tighter than year-end levels. Higher government bond yields offset some of this tightening, as yield-to-worst finished 46 bps lower at 8.50%. More cyclical areas of the market such as Leisure led, while Communications lagged. Triple-C rated assets outperformed as spreads compressed across ratings buckets, in addition to a shorter duration profile. New issuance remained muted, with \$95.6 billion pricing in total, while the overall high yield universe continued to shrink as upgrades to investment grade significantly outpaced downgrades to high yield. European markets experienced similar dynamics, with the notable exception of underperformance within the lowest-rated sections of the market. The option-adjusted spread for the European market tightened 61 bps to close at 464 bps, while yield-to-worst fell 17 bps to 7.79%. New issue activity totaled €32.8 billion.

## Barings Global Short Duration High Yield Fund Overview and Performance

The Fund ended June 2023 with a portfolio of 179 issuers, in line with year-end levels. From a regional perspective, there was a slight shift in regional exposure from year-end, with exposure to the United States declining to 81.2% from 81.4%; the United Kingdom remains the second largest exposure at 5.5% (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 year-end to 5.7%. 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 June 30, 2023, the Fund’s positioning across the credit quality spectrum was as follows: 38.15% double-B rated and above, 32.11% single-B rated, and 27.80% triple-C rated and below, with approximately 40.68% 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 1.94%.

The distribution per share was constant throughout the period at \$0.1056 per share. The Fund’s share price and net asset value (“NAV”) ended the reporting period at \$14.67 and \$13.04, respectively, or at a 11.12% discount to NAV. Based on the Fund’s share price and NAV on June 30, 2023, the Fund’s market price and NAV distribution rates—using the most recent monthly dividend, on an annualized basis—were 9.72% and 8.64%, respectively. Assets acquired through leverage, which

represented 25.17% of the Fund's total assets at the end of June, were accretive to net investment income and benefited shareholders.

On a year-to-date basis through June 30, 2023, the NAV total return for the Fund was 7.89%, outperforming the global high yield bond market, as measured by the ICE Bank of America Non-Financial Developed Markets High Yield Constrained Index, which returned 5.51% on a hedged to the U.S. dollar basis. From a market value perspective, the total return year-to-date through June 30, 2023 was 7.85%. The Fund generated positive absolute and relative returns in each quarter to begin the year. The shorter-duration exposure, including floating rate allocations to 1st and 2nd lien senior secured loans and collateralized loan obligations, continued to benefit results. The allocation to lower-rated credit also benefitted results given spread compression in the U.S. and positive returns across broader risk assets.

## Market Outlook

With data indicating that inflation has moderated in recent months, attention turns to the lagged impact of the interest rate hiking cycle on demand and economic growth. Labor markets remain solid, providing the Federal Reserve flexibility to maintain rates at an elevated level at least through year-end. Consensus forecasts expect growth to continue to slow, although a significant downturn remains an unlikely outcome; similarly, while corporate fundamentals have deteriorated sequentially, revenue, EBITDA, and balance sheet metrics remain above pre-pandemic levels, and near-term maturities remain limited and of higher ratings quality. Credit spreads may widen from current levels near historical averages, although attractive valuations on a dollar price and yield basis backstop trading levels. Technical factors, including low levels of supply and elevated manager cash balances, also remain supportive. Meanwhile, elevated short-term rates have driven average coupons for floating rate asset classes higher and remain supportive of total returns in these markets. While default rates are likely to increase this year and remain at a similar level into next year across the leveraged finance space, they are anticipated to remain at manageable levels near historical averages with the impact mitigated by current income.

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 and look forward to helping you achieve your investment goals.

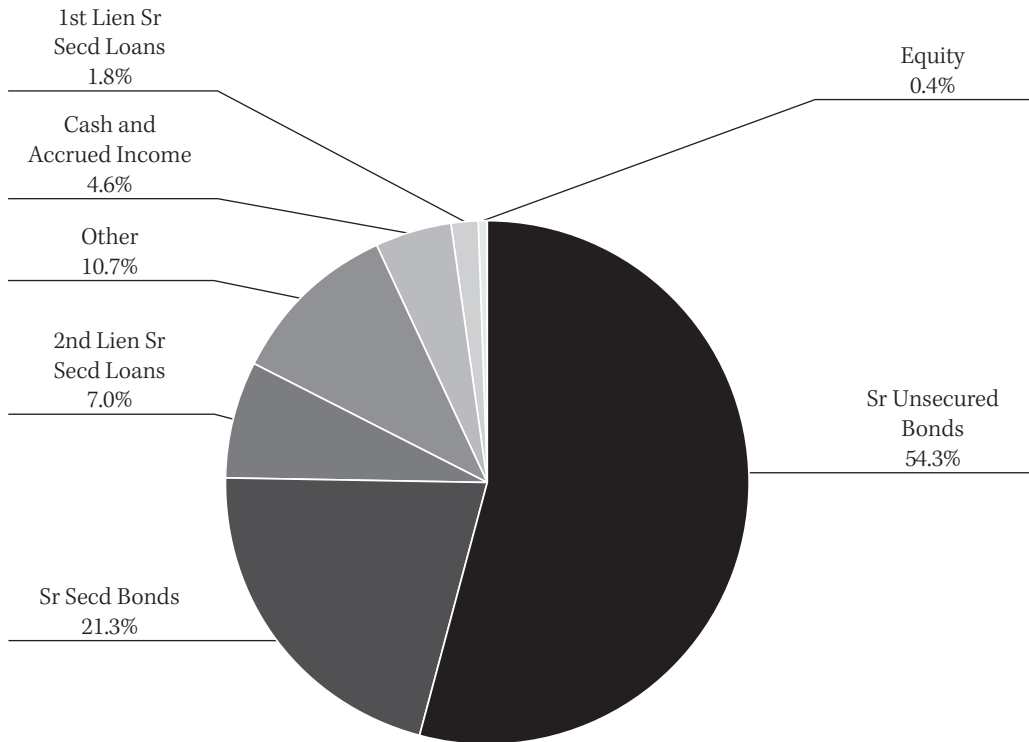
Sincerely,



Sean Feeley

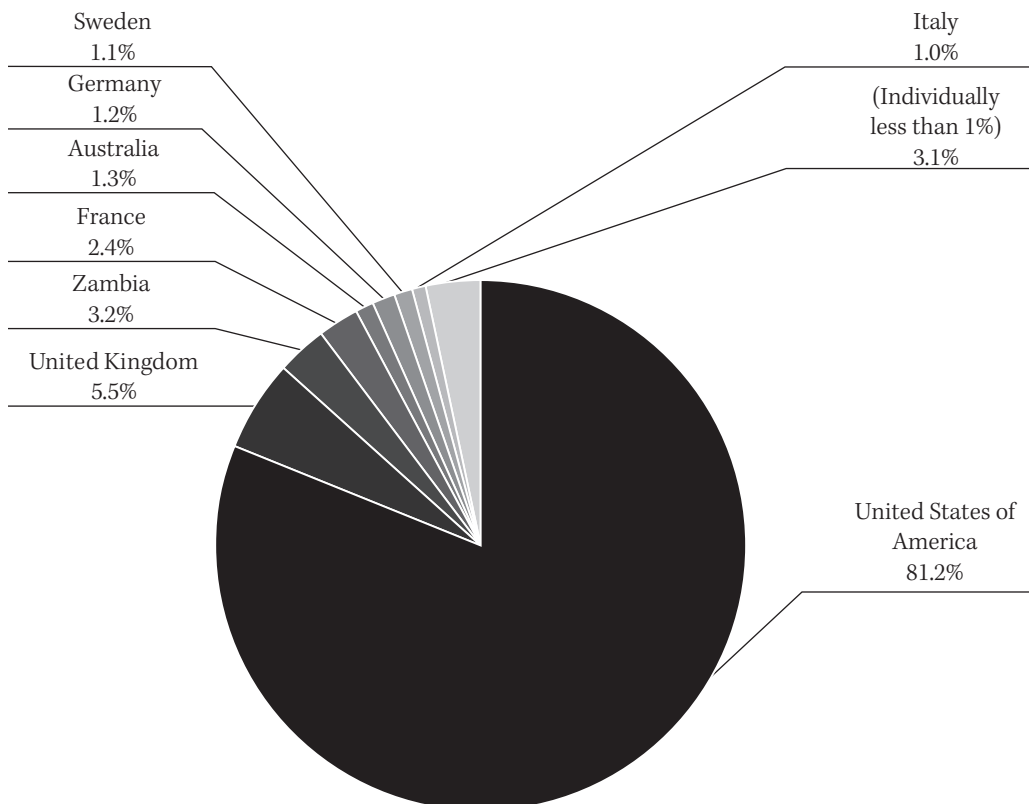
1. Ratings are based on Moody's, S&P and Fitch. If securities are rated differently by the rating agencies, the higher rating is applied and all ratings are converted to the equivalent Moody's major rating category for purposes of the category shown. Credit ratings are based largely on the rating agency's 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\*)

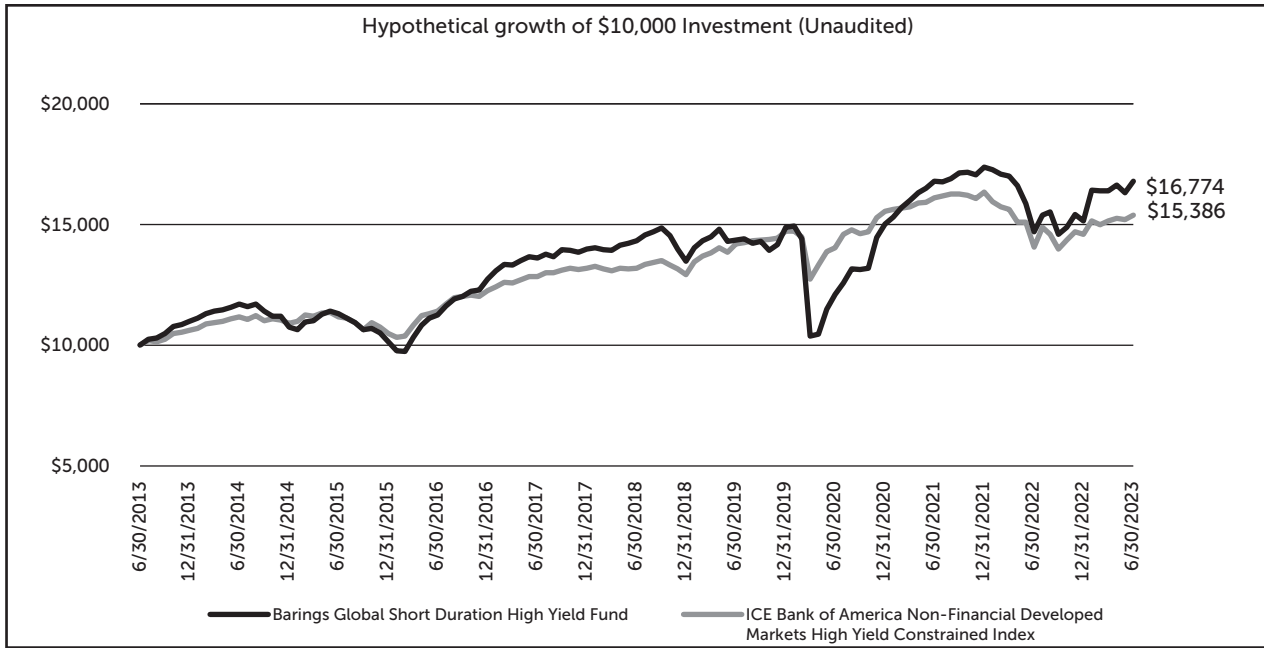


\* The percentages shown above represent a percentage of the assets as of June 30, 2023.

**COUNTRY COMPOSITION** (% OF ASSETS\*)



\* The percentages shown above represent a percentage of the assets as of June 30, 2023.



**AVERAGE ANNUAL RETURNS JUNE 30, 2023**

|   | 1 YEAR | 5 YEAR | 10 YEAR |
|---|--------|--------|---------|
| Barings Global Short Duration High Yield Fund (BGH)                                     | 11.23% | 2.68%  | 4.86%   |
| ICE Bank of America Non-Financial Developed Markets High Yield Constrained Index (HNDC) | 9.52%  | 3.34%  | 5.39%   |

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

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## STATEMENT OF ASSETS AND LIABILITIES

(Unaudited)

|  | JUNE 30, 2023         |
|--|-----------------------|
| <b>Assets</b>  |                       |
| Investments, at fair value (cost \$433,217,158)                    | \$ 381,382,678        |
| Cash and cash equivalents  | 13,992,903            |
| Foreign currency, at fair value (cost \$615,674)                   | 601,432               |
| Interest and dividend receivable                                   | 9,108,604             |
| Receivable for investments sold                                    | 4,207,526             |
| Prepaid expenses and other assets                                  | 56,821                |
| <b>Total assets</b>  | <b>409,349,964</b>    |
| <b>Liabilities</b>   |                       |
| Credit facility  | 102,500,000           |
| Payable for investments purchased                                  | 8,833,360             |
| Dividend payable   | 2,118,791             |
| Payable to adviser   | 276,528               |
| Unrealized depreciation on forward foreign exchange contracts      | 611,804               |
| Accrued expenses and other liabilities                             | 708,264               |
| <b>Total liabilities</b>   | <b>115,048,747</b>    |
| <b>Total net assets</b>  | <b>\$ 294,301,217</b> |
| <b>Net assets:</b>   |                       |
| Common shares, \$0.00001 par value                                 | \$ 201                |
| Additional paid-in capital   | 467,835,468           |
| Total accumulated loss   | (173,534,452)         |
| <b>Total net assets</b>  | <b>\$ 294,301,217</b> |
| Common shares issued and outstanding (unlimited shares authorized) | <b>20,064,313</b>     |
| <b>Net asset value per share</b>                                   | <b>\$ 14.67</b>       |

See accompanying Notes to the Financial Statements.

## STATEMENT OF OPERATIONS

(Unaudited)

|   | PERIOD FROM<br>JANUARY 1, 2023<br>THROUGH<br>JUNE 30, 2023 |
|---|--|
| <b>Investment Income</b>  |  |
| Interest income   | \$20,338,658   |
| Dividend income (net of foreign taxes withheld of \$55)   | 87,862   |
| Other income  | 152  |
| <b>Total investment income</b>  | <u>20,426,672</u>  |
| <b>Operating Expenses</b>   |  |
| Interest expense  | 2,932,796  |
| Advisory fees   | 1,695,264  |
| Accounting and administration fees  | 193,570  |
| Other operating expenses  | 142,582  |
| Professional fees   | 91,757   |
| Trustee fees  | 76,639   |
| Excise tax on undistributed income  | —  |
| <b>Total expenses</b>   | <u>5,132,608</u>   |
| <b>Net investment income</b>  | <u>15,294,064</u>  |
| <b>Realized losses and unrealized appreciation/depreciation on investments and foreign currency related transactions</b>                |  |
| Net realized loss on investments  | (7,426,762)  |
| Net realized loss on forward foreign exchange contracts   | (315,203)  |
| Net realized loss on foreign currency related transactions  | (307,113)  |
| Net realized loss on investments, forward foreign exchange contracts and foreign currency transactions                                  | <u>(8,049,078)</u>   |
| Net change in unrealized appreciation/depreciation on investments   | 14,136,100   |
| Net change in unrealized appreciation/depreciation on forward foreign exchange contracts  | (408,461)  |
| Net change in unrealized appreciation/depreciation on foreign currency transactions   | (161)  |
| Net change in unrealized appreciation/depreciation on investments, forward foreign exchange contracts and foreign currency transactions | <u>13,727,478</u>  |
| <b>Net realized losses and unrealized appreciation/depreciation on investments and foreign currency transactions</b>                    | <u>5,678,400</u>   |
| <b>Net increase in net assets resulting from operations</b>   | <u>\$20,972,464</u>  |

See accompanying Notes to the Financial Statements.

## STATEMENT OF CASH FLOWS

(Unaudited)

|   | PERIOD FROM<br>JANUARY 1, 2023<br>THROUGH<br>JUNE 30, 2023 |
|---|--|
| <b>Cash flows from operating activities</b>   |  |
| Net increase in net assets resulting from operations  | \$ 20,972,464  |
| Adjustments to reconcile net increase in net assets resulting from operations to net cash provided by operating activities: |  |
| Purchases of long-term investments  | (97,853,817)   |
| Proceeds from sales of long-term investments  | 106,353,232  |
| Net change in unrealized appreciation/depreciation on investments   | (14,136,100)   |
| Net realized loss on investments  | 6,839,456  |
| Amortization and accretion  | (765,330)  |
| Net change in unrealized appreciation/depreciation on forward foreign exchange contracts                                    | 408,461  |
| Changes in assets and liabilities:  |  |
| Increase in receivable for investments sold   | (2,804,843)  |
| Increase in interest and dividend receivable  | (270,152)  |
| Increase in prepaid expenses and other assets   | (29,800)   |
| Decrease in payable to Adviser  | (12,897)   |
| Decrease in excise tax payable on undistributed income  | (1,017,478)  |
| Increase in payable for investments purchased   | 8,748,064  |
| Decrease in accrued expenses and other liabilities  | (205,727)  |
| <b>Net cash provided by operating activities</b>  | <u>26,225,533</u>  |
| Cash flows from financing activities  |  |
| Advances from credit facility   | 6,000,000  |
| Repayments on credit facility   | (12,000,000)   |
| Distributions paid to common shareholders   | (12,712,749)   |
| <b>Net cash used in financing activities</b>  | <u>(18,712,749)</u>  |
| Net change in cash  | 7,512,784  |
| Cash and cash equivalents (including foreign currency), beginning of period   | 7,081,551  |
| <b>Cash and cash equivalents (including foreign currency), end of period</b>  | <u>\$ 14,594,335</u>                                       |
| <b>Supplemental disclosure of cash flow information</b>   |  |
| Excise taxes paid   | \$ 1,017,478   |
| Interest paid   | 2,887,079  |

See accompanying Notes to the Financial Statements.

## STATEMENTS OF CHANGES IN NET ASSETS

|  | PERIOD FROM<br>JANUARY 1, 2023<br>THROUGH<br>JUNE 30, 2023 | YEAR ENDED<br>DECEMBER 31, 2022 |
|--|--|---------------------------------|
|  | (Unaudited)  |                                 |
| <b>Operations</b>  |  |                                 |
| Net investment income  | \$ 15,294,064  | \$ 29,393,217                   |
| Net realized loss on investments, forward foreign exchange contracts and foreign currency transactions                                 | (8,049,078)  | (8,537,949)                     |
| Net change in unrealized appreciation/depreciation on investments, forward foreign exchange contracts and foreign currency translation | 13,727,478   | (68,060,177)                    |
| <b>Net increase (decrease) in net assets resulting from operations</b>   | <u>20,972,464</u>  | <u>(47,204,909)</u>             |
| <b>Distributions to common shareholders</b>  |  |                                 |
| From distributable earnings  | (12,712,749)   | (25,425,498)                    |
| <b>Total Distributions to common shareholders</b>  | <u>(12,712,749)</u>  | <u>(25,425,498)</u>             |
| <b>Total increase (decrease) in net assets</b>   | <u>8,259,715</u>   | <u>(72,630,407)</u>             |
| <b>Net assets</b>  |  |                                 |
| Beginning of period  | 286,041,502  | 358,671,909                     |
| End of period  | <u>\$294,301,217</u>                                       | <u>\$286,041,502</u>            |

See accompanying Notes to the Financial Statements.

## FINANCIAL HIGHLIGHTS

|   | PERIOD FROM<br>JANUARY 1,<br>2023<br>THROUGH<br>JUNE 30,<br>2023<br>(UNAUDITED) | YEAR ENDED<br>DECEMBER 31,<br>2022 | YEAR ENDED<br>DECEMBER 31,<br>2021 | YEAR ENDED<br>DECEMBER 31,<br>2020 | YEAR ENDED<br>DECEMBER 31,<br>2019 | YEAR ENDED<br>DECEMBER 31,<br>2018 |
|---|---|------------------------------------|------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| <b>Per Common Share Data</b>  |   |                                    |                                    |                                    |                                    |                                    |
| Net asset value, beginning of period  | \$ 14.26  | \$ 17.88                           | \$ 16.68                           | \$ 18.32                           | \$ 18.28                           | \$ 20.84                           |
| Income from investment operations:  |   |                                    |                                    |                                    |                                    |                                    |
| Net investment income   | 0.76  | 1.46                               | 1.72                               | 1.59                               | 1.87                               | 1.89                               |
| Net realized gain (loss) and unrealized appreciation/<br>depreciation on investments and foreign currency<br>transactions | 0.28  | (3.81)                             | 0.75                               | (1.86)                             | (0.05)                             | (2.67)                             |
| <b>Total increase (decrease) from investment<br/>    operations</b>   | <b>1.04</b>   | <b>(2.35)</b>                      | <b>2.47</b>                        | <b>(0.27)</b>                      | <b>1.82</b>                        | <b>(0.78)</b>                      |
| Less distributions to common stockholders:  |   |                                    |                                    |                                    |                                    |                                    |
| Net investment income   | (0.63)  | (1.27)                             | (1.27)                             | (1.37)                             | (1.78)                             | (1.78)                             |
| <b>Total distributions to common stockholders</b>   | <b>(0.63)</b>   | <b>(1.27)</b>                      | <b>(1.27)</b>                      | <b>(1.37)</b>                      | <b>(1.78)</b>                      | <b>(1.78)</b>                      |
| Net asset value, end of period  | \$ 14.67  | \$ 14.26                           | \$ 17.88                           | \$ 16.68                           | \$ 18.32                           | \$ 18.28                           |
| Per common share market value, end of period  | \$ 13.04  | \$ 12.68                           | \$ 17.34                           | \$ 15.09                           | \$ 17.53                           | \$ 15.95                           |
| <b>Total investment return based on net asset value <sup>(2)</sup></b>  | <b>7.89%<sup>(1)</sup></b>  | <b>(12.88)%</b>                    | <b>15.71%</b>                      | <b>0.79%</b>                       | <b>10.77%</b>                      | <b>(3.42)%</b>                     |
| <b>Total investment return based on market value <sup>(2)</sup></b>   | <b>7.85%<sup>(1)</sup></b>  | <b>(19.98)%</b>                    | <b>23.97%</b>                      | <b>(4.65)%</b>                     | <b>21.45%</b>                      | <b>(9.38)%</b>                     |
| <b>Supplemental Data and Ratios</b>   |   |                                    |                                    |                                    |                                    |                                    |
| Net assets, end of period (000's)   | \$294,301   | \$286,042                          | \$358,672                          | \$334,576                          | \$367,649                          | \$366,691                          |
| Ratio of expenses (before reductions and<br>reimbursements) to average net assets   | 3.51% <sup>(4)</sup>  | 2.73% <sup>(3)</sup>               | 2.17% <sup>(3)</sup>               | 2.32% <sup>(3)</sup>               | 3.00%                              | 2.93%                              |
| Ratio of expenses (after reductions and reimbursements)<br>to average net assets  | 3.51% <sup>(4)</sup>  | 2.60%                              | 1.95%                              | 2.23%                              | 3.00%                              | 2.93%                              |
| Ratio of net investment income (before reductions and<br>reimbursements) to average net assets                            | 10.46% <sup>(4)</sup>   | 9.17% <sup>(3)</sup>               | 8.54% <sup>(3)</sup>               | 10.53% <sup>(3)</sup>              | 10.22%                             | 9.34%                              |
| Ratio of net investment income (after reductions and<br>reimbursements) to average net assets                             | 10.46% <sup>(4)</sup>   | 9.31%                              | 8.76%                              | 10.61%                             | 10.22%                             | 9.34%                              |
| Portfolio turnover rate   | 25.34% <sup>(1)</sup>   | 34.04%                             | 52.08%                             | 42.21%                             | 52.25%                             | 48.92%                             |

(1) Not annualized.

(2) 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.

(3) Effective August 6, 2020 the Adviser began waiving a portion of its management and other fees equal to an annual rate of 0.150% of the Fund's managed assets. The waiver expired on August 31, 2022 (see Note 3).

(4) Annualized.

See accompanying Notes to the Financial Statements.

**SCHEDULE OF INVESTMENTS**

June 30, 2023 (Unaudited)

|   | SHARES | COST      | FAIR<br>VALUE |
|---|--------|-----------|---------------|
| <b>Equities* — 0.53%:</b>   |        |           |               |
| <b>Common Stocks — 0.49%:</b>                                       |        |           |               |
| ESC CB 144A High Ridge <sup>a</sup>                                 | 2,982  | \$0       | \$0           |
| KCA Deutag Ordinary A Shares  | 25,580 | 1,103,387 | 1,432,480     |
| Travelex Private Equity+ <sup>a</sup>                               | 17,136 | 1         | 0             |
| Naviera Armas Class B2 Shares Stapled To<br>1.5L SSNS+ <sup>a</sup> | 1,194  | 0         | 0             |
| Naviera Armas Class B3 Shares+ <sup>a</sup>                         | 169    | 0         | 0             |
| Naviera Armas Class A3 Shares+ <sup>a</sup>                         | 133    | 0         | 0             |
| Naviera Armas Class A2 Shares Stapled To<br>1.5L SSNS+ <sup>a</sup> | 937    | 0         | 0             |
| Total Common Stocks   | 48,131 | 1,103,388 | 1,432,480     |
| <b>Warrant — 0.04%:</b>   |        |           |               |
| Travelex Topco Limited+   | 2,218  | 0         | 119,717       |
| Total Warrant   | 2,218  | 0         | 119,717       |
| Total Equities  | 50,349 | 1,103,388 | 1,552,197     |

|   | EFFECTIVE<br>INTEREST RATE † | DUE DATE   | PRINCIPAL   | COST        | FAIR<br>VALUE |
|---|------------------------------|------------|-------------|-------------|---------------|
| <b>Fixed Income — 129.06%:</b>                                |                              |            |             |             |               |
| <b>Asset-Backed Securities — 14.50%:</b>                      |                              |            |             |             |               |
| <b>CDO/CLO — 14.50%:</b>                                      |                              |            |             |             |               |
| 610 FDG 2016-2R CLO LTD, 3M LIBOR +<br>7.250%+~^#             | 12.50%                       | 1/20/2032  | \$1,550,000 | \$1,534,190 | \$1,423,642   |
| Anchorage Capital 2016-9A ER2, 3M LIBOR +<br>6.820%+~^#       | 12.08                        | 7/15/2032  | 1,500,000   | 1,485,000   | 1,352,698     |
| Anchorage Capital CLO LTD 2013-1R, 3M<br>LIBOR + 6.800%+~^#   | 12.04                        | 10/15/2030 | 1,000,000   | 977,213     | 911,781       |
| Anchorage Capital CLO LTD 2021-20 E, 3M<br>LIBOR + 7.350%+~^# | 12.60                        | 1/22/2035  | 1,000,000   | 980,000     | 872,071       |
| Ares CLO LTD 2013-27R2, 3M LIBOR +<br>6.750%+~^#              | 12.02                        | 10/30/2034 | 1,700,000   | 1,683,000   | 1,499,640     |
| Bain CAP CR CLO 2020-2R LTD, 3M LIBOR +<br>6.610%+~^#         | 11.88                        | 7/19/2034  | 1,000,000   | 990,000     | 878,887       |
| Ballyrock CLO LTD 2019-2R, 3M LIBOR +<br>6.500%+~^#           | 11.88                        | 11/20/2030 | 2,000,000   | 2,000,000   | 1,826,840     |
| BlueMountain CLO LTD 2018-23A, 3M LIBOR +<br>+ 5.650%+~^#     | 10.90                        | 10/20/2031 | 1,000,000   | 1,000,000   | 854,203       |
| Canyon CLO LTD 2019-2R, 3M LIBOR +<br>6.750%+~^#              | 12.01                        | 10/16/2034 | 1,000,000   | 1,000,000   | 895,810       |
| Carbone CLO, LTD 2017-1A, 3M LIBOR +<br>5.900%+~^#            | 11.15                        | 1/21/2031  | 750,000     | 750,000     | 648,772       |
| Carlyle US CLO LTD 2019-3R, 3M LIBOR +<br>6.750%+~^#          | 12.00                        | 10/20/2032 | 1,000,000   | 1,000,000   | 934,625       |

See accompanying Notes to the Financial Statements.

**SCHEDULE OF INVESTMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

|  | EFFECTIVE<br>INTEREST RATE ‡ | DUE DATE   | PRINCIPAL | COST      | FAIR<br>VALUE |
|--|------------------------------|------------|-----------|-----------|---------------|
| <b>Asset-Backed Securities (Continued)</b>                           |                              |            |           |           |               |
| <b>CDO/CLO (Continued)</b>   |                              |            |           |           |               |
| Carlyle Global Market Strategies 2017-5A, 3M LIBOR + 5.300%+~^#      | 10.55%                       | 1/22/2030  | \$700,000 | \$700,000 | \$560,155     |
| CIFC Funding 2020-1 LTD, 3M LIBOR + 6.250%+~^#                       | 11.51                        | 7/15/2036  | 1,900,000 | 1,900,000 | 1,745,182     |
| Galaxy CLO LTD 2017-24A, 3M LIBOR + 5.500%+~^#                       | 10.76                        | 1/15/2031  | 1,000,000 | 1,000,000 | 879,683       |
| GoldenTree Loan Management 2018-3A, 3M LIBOR + 6.500%+~^#            | 11.75                        | 4/22/2030  | 1,500,000 | 1,467,276 | 1,059,724     |
| GoldenTree Loan Opportunities XI LTD 2015-11A, 3M LIBOR + 5.400%+~^# | 10.66                        | 1/18/2031  | 500,000   | 500,000   | 448,423       |
| KKR Financial CLO LTD 2017-20, 3M LIBOR + 5.500%+~^#                 | 10.76                        | 10/16/2030 | 1,500,000 | 1,500,000 | 1,302,789     |
| KKR Financial CLO LTD 34-2, 3M LIBOR + 6.850%+~^#                    | 12.11                        | 7/17/2034  | 2,000,000 | 1,980,000 | 1,809,662     |
| KVK 2016-1A ER2, 3M LIBOR + 7.350%+~^#                               | 12.61                        | 10/16/2034 | 3,000,000 | 2,970,000 | 2,385,237     |
| LCM LTD 2031-30, 3M LIBOR + 6.500%+~^#                               | 11.75                        | 4/21/2031  | 1,100,000 | 1,100,000 | 895,086       |
| Madison Park Funding LTD 2015-19A, 3M LIBOR + 4.350%+~^#             | 9.62                         | 1/24/2028  | 1,000,000 | 1,000,000 | 962,684       |
| Madison Park Funding LTD 2018-29A, 3M LIBOR + 7.570%+~^#             | 12.83                        | 10/18/2030 | 2,000,000 | 1,960,000 | 1,645,140     |
| Madison Park Funding LTD XXXV 2019-35R E-R, 3M LIBOR + 6.100%+~^#    | 11.35                        | 4/20/2032  | 1,400,000 | 1,400,000 | 1,322,290     |
| Madison Park Funding LTD 2019-32R E-R, 3M LIBOR + 6.200%+~^#         | 11.47                        | 1/22/2031  | 1,000,000 | 1,000,000 | 942,537       |
| Magnetite CLO LTD 2016-18A, 3M LIBOR + 7.600%+~^#                    | 12.92                        | 11/15/2028 | 1,400,000 | 1,386,000 | 1,262,370     |
| Octagon 2021-57 LTD, 3M LIBOR + 6.600%+~^#                           | 11.86                        | 10/16/2034 | 1,500,000 | 1,500,000 | 1,322,215     |
| OHA Credit Partners LTD 2015-11A, 3M LIBOR + 7.900%+~^#              | 13.15                        | 1/20/2031  | 2,000,000 | 1,970,323 | 1,596,160     |
| OHA Loan Funding LTD 2013-1A, 3M LIBOR + 7.900%+~^#                  | 13.17                        | 7/23/2031  | 1,500,000 | 1,477,500 | 1,262,995     |
| Sound Point CLO XVIII 2018-18D, 3M LIBOR + 5.500%+~^#                | 10.75                        | 1/21/2031  | 2,000,000 | 2,000,000 | 1,325,176     |
| Sound Point CLO LTD 2020-27R, 3M LIBOR + 6.560% E-R+~^#              | 11.82                        | 10/25/2034 | 1,400,000 | 1,372,000 | 1,131,018     |
| Sound Point CLO LTD Series 2020-1A Class ER, 3M LIBOR + 6.860%+~^#   | 12.11                        | 7/20/2034  | 1,600,000 | 1,584,000 | 1,315,934     |
| TICP CLO LTD 2018-10A, 3M LIBOR + 5.500%+~^#                         | 10.75                        | 4/22/2030  | 1,000,000 | 961,745   | 884,512       |
| Wellfleet CLO LTD 2020-2R, 3M LIBOR + 7.250%+~^#                     | 12.51                        | 7/17/2034  | 1,300,000 | 1,300,000 | 1,025,772     |
| Wellfleet CLO LTD 2017-3A, 3M LIBOR + 5.550%+~^#                     | 10.81                        | 1/17/2031  | 1,500,000 | 1,500,000 | 990,116       |

See accompanying Notes to the Financial Statements.

**SCHEDULE OF INVESTMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

|  | EFFECTIVE<br>INTEREST RATE ‡ | DUE DATE   | PRINCIPAL         | COST              | FAIR<br>VALUE     |
|--|------------------------------|------------|-------------------|-------------------|-------------------|
| <b>Asset-Backed Securities (Continued)</b>               |                              |            |                   |                   |                   |
| <b>CDO/CLO (Continued)</b>                               |                              |            |                   |                   |                   |
| Wind River 2017-1A ER, 3M LIBOR + 7.060%+~^#             | 12.32%                       | 4/18/2036  | \$2,000,000       | \$1,960,000       | \$1,655,266       |
| Wind River CLO LTD 2017-4A, 3M LIBOR + 5.800%+~^#        | 11.18                        | 11/20/2030 | <u>1,000,000</u>  | <u>1,000,000</u>  | <u>841,477</u>    |
| Total CDO/CLO  |                              |            | <u>50,300,000</u> | <u>49,888,247</u> | <u>42,670,572</u> |
| Total Asset-Backed Securities                            |                              |            | <u>50,300,000</u> | <u>49,888,247</u> | <u>42,670,572</u> |
| <b>Bank Loans<sup>§</sup> — 11.78%:</b>                  |                              |            |                   |                   |                   |
| <b>Beverage, Food and Tobacco — 0.41%:</b>               |                              |            |                   |                   |                   |
| Florida Food Products 2nd Lien T/L, 3M LIBOR + 8.0000%~  | 13.19                        | 10/18/2029 | <u>1,500,000</u>  | <u>1,461,415</u>  | <u>1,200,000</u>  |
| Total Beverage, Food and Tobacco                         |                              |            | <u>1,500,000</u>  | <u>1,461,415</u>  | <u>1,200,000</u>  |
| <b>Broadcasting and Entertainment — 0.28%:</b>           |                              |            |                   |                   |                   |
| Dessert Holdings, 3M LIBOR + 7.2500%~                    | 12.75                        | 6/8/2029   | <u>1,000,000</u>  | <u>982,700</u>    | <u>830,000</u>    |
| Total Broadcasting and Entertainment                     |                              |            | <u>1,000,000</u>  | <u>982,700</u>    | <u>830,000</u>    |
| <b>Chemicals, Plastics and Rubber — 0.64%:</b>           |                              |            |                   |                   |                   |
| Colouroz Investment 2 LLC, 3M LIBOR + 4.2500%~           | 9.52                         | 9/21/2024  | 2,336,240         | 2,328,491         | 607,422           |
| Koppers Holdings Inc., SOFR + 4.0000%~                   | 9.16                         | 4/1/2030   | <u>1,287,097</u>  | <u>1,249,182</u>  | <u>1,283,879</u>  |
| Total Chemicals, Plastics and Rubber                     |                              |            | <u>3,623,337</u>  | <u>3,577,673</u>  | <u>1,891,301</u>  |
| <b>Diversified/Conglomerate Manufacturing — 1.43%:</b>   |                              |            |                   |                   |                   |
| CP Iris Holdco I 2nd Lien T/L (IPS), 3M LIBOR + 7.0000%~ | 12.25                        | 9/21/2029  | 2,398,019         | 2,374,039         | 1,870,455         |
| SunSource, Inc., 3M LIBOR + 8.0000%~                     | 13.20                        | 4/30/2026  | <u>2,500,000</u>  | <u>2,508,641</u>  | <u>2,346,875</u>  |
| Total Diversified/Conglomerate Manufacturing             |                              |            | <u>4,898,019</u>  | <u>4,882,680</u>  | <u>4,217,330</u>  |
| <b>Diversified/Conglomerate Service — 1.39%:</b>         |                              |            |                   |                   |                   |
| Quest Software, SOFR + 7.5000%~                          | 12.70                        | 1/18/2030  | 3,395,325         | 3,349,395         | 2,223,938         |
| Sonicwall, Inc., 3M LIBOR + 7.5000%~                     | 12.66                        | 5/18/2026  | 2,008,051         | 1,998,010         | 1,860,579         |
| Misys (Finastra), 3M LIBOR + 7.2500%~                    | 12.08                        | 6/16/2025  | 0                 | (2,737)           | 0                 |
| Total Diversified/Conglomerate Service                   |                              |            | <u>5,403,376</u>  | <u>5,344,668</u>  | <u>4,084,517</u>  |
| <b>Ecological — 0.41%:</b>                               |                              |            |                   |                   |                   |
| Patriot Container 2nd Lien T/L, 3M LIBOR + 7.7500%~      | 12.95                        | 3/20/2026  | <u>1,400,000</u>  | <u>1,336,159</u>  | <u>1,202,250</u>  |
| Total Ecological   |                              |            | <u>1,400,000</u>  | <u>1,336,159</u>  | <u>1,202,250</u>  |

See accompanying Notes to the Financial Statements.



**SCHEDULE OF INVESTMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

|  | EFFECTIVE<br>INTEREST RATE ‡ | DUE DATE   | PRINCIPAL         | COST              | FAIR<br>VALUE     |
|--|------------------------------|------------|-------------------|-------------------|-------------------|
| <b>Bank Loans<sup>§</sup> (Continued)</b>                            |                              |            |                   |                   |                   |
| <b>Electronics — 2.53%:</b>  |                              |            |                   |                   |                   |
| McAfee Enterprise 2nd Lien T/L, 3M LIBOR + 8.2500%~                  | 13.53%                       | 5/3/2029   | \$11,567,000      | \$11,488,368      | \$7,460,715       |
| Total Electronics  |                              |            | <u>11,567,000</u> | <u>11,488,368</u> | <u>7,460,715</u>  |
| <b>Healthcare, Education and Childcare — 1.10%:</b>                  |                              |            |                   |                   |                   |
| Athenahealth, Inc., SOFR + 3.5000%~                                  | 7.82                         | 1/14/2027  | 218,814           | 210,609           | 210,335           |
| Athenahealth, Inc., SOFR + 3.5000%~                                  | 8.60                         | 1/26/2029  | 1,781,185         | 1,714,391         | 1,712,165         |
| Medical Solutions T/L, 3M LIBOR + 7.0000%~                           | 11.99                        | 9/22/2027  | 1,473,684         | 1,458,947         | 1,302,368         |
| Total Healthcare, Education and Childcare                            |                              |            | <u>3,473,683</u>  | <u>3,383,947</u>  | <u>3,224,868</u>  |
| <b>Hotels, Motels, Inns and Gaming — 0.63%:</b>                      |                              |            |                   |                   |                   |
| Four Seasons Holdings, Inc., 3M SOFR + 3.2500%~                      | 8.50                         | 11/30/2029 | 1,860,790         | 1,834,557         | 1,863,116         |
| Total Hotels, Motels, Inns and Gaming                                |                              |            | <u>1,860,790</u>  | <u>1,834,557</u>  | <u>1,863,116</u>  |
| <b>Packaging and Containers — 1.47%:</b>                             |                              |            |                   |                   |                   |
| Pretium Package Holdings 2nd Lien T/L (9/21), 3M LIBOR + 6.7500%~    | 11.76                        | 9/21/2029  | 2,770,637         | 2,764,769         | 1,428,624         |
| Valcour Packaging (MOLD-RITE) 2nd Lien T/L, 3M LIBOR + 7.0000%~      | 12.09                        | 9/30/2029  | 5,000,000         | 4,950,000         | 2,900,000         |
| Total Packaging and Containers                                       |                              |            | <u>7,770,637</u>  | <u>7,714,769</u>  | <u>4,328,624</u>  |
| <b>Personal Transportation — 0.03%:</b>                              |                              |            |                   |                   |                   |
| Bahia De Las Isletas SL, 3M EURIBOR + 10.0000%~                      | 9.12                         | 6/30/2025  | 86,584            | 84,202            | 81,915            |
| Bahia De Las Isletas SL, 3M EURIBOR + 10.0000%~                      | 9.14                         | 6/30/2025  | 17,741            | 18,127            | 18,391            |
| Total Packaging and Containers                                       |                              |            | <u>104,325</u>    | <u>102,329</u>    | <u>100,306</u>    |
| <b>Personal and Non Durable Consumer Products Mfg. Only — 0.36%:</b> |                              |            |                   |                   |                   |
| Journey Personal Care Corp., 3M LIBOR + 4.2500%~                     | 9.41                         | 3/1/2028   | 1,247,348         | 986,574           | 1,063,364         |
| Total Packaging and Containers                                       |                              |            | <u>1,247,348</u>  | <u>986,574</u>    | <u>1,063,364</u>  |
| <b>Printing and Publishing — 0.30%:</b>                              |                              |            |                   |                   |                   |
| Nielsen Holdings Ltd., 3M SOFR + 5.0000%~                            | 10.00                        | 4/11/2029  | 998,751           | 901,991           | 876,904           |
| Total Hotels, Motels, Inns and Gaming                                |                              |            | <u>998,751</u>    | <u>901,991</u>    | <u>876,904</u>    |
| <b>Transportation — 0.80%:</b>                                       |                              |            |                   |                   |                   |
| Worldwide Express 2nd Lien T/L, 3M LIBOR + 7.0000%~                  | 12.16                        | 7/26/2029  | 3,000,000         | 2,955,227         | 2,340,000         |
| Total Transportation   |                              |            | <u>3,000,000</u>  | <u>2,955,227</u>  | <u>2,340,000</u>  |
| Total Bank Loans   |                              |            | <u>47,847,266</u> | <u>46,953,057</u> | <u>34,683,295</u> |

See accompanying Notes to the Financial Statements.

**SCHEDULE OF INVESTMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

|  | EFFECTIVE<br>INTEREST RATE ‡ | DUE DATE   | PRINCIPAL         | COST              | FAIR<br>VALUE     |
|--|------------------------------|------------|-------------------|-------------------|-------------------|
| <b>Corporate Bonds — 102.78%:</b>                    |                              |            |                   |                   |                   |
| <b>Aerospace and Defense — 5.05%:</b>                |                              |            |                   |                   |                   |
| American Airlines <sup>^</sup>                       | 11.75%                       | 7/15/2025  | \$5,337,000       | \$5,490,586       | \$5,851,930       |
| TransDigm Group, Inc.                                | 7.50                         | 3/15/2027  | 5,893,000         | 5,899,465         | 5,901,179         |
| Triumph Group, Inc. <sup>^</sup>                     | 9.00                         | 3/15/2028  | 886,000           | 886,000           | 904,578           |
| Triumph Group, Inc.                                  | 7.75                         | 8/15/2025  | 2,289,000         | 2,289,000         | 2,206,571         |
| Total Aerospace and Defense                          |                              |            | <u>14,405,000</u> | <u>14,565,051</u> | <u>14,864,258</u> |
| <b>Automobile — 2.02%:</b>                           |                              |            |                   |                   |                   |
| Adient PLC+ <sup>^</sup>                             | 8.25                         | 4/15/2031  | 870,000           | 870,000           | 883,364           |
| Dexko Global Inc. <sup>^</sup> #                     | 6.63                         | 10/15/2029 | 1,050,000         | 777,505           | 856,563           |
| Faurecia SE+ <sup>#</sup>                            | 7.25                         | 6/15/2026  | 1,385,000         | 1,470,577         | 1,569,879         |
| INA-Holding Schaeffler GmbH & Co KG+ <sup>#</sup>    | 8.75                         | 5/15/2028  | 2,350,000         | 2,531,529         | 2,643,103         |
| Total Automobile                                     |                              |            | <u>5,655,000</u>  | <u>5,649,611</u>  | <u>5,952,909</u>  |
| <b>Automotive — 1.98%:</b>                           |                              |            |                   |                   |                   |
| Ford Motor Company                                   | 9.63                         | 4/22/2030  | 5,000,000         | 5,896,773         | 5,816,880         |
| Total Automotive                                     |                              |            | <u>5,000,000</u>  | <u>5,896,773</u>  | <u>5,816,880</u>  |
| <b>Banking — 0.27%:</b>                              |                              |            |                   |                   |                   |
| Macquarie Airfinance Holdings Ltd.+ <sup>^</sup>     | 8.38                         | 5/1/2028   | 788,000           | 788,000           | 797,850           |
| Total Automotive                                     |                              |            | <u>788,000</u>    | <u>788,000</u>    | <u>797,850</u>    |
| <b>Broadcasting and Entertainment — 7.76%:</b>       |                              |            |                   |                   |                   |
| Banjay+  | 6.50                         | 3/1/2026   | 3,700,000         | 3,887,857         | 4,007,169         |
| Clear Channel Worldwide Holdings Inc. <sup>^</sup> # | 7.75                         | 4/15/2028  | 3,337,000         | 3,409,503         | 2,619,545         |
| Clear Channel Worldwide Holdings Inc. <sup>^</sup>   | 7.50                         | 6/1/2029   | 3,358,000         | 3,418,837         | 2,484,869         |
| Cox Media Group <sup>^</sup>                         | 8.88                         | 12/15/2027 | 5,357,000         | 5,541,423         | 3,748,378         |
| Dish Dbs Corporation <sup>#</sup>                    | 7.38                         | 7/1/2028   | 6,000,000         | 5,446,163         | 3,210,000         |
| Dish Network Corporation <sup>^</sup>                | 11.75                        | 11/15/2027 | 1,770,000         | 1,765,570         | 1,724,945         |
| iHeartCommunications, Inc.                           | 8.38                         | 5/1/2027   | 2,570,000         | 2,608,811         | 1,712,481         |
| Inmarsat Finance PLC+ <sup>^</sup>                   | 6.75                         | 10/1/2026  | 1,500,000         | 1,445,668         | 1,456,975         |
| Reorganized ISA SA+ <sup>^</sup>                     | 6.50                         | 3/15/2030  | 1,000,000         | 909,418           | 910,193           |
| Townsquare Media, LLC <sup>^</sup>                   | 6.88                         | 2/1/2026   | 1,000,000         | 1,017,045         | 956,307           |
| Total Broadcasting and Entertainment                 |                              |            | <u>29,592,000</u> | <u>29,450,295</u> | <u>22,830,862</u> |
| <b>Buildings and Real Estate — 4.42%:</b>            |                              |            |                   |                   |                   |
| Knife River Corporation <sup>^</sup> #               | 7.75                         | 5/1/2031   | 1,707,000         | 1,720,014         | 1,728,372         |
| Maison Hold Limited+                                 | 6.00                         | 10/31/2027 | 1,045,000         | 1,419,991         | 1,023,235         |
| New Enterprise Stone & Lime Co. <sup>^</sup>         | 5.25                         | 7/15/2028  | 949,000           | 863,215           | 863,639           |
| New Enterprise Stone & Lime Co. <sup>^</sup>         | 9.75                         | 7/15/2028  | 9,721,000         | 9,931,304         | 9,377,654         |
| Total Buildings and Real Estate                      |                              |            | <u>13,422,000</u> | <u>13,934,524</u> | <u>12,992,900</u> |

See accompanying Notes to the Financial Statements.

**SCHEDULE OF INVESTMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

|  | EFFECTIVE<br>INTEREST RATE ‡ | DUE DATE   | PRINCIPAL         | COST              | FAIR<br>VALUE     |
|--|------------------------------|------------|-------------------|-------------------|-------------------|
| <b>Corporate Bonds (Continued)</b>                     |                              |            |                   |                   |                   |
| <b>Cargo Transport — 2.18%:</b>                        |                              |            |                   |                   |                   |
| Atlas Corporation+^#                                   | 5.50%                        | 8/1/2029   | \$4,786,000       | \$3,924,477       | \$3,749,448       |
| Railworks Hldgs Lp / Railworks Sr^                     | 8.25                         | 11/15/2028 | <u>2,881,000</u>  | <u>2,816,802</u>  | <u>2,678,014</u>  |
| Total Cargo Transport                                  |                              |            | <u>7,667,000</u>  | <u>6,741,279</u>  | <u>6,427,462</u>  |
| <b>Chemicals, Plastics and Rubber — 6.86%:</b>         |                              |            |                   |                   |                   |
| Consolidated Energy Finance SA+^                       | 6.50                         | 5/15/2026  | 492,000           | 440,120           | 461,250           |
| ITT Holdings LLC^#                                     | 6.50                         | 8/1/2029   | 6,018,000         | 5,639,805         | 5,070,045         |
| LSF11 A5 Holdco LLC^                                   | 6.63                         | 10/15/2029 | 3,983,000         | 3,562,135         | 3,326,597         |
| Monitech HoldCo+#                                      | 8.75                         | 5/1/2028   | 300,000           | 328,904           | 323,023           |
| Monitech HoldCo, 3M EURIBOR<br>+ 5.2500%+~#            | 8.49                         | 5/1/2028   | 215,000           | 230,074           | 228,626           |
| Olympus Water US Holding Corporation^                  | 7.13                         | 10/1/2027  | 1,500,000         | 1,480,982         | 1,352,397         |
| Olympus Water US Holding Corporation^#                 | 6.25                         | 10/1/2029  | 2,348,000         | 2,168,406         | 1,697,381         |
| Prince^#   | 9.00                         | 2/15/2030  | 3,689,000         | 3,688,364         | 2,826,696         |
| Proman AG+^  | 5.63                         | 10/15/2028 | 3,427,000         | 2,957,802         | 2,913,635         |
| Windsor Holdings III LLC^                              | 8.50                         | 6/15/2030  | <u>2,000,000</u>  | <u>2,000,000</u>  | <u>1,995,200</u>  |
| Total Chemicals, Plastics and Rubber                   |                              |            | <u>23,972,000</u> | <u>22,496,592</u> | <u>20,194,850</u> |
| <b>Commercial Services — 0.12%:</b>                    |                              |            |                   |                   |                   |
| Apcoa Parking Holdings+                                | 4.63                         | 1/15/2027  | <u>385,000</u>    | <u>455,648</u>    | <u>364,994</u>    |
| Total Commercial Services                              |                              |            | <u>385,000</u>    | <u>455,648</u>    | <u>364,994</u>    |
| <b>Containers, Packaging and Glass — 5.20%:</b>        |                              |            |                   |                   |                   |
| Ardagh Packaging+                                      | 4.75                         | 7/15/2027  | 100,000           | 106,310           | 100,518           |
| Novolex Holdings, Inc.^                                | 8.75                         | 4/15/2030  | 7,423,000         | 6,755,659         | 6,547,373         |
| Packaging Holdings Ltd.^                               | 7.13                         | 8/15/2028  | 1,262,000         | 1,103,121         | 1,077,432         |
| SCI Packaging Inc.^#                                   | 7.88                         | 8/15/2026  | 5,197,000         | 5,197,000         | 5,156,432         |
| SCI Packaging Inc.^                                    | 9.25                         | 4/15/2027  | 1,327,000         | 1,216,600         | 1,224,662         |
| Trident Parent, LLC^#                                  | 12.75                        | 12/31/2028 | <u>1,151,000</u>  | <u>1,156,580</u>  | <u>1,193,587</u>  |
| Total Containers, Packaging, and Glass                 |                              |            | <u>16,460,000</u> | <u>15,535,270</u> | <u>15,300,004</u> |
| <b>Diversified/Conglomerate Manufacturing — 0.92%:</b> |                              |            |                   |                   |                   |
| Chart Industries Inc.^                                 | 7.50                         | 1/1/2030   | 948,000           | 949,653           | 967,168           |
| Chart Industries Inc.^#                                | 9.50                         | 1/1/2031   | 500,000           | 526,663           | 530,507           |
| Heat Exchangers+                                       | 7.78                         | 10/9/2025  | 652,344           | 703,873           | 533,780           |
| International Desi+                                    | 6.50                         | 11/15/2025 | <u>650,000</u>    | <u>748,480</u>    | <u>684,457</u>    |
| Total Diversified/Conglomerate<br>Manufacturing        |                              |            | <u>2,750,344</u>  | <u>2,928,669</u>  | <u>2,715,912</u>  |
| <b>Diversified/Conglomerate Service — 8.48%:</b>       |                              |            |                   |                   |                   |
| Albion Fing 1 S A R L & Aggre Sr+^                     | 8.75                         | 4/15/2027  | 1,800,000         | 1,808,159         | 1,663,596         |
| Apollo Asset Management, Inc.^                         | 6.25                         | 1/15/2028  | 3,000,000         | 2,772,627         | 2,810,863         |
| Bcp V Modular Ser+                                     | 6.75                         | 11/30/2029 | 1,000,000         | 1,155,455         | 823,858           |
| Engineering Group+#                                    | 11.13                        | 5/15/2028  | 1,485,000         | 1,627,861         | 1,625,427         |
| Global Infrastructure Solutions, Inc.^                 | 7.50                         | 4/15/2032  | 5,298,000         | 4,747,686         | 4,503,310         |
| Libra Group Bhd+                                       | 5.00                         | 5/15/2027  | <u>700,000</u>    | <u>850,082</u>    | <u>649,495</u>    |

See accompanying Notes to the Financial Statements.

**SCHEDULE OF INVESTMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

|   | EFFECTIVE<br>INTEREST RATE ‡ | DUE DATE   | PRINCIPAL         | COST              | FAIR<br>VALUE     |
|---|------------------------------|------------|-------------------|-------------------|-------------------|
| <b>Corporate Bonds (Continued)</b>                  |                              |            |                   |                   |                   |
| <b>Diversified/Conglomerate Service (Continued)</b> |                              |            |                   |                   |                   |
| Presidio, Inc.^                                     | 8.25%                        | 2/1/2028   | \$5,462,000       | \$5,423,164       | \$5,200,356       |
| Sabre Holdings^                                     | 9.25                         | 4/15/2025  | 213,000           | 213,717           | 198,644           |
| Sabre Holdings Corporation^                         | 11.25                        | 12/15/2027 | 317,000           | 311,621           | 268,658           |
| Summer BC Holdco+                                   | 9.25                         | 10/31/2027 | 1,666,932         | 2,093,387         | 1,487,001         |
| United Site Services^#                              | 8.00                         | 11/15/2029 | 2,397,000         | 2,374,500         | 1,348,312         |
| Verisure Midholding AB+#                            | 7.13                         | 2/1/2028   | 915,000           | 994,381           | 999,946           |
| Verisure Midholding+                                | 5.25                         | 2/15/2029  | 3,575,000         | 4,323,743         | 3,374,408         |
| Total Diversified/Conglomerate Service              |                              |            | <u>27,828,932</u> | <u>28,696,383</u> | <u>24,953,874</u> |
| <b>Electronics — 0.65%:</b>                         |                              |            |                   |                   |                   |
| Veritas Bermuda Ltd.^#                              | 7.50                         | 9/1/2025   | 2,356,000         | 2,197,587         | 1,912,146         |
| Total Electronics                                   |                              |            | <u>2,356,000</u>  | <u>2,197,587</u>  | <u>1,912,146</u>  |
| <b>Finance — 6.61%:</b>                             |                              |            |                   |                   |                   |
| Avolon Holdings+^                                   | 6.50                         | 9/15/2024  | 3,820,964         | 3,384,330         | 3,497,519         |
| CPUK FINANCE LTD+#                                  | 5.88                         | 2/28/2047  | 235,000           | 292,809           | 282,901           |
| Ford Motor Co.#                                     | 6.95                         | 6/10/2026  | 1,500,000         | 1,500,000         | 1,508,460         |
| Galaxy Bidco Ltd.+                                  | 6.50                         | 7/31/2026  | 500,000           | 666,114           | 576,137           |
| Icahn Enterprises LP#                               | 6.25                         | 5/15/2026  | 1,762,000         | 1,660,112         | 1,603,629         |
| OneMain Finance Corporation+#                       | 4.50                         | 8/28/2051  | 965,000           | 1,007,532         | 1,043,864         |
| OneMain Finance Corporation#                        | 6.13                         | 3/15/2024  | 1,667,000         | 1,649,593         | 1,661,377         |
| PRA Group^#   | 7.38                         | 9/1/2025   | 473,000           | 420,109           | 449,639           |
| PRA Group^#   | 8.38                         | 2/1/2028   | 4,518,000         | 4,245,111         | 4,100,085         |
| Travelex^+  | 12.50                        | 8/5/2025   | 2,925,679         | 3,752,351         | 4,495,900         |
| Travelex^+>   | 8.00                         | 5/15/2024  | 4,600,000         | 5,097,344         | 0                 |
| TVL FINANCE PLC+~#                                  | 8.74                         | 4/28/2028  | 100,000           | 107,767           | 106,669           |
| TVL FINANCE PLC+#                                   | 10.25                        | 4/28/2028  | 100,000           | 122,720           | 123,932           |
| Total Finance                                       |                              |            | <u>23,166,643</u> | <u>23,905,892</u> | <u>19,450,112</u> |
| <b>Healthcare, Education and Childcare — 7.30%:</b> |                              |            |                   |                   |                   |
| AdaptHealth LLC^#                                   | 4.63                         | 8/1/2029   | 602,000           | 492,844           | 480,498           |
| AdaptHealth LLC^#                                   | 5.13                         | 3/1/2030   | 2,729,000         | 2,317,069         | 2,210,490         |
| Apollo Global Management, Inc.^#                    | 6.75                         | 4/15/2025  | 588,000           | 546,635           | 542,495           |
| Athena Health Inc.^#                                | 6.50                         | 2/15/2030  | 7,619,000         | 6,067,218         | 6,412,694         |
| Bausch Health Companies Inc.+^                      | 9.00                         | 12/15/2025 | 2,707,000         | 2,701,864         | 2,360,693         |
| Bausch Health Companies Inc.+^                      | 9.00                         | 1/30/2028  | 337,000           | 725,315           | 337,607           |
| Bausch Health Companies Inc.+^                      | 11.00                        | 9/30/2028  | 598,000           | 1,086,680         | 423,085           |
| Bausch Health Companies Inc.+^                      | 14.00                        | 10/15/2030 | 118,000           | 152,951           | 70,210            |
| Cidron Aida Finco+                                  | 6.25                         | 4/1/2028   | 1,650,000         | 2,275,266         | 1,821,517         |
| Community Health System Inc.^                       | 6.88                         | 4/15/2029  | 286,000           | 286,000           | 179,788           |
| Consensus Cloud Solutions Inc.^                     | 6.50                         | 10/15/2028 | 717,000           | 617,647           | 613,035           |
| Neogen Corporation^                                 | 8.63                         | 7/20/2030  | 1,654,000         | 1,654,000         | 1,777,365         |
| Nidda BondCo GmbH+#                                 | 7.50                         | 8/21/2026  | 500,000           | 512,849           | 542,191           |
| Radiology Partners Inc.^                            | 9.25                         | 2/1/2028   | 6,061,000         | 6,385,673         | 2,215,165         |

See accompanying Notes to the Financial Statements.

**SCHEDULE OF INVESTMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

|  | EFFECTIVE<br>INTEREST RATE ‡ | DUE DATE   | PRINCIPAL   | COST        | FAIR<br>VALUE |
|--|------------------------------|------------|-------------|-------------|---------------|
| <b>Corporate Bonds (Continued)</b>   |                              |            |             |             |               |
| <b>Healthcare, Education and Childcare (Continued)</b>                                 |                              |            |             |             |               |
| RP Escrow Issuer LLC^#   | 5.25%                        | 12/15/2025 | \$2,035,000 | \$1,432,321 | \$1,501,219   |
| Total Healthcare, Education and Childcare  |                              |            | 28,201,000  | 27,254,332  | 21,488,052    |
| <b>Home and Office Furnishings, Housewares, and Durable Consumer Products — 3.35%:</b> |                              |            |             |             |               |
| BCPE Ulysses Intermediate Inc^#  | 7.75                         | 4/1/2027   | 8,121,000   | 7,772,233   | 7,150,622     |
| LBM Borrower, LLC^#  | 6.75                         | 5/15/2026  | 1,176,000   | 1,010,610   | 693,831       |
| Staples Inc.^  | 10.75                        | 4/15/2027  | 3,478,000   | 3,559,633   | 2,021,640     |
| Total Home and Office Furnishings,<br>Housewares, and Durable Consumer<br>Products     |                              |            | 12,775,000  | 12,342,476  | 9,866,093     |
| <b>Leisure, Amusement, Entertainment — 3.66%:</b>                                      |                              |            |             |             |               |
| Carnival Corp.+^#  | 6.00                         | 5/1/2029   | 1,873,000   | 1,506,956   | 1,672,217     |
| Carnival Corp.+  | 10.13                        | 2/1/2026   | 750,000     | 918,491     | 858,095       |
| Center Parcs+##  | 6.50                         | 8/28/2050  | 825,000     | 1,154,813   | 992,850       |
| Center Parcs+##  | 6.14                         | 2/28/2047  | 235,000     | 292,798     | 281,445       |
| Golden Entertainment Inc.^   | 7.63                         | 4/15/2026  | 2,000,000   | 1,973,127   | 2,008,540     |
| Motion Topco Limited+##  | 7.38                         | 6/15/2030  | 1,600,000   | 1,723,284   | 1,734,663     |
| Silk TopCo AS+   | 3.38                         | 2/24/2025  | 1,000,000   | 875,490     | 1,003,754     |
| Viking Holdings Ltd.+^   | 7.00                         | 2/15/2029  | 2,384,000   | 2,017,626   | 2,217,120     |
| Total Leisure, Amusement, Entertainment  |                              |            | 10,667,000  | 10,462,585  | 10,768,684    |
| <b>Lodging — 0.07%:</b>  |                              |            |             |             |               |
| SANI/IKOS Financial Holdings+##  | 5.63                         | 12/15/2026 | 215,000     | 253,957     | 215,605       |
| Total Lodging  |                              |            | 215,000     | 253,957     | 215,605       |
| <b>Machinery (Non-Agriculture, Non-Construct, Non-Electronic) — 0.97%:</b>             |                              |            |             |             |               |
| Emerald JV Holdings LP^#   | 6.63                         | 12/15/2030 | 2,371,000   | 2,371,000   | 2,350,254     |
| Harsco Corp.^  | 5.75                         | 7/31/2027  | 589,000     | 521,400     | 512,636       |
| Total Machinery (Non-Agriculture,<br>Non-Construct, Non-Electronic)                    |                              |            | 2,960,000   | 2,892,400   | 2,862,890     |
| <b>Mining, Steel, Iron and Non-Precious Metals — 7.96%:</b>                            |                              |            |             |             |               |
| Consol Energy Inc.^  | 11.00                        | 11/15/2025 | 1,635,000   | 1,690,476   | 1,660,343     |
| Coronado Global Resources Inc.+^   | 10.75                        | 5/15/2026  | 4,846,000   | 5,115,026   | 4,988,960     |
| First Quantum Minerals+^   | 7.50                         | 4/1/2025   | 7,774,000   | 7,610,167   | 7,764,327     |
| First Quantum Minerals+^   | 6.88                         | 10/15/2027 | 200,000     | 200,000     | 195,100       |
| First Quantum Minerals+^#  | 8.63                         | 6/1/2031   | 4,045,000   | 4,045,000   | 4,145,640     |
| Hecla Mining Company   | 7.25                         | 2/15/2028  | 4,699,000   | 4,984,054   | 4,656,615     |
| Total Mining, Steel, Iron and Non-Precious<br>Metals                                   |                              |            | 23,199,000  | 23,644,723  | 23,410,985    |

See accompanying Notes to the Financial Statements.

**SCHEDULE OF INVESTMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

|   | EFFECTIVE<br>INTEREST RATE ‡ | DUE DATE   | PRINCIPAL         | COST              | FAIR<br>VALUE     |
|---|------------------------------|------------|-------------------|-------------------|-------------------|
| <b>Corporate Bonds (Continued)</b>                |                              |            |                   |                   |                   |
| <b>Oil and Gas — 16.29%:</b>                      |                              |            |                   |                   |                   |
| AmeriGas Partners LP^#                            | 9.38%                        | 6/1/2028   | \$1,273,000       | \$1,273,000       | \$1,292,884       |
| Antero Resources Corp.^                           | 7.63                         | 2/1/2029   | 930,000           | 984,597           | 943,530           |
| Calumet Specialty Products^                       | 9.25                         | 7/15/2024  | 2,850,000         | 2,816,171         | 2,851,700         |
| CGG SA+   | 7.75                         | 4/1/2027   | 1,500,000         | 1,787,033         | 1,370,103         |
| Energy Transfer LP~                               | 7.13                         | 11/15/2165 | 2,211,000         | 1,890,405         | 1,874,755         |
| Enlink Midstream Partners LP                      | 5.60                         | 4/1/2044   | 5,413,000         | 3,616,503         | 4,452,193         |
| Enlink Midstream Partners LP#                     | 5.45                         | 6/1/2047   | 3,000,000         | 2,397,397         | 2,453,160         |
| Genesis Energy LP                                 | 7.75                         | 2/1/2028   | 3,408,000         | 3,194,680         | 3,241,615         |
| Genesis Energy LP                                 | 8.00                         | 1/15/2027  | 2,639,000         | 2,639,738         | 2,573,470         |
| Genesis Energy LP#                                | 8.88                         | 4/15/2030  | 1,000,000         | 977,514           | 977,005           |
| Harvest Midstream I L P^#                         | 7.50                         | 9/1/2028   | 2,440,000         | 2,429,935         | 2,418,363         |
| Hilcorp Energy I L P^                             | 6.25                         | 11/1/2028  | 3,202,000         | 2,885,158         | 3,014,767         |
| KCA Deutag+                                       | 9.88                         | 12/1/2025  | 1,179,286         | 1,179,286         | 1,167,493         |
| KCA Deutag International Limited+                 | 15.00                        | 12/1/2027  | 917,617           | 917,617           | 906,147           |
| KCA Deutag (12.06), SOFR + 9.0000%+~              | 12.06                        | 12/1/2025  | 1,343,874         | 1,343,874         | 1,347,234         |
| Nabors Industries LTD+^                           | 7.25                         | 1/15/2026  | 802,000           | 776,105           | 748,683           |
| Nabors Industries LTD+^#                          | 7.50                         | 1/15/2028  | 1,630,000         | 1,473,361         | 1,438,475         |
| NGL Energy Finance Corp.^                         | 7.50                         | 2/1/2026   | 3,031,000         | 3,087,306         | 2,985,316         |
| Occidental Pete Corp.                             | 8.50                         | 7/15/2027  | 4,523,000         | 4,557,029         | 4,885,790         |
| Occidental Pete Corp.                             | 7.88                         | 9/15/2031  | 2,500,000         | 2,631,664         | 2,787,007         |
| Range Res Corp                                    | 8.25                         | 1/15/2029  | 494,000           | 499,621           | 512,470           |
| Waldorf Production UK LD+#                        | 9.75                         | 10/1/2024  | 556,679           | 555,324           | 555,009           |
| Weatherford Intl Ltd Bermuda Sr Gbl+^             | 8.63                         | 4/30/2030  | 3,092,000         | 3,106,378         | 3,139,515         |
| Total Oil and Gas                                 |                              |            | <u>49,935,456</u> | <u>47,019,696</u> | <u>47,936,684</u> |
| <b>Personal, Food, and Miscellaneous — 0.34%:</b> |                              |            |                   |                   |                   |
| Brinker International^#                           | 8.25                         | 7/15/2030  | 998,000           | 997,288           | 983,359           |
| Total Personal Transportation                     |                              |            | <u>998,000</u>    | <u>997,288</u>    | <u>983,359</u>    |
| <b>Personal Transportation — 0.12%:</b>           |                              |            |                   |                   |                   |
| Naviera Armas#+                                   | 15.35                        | 3/31/2026  | 486,912           | 629,170           | 361,297           |
| Total Personal Transportation                     |                              |            | <u>486,912</u>    | <u>629,170</u>    | <u>361,297</u>    |
| <b>Printing and Publishing — 2.64%:</b>           |                              |            |                   |                   |                   |
| Cimpress PLC+                                     | 7.00                         | 6/15/2026  | 2,069,000         | 2,069,000         | 1,877,618         |
| Getty Images Inc.^#                               | 9.75                         | 3/1/2027   | 5,972,000         | 6,096,897         | 5,897,712         |
| Total Printing and Publishing                     |                              |            | <u>8,041,000</u>  | <u>8,165,897</u>  | <u>7,775,330</u>  |
| <b>Retail Store — 0.45%:</b>                      |                              |            |                   |                   |                   |
| Life Time, Inc.^                                  | 8.00                         | 4/15/2026  | 861,000           | 829,067           | 850,097           |
| Marcolin S.p.A+                                   | 6.13                         | 11/15/2026 | 475,000           | 578,239           | 462,602           |
| Total Retail Store                                |                              |            | <u>1,336,000</u>  | <u>1,407,306</u>  | <u>1,312,699</u>  |

See accompanying Notes to the Financial Statements.

**SCHEDULE OF INVESTMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

|   | EFFECTIVE<br>INTEREST RATE ‡ | DUE DATE   | PRINCIPAL          | COST               | FAIR VALUE           |
|---|------------------------------|------------|--------------------|--------------------|----------------------|
| <b>Corporate Bonds (Continued)</b>      |                              |            |                    |                    |                      |
| <b>Telecommunications — 3.83%:</b>      |                              |            |                    |                    |                      |
| Altice France Holding S.A.+^#           | 10.50%                       | 5/15/2027  | \$4,440,000        | \$4,421,792        | \$2,688,553          |
| Commscope Inc.^                         | 8.25                         | 3/1/2027   | 1,173,000          | 1,137,881          | 937,914              |
| C&W Seniot Financing Designated         |                              |            |                    |                    |                      |
| Activity Co.+^#                         | 6.88                         | 9/15/2027  | 1,101,000          | 969,090            | 960,622              |
| 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            | 756,418              |
| Frontier Communications Hldgs Sr Sec    |                              |            |                    |                    |                      |
| Glbl^#                                  | 6.00                         | 1/15/2030  | 3,976,000          | 3,333,469          | 2,924,998            |
| Telefonica SA+~#                        | 7.13                         | 11/23/2171 | 1,400,000          | 1,524,573          | 1,558,219            |
| Uniti Group LP / Uniti Group Finance    |                              |            |                    |                    |                      |
| Inc.^                                   | 6.50                         | 2/15/2029  | 330,000            | 330,000            | 233,575              |
| Viasat^                                 | 6.50                         | 7/15/2028  | 790,000            | 790,000            | 669,525              |
| Vodafone Group PLC+~                    | 6.25                         | 10/3/2078  | 550,000            | 542,025            | 542,438              |
| Total Telecommunications                |                              |            | <u>17,034,000</u>  | <u>16,314,194</u>  | <u>11,272,262</u>    |
| <b>Transportation — 2.01%:</b>          |                              |            |                    |                    |                      |
| Carriage Purchaser Inc.^#               | 7.88                         | 10/15/2029 | 7,106,000          | 6,346,424          | 5,341,462            |
| Castor S.p.A., 3M EURIBOR + 5.250%+~    | 8.78                         | 2/15/2029  | 477,000            | 542,554            | 484,068              |
| Titan Holdings II+                      | 5.13                         | 7/15/2029  | 113,000            | 133,866            | 97,843               |
| Total Transportation                    |                              |            | <u>7,696,000</u>   | <u>7,022,844</u>   | <u>5,923,373</u>     |
| <b>Utilities — 1.27%:</b>               |                              |            |                    |                    |                      |
| Electricite de France SA+~#             | 9.13                         | 12/15/2171 | 350,000            | 350,000            | 358,918              |
| Electricite de France SA+~#             | 4.00                         | 10/4/2171  | 700,000            | 715,783            | 739,575              |
| Talen Energy Supply, LLC^#              | 8.63                         | 6/1/2030   | 2,537,000          | 2,558,241          | 2,625,795            |
| Total Utilities                         |                              |            | <u>3,587,000</u>   | <u>3,624,024</u>   | <u>3,724,288</u>     |
| Total Corporate Bonds                   |                              |            | <u>340,579,287</u> | <u>335,272,466</u> | <u>302,476,614</u>   |
| Total Fixed Income                      |                              |            | <u>438,726,553</u> | <u>432,113,770</u> | <u>379,830,481</u>   |
| Total Investments                       |                              |            |                    | <u>433,217,158</u> | <u>381,382,678</u>   |
| Other assets and liabilities — (29.59)% |                              |            |                    |                    | <u>(87,081,461)</u>  |
| Net Assets — 100%                       |                              |            |                    |                    | <u>\$294,301,217</u> |

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

LIBOR – London Interbank Offered Rate

EURIBOR – Euro Interbank Offered 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.

See accompanying Notes to the Financial Statements.



**SCHEDULE OF INVESTMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

<sup>^</sup> 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.

<sup>~</sup> Variable rate security. The interest rate shown is the rate in effect at June 30, 2023.

<sup>#</sup> All or a portion of the security is segregated as collateral for the credit facility.

<sup>§</sup> 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 June 30, 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.

<sup>></sup> Defaulted security.

Distributions of investments by country of risk. Percentage of assets are expressed by market value excluding cash and accrued income as of June 30, 2023.

|                             |               |
|-----------------------------|---------------|
| United States of America    | 81.2%         |
| United Kingdom              | 5.5%          |
| Zambia                      | 3.2%          |
| France                      | 2.4%          |
| Australia                   | 1.3%          |
| Germany                     | 1.2%          |
| Sweden                      | 1.1%          |
| Italy                       | 1.0%          |
| (Individually less than 1%) | 3.1%          |
|                             | <u>100.0%</u> |

A summary of outstanding derivatives at June 30, 2023 is as follows:

**Schedule of Open Forward Foreign Exchange Contracts****June 30, 2023**

| CURRENCY TO BE RECEIVED | CURRENCY TO BE DELIVERED <sup>(1)</sup> | COUNTERPARTY OF CONTRACT | FORWARD SETTLEMENT DATE | UNREALIZED APPRECIATION / (DEPRECIATION) |           |                    |
|-------------------------|---|--------------------------|-------------------------|--|-----------|--------------------|
| 29,645,202              | USD                                     | 30,080,882               | EUR                     | JP Morgan Chase                          | 7/17/2023 | \$(435,680)        |
| 12,589,775              | USD                                     | 12,765,898               | GBP                     | Morgan Stanley                           | 7/17/2023 | (176,124)          |
|                         |   |                          |                         |  |           | <u>\$(611,804)</u> |

<sup>(1)</sup> Values are listed in U.S. dollars.

See accompanying Notes to the Financial Statements.



## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2023 (Unaudited)

### 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 Fund's investments in fixed income securities are generally valued using the prices provided directly by independent third-party services or provided directly from one or more broker dealers or market makers, each in accordance with the valuation policies and procedures approved by the Fund's Board of Trustees (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.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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June 30, 2023 (Unaudited)

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 Board.

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

A Valuation Committee, made up of officers of the Fund and employees of the Adviser, is responsible for determining, in accordance with the Fund's valuation policies and procedures approved by the Board: (1) whether market quotations are readily available for investments held by the Fund; and (2) the fair value of investments held by the Fund for which market quotations are not readily available or are deemed not reliable by the Adviser. 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 its 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,

**NOTES TO THE FINANCIAL STATEMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

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 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 June 30, 2023 in valuing the Fund's investments:

| DESCRIPTION                         | LEVEL 1 | LEVEL 2       | LEVEL 3      | TOTAL INVESTMENTS |
|-------------------------------------|---------|---------------|--------------|-------------------|
| Assets:                             |         |               |              |                   |
| Equities:                           |         |               |              |                   |
| Common Stocks                       | \$ –    | \$ 1,432,480  | \$ –         | \$ 1,432,480      |
| Warrants                            | –       | 119,717       | –            | 119,717           |
| Total Equities:                     | –       | 1,552,197     | –            | 1,552,197         |
| Fixed Income:                       |         |               |              |                   |
| Asset-Backed Securities             | –       | 42,670,572    | –            | 42,670,572        |
| Bank Loans                          | –       | 27,174,717    | 7,508,578    | 34,683,295        |
| Corporate Bonds                     | –       | 297,619,417   | 4,857,197    | 302,476,614       |
| Total Fixed Income                  | –       | 367,464,706   | 12,365,775   | 379,830,481       |
| Forward Foreign Exchange Contracts  | –       | –             | –            | –                 |
| Total Assets:                       | \$ –    | \$369,016,903 | \$12,365,775 | \$381,382,678     |
| Liabilities:                        |         |               |              |                   |
| Forward Foreign Exchange Contracts: | \$ –    | \$ (611,804)  | \$ –         | \$ (611,804)      |
| Total Liabilities:                  | \$ –    | \$ (611,804)  | \$ –         | \$ (611,804)      |

**NOTES TO THE FINANCIAL STATEMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

The following table is a summary of quantitative information about significant unobservable valuation inputs for Level 3 fair value measurement for investments held as of June 30, 2023. A significant change in third party information could result in a significantly lower or higher value of such Level 3 financial instruments:

| TYPE OF ASSETS         | FAIR VALUE AS OF<br>JUNE 30, 2023 | VALUATION<br>TECHNIQUE(S) | UNOBSERVABLE INPUT                         |
|------------------------|-----------------------------------|---------------------------|--|
| <u>Equities:</u>       |                                   |                           |  |
| ESC CB 144A High Ridge | \$ —                              | Expected Transaction      | \$0.00; Value derived from pending receipt |
|                        | \$ —                              |                           |  |

Although the Fund believes the valuation methods described above are 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<br>AT<br>DECEMBER 31,<br>2022 | TRANSFERS<br>INTO<br>LEVEL 3 | TRANSFERS<br>OUT OF<br>LEVEL 3 | PURCHASES        | SALES              | ACCRETION<br>OF<br>DISCOUNT | REALIZED<br>GAIN /<br>(LOSS) | CHANGE IN<br>UNREALIZED<br>APPRECIATION /<br>(DEPRECIATION)<br>ON<br>INVESTMENTS | BALANCE<br>AT<br>JUNE 30,<br>2023 | CHANGE IN<br>UNREALIZED<br>APPRECIATION /<br>(DEPRECIATION)<br>FROM<br>INVESTMENTS<br>HELD AS OF<br>JUNE 30,<br>2023 |
|--|---------------------------------------|------------------------------|--------------------------------|------------------|--------------------|-----------------------------|------------------------------|--|-----------------------------------|--|
| <b>Equities</b>  |                                       |                              |                                |                  |                    |                             |                              |  |                                   |  |
| ESC CB 144A High Ridge                                   | \$ 41,748                             | \$ —                         | \$ —                           | \$ —             | \$ —               | \$ —                        | \$ —                         | \$ (41,748)  | \$ —                              | \$ (41,748)  |
| Naviera Armas Class B2<br>Shares Stapled To 1.5L<br>SSNS | —                                     | —                            | —                              | —                | —                  | —                           | —                            | —  | —                                 | —  |
| Naviera Armas Class B3<br>Shares                         | —                                     | —                            | —                              | —                | —                  | —                           | —                            | —  | —                                 | —  |
| Naviera Armas A3 Shares                                  | —                                     | —                            | —                              | —                | —                  | —                           | —                            | —  | —                                 | —  |
| Naviera Armas Class A2<br>Shares Stapled To 1.5L<br>SSNS | —                                     | —                            | —                              | —                | —                  | —                           | —                            | —  | —                                 | —  |
| Travelex Private Equity                                  | —                                     | —                            | —                              | —                | —                  | —                           | —                            | —  | —                                 | —  |
| Common Stocks  | 41,748                                | —                            | —                              | —                | —                  | —                           | —                            | (41,748)   | —                                 | (41,748)   |
| Travelex Topco Limited                                   | 120,666                               | —                            | (120,666)                      | —                | —                  | —                           | —                            | —  | —                                 | —  |
| Warrants   | 120,666                               | —                            | (120,666)                      | —                | —                  | —                           | —                            | —  | —                                 | —  |
| <b>Total Equities</b>                                    | <b>162,414</b>                        | <b>—</b>                     | <b>(120,666)</b>               | <b>—</b>         | <b>—</b>           | <b>—</b>                    | <b>—</b>                     | <b>(41,748)</b>  | <b>—</b>                          | <b>(41,748)</b>  |
| <b>Bank Loans</b>  |                                       |                              |                                |                  |                    |                             |                              |  |                                   |  |
| Bahia De Las Isletas SL                                  | —                                     | —                            | —                              | 95,089           | (13,233)           | 867                         | 1,479                        | (2,287)  | 81,915                            | (2,287)  |
| Bahia De Las Isletas SL                                  | —                                     | —                            | —                              | 18,083           | —                  | 44                          | —                            | 264  | 18,391                            | 264  |
| Clinigen   | 1,177,372                             | —                            | —                              | —                | (1,293,438)        | 764                         | (66,095)                     | 181,397  | —                                 | —  |
| CP Iris Holdco I 2nd Lien T/L<br>(IPS)                   | 2,014,336                             | —                            | —                              | —                | —                  | —                           | —                            | (143,881)  | 1,870,455                         | (143,881)  |
| Dessert Holdings   | 900,000                               | —                            | —                              | —                | —                  | —                           | —                            | (70,000)   | 830,000                           | (70,000)   |
| Florida Food Products 2nd<br>Lien T/L                    | 1,350,000                             | —                            | —                              | —                | —                  | 1,844                       | —                            | (151,844)  | 1,200,000                         | (151,844)  |
| Kenan Advantage Group 2nd<br>Lien T/L                    | 4,745,132                             | —                            | —                              | —                | (5,171,806)        | 5,831                       | 105,422                      | 315,421  | —                                 | —  |
| Koppers Holdings, Inc.                                   | —                                     | —                            | —                              | 1,251,613        | (3,226)            | 700                         | 95                           | 34,697   | 1,283,879                         | 34,697   |
| Quest Software   | —                                     | 3,371,352                    | —                              | —                | (1,613,907)        | —                           | (560,972)                    | 1,027,465  | 2,223,938                         | 1,027,465  |
| Valcour Packaging (MOLD-<br>RITE) 2nd<br>Lien T/L        | 3,750,000                             | —                            | (3,750,000)                    | —                | —                  | —                           | —                            | —  | —                                 | —  |
| <b>Bank Loans</b>  | <b>13,936,840</b>                     | <b>3,371,352</b>             | <b>(3,750,000)</b>             | <b>1,364,785</b> | <b>(8,095,610)</b> | <b>10,050</b>               | <b>(520,071)</b>             | <b>1,191,232</b>   | <b>7,508,578</b>                  | <b>694,414</b>   |

**NOTES TO THE FINANCIAL STATEMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

|                 | BALANCE<br>AT<br>DECEMBER 31,<br>2022 | TRANSFERS<br>INTO<br>LEVEL 3 | TRANSFERS<br>OUT OF<br>LEVEL 3 | PURCHASES   | SALES         | ACCRETION<br>OF<br>DISCOUNT | REALIZED<br>GAIN /<br>(LOSS) | CHANGE IN<br>UNREALIZED<br>APPRECIATION /<br>(DEPRECIATION)<br>ON<br>INVESTMENTS | BALANCE<br>AT<br>JUNE 30,<br>2023 | CHANGE IN<br>UNREALIZED<br>APPRECIATION /<br>(DEPRECIATION)<br>FROM<br>INVESTMENTS<br>HELD AS OF<br>JUNE 30,<br>2023 |
|-----------------|---------------------------------------|------------------------------|--------------------------------|-------------|---------------|-----------------------------|------------------------------|--|-----------------------------------|--|
| Corporate Bonds |                                       |                              |                                |             |               |                             |                              |  |                                   |  |
| Digicel Limited | -                                     | -                            | -                              | -           | -             | -                           | -                            | -  | -                                 | -  |
| Naveria Armas   | 357,193                               | -                            | -                              | 30,860      | -             | (10,835)                    | -                            | (15,921)   | 361,297                           | (15,921)   |
| Travelex        | -                                     | -                            | -                              | -           | -             | -                           | -                            | -  | -                                 | -  |
| Travelex        | 4,011,338                             | -                            | -                              | 460,102     | -             | 25,788                      | -                            | (1,328)  | 4,495,900                         | (1,328)  |
| Corporate Bonds | 4,368,531                             | -                            | -                              | 490,962     | -             | 14,953                      | -                            | (17,249)   | 4,857,197                         | (17,249)   |
| Total           | \$18,467,785                          | \$3,371,352                  | \$(3,870,666)                  | \$1,855,747 | \$(8,095,610) | \$ 25,003                   | \$(520,071)                  | \$1,132,235  | \$12,365,775                      | \$635,417  |

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 June 30, 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.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2023 (Unaudited)

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.

### 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 J.P. Morgan and 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 an asset of \$882,627 in net unrealized appreciation on forward foreign exchange contracts. Outstanding forward foreign exchange contracts as of June 30, 2023 are indicative of the volume of activity during the year.

For the period ended June 30, 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 June 30, 2023. These derivatives are presented in the Schedule of Investments.



**NOTES TO THE FINANCIAL STATEMENTS** (CONTINUED)

June 30, 2023 (Unaudited)

Fair values of derivative instruments on the Statement of Assets and Liabilities as of June 30, 2023:

| DERIVATIVES                              | STATEMENT OF ASSETS<br>AND LIABILITIES<br>LOCATION                     | FAIR<br>VALUE    |
|--|--|------------------|
| Asset Derivatives                        |  |                  |
| Forward Foreign<br>Exchange<br>Contracts | Unrealized<br>appreciation on<br>forward foreign<br>exchange contracts | \$ -             |
| Total Asset<br>Derivatives               |  | <u>\$ -</u>      |
| Liability Derivatives                    |  |                  |
| Forward Foreign<br>Exchange<br>Contracts | Unrealized<br>depreciation on<br>forward foreign<br>exchange contracts | \$611,804        |
| Total Liability<br>Derivatives           |  | <u>\$611,804</u> |

The effect of derivative instruments on the Statement of Operations for the year ended March 31, 2023:

| DERIVATIVES                              | STATEMENT OF<br>OPERATIONS<br>LOCATION  | REALIZED GAIN/<br>(LOSS) ON<br>DERIVATIVES                                   |
|--|---|--|
| Forward Foreign<br>Exchange<br>Contracts | Net realized loss<br>on forward foreign<br>exchange contracts                           | <u>\$(315,203)</u>   |
| Total                                    |   | <u>\$(315,203)</u>   |
|  |   |  |
| DERIVATIVES                              | STATEMENT OF<br>OPERATIONS<br>LOCATION  | CHANGE IN<br>UNREALIZED<br>APPRECIATION/<br>(DEPRECIATION)<br>ON DERIVATIVES |
| Forward Foreign<br>Exchange<br>Contracts | Net change in<br>unrealized<br>depreciation of<br>forward foreign<br>exchange contracts | <u>\$(408,461)</u>   |
| Total                                    |   | <u>\$(408,461)</u>   |

**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 June 30, 2023.

|                                       | GROSS<br>AMOUNT OF<br>RECOGNIZED<br>ASSETS      | GROSS AMOUNT<br>OFFSET IN THE<br>STATEMENT OF<br>ASSETS AND<br>LIABILITIES | NET AMOUNTS<br>PRESENTED IN<br>THE STATEMENT<br>OF ASSETS AND<br>LIABILITIES | AMOUNTS NOT OFFSET IN<br>THE STATEMENT OF ASSETS<br>AND LIABILITIES |                        |                |
|---------------------------------------|---|--|--|---|------------------------|----------------|
|                                       |   |  |  | FINANCIAL<br>INSTRUMENTS  | COLLATERAL<br>RECEIVED | NET<br>AMOUNT  |
| <b>ASSETS:</b>                        |   |  |  |   |                        |                |
| Forward foreign<br>exchange contracts |   | \$ -   | \$ -   | \$ -  | \$ -                   | \$ -           |
|                                       |   |  |  |   |                        |                |
|                                       | GROSS<br>AMOUNT OF<br>RECOGNIZED<br>LIABILITIES | GROSS AMOUNT<br>OFFSET IN THE<br>STATEMENT OF<br>ASSETS AND<br>LIABILITIES | NET AMOUNTS<br>PRESENTED IN<br>THE STATEMENT<br>OF ASSETS AND<br>LIABILITIES | AMOUNTS NOT OFFSET IN<br>THE STATEMENT OF ASSETS<br>AND LIABILITIES |                        |                |
| <b>LIABILITIES:</b>                   |   |  |  | FINANCIAL<br>INSTRUMENTS  | COLLATERAL<br>PLEGDED  | NET<br>AMOUNT* |
| Forward foreign<br>exchange contracts | \$611,804                                       | \$ -   | \$611,804  | \$ -  | \$ -                   | \$(611,804)    |

\* The net amount represents the amount owed by the Fund to the counterparty as of June 30, 2023.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

June 30, 2023 (Unaudited)

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)

June 30, 2023 (Unaudited)

**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 2022 and 2021, as noted below, was as follows:

|                          | 2022                | 2021                |
|--------------------------|---------------------|---------------------|
| Ordinary Income          | <u>\$25,425,498</u> | <u>\$25,425,498</u> |
| Total Distributions Paid | <u>\$25,425,498</u> | <u>\$25,425,498</u> |

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)

June 30, 2023 (Unaudited)

Permanent items identified during the year ended December 31, 2022 have been reclassified among the component of net assets based on their tax basis treatment as follows:

| ADDITIONAL PAID<br>IN CAPITAL  | ACCUMULATED<br>LOSSES |
|--|-----------------------|
| \$(1,018,412)  | \$1,018,412           |
| <p>The permanent differences are primarily attributable to non-deductible excise taxes. The Fund's excise tax expense of \$1,018,412 as shown on the Statement of Operations represents excise tax on undistributed income.</p> <p>The following information is provided on a tax basis as of December 31, 2022:</p> |                       |
| Cost of investments  | \$ 449,171,616        |
| Unrealized appreciation  | 5,610,623             |
| Unrealized depreciation  | (72,962,120)          |
| Net unrealized appreciation/<br>(depreciation)   | (67,351,497)          |
| Undistributed ordinary income  | 24,511,959            |
| Undistributed long term gains  | —                     |
| Distributable earnings   | 24,511,959            |
| Accumulated gain/(loss)  | (137,936,217)         |
| Total accumulated gain/(loss)  | \$(180,775,755)       |

The capital loss carryforward is available to offset future taxable income. The Fund has \$15,727,537 of short-term capital loss carryforwards and \$122,254,079 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, 2018 through December 31, 2021 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 period ended June 30, 2023, the Fund purchased (at cost) and sold securities in the amount of \$97,853,817 and \$106,353,232 (excluding 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 April 28, 2022, the Fund entered into an amended agreement with a variable annual interest rate of month 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 period ended June 30, 2023 was approximately \$107,500,000 and 5.56 percent, respectively. As of June 30, 2023, the principal balance outstanding was \$102,500,000 at an interest rate of 5.82 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 June 30, 2023.

**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. For the period ended June 30, 2023, the total amount of income netted against the interest expense was \$29,906.

**9. Common Stock**

The Fund had unlimited shares authorized and 20,064,313 shares outstanding as of December 31, 2022 and 20,064,313 shares outstanding as of June 30, 2023. There were no changes to shares outstanding during the year ended December 31, 2022 and during the period ended June 30, 2023, respectively.

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

For the period ended June 30, 2023, the Fund paid its Trustees aggregate remuneration of \$76,639. During the period ended June 30, 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 Messrs. Harris and Mihalick as interested persons of the Fund.

**NOTES TO THE FINANCIAL STATEMENTS** (CONTINUED)

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June 30, 2023 (Unaudited)

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 (except for the Chief Compliance Officer of the Fund unless assumed by the Adviser). For the period ended June 30, 2023, the Adviser paid the compensation of the Chief Compliance Officer of the Fund.

The Fund did not make any payments to the Adviser for the period ended June 30, 2023, other than the amounts payable to the Adviser pursuant to the Agreement.

**11. Risks**

Impacts of Covid-19

The pandemic related to the global spread of novel coronavirus disease (COVID-19), which was first detected in December 2019, has resulted in significant disruptions to global business activity and the global economy, as well as the economies of individual countries, the financial performance of individual companies and sectors, and the securities and commodities markets in general. The adverse effects of the COVID-19 pandemic on our operations and the operations of Barings, including with respect to us, have been reduced since the height of the pandemic. Barings continues to monitor the COVID-19 situation globally and is prepared to adapt office working patterns as required to ensure the safety of its employees and clients who visit Barings office locations. In addition, Barings' cybersecurity policies are applied consistently when working remotely or in the office. These potential impacts, while uncertain, could adversely affect the Fund's and its investments' operating results.

**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.

## FUND DIVIDEND REINVESTMENT PLAN

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### INDEPENDENT TRUSTEES

Jill Olmstead  
Trustee

Mark F. Mulhern  
Trustee

Thomas W. Okel  
*Chairman, Trustee*

### INTERESTED TRUSTEES

David M. Mihalick  
Trustee

### OFFICERS

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*

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 BARINGS MANAGEMENT LLC AND BARINGS GLOBAL SHORT DURATION HIGH YIELD FUND**

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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](http://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](http://www.finra.org) or by calling (800) 289-9999.

**BARINGS**

Barings Global Short Duration High Yield Fund