

## APPENDIX 4E – PRELIMINARY FINAL REPORT

NB Global Corporate Income Trust (ARSN: 627 297 241) (the Fund)

### DETAILS OF REPORTING PERIOD

Current reporting period: Year ended 30 June 2021

Previous corresponding period: Year ended 30 June 2020

The directors of Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975), the Responsible Entity of the Fund, announce the results of the Fund for the year ended 30 June 2021 as follows:

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

Extracted from the Annual Report for the year ended 30 June 2021.

| PERFORMANCE  | YEAR ENDED<br>30 JUNE 2021<br>\$'000 |              | YEAR ENDED<br>30 JUNE 2020<br>\$'000 |
|--|--------------------------------------|--------------|--------------------------------------|
| Total investment income/(loss)<br>(Revenue from ordinary activities) | 130,687                              | Up 750% from | (20,110)                             |
| Operating profit/(loss) for the year                                 | 123,118                              | Up 549% from | (27,430)                             |
| Total comprehensive income/(loss) for the year                       | 123,118                              | Up 549% from | (27,430)                             |

### REVIEW AND RESULTS OF OPERATIONS

During the year ended 30 June 2021, the Fund continued to invest its funds in accordance with the Product Disclosure Statement dated 21 January 2020 and the provisions of the constitution of the Fund (Constitution).

The Fund's performance was 15.54% (net of fees) for the year ended 30 June 2021. The referable index of the Fund, the ICE BofAML Global High Yield Index returned 13.69% for the same period.

### STATEMENT OF COMPREHENSIVE INCOME

Refer to the Annual Report for the year ended 30 June 2021 attached to this Appendix 4E for further information.

### STATEMENT OF FINANCIAL POSITION

Refer to the Annual Report for the year ended 30 June 2021 attached to this Appendix 4E for further information.

### STATEMENT OF CHANGES IN EQUITY

Refer to the Annual Report for the year ended 30 June 2021 attached to this Appendix 4E for further information.



## STATEMENT OF CASH FLOWS

Refer to the Annual Report for the year ended 30 June 2021 attached to this Appendix 4E for further information.

## DETAILS OF DISTRIBUTIONS

The distributions for the year ended 30 June 2021 are as follows:

| DISTRIBUTIONS <sup>1</sup> | RECORD DATE      | PAYMENT DATE     | AMOUNT PER UNIT (CPU) |
|----------------------------|------------------|------------------|-----------------------|
| July 2020                  | 5 August 2020    | 12 August 2020   | 0.6963                |
| August 2020                | 2 September 2020 | 9 September 2020 | 0.6963                |
| September 2020             | 2 October 2020   | 9 October 2020   | 0.6963                |
| October 2020               | 3 November 2020  | 10 November 2020 | 0.6963                |
| November 2020              | 2 December 2020  | 9 December 2020  | 0.6963                |
| December 2020              | 5 January 2021   | 12 January 2021  | 0.6963                |
| January 2021               | 2 February 2021  | 9 February 2021  | 0.6963                |
| February 2021              | 2 March 2021     | 9 March 2021     | 0.6963                |
| March 2021                 | 6 April 2021     | 13 April 2021    | 0.6963                |
| April 2021                 | 4 May 2021       | 11 May 2021      | 0.6963                |
| May 2021                   | 2 June 2021      | 9 June 2021      | 0.6963                |
| June 2021                  | 2 July 2021      | 9 July 2021      | 1.9848                |
| <b>Total</b>               |                  |                  | <b>9.6441</b>         |

<sup>1</sup> The June 2021 distribution of 1.9848 cents per ordinary unit was payable as at 30 June 2021. It was paid on 9 July 2021.

<sup>2</sup> Distributions made after 30 June 2021 are as follows:

- On 2 July 2021, Directors announced a monthly distribution of 1.9848 cents per ordinary unit. The record date was 2 July 2021 and payment date was 9 July 2021.
- On 3 August 2021, Directors announced a monthly distribution of 0.8049 cents per ordinary unit. The record date was 3 August 2021 and payment date was 10 August 2021.
- On 25 August 2021, Directors announced an estimated monthly distribution of 0.8049 cents per ordinary unit. The record date will be 2 September 2021 and payment date will be 9 September 2021.



## DETAILS OF DISTRIBUTION REINVESTMENT PLAN

Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975) (the **Responsible Entity**) established distribution reinvestment plan rules (DRP Rules) on 26 September 2018 under which unit holders may elect to receive additional units instead of cash distributions.

Unit holders may elect by electronic DRP election to join the DRP or vary the level of participation in the DRP. The last date for electing into the DRP in respect of a distribution is 5.00pm (Sydney time) on the first business day after the record date.

The Responsible Entity makes distributions on a monthly basis. In accordance with the DRP Rules, units are issued at the net asset value of a unit or other unit application price determined under the Constitution, on the record date. The record date is the 2<sup>nd</sup> business day of each month.

## NET TANGIBLE ASSETS

|   | AS AT<br>30 JUNE 2021 | AS AT<br>30 JUNE 2020 |
|---|-----------------------|-----------------------|
| Total net tangible assets attributable to unit holders (\$'000) | 906,606               | 825,713               |
| Units on issue ('000)   | 446,114               | 445,682               |
| Net tangible assets attributable to unit holders per unit (\$)  | 2.03                  | 1.85                  |

## CONTROL GAINED OR LOST OVER ENTITIES DURING THE PERIOD

There was no control gained or lost over entities by the Fund during the year ended 30 June 2021.

## DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

The Fund did not have any interest in associates and joint venture entities during the year ended 30 June 2021.

## SIGNIFICANT INFORMATION

Refer to the attached Annual Report for a detailed discussion on the performance and financial position of the Fund for the year ended 30 June 2021.

## COMMENTARY ON RESULTS FOR THE PERIOD

Refer to the Annual Report for the year ended 30 June 2021 attached to this Appendix 4E for further information.

## INDEPENDENT AUDIT REPORT

This report is based on the Annual Report which has been audited by the Fund's auditor. All the documents comprise the information required by ASX Listing Rule 4.3A.

## COMMENTARY

Philip D Gentry, Director, Equity Trustees Limited, the Responsible Entity of NB Global Corporate Income Trust has authorised that this document be given to the ASX.



# NB GLOBAL CORPORATE INCOME TRUST

ARSN 627 297 241

## ANNUAL REPORT

For the year ended 30 June 2021

NB Global Corporate Income Trust

ARSN 627 297 241

Annual report

For the year ended 30 June 2021

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This annual report covers NB Global Corporate Income Trust as an individual entity.

The Responsible Entity of NB Global Corporate Income Trust is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975).

The Responsible Entity's registered office is:

Level 1, 575 Bourke Street

Melbourne, VIC 3000.

**Directors' Report**

The directors of Equity Trustees Limited, the Responsible Entity of NB Global Corporate Income Trust (the "Fund"), present their report together with the financial statements of the Fund for the year ended 30 June 2021.

**Principal activities**

The Fund invests in corporate debt securities in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution. The Fund also uses derivatives for hedging purposes.

The Fund did not have any employees during the year.

There were no significant changes in the nature of the Fund's activities during the year.

The various service providers for the Fund are detailed below:

| Service                     | Provider                       |
|-----------------------------|--------------------------------|
| Responsible Entity          | Equity Trustees Limited        |
| Investment Manager          | Neuberger Berman Australia Ltd |
| Custodian and Administrator | JPMorgan Chase Bank, N.A.      |
| Statutory Auditor           | PricewaterhouseCoopers         |

**Directors**

The following persons held office as directors of Equity Trustees Limited during or since the end of the year and up to the date of this report:

|                   |   |
|-------------------|---|
| Philip D Gentry   | Chairman                                    |
|                   | Company Secretary (appointed 30 April 2021) |
| Harvey H Kalman   | (resigned 1 September 2020)                 |
| Ian C Westley     | (resigned 3 July 2020)                      |
| Michael J O'Brien |   |
| Russell W Beasley | (appointed 1 September 2020)                |
| Jennifer Currie   | Company Secretary (resigned 30 April 2021)  |

**Review and results of operations**

During the year, the Fund continued to invest its funds in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution.

The Fund's performance was 15.54% (net of fees) for the year ended 30 June 2021. The referable index of the Fund, the ICE BofAML Global High Yield Index returned 13.69% for the same period.

The performance of the Fund, as represented by the results of its operations, was as follows:

|   | Year ended   |              |
|---|--------------|--------------|
|   | 30 June 2021 | 30 June 2020 |
| Profit/(loss) for the year (\$'000)     | 123,118      | (27,430)     |
| Distributions paid and payable (\$'000) | 43,006       | 48,378       |
| Distributions (cents per unit)          | 9.64         | 10.86        |



## Significant changes in state of affairs

Ian C Westley resigned as a director of Equity Trustees Limited on 3 July 2020.

Harvey H Kalman resigned as a director of Equity Trustees Limited on 1 September 2020.

Russell W Beasley was appointed as a director of Equity Trustees Limited on 1 September 2020.

Jennifer Currie resigned as Company Secretary of Equity Trustees Limited on 30 April 2021 and was replaced by Philip D Gentry on the same date.

## COVID-19

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The outbreak and the response of Governments in dealing with the pandemic has continued to evolve over the course of time. The prior year saw an increase in financial market volatility and corresponding fluctuations in the fair value of the Fund's investment portfolio. There is still some uncertainty around the impact of COVID, the potential for further outbreaks and the COVID vaccine and its roll out both in Australia and around the world.

The Responsible Entity and Investment Manager are monitoring the situation closely, noting that with the ongoing developments, there is still a degree of uncertainty; therefore it is not possible at this time to predict the extent and nature of the overall impact on the Fund. The Investment Manager however, actively manages the financial risks that the Fund is exposed to, and the Net Asset Values of the Fund continue to be valued in accordance with the frequency set out in the Fund's Offer Documents, applying valuation policies reflective of the prevailing market conditions.

In the opinion of the directors, there were no other significant changes in the state of affairs of the Fund that occurred during the financial year.

## Matters subsequent to the end of the financial year

On 2 July 2021, Directors announced a monthly distribution of 1.9848 cents per ordinary unit. The record date was 2 July 2021 and payment date was 9 July 2021.

On 5 July 2021, it was announced that NBI's Target Distribution for the upcoming financial year 2022 would be 4.75% per annum (net of fees and expenses) on the NTA per unit of \$2.03 as at 1 July 2021.

On 3 August 2021, Directors announced a monthly distribution of 0.8049 cents per ordinary unit. The record date was 3 August 2021 and payment date was 10 August 2021.

On 25 August 2021, Directors announced an estimated monthly distribution of 0.8049 cents per ordinary unit. The record date will be 2 September 2021 and payment date will be 9 September 2021.

No other matters or circumstances have arisen since 30 June 2021 that have significantly affected, or may have a significant effect on:

- (i) the operations of the Fund in future financial years; or
- (ii) the results of those operations in future financial years; or
- (iii) the state of affairs of the Fund in future financial years.

## Likely developments and expected results of operations

The Fund will continue to be managed in accordance with the investment objectives and guidelines as set out in the Product Disclosure Statement and the provisions of the Fund's Constitution.

The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

## Indemnification and insurance of officers

No insurance premiums are paid for out of the assets of the Fund in regards to insurance cover provided to the officers of Equity Trustees Limited. So long as the officers of Equity Trustees Limited act in accordance with the Fund's Constitution and the Law, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

## Indemnification of auditor

The auditor of the Fund is in no way indemnified out of the assets of the Fund.

**Fees paid to and interests held in the Fund by the Responsible Entity and its associates**

Fees paid to the Responsible Entity and its associates out of Fund property during the year are disclosed in Note 17 to the financial statements.

No fees were paid out of Fund property to the directors of the Responsible Entity during the year.

The number of interests in the Fund held by the Responsible Entity or its associates as at the end of the financial year are also disclosed in Note 17 to the financial statements.

**Interests in the Fund**

The movement in units on issue in the Fund during the year is disclosed in Note 8 to the financial statements.

The value of the Fund's assets and liabilities is disclosed in the statement of financial position and derived using the basis set out in Note 2 to the financial statements.

**Environmental regulation**

The operations of the Fund are not subject to any particular or significant environmental regulations under either Commonwealth, State or Territory law.

**Rounding of amounts to the nearest thousand dollars**

Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, unless otherwise indicated.

**Auditor's independence declaration**

A copy of the Auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out on page 9.

This report is made in accordance with a resolution of the directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.



Philip D Gentry  
Chairman

Melbourne  
31 August 2021



## Investment Manager's Report

**PORTFOLIO MANAGERS:** Russ Covode, Joe Lind, Nish Popat, Jennifer Gorgoll

### Performance Highlights

The Strategy's net return was 0.96% in June, 2.35% in the fourth quarter and 15.54% for the year ended 30 June 2021. The Strategy has an annualized return of 6.44% since inception.

|                         | 1 Month | 3 Months | 6 Months | 1 Year | 2 Year | Since Inception |
|-------------------------|---------|----------|----------|--------|--------|-----------------|
| <b>Total Return (%)</b> | 0.96    | 2.35     | 2.94     | 15.54  | 5.20   | 6.44            |

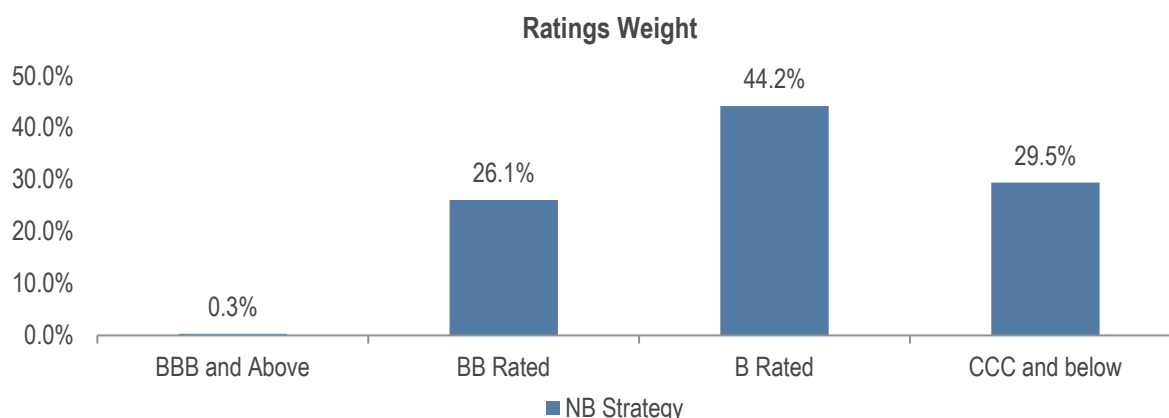
Performance is calculated net of management costs, which includes the Responsible Entity fee, the Management fee, the Administration fee, along with custodian, audit and legal fees and other transactional and operational costs. Investors should review the PDS for full details of NBI, including, in particular, the "Fees and Other Costs" section of the PDS. Periods less than one year are not annualized. Total Return is calculated based on the pre-distribution month end NTA and assumes all distributions are reinvested. Since Inception Annualised Performance since 26 September 2018 to latest month end. **Past Performance is not a reliable indicator of future performance.**

### Summary

- For the year ended 30 June 2021, the Strategy's positioning within Energy, Leisure and Healthcare were the top contributors to performance. Positioning within Utilities, Consumer Good and Insurance contributed the least to performance.
- During the six-month period ending 30 June 2021, we modestly increased our exposure to the Media, Retail and Technology & Electronic sectors and reduced our positioning in the Chemicals and Automotive sectors.
- The Strategy has maintained the majority of its exposure to BB and B rated investments.

### Market Context

- The global high yield bond market had a strong quarter, first half of 2021 and full year driven by better-than-expected earnings, rapidly improving economic activity fueled by reopenings coming out of a period of shelter-in-place due to COVID-19, and highly accommodative central bank policy which more recently has focused on allaying investor concerns over inflation. While yield levels in the global high yield market have reached record lows, it is important to keep in mind that, on average, it is a higher quality universe than in the past as the share of BB rated issuers in the market is also at or near an all-time high of well over 50%. Furthermore, default rate expectations are also at or through historical lows. Improving issuer fundamentals, deleveraging and more upgrades and "rising stars" along with favorable credit conditions and demand for attractive yield in fixed income are all supportive of the high yield asset class.
- In June, the rate of high yield issuance moderated somewhat with new issuance of US\$40.4 billion (US\$16.1 billion ex-refinancing), following May's new issuance of US\$50.7 billion. Year to date, high yield gross issuance of US\$299.1 billion or US\$100.3 billion ex-refinancing, exceeded the US\$218.4 billion and US\$94.2 billion, ex refinancings, over the same period last year. High yield funds reported outflows in June of -US\$2.0 billion after outflows in May of -US\$4.5 billion and inflows in April of +US\$3.2 billion. Non-USD high yield issuance in June totaled USD-equivalent US\$15.8 billion following volumes of USD-equivalent US\$13.1 billion in May. Year to date, non-USD high yield new issue volumes came in at USD-equivalent \$86.9 billion, which compares to \$43.5 billion over the same period in 2020. For context, non-USD new issue volume totaled USD-equivalent \$100.5 billion for the full-year 2020.<sup>1</sup>
- The pace of defaults and default expectations slowed materially over the reporting period and defaults in the near term are likely to continue to decline as evidenced by the rate of upgrades relative to downgrades. In June, the par weighted LTM U.S. high yield default rate decreased by 71 basis points to 1.87%, which is a two-year low. The par weighted LTM U.S. high yield default rate excluding Energy was a much lower 0.92%. For context, the long-term average default rate is 3.50% (based on annual default rates back to 1980 according to JP Morgan).<sup>1</sup>
- While the distressed part of the market rallied again in June and has seen outsized returns from depressed levels seen a year ago, many of the longer-term impaired, secularly challenged issuers are still not meeting our disciplined credit underwriting standards. That said, we are finding attractive investment opportunities across regions, the credit spectrum and within the high yield universe from an individual credit selection perspective.



#### Performance Highlights

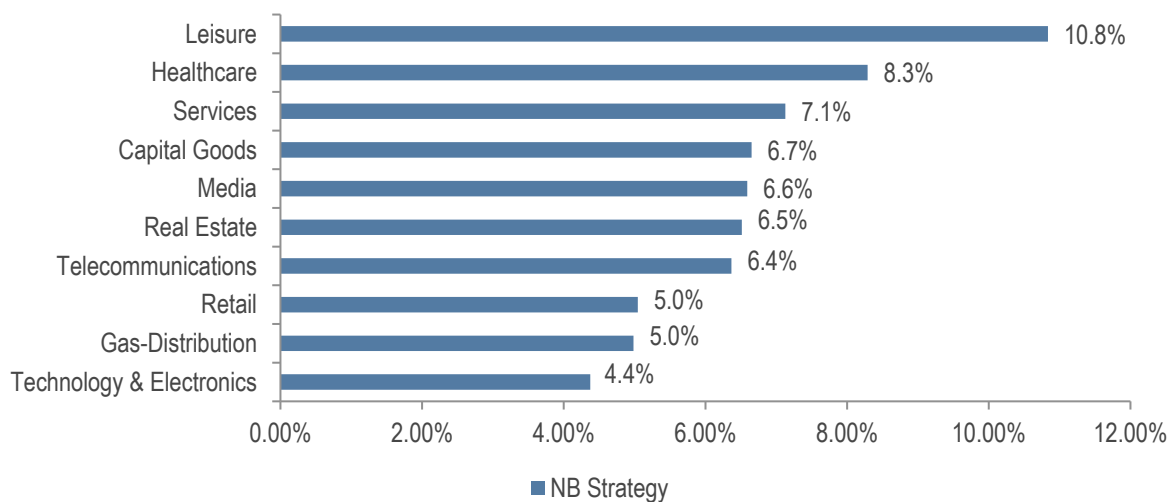
- For the year ended 30 June 2021, the largest contribution to performance came from Ascent Resources Utica Holdings, LLC within the Energy sector, Carnival Corp within Leisure and Tenet Healthcare Corporation within the Healthcare sector. Those that were neutral or added the least to performance included Guara Norte Sarl within Transportation, Volkswagen International Finance N.V. within the Automotive sector and JSW Hydro Energy Ltd within the Utility Sector.
- Ascent Resources Utica Holdings, LLC (ASCRES), a private, gas-focused E&P with operations in the Utica shale in Ohio, the largest natural gas producer in the Utica and the 7<sup>th</sup> largest natural gas producer in the US, added the most to performance over the reporting period. The company reported 1Q results which were in-line with expectations. Management reaffirmed full year guidance and the company continues to operate near maintenance levels. Our forecasts are unchanged – using current forward commodity prices we forecast 2021 unhedged Debt / EBITDA of 2.5x, Debt / EBIT of 3.4x and FCF / Debt of 7%. ASCRES remains well hedged with gas production hedged 96% in the balance of 2021 and 65% in 2022. Over the past year, commodity prices have risen from COVID-19 lockdown depressed levels which has also aided the economics of the business.
- Carnival Corp (CCL) is the largest cruise operator globally, with a fleet of 105 vessels and 16 ships on delivery. CCL has ~43% global market share and carried 12.9 million passengers in 2019. Moreover, we have a positive view of the company's multi-brand strategy that segments customers by both geographies and demographics / price points. The company's scale also provides a number of benefits with respect to ship ordering and itinerary planning that we believe are particularly relevant in the current environment. The industry structure is significantly favorable in our view, with a limited number of competitors controlling the majority of global market share. Moreover, supply is logistically constrained and forward commitments make industry behavior predictable and rational. Carnival's position alone represents 40% of the industry and the Top 3 competitors represent ~75% of global market share. We see this as a favorable dynamic on maintaining rational pricing. Performance of this issuer was additive to performance as global economies started reopening and consumers resumed vacationing and cruising after a successful vaccination roll-out and safeguards to ensure the safety of cruisers allowed the return to cruising again.
- Tenet Healthcare Corporation (THC), a national, diversified healthcare services company that operates regionally focused, integrated healthcare delivery networks, primarily in large urban and suburban markets, was neutral to performance as the issuer had to deal with a loss of elective healthcare services due to COVID-19. We have a HOLD recommendation on Tenet's secured and unsecured bonds. Despite Tenet's current high leverage and modest free cash flow, the company's hospital operations have been stable, and its ambulatory segment is a valuable asset in our opinion. Tenet intends to deleverage through growth and is focusing on investments in non-hospital points of patient contact (urgent care centers, free standing emergency rooms, and ambulatory surgery centers) in order to build its market share within its chosen markets and to improve customer satisfaction. We believe this strategy will allow Tenet to grow and deleverage over time.
- Guara Norte Sarl, a Brazilian provider of onshore oilfield services, was neutral to performance over the reporting period, as the Brazilian economy had a much tougher time managing the outbreak of COVID-19 which impacted economic activity in the region.
- Volkswagen International Finance (VW), is a large auto OEM captive finance company. We maintain a favorable view on the credit quality of Volkswagen. The credit profile continues to be supported by its scale, its product and geographical diversification, an impressive ability to generate free cash, and by a strong liquidity position. While the fundamental impact of weakening auto demand could be material, we remain comfortable with the exposure. The COVID-19 led contagion is likely to drive near-term delays of big-ticket purchases. However, we would expect this to lead to pent-up demand, with a release when the contagion passes. Overall, we consider the group as one of the strongest positioned names in the global auto sector and expect its credit quality to remain strong.
- JSW Hydro Energy Ltd, is the largest private hydropower producer in India that operates two hydropower plants – 300 megawatts (MW) Baspa II and 1,000 MW Karcham Wangtoo, located in Himachal Pradesh. This issuer was also neutral to performance over the reporting period as India's COVID-19 case load put a damper on economic activity in the country.

| Top 5 Industry    | FY2021<br>Contribution to Return (%) | Issuer – Top Performer within Sector   | FY2021<br>Contribution to Return (%) |
|-------------------|--------------------------------------|--|--------------------------------------|
| Energy            | 2.70%                                | Ascent Resources Utica Holdings, LLC   | 0.22%                                |
| Leisure           | 1.87%                                | Carnival Corp                          | 0.20%                                |
| Healthcare        | 1.22%                                | Tenet Healthcare Corporation           | 0.18%                                |
| Basic Industry    | 2.01%                                | CSN Resources SA                       | 0.16%                                |
| Services          | 1.26%                                | Staples Inc                            | 0.19%                                |
| Bottom 5 Industry | FY2021<br>Contribution to Return (%) | Issuer – Worst Performer within Sector | FY2021<br>Contribution to Return (%) |
| Transportation    | 0.40%                                | Guara Norte Sarl                       | 0.00%                                |
| Automotive        | 0.92%                                | Volkswagen International Finance N.V.  | 0.00%                                |
| Utility           | 0.31%                                | JSW Hydro Energy Ltd                   | 0.00%                                |
| Consumer Goods    | 0.33%                                | Koninklijke Frieslandcampina NV        | 0.00%                                |
| Insurance         | 0.25%                                | Amwins Group Inc                       | 0.03%                                |

#### Portfolio Strategy & Activity

- The Strategy invests in non-investment grade corporate bonds with a target distribution rate of 4.50%. The yield-to-worst as of the end of June was 4.74%.
- The Strategy currently has larger exposure to securities rated BB and CCC with lower exposure to bonds rated BB. The average credit rating for the Strategy is B.
- The Strategy has more exposure to sectors such as Leisure, Healthcare and Services. The Strategy has a lower relative weighting to cyclical sectors such as Automotive and Basic Industry.
- The Strategy currently has larger positions to bonds from the U.S. and Brazil and less to Japan and Bahrain bonds.
- During the six month period ending 30 June 2021, we increased our exposure to the Media and Retail sectors and reduced our positioning within the Automotive and Chemicals sectors.
  - Media – The Strategy initiated a position to Nielsen Holdings PLC, a leading global provider of marketing data and analytics. Nielsen maintains a monopoly-like position in the media measurement business. The credit benefits from long-term, recurring revenue streams and solid FCF. We expect the company will continue to generate comfortably positive FCF and leverage of 4.6x remains reasonable relative to historical EV multiples, which should move higher once the Global Connect business is spun off.
  - Retail – We increased our position in L Brands Inc (LB), a specialty retail business, specifically women's intimates and beauty products. LB sells products under the Victoria's Secret, PINK, Bath & Body Works, La Senza, and Henri Bendel brands. Limited Brands operates over 3,000 retail stores in malls and shopping centers, along with more than 700 franchised stores world-wide. We have a hold recommendation on LB driven by the company's scale and brand recognition, moderate leverage profile, FCF generation, and recent management actions (dividend cut, leadership changes).
  - Automotive – We reduced our position in Ford, a large global auto OEM. While we see scope for Ford to get back to IG by ~2023 timeframe, we reduced the position on relative valuation considerations.
  - Chemicals – We reduced our position in Nova Chemicals Corp (NCX), a developer and manufacturer of commodity chemicals and plastic resins. Specifically, Nova manufactures ethylene, polyethylene and to a lesser extent polystyrene. We decreased exposure on relative valuation considerations but maintain a Hold recommendation and remain comfortable with our positioning in the Nova capital structure. While NCX leverage has been elevated, Nova continues to benefit from well-invested, scale assets and remains supported by AA-rated Mubadala.

## Top 10 Industry Weightings



## Outlook

Global high yield spreads tightened over the reporting period, but we believe valuations are compensating investors for the increasingly benign default outlook. The economic recovery continues to play out and we would expect the improving trajectory of growth and pricing power to be supportive of issuer fundamentals going forward. Continued progress on the rate of vaccinations, combined with consumer pent-up demand for travel, leisure and services, businesses rebuilding inventories and rehiring plus patient-but-vigilant central bankers should continue to support economic activity going forward. While new COVID variants and mixed views over inflation could result in pockets of short-term volatility, we believe our bottom-up, fundamental credit research focused on individual credit selection while seeking to avoid credit deterioration and putting only our "best ideas" into portfolios, position us well to take advantage of any volatility.

<sup>1</sup> Source: J.P. Morgan.

## Corporate Governance Statement

Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975) in its capacity as a responsible entity ("Responsible Entity") of the NB Global Corporate Income Trust ("the Fund"), has established a corporate governance framework which sets out the rules, relationships, systems and processes within which the Responsible Entity operates to promote investor confidence and good corporate governance.

Refer to the URL below to download the Statement which is located on the Investment Manager's website:

[https://www.nb.com/nb\\_gcit\\_eqtl\\_corporate\\_governance\\_statement](https://www.nb.com/nb_gcit_eqtl_corporate_governance_statement)



## *Auditor's Independence Declaration*

As lead auditor for the audit of NB Global Corporate Income Trust for the year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read 'G Sagonas'.

George Sagonas  
Partner  
PricewaterhouseCoopers

Melbourne  
31 August 2021

# NB GLOBAL CORPORATE INCOME TRUST

## Statement of Comprehensive Income

|  |      | Year ended      |                 |
|--|------|-----------------|-----------------|
|  |      | 30 June<br>2021 | 30 June<br>2020 |
|  | Note | \$'000          | \$'000          |
| <b>Investment income</b>   |      |                 |                 |
| Interest income from financial assets at amortised cost                          |      | 242             | 245             |
| Net gains/(losses) on financial instruments at fair value through profit or loss |      | 130,311         | (21,013)        |
| Net foreign exchange gain/(loss)   |      | 32              | 603             |
| Other income   |      | 102             | 55              |
| <b>Total investment income/(loss)</b>  |      | <b>130,687</b>  | <b>(20,110)</b> |
| <b>Expenses</b>  |      |                 |                 |
| Management fees  | 17   | 6,223           | 6,013           |
| Responsible Entity fees  | 17   | 204             | 196             |
| Custody and administration fees  |      | 1,113           | 1,075           |
| Other expenses   |      | 29              | 36              |
| <b>Total expenses</b>  |      | <b>7,569</b>    | <b>7,320</b>    |
| <b>Operating profit/(loss) for the year</b>                                      |      | <b>123,118</b>  | <b>(27,430)</b> |
| Other comprehensive income/(loss)  |      | -               | -               |
| <b>Total comprehensive income/(loss) for the year</b>                            |      | <b>123,118</b>  | <b>(27,430)</b> |
| <b>Basic and diluted earnings per unit (cents per unit)</b>                      | 9    | <b>27.61</b>    | <b>(6.16)</b>   |

The above statement of comprehensive income should be read in conjunction with the accompanying notes.



## Statement of Financial Position

|  |      | As at                     |                           |
|--|------|---------------------------|---------------------------|
|  | Note | 30 June<br>2021<br>\$'000 | 30 June<br>2020<br>\$'000 |
| <b>Assets</b>  |      |                           |                           |
| Cash and cash equivalents                                  | 12   | 38,915                    | 10,073                    |
| Receivables  | 14   | 819                       | 306                       |
| Due from brokers – receivable for securities sold          |      | 532                       | -                         |
| Financial assets at fair value through profit or loss      | 6    | <u>907,107</u>            | <u>872,423</u>            |
| <b>Total assets</b>  |      | <u>947,373</u>            | <u>882,802</u>            |
| <b>Liabilities</b>   |      |                           |                           |
| Distributions payable                                      | 11   | 8,855                     | 4,327                     |
| Payables   | 15   | 654                       | 651                       |
| Due to brokers – payable for securities purchased          |      | 3,021                     | 2,137                     |
| Financial liabilities at fair value through profit or loss | 7    | <u>28,237</u>             | <u>49,974</u>             |
| <b>Total liabilities</b>                                   |      | <u>40,767</u>             | <u>57,089</u>             |
| <b>Net assets attributable to unit holders – equity</b>    | 8    | <u>906,606</u>            | <u>825,713</u>            |

The above statement of financial position should be read in conjunction with the accompanying notes.

# NB GLOBAL CORPORATE INCOME TRUST

## Statement of Changes in Equity

|  | Note | Year ended      |                 |
|--|------|-----------------|-----------------|
|  |      | 30 June         | 30 June         |
|  |      | 2021            | 2020            |
|  |      | \$'000          | \$'000          |
| <b>Total equity at the beginning of the financial year</b> |      | <b>825,713</b>  | <b>424,367</b>  |
| <b>Comprehensive income for the financial year</b>         |      |                 |                 |
| Profit/(loss) for the year                                 |      | 123,118         | (27,430)        |
| Other comprehensive income                                 |      | -               | -               |
| <b>Total comprehensive income</b>                          |      | <b>123,118</b>  | <b>(27,430)</b> |
| <b>Transactions with unit holders</b>                      |      |                 |                 |
| Applications   | 8    | -               | 476,256         |
| Reinvestment of distributions                              | 8    | 781             | 898             |
| Distributions paid and payable                             | 8    | (43,006)        | (48,378)        |
| <b>Total transactions with unit holders</b>                |      | <b>(42,225)</b> | <b>428,776</b>  |
| <b>Total equity at the end of the financial year</b>       |      | <b>906,606</b>  | <b>825,713</b>  |

The above statement of changes in equity should be read in conjunction with the accompanying notes.

## Statement of Cash Flows

|   | Note  | Year ended                |                           |
|---|-------|---------------------------|---------------------------|
|   |       | 30 June<br>2021<br>\$'000 | 30 June<br>2020<br>\$'000 |
| <b>Cash flows from operating activities</b>   |       |                           |                           |
| Proceeds from sale of financial instruments at fair value through profit or loss    |       | 766,191                   | 1,047,940                 |
| Payments for purchase of financial instruments at fair value through profit or loss |       | (691,977)                 | (1,463,215)               |
| Interest income received from financial assets at amortised cost                    |       | 242                       | 248                       |
| Other income received   |       | 102                       | 56                        |
| GST (paid)/received   |       | (485)                     | (210)                     |
| Management fees paid  |       | (6,211)                   | (5,995)                   |
| Responsible Entity fees paid  |       | (216)                     | (178)                     |
| Custody and administration fees paid  |       | (1,110)                   | (1,072)                   |
| Other expenses paid   |       | (29)                      | (36)                      |
| <b>Net cash inflow/(outflow) from operating activities</b>                          | 13(a) | <u>66,507</u>             | <u>(422,462)</u>          |
| <b>Cash flows from financing activities</b>   |       |                           |                           |
| Proceeds from applications by unit holders  |       | -                         | 476,256                   |
| Distributions paid to unit holders  |       | (37,697)                  | (48,265)                  |
| <b>Net cash inflow/(outflow) from financing activities</b>                          |       | <u>(37,697)</u>           | <u>427,991</u>            |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                         |       | <b>28,810</b>             | <b>5,529</b>              |
| Cash and cash equivalents at the beginning of the year                              |       | 10,073                    | 3,941                     |
| Effects of foreign currency exchange rate changes on cash and cash equivalents      |       | <u>32</u>                 | <u>603</u>                |
| <b>Cash and cash equivalents at the end of the year</b>                             | 12    | <u>38,915</u>             | <u>10,073</u>             |
| <b>Non-cash operating and financing activities</b>                                  |       |                           |                           |
| Issue of units under the distribution reinvestment plan                             | 13(b) | 781                       | 898                       |

The above statement of cash flows should be read in conjunction with the accompanying notes.

## Notes to Financial Statements

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## 1 General information

These financial statements cover NB Global Corporate Income Trust (the "Fund") as an individual entity. The Fund is an Australian registered managed investment scheme which was constituted on 4 July 2018, registered with Australian Securities and Investment Commission on 17 July 2018 and commenced investment operations on 26 September 2018. The Fund will terminate in accordance with the provisions of the Fund's Constitution or by Law.

The Fund was listed on the Australian Securities Exchange (ASX) on 26 September 2018 and is quoted under ticker code: NBI.

The Responsible Entity of the Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975) (the "Responsible Entity"). The Responsible Entity's registered office is Level 1, 575 Bourke Street, Melbourne, VIC 3000. The financial statements are presented in the Australian currency unless otherwise noted.

The Fund invests in corporate fixed interest securities managed by Neuberger Berman Australia Ltd in accordance with the Product Disclosure Statement and the provisions of the Fund's Constitution. The Fund also uses derivatives for hedging purposes.

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The outbreak and the response of Governments in dealing with the pandemic has continued to evolve over the course of time. The prior year saw an increase in financial market volatility and corresponding fluctuations in the fair value of the Fund's investment portfolio. There is still some uncertainty around the impact of COVID, the potential for further outbreaks and the COVID vaccine and its roll out both in Australia and around the world.

The Responsible Entity and Investment Manager are monitoring the situation closely, noting that with the ongoing developments, there is still a degree of uncertainty; therefore it is not possible at this time to predict the extent and nature of the overall impact on the Fund. The Investment Manager however, actively manages the financial risks that the Fund is exposed to, and the Net Asset Values of the Fund continue to be valued in accordance with the frequency set out in the Fund's Offer Documents, applying valuation policies reflective of the prevailing market conditions.

The financial statements were authorised for issue by the directors on the date the Directors' declaration was signed. The directors of the Responsible Entity have the power to amend and reissue the financial statements.

## 2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

### (a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* in Australia. The Fund is a for-profit entity for the purpose of preparing the financial statements.

The financial statements have been prepared on a historical cost basis, except for financial assets and liabilities measured at fair value through profit or loss.

The statement of financial position is prepared on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within 12 months, except for investments in financial assets and liabilities at fair value through profit or loss and net assets attributable to unit holders.

The Fund manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at reporting date.

#### (i) Compliance with International Financial Reporting Standards (IFRS)

The financial statements of the Fund also comply with IFRS as issued by the International Accounting Standards Board (IASB).

#### (ii) New and amended standards adopted by the Fund

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2020 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

#### (iii) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2021 and have not been early adopted in preparing these financial statements.

None of these are expected to have a material effect on the financial statements of the Fund.

## 2 Summary of significant accounting policies (continued)

### (b) Financial instruments

#### (i) Classification

- Financial assets

The Fund classifies its financial assets in the following measurement categories:

- those to be measured at fair value through profit or loss; and
- those to be measured at amortised cost.

The Fund classifies its financial assets based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

The Fund's portfolio of financial assets is managed and performance is evaluated on a fair value basis in accordance with the Fund's documented investment strategy. The Fund's policy is for the Investment Manager to evaluate the information about these financial assets on a fair value basis together with other related financial information.

For derivatives, the contractual cash flows of these instruments do not represent solely payments of principal and interest. Consequently, these investments are measured at fair value through profit or loss.

For debt securities, the contractual cash flows are solely payments of principal and interest, however they are neither held for collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business objective. Consequently, the debt securities are measured at fair value through profit or loss.

For cash and cash equivalents, due from brokers and receivables, these assets are held in order to collect the contractual cash flows. The contractual terms of these assets give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Consequently, these are measured at amortised cost.

- Financial liabilities

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

For financial liabilities that are not classified and measured at fair value through profit or loss, these are classified as financial liabilities at amortised cost (due to brokers, distributions payable, management fees payable, custody and administration fees payable and other payables).

#### (ii) Recognition and derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in the fair value of the financial assets or financial liabilities from this date.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or the Fund has transferred substantially all the risks and rewards of ownership. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

#### (iii) Measurement

- Financial instruments at fair value through profit or loss

At initial recognition, the Fund measures a financial asset and a financial liability at its fair value. Transaction costs of financial assets and liabilities carried at fair value through profit or loss are expensed in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of 'financial assets or liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income within 'net gains/(losses) on financial instruments at fair value through profit or loss' in the period in which they arise.

For further details on how the fair value of financial instruments is determined please see Note 5 to the financial statements.

## 2 Summary of significant accounting policies (continued)

### (b) Financial instruments (continued)

#### (iii) Measurement (continued)

- Financial instruments at amortised cost

For financial assets and financial liabilities at amortised cost, they are initially measured at fair value including directly attributable costs and are subsequently measured using the effective interest rate method less any allowance for expected credit losses.

Cash and cash equivalents and receivables are carried at amortised cost.

#### (iv) Impairment

At each reporting date, the Fund shall estimate a loss allowance on each of the financial assets carried at amortised cost (cash and cash equivalents, due from brokers and receivables) at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counter party, probability that the counter party will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that the asset is credit impaired. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the net carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

The expected credit loss (ECL) approach is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Fund expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

#### (v) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Fund has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Financial assets and liabilities that have been offset are disclosed in Note 4 to the financial statements.

### (c) Net assets attributable to unit holders

The Fund's units can be traded on the ASX at any time for cash based on listed price. While the Fund is a listed investment trust and liquidity is generally expected to exist in the secondary market (ASX), there are no guarantees that an active trading market with sufficient liquidity will be available. In addition to being traded, requests for redemption to the Investment Manager may be made, however redemption is dependent on the Investment Manager's discretion.

The Fund's units are classified as equity as they satisfy the following criteria under AASB 132 *Financial Instruments: Presentation*:

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Fund's liquidation;
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical;
- the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Fund, and is not a contract settled in the Fund's own equity instruments; and
- the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

### (d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as trading of these securities represents the Fund's main income generating activity.



## 2 Summary of significant accounting policies (continued)

### (e) Investment income

#### (i) Interest income

Interest income from financial assets at amortised cost is recognised using the effective interest method and includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities measured at fair value through profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or liability and of allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instruments (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Interest income on financial assets at fair value through profit or loss is also recognised in the statement of comprehensive income, included in the net gains/(losses) on financial instruments at fair value through profit or loss. Changes in fair value of financial instruments held at fair value through profit or loss are recorded in accordance with the policies described in Note 2(b) to the financial statements.

#### (ii) Net gains/(losses) on financial instruments

Net gains/(losses) on financial instruments arising on a change in fair value are calculated as the difference between the fair value at the end of the reporting period and the fair value at the previous valuation point. Realised and unrealised gains/(losses) are shown in the notes to the financial statements.

Changes in fair value of financial instruments held at fair value through profit or loss are recorded in accordance with the policies described in Note 2(b) to the financial statements.

### (f) Expenses

All expenses are recognised in the statement of comprehensive income on an accruals basis.

### (g) Income tax

Under current legislation, the Fund is not subject to income tax provided it attributes the entirety of its taxable income to its unit holders.

### (h) Distributions

The Fund is an Attribution Managed Investment Trust (AMIT) fund. The units in the Fund have been classified as equity. Under the Fund's Constitution, the Fund does not have an obligation to make distributions to unit holders by cash and/or reinvestment in accordance with AASB 132 *Financial Instruments: Presentation* (AASB 132).

Distributions to unit holders are recognised directly in equity and presented in the statement of changes in equity. A distribution payable is recognised in the statement of financial position where the amount remains unpaid at reporting date.

### (i) Foreign currency translation

#### (i) Functional and presentation currency

Balances included in the Fund's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar which reflects the currency of the economy in which the Fund competes for funds and is regulated. The Australian dollar is also the Fund's presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

The Fund does not isolate that portion of unrealised gains or losses on financial instruments at fair value through profit or loss which is due to changes in foreign exchange rates. Such fluctuations are included in the net gains/(losses) on financial instruments at fair value through profit or loss.

**2 Summary of significant accounting policies (continued)****(j) Due from/to brokers**

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. The due from brokers balance is held for collection and is recognised initially at fair value and subsequently measured at amortised cost.

**(k) Receivables**

Receivables may include amounts for interest. Where applicable, interest is accrued on a daily basis. Amounts are generally received within 30 days of being recorded as receivables.

**(l) Payables**

Payables include liabilities and accrued expenses owed by the Fund which are unpaid as at the end of the reporting period.

A separate distribution payable is recognised in the statement of financial position.

Distributions declared effective 30 June in relation to unit holders who have previously elected to reinvest distributions are recognised as reinvested effective 1 July of the following financial year.

**(m) Earnings per unit**

Earnings per unit are calculated by dividing the profit or loss of the Fund by the weighted average number of units outstanding during the financial year.

**(n) Applications and redemptions**

Applications received for units in the Fund are recorded net of any entry fees payable prior to the issue of units in the Fund. Units are not able to be redeemed while the Fund is listed on the ASX. However, the Responsible Entity may undertake a buy-back of units which satisfies the requirements of the *Corporations Act* and the Listing Rules.

**(o) Goods and services tax (GST)**

The GST incurred on the costs of various services provided to the Fund by third parties such as management, administration and custodian services where applicable, have been passed on to the Fund. The Fund qualifies for Reduced Input Tax Credits (RITC) at a rate of at least 95.5%. Hence, fees for these services and any other expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Amounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the statement of financial position. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

**(p) Operating segment**

An operating segment is a distinguishable component of the Fund that is engaged in business activity from which the Fund earns revenues and incurs expenses, whose operating results are regularly reviewed by the Fund's Investment Manager in order to make decisions about the allocation of resources to the segment and assess its performance and for which discrete financial information is available.

**(q) Use of estimates and judgements**

The Fund makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities within the current and next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives or unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Investment Manager.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations, require management to make estimates and judgements. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The Fund estimates that the resultant expected credit loss (ECL) derived from using impairment model, has not materially impacted the Fund. Please see Note 3 for more information on credit risk.

For more information on how fair value is calculated refer to Note 5 to the financial statements.

## 2 Summary of significant accounting policies (continued)

### (r) Rounding of amounts

The Fund is an entity of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated.

## 3 Financial risk management

The Fund's activities expose it to a variety of financial risks including market risk (which incorporates price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Fund's overall risk management programme focuses on ensuring compliance with the Fund's Product Disclosure Statement and the investment guidelines of the Fund. It also seeks to maximise the returns derived for the level of risk to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance.

The investments of the Fund, and associated risks, are managed by a specialist investment manager, Neuberger Berman Australia Ltd under an Investment Management Agreement (IMA) approved by the Responsible Entity, and containing the investment strategy and guidelines of the Fund, consistent with those stated in the Product Disclosure Statement.

The Fund uses different methods to measure different types of risk to which it is exposed. These methods include Value at Risk ("VaR") analysis in the case of interest rate, foreign exchange and other price risks and ratings analysis for credit risk. VaR analysis is explained in Note 3(b).

### Impact of COVID-19 on portfolio risk:

The outbreak of the novel coronavirus in many countries, has, among other things, disrupted global travel and supply chains, and has adversely impacted global commercial activity, the transportation industry and commodity prices in the energy sector. The impact of this virus has negatively affected and may continue to affect the economies of many nations, individual companies and the global securities and commodities markets, including liquidity and volatility. The development and fluidity of this situation precludes any prediction as to its ultimate impact, which may have a continued adverse effect on global economic and market conditions. Such conditions (which may be across industries, sectors or geographies) have impacted and may continue to impact the issuers of the securities held by the Portfolios.

### (a) Market risk

#### (i) Price risk

Price risk arises from investments and derivatives held by the Fund for which prices in the future are uncertain. Where non-monetary financial instruments are denominated in currencies other than the Australian dollar, the price in the future will also fluctuate because of changes in foreign exchange rates which are considered a component of price risk. The Investment Manager employs the use of forward currency contracts to hedge currency exposure back to Australian dollar.

The Investment Manager uses research and analysis to monitor variables that elevate price risk and to minimize the downside impact of these variables on the Fund's investments. Additionally, the Investment Manager performs regular reviews of both large security positions held across all portfolios and large market exposures for the Fund.

#### (ii) Foreign exchange risk

The Fund operates internationally and holds both monetary and non-monetary assets denominated in currencies other than the Australian dollar. Foreign exchange risk arises as the value of monetary securities denominated in other currencies fluctuate due to changes in exchange rates. The foreign exchange risk relating to non-monetary assets and liabilities is a component of price risk and not foreign exchange risk. However, the Investment Manager monitors the exposure of all foreign currency denominated assets and liabilities.

The Investment Manager performs regular reviews of currency exposure within the Fund. The Fund does not use forward currency contracts for speculative purposes. The Investment Manager intends to mitigate the Fund's exposure to all foreign currencies through the use of forward currency contracts hedged back to the Australian dollar.

## 3 Financial risk management (continued)

## (a) Market risk (continued)

## (ii) Foreign exchange risk (continued)

The table below summarises the Fund's financial assets and financial liabilities, monetary and non-monetary, which are denominated in a currency other than the Australian dollar.

| As at 30 June 2021  | US<br>Dollars<br>A\$'000 | Euro<br>A\$'000        | British<br>Pounds<br>A\$'000 |
|---|--------------------------|------------------------|------------------------------|
| Cash and cash equivalents   | 34,938                   | 3,474                  | 420                          |
| Receivables   | -                        | 84                     | -                            |
| Due from brokers – receivable for securities sold                   | 532                      | -                      | -                            |
| Financial assets at fair value through profit or loss               | 696,691                  | 157,636                | 26,806                       |
| Due to brokers – payable for securities purchased                   | (3,021)                  | -                      | -                            |
| Financial liabilities at fair value through profit or loss          | <u>(25,095)</u>          | <u>(1,413)</u>         | <u>(585)</u>                 |
| <b>Net exposure</b>   | <b><u>704,045</u></b>    | <b><u>159,781</u></b>  | <b><u>26,641</u></b>         |
| Net increase/(decrease) in exposure from forward currency contracts | <u>(726,896)</u>         | <u>(157,801)</u>       | <u>(25,956)</u>              |
| <b>Net exposure including forward currency contracts</b>            | <b><u>(22,851)</u></b>   | <b><u>1,980</u></b>    | <b><u>685</u></b>            |
| As at 30 June 2020  | US<br>Dollars<br>A\$'000 | Euro<br>A\$'000        | British<br>Pounds<br>A\$'000 |
| Cash and cash equivalents   | 4,198                    | 2,436                  | 3,329                        |
| Receivables   | -                        | 56                     | -                            |
| Financial assets at fair value through profit or loss               | 687,249                  | 139,530                | 17,358                       |
| Payables  | -                        | (1)                    | -                            |
| Due to brokers – payable for securities purchased                   | (620)                    | (1,517)                | -                            |
| Financial liabilities at fair value through profit or loss          | <u>(21,946)</u>          | <u>(1,990)</u>         | <u>-</u>                     |
| <b>Net exposure</b>   | <b><u>668,881</u></b>    | <b><u>138,514</u></b>  | <b><u>20,687</u></b>         |
| Net increase/(decrease) in exposure from forward currency contracts | <u>(654,707)</u>         | <u>(151,498)</u>       | <u>(21,300)</u>              |
| <b>Net exposure including forward currency contracts</b>            | <b><u>14,174</u></b>     | <b><u>(12,984)</u></b> | <b><u>(613)</u></b>          |

## (iii) Interest rate risk

The Fund is exposed to cash flow interest rate risk on financial instruments with variable interest rates. Financial instruments with fixed rates expose the Fund to fair value interest rate risk.

The Fund's interest bearing financial instruments expose it to risks associated with the effects of fluctuation in the prevailing levels of market interest rates on its financial positions and cash flows.

The Fund's main interest rate risk arises from its investments in fixed interest and floating interest securities.

Interest rate risk is managed by the Investment Manager. The Investment Manager manages interest rate risk through the active selection of international corporate bonds and international floating rate notes to increase or decrease the total interest rate risk (also called duration) of the Fund.

### 3 Financial risk management (continued)

#### (a) Market risk (continued)

##### (iii) Interest rate risk (continued)

The table summarises the Fund's exposure to interest rate risks at the end of reporting period.

| As at 30 June 2021   | Floating<br>interest rate<br>\$'000 | Fixed<br>interest rate<br>\$'000 | Non-interest<br>bearing<br>\$'000 | Total<br>\$'000 |
|--|-------------------------------------|----------------------------------|-----------------------------------|-----------------|
| <b>Financial assets</b>                                    |                                     |                                  |                                   |                 |
| Cash and cash equivalents                                  | 38,915                              | -                                | -                                 | 38,915          |
| Receivables  | -                                   | -                                | 819                               | 819             |
| Due from brokers – receivable for securities sold          | -                                   | -                                | 532                               | 532             |
| Financial assets at fair value through profit or loss      | 51,001                              | 828,850                          | 27,256                            | 907,107         |
| <b>Total financial assets</b>                              | <b>89,916</b>                       | <b>828,850</b>                   | <b>28,607</b>                     | <b>947,373</b>  |
| <b>Financial liabilities</b>                               |                                     |                                  |                                   |                 |
| Distributions payable                                      | -                                   | -                                | (8,855)                           | (8,855)         |
| Payables   | -                                   | -                                | (654)                             | (654)           |
| Due to brokers – payable for securities purchased          | -                                   | -                                | (3,021)                           | (3,021)         |
| Financial liabilities at fair value through profit or loss | -                                   | -                                | (28,237)                          | (28,237)        |
| <b>Total financial liabilities</b>                         | <b>-</b>                            | <b>-</b>                         | <b>(40,767)</b>                   | <b>(40,767)</b> |
| <b>Net exposure</b>  | <b>89,916</b>                       | <b>828,850</b>                   | <b>(12,160)</b>                   | <b>906,606</b>  |
| As at 30 June 2020   | Floating<br>interest rate<br>\$'000 | Fixed<br>interest rate<br>\$'000 | Non-interest<br>bearing<br>\$'000 | Total<br>\$'000 |
| <b>Financial assets</b>                                    |                                     |                                  |                                   |                 |
| Cash and cash equivalents                                  | 10,073                              | -                                | -                                 | 10,073          |
| Receivables  | -                                   | -                                | 306                               | 306             |
| Financial assets at fair value through profit or loss      | 45,862                              | 798,160                          | 28,401                            | 872,423         |
| <b>Total financial assets</b>                              | <b>55,935</b>                       | <b>798,160</b>                   | <b>28,707</b>                     | <b>882,802</b>  |
| <b>Financial liabilities</b>                               |                                     |                                  |                                   |                 |
| Distributions payable                                      | -                                   | -                                | (4,327)                           | (4,327)         |
| Payables   | -                                   | -                                | (651)                             | (651)           |
| Due to brokers – payable for securities purchased          | -                                   | -                                | (2,137)                           | (2,137)         |
| Financial liabilities at fair value through profit or loss | -                                   | -                                | (49,974)                          | (49,974)        |
| <b>Total financial liabilities</b>                         | <b>-</b>                            | <b>-</b>                         | <b>(57,089)</b>                   | <b>(57,089)</b> |
| <b>Net exposure</b>  | <b>55,935</b>                       | <b>798,160</b>                   | <b>(28,382)</b>                   | <b>825,713</b>  |

#### (b) Summarised VaR analysis

Value-at-risk ("VaR") VaR is a statistical technique that attempts to summarise the exposure of a given portfolio to market risk by making assumptions about the expected probability distribution of future portfolio returns. VaR represents the maximum reasonable loss that an investor could expect during a time period, with a given probability. In order to estimate this future market risk, VaR assumes a normal or "bell shaped" curve of future portfolio returns and uses the unique characteristics of the normal distribution primarily symmetry of future returns both higher and lower than the average future return to estimate the amount of the possible future losses.

To calculate VaR, the Investment Manager uses the historic price volatility and correlations of current portfolio holdings to calculate both the historic average return and the historic standard deviation of returns around the average. These statistics are then extrapolated into the future using the assumption of normal distribution to calculate an expected loss if the future portfolio return volatility behaves according to these assumptions. The VaR calculation presented here for the Fund uses a 99% confidence interval and assumes a 1 month holding period.

### 3 Financial risk management (continued)

#### (b) Summarised VaR analysis (continued)

##### *Assumptions and limitations of VaR*

The calculation process involves gathering the historical price volatility and correlations of the current portfolio holdings to arrive at an estimate of predicted future volatility and expected risk of loss. These limitations and the nature of the VaR measures mean that the Fund can neither guarantee that losses will not exceed the VaR amounts indicated nor that losses in excess of the VaR amounts will not occur more frequently than is stipulated by the model. VaR represents the probable expected loss that could be experienced during a given period – not the maximum loss that an investor could experience. It must be noted however that while the VaR model is an important and valuable risk management tool, it cannot and does not take account of all possible market conditions and extremities that may impact market price risk. For further information regarding market price risk and other risk factors please refer to the Fund's Information Memorandum and Product Disclosure Statement.

The following table summarises the estimated market risk impact to the profitability of the Fund. The estimated impact has been calculated on the basis of a VaR number incorporating market price, currency and interest rate factors into an overall return risk.

|                           | VaR factor % | Net assets attributable to unit holders<br>\$'000 | Estimated impact of net assets attributable to unit holders<br>\$'000 |
|---------------------------|--------------|---|---|
| <b>As at 30 June 2021</b> | <b>3.24%</b> | <b>906,606</b>                                    | <b>29,374</b>   |
| As at 30 June 2020        | 11.98%       | 825,713   | 98,920  |

Not all risks to which the portfolio may be exposed are intended to be captured by the VaR and, in particular, the framework does not seek to capture liquidity risk, counterparty credit risk, or extreme credit events such as an issuer default. In practice, the actual trading results will differ from the VaR and may not provide a meaningful indication of profits and losses in stressed market conditions. To determine the reliability of the VaR models, actual outcomes are monitored to test the validity of the assumptions and parameters used in the VaR calculation. Market risk positions are also subject to regular stress tests to ensure that the Fund would withstand an extreme market event.

#### (c) Credit risk

The Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay its obligations in full when they fall due, causing a financial loss to the Fund.

The Fund does not have a significant concentration of credit risk that arises from an exposure to a single counterparty or group of counterparties having similar characteristics.

The main concentration of credit risk, to which the Fund is exposed, arises from the Fund's investments in debt securities. The Fund is also exposed to counterparty credit risk on cash and cash equivalents, amounts due from brokers and other receivables.

The Fund determines credit risk and measures expected credit losses for financial assets measured at amortised cost using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. At 30 June 2021 and 30 June 2020, all receivables, amounts due from brokers, cash and short-term deposits are held with counterparties with a credit rating of A- or higher and are either callable on demand or due to be settled within 1 week.

Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Credit risk is managed through the use of multiple, highly rated counterparties.

3 Financial risk management (continued)

(c) Credit risk (continued)

*Concentration of credit risk*

The Fund also manages its exposure to credit risk by analysing the investment portfolio by industrial sector. The table below is a summary of the significant sector concentrations within the Fund.

| Sector                        | As at 30 June 2021   |                | As at 30 June 2020   |                |
|-------------------------------|----------------------|----------------|----------------------|----------------|
|                               | Fair value<br>\$'000 | % of portfolio | Fair value<br>\$'000 | % of portfolio |
| Leisure                       | 95,024               | 10.8           | 63,302               | 7.5            |
| Healthcare                    | 73,028               | 8.3            | 66,678               | 7.9            |
| Services                      | 62,469               | 7.1            | 52,329               | 6.2            |
| Capital goods                 | 58,950               | 6.7            | 50,641               | 6.0            |
| Media                         | 58,070               | 6.6            | 49,797               | 5.9            |
| Real estate                   | 57,190               | 6.5            | 47,265               | 5.6            |
| Telecommunication             | 56,310               | 6.4            | 55,705               | 6.6            |
| Gas - Distribution            | 43,993               | 5.0            | 50,641               | 6.0            |
| Retail                        | 43,993               | 5.0            | 24,477               | 2.9            |
| Technology & electronics      | 38,713               | 4.4            | 36,293               | 4.3            |
| Exploration & Production      | 33,434               | 3.8            | 37,137               | 4.4            |
| Banking                       | 28,155               | 3.2            | 37,981               | 4.5            |
| Energy – others               | 26,396               | 3.0            | 27,009               | 3.2            |
| Financial services            | 26,396               | 3.0            | 28,697               | 3.4            |
| Automotive                    | 25,516               | 2.9            | 37,981               | 4.5            |
| Transportation                | 25,516               | 2.9            | 10,888               | 1.3            |
| Metals/Mining Excluding Steel | 21,996               | 2.5            | 25,321               | 3.0            |
| Utility                       | 21,996               | 2.5            | 20,257               | 2.4            |
| Consumer goods                | 20,237               | 2.3            | 28,697               | 3.4            |
| Steel Producers/Products      | 17,597               | 2.0            | 12,660               | 1.5            |
| Others                        | 44,872               | 5.1            | 80,266               | 9.5            |
| <b>Total</b>                  | <b>879,851</b>       | <b>100</b>     | <b>844,022</b>       | <b>100</b>     |

(i) Debt securities

The Fund invests into debt securities subject to its limits as set out in the Product Disclosure Statement. The overall credit risk of the debt securities held is actively monitored by the Investment Manager. The credit rating used for debt securities is based on the following order, where available: Standard & Poor's Rating Services, Moody's Investors Service and Fitch Ratings. Where credit rating is not provided by the credit rating agencies, the security issuer's own credit rating may be used, or otherwise the security is treated as unrated. Investment into unrated debt securities is decided within the context of the overall risk of the portfolio. The Fund may require collateral or other security to support financial instruments with credit risk.



### 3 Financial risk management (continued)

#### (c) Credit risk (continued)

An analysis of debt by rating is set out in the table below.

| Rating       | As at 30 June 2021<br>\$'000 | As at 30 June 2020<br>\$'000 |
|--------------|------------------------------|------------------------------|
| BBB+         | 920                          | 1,056                        |
| BBB          | 6,584                        | 7,486                        |
| BBB-         | 4,311                        | 40,188                       |
| BB+          | 30,969                       | 66,942                       |
| BB           | 73,551                       | 115,062                      |
| BB-          | 138,515                      | 136,598                      |
| B+           | 123,874                      | 99,568                       |
| B            | 137,946                      | 119,721                      |
| B-           | 117,794                      | 105,694                      |
| CCC+         | 189,392                      | 118,118                      |
| CCC          | 44,160                       | 11,810                       |
| CCC-         | 8,013                        | 4,419                        |
| CC           | -                            | 1,489                        |
| D            | -                            | 4,488                        |
| Non-rated    | 3,822                        | 11,383                       |
| <b>Total</b> | <b>879,851</b>               | <b>844,022</b>               |

#### (ii) Derivative financial instruments

The Fund also restricts its exposure to credit losses on the trading of derivative instruments it holds by entering into master netting arrangements with counterparties (approved brokers) with whom it undertakes a significant volume of transactions. Master netting arrangements do not result in an offset of financial assets and liabilities, as transactions are usually settled on a gross basis. However, the credit risk associated with favourable contracts is reduced by master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are closed and settled on a net basis. The Fund's overall exposure to credit risk on derivative instruments subject to a master netting arrangement can change substantially within a short period, as it is affected by each transaction subject to the arrangements. Refer to Note 4 to the financial statements for further analysis of the Fund's master netting arrangements.

#### (iii) Settlement of securities transactions

All transactions are settled/paid for upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment. Payment is made once the securities purchased have been received by the broker. The trade will fail if either party fails to meet its obligations.

#### (iv) Maximum exposure to credit risk

The maximum exposure to credit risk before any credit enhancements at the end of each reporting period is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

#### (d) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Exposure to liquidity risk for the Fund may arise from the requirement to meet daily unit holder redemption requests or to fund foreign exchange related cash flow requirements.

3 Financial risk management (continued)

(d) Liquidity risk (continued)

The Investment Manager mitigates liquidity risk by investing in a diversified portfolio of liquid and illiquid securities. The Fund also maintains a cache of funds and financial assets which can easily be converted to cash as an additional source of liquidity.

(i) Maturities of non-derivative financial liabilities

The table below analyses the Fund's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

|   | Less than 1<br>month<br>\$'000 | 1 to 6<br>months<br>\$'000 | 6 to 12<br>months<br>\$'000 | Over 12<br>months<br>\$'000 | Total<br>\$'000 |
|---|--------------------------------|----------------------------|-----------------------------|-----------------------------|-----------------|
| <b>As at 30 June 2021</b>                             |                                |                            |                             |                             |                 |
| Distributions payable                                 | 8,855                          | -                          | -                           | -                           | 8,855           |
| Payables  | 654                            | -                          | -                           | -                           | 654             |
| Due to brokers - payable for securities purchased     | 3,021                          | -                          | -                           | -                           | 3,021           |
| <b>Contractual cash flows (excluding derivatives)</b> | <b>12,530</b>                  | <b>-</b>                   | <b>-</b>                    | <b>-</b>                    | <b>12,530</b>   |
| <b>As at 30 June 2020</b>                             |                                |                            |                             |                             |                 |
| Distributions payable                                 | 4,327                          | -                          | -                           | -                           | 4,327           |
| Payables  | 651                            | -                          | -                           | -                           | 651             |
| Due to brokers - payable for securities purchased     | 2,137                          | -                          | -                           | -                           | 2,137           |
| <b>Contractual cash flows (excluding derivatives)</b> | <b>7,115</b>                   | <b>-</b>                   | <b>-</b>                    | <b>-</b>                    | <b>7,115</b>    |

(ii) Maturities of gross settled derivative financial instruments

The table below analyses the Fund's gross settled derivative financial instruments based on their contractual maturity. The Fund may, at its discretion, settle financial instruments prior to their original contractual settlement date, in accordance with its investment strategy, where permitted by the terms and conditions of the relevant instruments.

|  | Less than 1<br>month<br>\$'000 | 1 to 6<br>months<br>\$'000 | 6 to 12<br>months<br>\$'000 | Over 12<br>months<br>\$'000 | Total<br>\$'000 |
|--|--------------------------------|----------------------------|-----------------------------|-----------------------------|-----------------|
| <b>As at 30 June 2021</b>              |                                |                            |                             |                             |                 |
| Forward currency contracts             |                                |                            |                             |                             |                 |
| Inflows                                | 2,170,928                      | -                          | -                           | -                           | 2,170,928       |
| (Outflows)                             | (2,199,165)                    | -                          | -                           | -                           | (2,199,165)     |
| <b>Total gross settled derivatives</b> | <b>(28,237)</b>                | <b>-</b>                   | <b>-</b>                    | <b>-</b>                    | <b>(28,237)</b> |
| <b>As at 30 June 2020</b>              |                                |                            |                             |                             |                 |
| Forward currency contracts             |                                |                            |                             |                             |                 |
| Inflows                                | 1,082,220                      | -                          | -                           | -                           | 1,082,220       |
| (Outflows)                             | (1,132,194)                    | -                          | -                           | -                           | (1,132,194)     |
| <b>Total gross settled derivatives</b> | <b>(49,974)</b>                | <b>-</b>                   | <b>-</b>                    | <b>-</b>                    | <b>(49,974)</b> |

#### 4 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The gross and net positions of financial assets and liabilities that have been offset in the statement of financial position are disclosed in the first three columns of the tables below.

|                              | Effects of offsetting on the statement of financial position |  |  | Related amounts not offset                     |                             |               |
|------------------------------|--|--|--|--|-----------------------------|---------------|
|                              | Gross amounts of financial instruments                       | Gross amounts set off in the statement of financial position | Net amount of financial instruments presented in the statement of financial position | Amounts subject to master netting arrangements | Collateral received/pledged | Net amount    |
|                              | \$'000   | \$'000   | \$'000   | \$'000   | \$'000                      | \$'000        |
| <b>As at 30 June 2021</b>    |  |  |  |  |                             |               |
| <b>Financial assets</b>      |  |  |  |  |                             |               |
| Forward currency contracts   | 27,256   | -  | 27,256   | (27,215)                                       | -                           | 41            |
| <b>Total</b>                 | <b>27,256</b>  | <b>-</b>   | <b>27,256</b>  | <b>(27,215)</b>                                | <b>-</b>                    | <b>41</b>     |
| <b>Financial liabilities</b> |  |  |  |  |                             |               |
| Forward currency contracts   | 28,237   | -  | 28,237   | (27,215)                                       | -                           | 1,022         |
| <b>Total</b>                 | <b>28,237</b>  | <b>-</b>   | <b>28,237</b>  | <b>(27,215)</b>                                | <b>-</b>                    | <b>1,022</b>  |
| <b>As at 30 June 2020</b>    |  |  |  |  |                             |               |
| <b>Financial assets</b>      |  |  |  |  |                             |               |
| Forward currency contracts   | 28,401   | -  | 28,401   | (19,806)                                       | -                           | 8,595         |
| <b>Total</b>                 | <b>28,401</b>  | <b>-</b>   | <b>28,401</b>  | <b>(19,806)</b>                                | <b>-</b>                    | <b>8,595</b>  |
| <b>Financial liabilities</b> |  |  |  |  |                             |               |
| Forward currency contracts   | 49,974   | -  | 49,974   | (19,806)                                       | -                           | 30,168        |
| <b>Total</b>                 | <b>49,974</b>  | <b>-</b>   | <b>49,974</b>  | <b>(19,806)</b>                                | <b>-</b>                    | <b>30,168</b> |

(i) Master netting arrangement – not currently enforceable

Agreements with derivative counterparties are based on the International Swaps and Derivatives Association (ISDA) Master Agreement. Under the terms of these arrangements, only when certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated.

## 5 Fair value measurement

The Fund measures and recognises financial assets and liabilities at fair value through profit or loss on a recurring basis.

- Financial assets/liabilities at fair value through profit or loss (see Note 6 and Note 7)
- Derivative financial instruments (see Note 10)

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The Fund values its investments in accordance with the accounting policies set out in Note 2 to the financial statements.

### (a) Fair value in an inactive or unquoted market (level 2)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the end of the reporting period.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Fund would receive or pay to terminate the contract at the end of the reporting period taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. Forward currency contracts are valued at the prevailing last price at the end of each reporting period.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

### (b) Recognised fair value measurements

The table below presents the Fund's financial assets and liabilities measured and recognised at fair value as at 30 June 2021 and 30 June 2020.

|                                    | Level 1<br>\$'000 | Level 2<br>\$'000 | Level 3<br>\$'000 | Total<br>\$'000 |
|------------------------------------|-------------------|-------------------|-------------------|-----------------|
| <b>As at 30 June 2021</b>          |                   |                   |                   |                 |
| <b>Financial assets</b>            |                   |                   |                   |                 |
| Forward currency contracts         | -                 | 27,256            | -                 | 27,256          |
| International corporate bonds      | -                 | 828,850           | -                 | 828,850         |
| International floating rate notes  | -                 | 51,001            | -                 | 51,001          |
| <b>Total financial assets</b>      | -                 | <b>907,107</b>    | -                 | <b>907,107</b>  |
| <b>Financial liabilities</b>       |                   |                   |                   |                 |
| Forward currency contracts         | -                 | 28,237            | -                 | 28,237          |
| <b>Total financial liabilities</b> | -                 | <b>28,237</b>     | -                 | <b>28,237</b>   |

**5 Fair value measurement (continued)****(b) Recognised fair value measurements (continued)**

|                                   | Level 1<br>\$'000 | Level 2<br>\$'000 | Level 3<br>\$'000 | Total<br>\$'000 |
|-----------------------------------|-------------------|-------------------|-------------------|-----------------|
| As at 30 June 2020                |                   |                   |                   |                 |
| Financial assets                  |                   |                   |                   |                 |
| Forward currency contracts        | -                 | 28,401            | -                 | 28,401          |
| International convertible notes   | -                 | 4,875             | -                 | 4,875           |
| International corporate bonds     | -                 | 793,285           | -                 | 793,285         |
| International floating rate notes | -                 | 45,862            | -                 | 45,862          |
| Total financial assets            | -                 | 872,423           | -                 | 872,423         |
| Financial liabilities             |                   |                   |                   |                 |
| Forward currency contracts        | -                 | 49,974            | -                 | 49,974          |
| Total financial liabilities       | -                 | 49,974            | -                 | 49,974          |

**(c) Transfer between levels**

Management's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels in the fair value hierarchy at the end of the reporting period.

**(d) Financial instruments not carried at fair value**

The carrying values of financial assets and liabilities carried at amortised cost approximate their fair values due to their short-term nature.

**6 Financial assets at fair value through profit or loss**

|   | As at                     |                           |
|---|---------------------------|---------------------------|
|   | 30 June<br>2021<br>\$'000 | 30 June<br>2020<br>\$'000 |
| Forward currency contracts                                  | 27,256                    | 28,401                    |
| International convertible notes                             | -                         | 4,875                     |
| International corporate bonds                               | 828,850                   | 793,285                   |
| International floating rate notes                           | 51,001                    | 45,862                    |
| Total financial assets at fair value through profit or loss | 907,107                   | 872,423                   |

An overview of the risk exposures and fair value measurements relating to financial assets at fair value through profit or loss is included in Note 3 and Note 5 to the financial statements.

**7 Financial liabilities at fair value through profit or loss**

|  | As at                     |                           |
|--|---------------------------|---------------------------|
|  | 30 June<br>2021<br>\$'000 | 30 June<br>2020<br>\$'000 |
| Forward currency contracts                                       | 28,237                    | 49,974                    |
| Total financial liabilities at fair value through profit or loss | 28,237                    | 49,974                    |

An overview of the risk exposures and fair value measurements relating to financial liabilities at fair value through profit or loss is included in Note 3 and Note 5 to the financial statements.

**8 Net assets attributable to unit holders - equity**

The Fund shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions set out in Note 2(c).

## 8 Net assets attributable to unit holders - equity (continued)

Movements in number of units and net assets attributable to unit holders during the year were as follows:

|                                | Year ended      |                 | Year ended      |                 |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|
|                                | 30 June<br>2021 | 30 June<br>2021 | 30 June<br>2020 | 30 June<br>2020 |
|                                | Units<br>'000   | \$'000          | Units<br>'000   | \$'000          |
| Opening balance                | 445,682         | 825,713         | 207,082         | 424,367         |
| Applications                   | -               | -               | 238,128         | 476,256         |
| Reinvestment of distributions  | 432             | 781             | 472             | 898             |
| Distributions paid and payable | -               | (43,006)        | -               | (48,378)        |
| Profit/(loss) for the year     | -               | 123,118         | -               | (27,430)        |
| <b>Closing balance</b>         | <b>446,114</b>  | <b>906,606</b>  | <b>445,682</b>  | <b>825,713</b>  |

As stipulated within the Fund's Constitution, each unit represents a right to an individual share in the Fund and does not extend to a right in the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund.

### Capital risk management

The Fund considers its net assets attributable to unit holders as capital.

## 9 Basic and diluted earnings per unit

|   | Year ended      |                 |
|---|-----------------|-----------------|
|   | 30 June<br>2021 | 30 June<br>2020 |
| Operating profit/(loss) attributable to unit holders (\$'000) | 123,118         | (27,430)        |
| Weighted average number of units on issue ('000)              | 445,923         | 445,445         |
| Basic and diluted earnings per unit (cents per unit)          | 27.61           | (6.16)          |

The basic and diluted earnings per unit have been calculated using the profit attributable to unit holders of the Fund as the numerator. There is no difference between basic and diluted earnings per unit as no units are dilutive in nature.

## 10 Derivative financial instruments

In the normal course of business, the Fund enters into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include many different instruments such as forwards, futures and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Fund's portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Fund against a fluctuation in market values, foreign exchange risk or to reduce volatility;
- a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

While derivatives are used for trading purposes, they are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Fund.

**10 Derivative financial instruments (continued)**

The Fund holds the following derivative instruments:

**Forward currency contracts**

Forward currency contracts are primarily used by the Fund to economically hedge against foreign currency exchange rate risks on its non-Australian dollar denominated securities. The Fund agrees to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Forward currency contracts are valued at the prevailing last price at the end of each reporting period. The Fund recognises a gain or loss equal to the change in fair value at the end of each reporting period.

The Fund's derivative financial instruments measured at fair value at year end are detailed below:

| <b>As at 30 June 2021</b>  | <b>Contractual/notional<br/>\$'000</b> | <b>Assets<br/>\$'000</b> | <b>Liabilities<br/>\$'000</b> |
|----------------------------|--|--------------------------|-------------------------------|
| Forward currency contracts | <u>3,572,040</u>                       | <u>27,256</u>            | <u>28,237</u>                 |
| <b>Total derivatives</b>   | <u>3,572,040</u>                       | <u>27,256</u>            | <u>28,237</u>                 |

**As at 30 June 2020**

|                            |                  |               |               |
|----------------------------|------------------|---------------|---------------|
| Forward currency contracts | <u>1,408,222</u> | <u>28,401</u> | <u>49,974</u> |
| <b>Total derivatives</b>   | <u>1,408,222</u> | <u>28,401</u> | <u>49,974</u> |

**11 Distributions to unit holders**

The distributions paid and payable during the year were as follows:

|                            | <b>Year ended</b>                  |                                 | <b>Year ended</b>                  |                                 |
|----------------------------|------------------------------------|---------------------------------|------------------------------------|---------------------------------|
|                            | <b>30 June<br/>2021<br/>\$'000</b> | <b>30 June<br/>2021<br/>CPU</b> | <b>30 June<br/>2020<br/>\$'000</b> | <b>30 June<br/>2020<br/>CPU</b> |
| <b>Distributions</b>       |                                    |                                 |                                    |                                 |
| July                       | 3,103                              | 0.6963                          | 4,003                              | 0.8991                          |
| August                     | 3,104                              | 0.6963                          | 4,003                              | 0.8991                          |
| September                  | 3,104                              | 0.6963                          | 4,004                              | 0.8991                          |
| October                    | 3,104                              | 0.6963                          | 4,004                              | 0.8991                          |
| November                   | 3,104                              | 0.6963                          | 4,004                              | 0.8991                          |
| December                   | 3,105                              | 0.6963                          | 4,005                              | 0.8991                          |
| January                    | 3,105                              | 0.6963                          | 4,005                              | 0.8991                          |
| February                   | 3,105                              | 0.6963                          | 4,005                              | 0.8991                          |
| March                      | 3,105                              | 0.6963                          | 4,006                              | 0.8991                          |
| April                      | 3,106                              | 0.6963                          | 4,006                              | 0.8991                          |
| May                        | 3,106                              | 0.6963                          | 4,006                              | 0.8991                          |
| June (payable)             | <u>8,855</u>                       | <u>1.9848</u>                   | <u>4,327</u>                       | <u>0.9709</u>                   |
| <b>Total distributions</b> | <u>43,006</u>                      | <u>9.6441</u>                   | <u>48,378</u>                      | <u>10.8610</u>                  |

**12 Cash and cash equivalents**

|  | <b>As at</b>                       |                                    |
|--|------------------------------------|------------------------------------|
|  | <b>30 June<br/>2021<br/>\$'000</b> | <b>30 June<br/>2020<br/>\$'000</b> |
| Cash at bank                           | <u>38,915</u>                      | <u>10,073</u>                      |
| <b>Total cash and cash equivalents</b> | <u>38,915</u>                      | <u>10,073</u>                      |

13 Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

|   | Year ended                |                           |
|---|---------------------------|---------------------------|
|   | 30 June<br>2021<br>\$'000 | 30 June<br>2020<br>\$'000 |
| <b>(a) Reconciliation of operating profit/(loss) to net cash inflow/(outflow) from operating activities</b>       |                           |                           |
| Profit/(loss) for the year  | 123,118                   | (27,430)                  |
| Net (gains)/losses on financial instruments at fair value through profit or loss                                  | (130,311)                 | 21,013                    |
| Net foreign exchange (gain)/loss  | (32)                      | (603)                     |
| Proceeds from sale of financial instruments at fair value through profit or loss                                  | 766,191                   | 1,047,940                 |
| Payments for purchase of financial instruments at fair value through profit or loss                               | (691,977)                 | (1,463,215)               |
| Net change in receivables   | (485)                     | (207)                     |
| Net change in payables  | 3                         | 40                        |
| <b>Net cash inflow/(outflow) from operating activities</b>  | <b>66,507</b>             | <b>(422,462)</b>          |
| <b>(b) Non-cash operating and financing activities</b>  |                           |                           |
| The following distribution payments were satisfied by the issue of units under the distribution reinvestment plan | 781                       | 898                       |
| <b>Total non-cash financing and operating activities</b>  | <b>781</b>                | <b>898</b>                |

14 Receivables

|                            | As at                     |                           |
|----------------------------|---------------------------|---------------------------|
|                            | 30 June<br>2021<br>\$'000 | 30 June<br>2020<br>\$'000 |
| Withholding tax receivable | 84                        | 56                        |
| GST receivable             | 735                       | 250                       |
| <b>Total receivables</b>   | <b>819</b>                | <b>306</b>                |

15 Payables

|   | As at                     |                           |
|---|---------------------------|---------------------------|
|   | 30 June<br>2021<br>\$'000 | 30 June<br>2020<br>\$'000 |
| Management fees payable                 | 525                       | 513                       |
| Responsible Entity fees payable         | 34                        | 46                        |
| Custody and administration fees payable | 94                        | 91                        |
| Other payables                          | 1                         | 1                         |
| <b>Total payables</b>                   | <b>654</b>                | <b>651</b>                |



**16 Remuneration of auditor**

During the year the following fees were paid or payable for services provided by the auditor of the Fund:

|   | Year ended      |                 |
|---|-----------------|-----------------|
|   | 30 June<br>2021 | 30 June<br>2020 |
|   | \$              | \$              |
| <b>PricewaterhouseCoopers</b>                             |                 |                 |
| <i>Audit and other assurance services</i>                 |                 |                 |
| Audit and review of the financial statements              | 60,900          | 58,000          |
| Audit of compliance plan                                  | <u>2,346</u>    | <u>5,000</u>    |
| Total remuneration for audit and other assurance services | <u>63,246</u>   | <u>63,000</u>   |
| <br><i>Taxation services</i>                              |                 |                 |
| Tax compliance services                                   | <u>10,496</u>   | <u>10,088</u>   |
| Total remuneration for taxation services                  | <u>10,496</u>   | <u>10,088</u>   |
| <b>Total remuneration of PricewaterhouseCoopers</b>       | <u>73,742</u>   | <u>73,088</u>   |

The auditor's remuneration is borne by the Investment Manager. Fees are stated exclusive of GST.

**17 Related party transactions**

The Responsible Entity of the NB Global Corporate Income Trust is Equity Trustees Limited (ABN 46 004 031 298), (AFSL 240975). Accordingly, transactions with entities related to Equity Trustees Limited are disclosed below.

The Responsible Entity has contracted services to Neuberger Berman Australia Ltd to act as Investment Manager for the Fund and JPMorgan Bank N.A. to act as Custodian and Administrator for the Fund. The contracts are on normal commercial terms and conditions.

**(a) Key management personnel***(i) Directors*

Key management personnel include persons who were directors of Equity Trustees Limited at any time during or since the end of the financial year and up to the date of this report.

|                   |   |
|-------------------|---|
| Philip D Gentry   | Chairman                                    |
|                   | Company Secretary (appointed 30 April 2021) |
| Harvey H Kalman   | (resigned 1 September 2020)                 |
| Ian C Westley     | (resigned 3 July 2020)                      |
| Michael J O'Brien |   |
| Russell W Beasley | (appointed 1 September 2020)                |
| Jennifer Currie   | Company Secretary (resigned 30 April 2021)  |

*(ii) Responsible Entity*

Other than the fees paid to the Responsible Entity, there were no other transactions.

*(iii) Other key management personnel*

There were no other key management personnel with responsibility for planning, directing and controlling activities of the Fund, directly or indirectly during the financial year.

**17 Related party transactions (continued)****(b) Transactions with key management personnel**

The following transactions occurred with key management personnel during the reporting period:

|                        | Year ended<br>30 June 2021 |          | Year ended<br>30 June 2020 |               |
|------------------------|----------------------------|----------|----------------------------|---------------|
|                        | Units                      | \$       | Units                      | \$            |
| Applications for units | -                          | -        | 8,912                      | 18,524        |
| <b>Total</b>           | <b>-</b>                   | <b>-</b> | <b>8,912</b>               | <b>18,524</b> |

**(c) Key management personnel unit holdings**

Key management personnel held units in the Fund, as follows:

| Unit holder   | Number of<br>units held<br>opening | Number of<br>units held<br>closing | Interest<br>held<br>% | Number of<br>units acquired | Number of<br>units disposed | Distributions<br>paid/payable<br>by the Fund<br>\$ |
|---|------------------------------------|------------------------------------|-----------------------|-----------------------------|-----------------------------|--|
| <b>As at 30 June 2021</b>                               |                                    |                                    |                       |                             |                             |  |
| Platinum Cat Pty Ltd ATF for<br>Platinum Cat Superfund* | 8,912                              | 8,912                              | 0.002                 | -                           | -                           | 859  |
| Mr Russell Beasley                                      | 1                                  | 1                                  | -                     | -                           | -                           | -  |
| <b>As at 30 June 2020</b>                               |                                    |                                    |                       |                             |                             |  |
| Platinum Cat Pty Ltd ATF for<br>Platinum Cat Superfund* | -                                  | 8,912                              | 0.002                 | 8,912                       | -                           | 865  |

\*Philip Gentry is a member of the Platinum Cat Superfund.

**(d) Key management personnel compensation**

Key management personnel are paid by EQT Services Pty Ltd. Payments made from the Fund to Equity Trustees Limited do not include any amounts directly attributable to the compensation of key management personnel.

**(e) Key management personnel loans**

The Fund has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

**(f) Other transactions within the Fund**

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Fund during the financial year and there were no material contracts involving management personnel's interests existing at year end.

**(g) Responsible Entity fees, Investment Manager's fees and other transactions**

Under the terms of the Fund's Constitution and the Product Disclosure Statement for the Fund, the Responsible Entity and the Investment Manager are entitled to receive management fees, calculated by reference to the average daily net assets of the Fund as follows:

- (i) 0.70% per annum of the net asset value of the Fund for Management fees
- (ii) 0.025% per annum of the net asset value of the Fund for Responsible Entity fees

**17 Related party transactions (continued)****(g) Responsible Entity fees, Investment Manager's fees and other transactions (continued)**

The transactions during the year and amounts payable at period end between the Fund, and the Responsible Entity and the Investment Manager were as follows:

|   | 30 June<br>2021 | Year ended<br>30 June<br>2020 |
|---|-----------------|-------------------------------|
|   | \$              | \$                            |
| Management fees for the year                | 6,222,576       | 6,013,656                     |
| Responsible Entity fees for the year        | 204,001         | 196,207                       |
| Management fees payable at year end         | 525,340         | 512,682                       |
| Responsible Entity fees payable at year end | 34,625          | 45,846                        |

For information on how management fees are calculated please refer to the Fund's Product Disclosure Statement.

The management fees borne by the Fund are paid to the Investment Manager, who in turn provides the on-payment of the fees to the respective service providers. Expense recoveries include Custodian and Administrator fees and other expenses.

Responsible Entity fees are paid directly by the Fund to the Responsible Entity.

**(h) Related party unit holdings**

Parties related to the Fund (including Equity Trustees Limited, its related parties and other schemes managed by Equity Trustees Limited and the Investment Manager) hold units in the Fund as follows:

|                               | Number<br>of units<br>held opening | Number<br>of units<br>held closing | Interest<br>held | Number<br>of units<br>acquired | Number<br>of units<br>disposed | Distributions<br>paid/payable<br>by the Fund |
|-------------------------------|------------------------------------|------------------------------------|------------------|--------------------------------|--------------------------------|--|
| <b>Unit holder</b>            |                                    |                                    | %                |                                |                                | \$   |
| <b>As at 30 June 2021</b>     |                                    |                                    |                  |                                |                                |  |
| ETSL ATF AMG Super Members    | 2,421,903                          | 2,932,444                          | 0.657            | 890,980                        | 380,439                        | 257,831                                      |
| The Glenleith Super Fund A/C* | 150,000                            | 150,000                            | 0.034            | -                              | -                              | 14,466                                       |
| <b>Unit holder</b>            |                                    |                                    | %                |                                |                                | \$   |
| <b>As at 30 June 2020</b>     |                                    |                                    |                  |                                |                                |  |
| ETSL ATF AMG Super Members    | 1,406,742                          | 2,421,903                          | 0.543            | 1,995,043                      | 979,882                        | 259,423                                      |
| The Glenleith Super Fund A/C* | 75,000                             | 150,000                            | 0.034            | 75,000                         | -                              | 16,291                                       |
| Alice J M Williams**          | 13,500                             | 14,392                             | 0.003            | 892                            | -                              | 1,522  |

\* Glenn Sedgwick who is a director of EQT Holdings Limited, the parent entity of Equity Trustees Limited, is a member of the Glenleith Super Fund.

\*\* On 28 October 2020, Alice J M Williams resigned as director of EQT Holdings Limited, the parent entity of Equity Trustees Limited.

**(i) Investments**

The Fund did not hold any investments in Equity Trustees Limited or its related parties during the year (2020: nil).

## 18 Operating segments

The Fund is organised into one main operating segment with only one key function, being the investment of funds internationally. It operates predominantly in Australia and in the securities industry. It earns revenue from interest income and other returns from the investment portfolio. The Fund continues to have foreign exposures as it invests in companies which operate internationally. The Fund invests in different types of securities, as detailed in Note 5 Fair Value Measurement.

## 19 Events occurring after the reporting period

### Distribution

On 2 July 2021, Directors announced a monthly distribution of 1.9848 cents per ordinary unit. The record date was 2 July 2021 and payment date was 9 July 2021.

On 5 July 2021, it was announced that NBI's Target Distribution for the upcoming financial year 2022 would be 4.75% per annum (net of fees and expenses) on the NTA per unit of \$2.03 as at 1 July 2021.

On 3 August 2021, Directors announced a monthly distribution of 0.8049 cents per ordinary unit. The record date was 3 August 2021 and payment date was 10 August 2021.

On 25 August 2021, Directors announced an estimated monthly distribution of 0.8049 cents per ordinary unit. The record date will be 2 September 2021 and payment date will be 9 September 2021.

No other significant events have occurred since the end of the year which would impact on the financial position of the Fund as disclosed in the statement of financial position as at 30 June 2021 or on the results and cash flows of the Fund for the year ended on that date.

## 20 Contingent assets and liabilities and commitments

There were no outstanding contingent assets, contingent liabilities or commitments as at 30 June 2021 and 30 June 2020.

**Directors' Declaration**

In the opinion of the directors of the Responsible Entity:

- (a) The financial statements and notes set out on pages 10 to 36 are in accordance with the *Corporations Act 2001*, including:
- (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the Fund's financial position as at 30 June 2021 and of its performance for the financial year ended on that date.
- (b) There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable; and
- (c) Note 2(a) confirms that the financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.



Philip D Gentry  
Chairman

Melbourne  
31 August 2021



## *Independent auditor's report*

To the unitholders of NB Global Corporate Income Trust

### *Report on the audit of the financial report*

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#### *Our opinion*

In our opinion:

The accompanying financial report of NB Global Corporate Income Trust (the Fund) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Fund's financial position as at 30 June 2021 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### ***What we have audited***

The financial report comprises:

- the statement of financial position as at 30 June 2021
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the notes to the financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

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#### *Basis for opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Independence***

We are independent of the Fund in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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T: 61 3 8603 1000, F: 61 3 8603 1999, [www.pwc.com.au](http://www.pwc.com.au)

Liability limited by a scheme approved under Professional Standards Legislation.

## *Our audit approach*

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the structure of the Fund, its accounting processes and controls and the industry in which it operates.

NB Global Corporate Income Trust is an investment trust listed on the ASX. The Fund primarily makes investments in debt securities.



### *Materiality*

- For the purpose of our audit we used overall materiality of \$9.1 million, which represents approximately 1% of the Fund's net assets attributable to unit holders as at 30 June 2021.
- We applied this threshold, together with qualitative considerations, to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial report as a whole.
- We chose net assets attributable to unit holders because, in our view:
  - - it is the metric against which the performance of the Fund is most commonly measured, and
  - - a generally accepted benchmark for listed investment trusts.
- We utilised a 1% threshold based on our professional judgement, noting it is within the range of commonly acceptable thresholds.

### *Audit Scope*

- Our audit focused on areas where the Fund made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.
- The unit registry, custody and administration functions of the Fund are conducted by third party service organisations. These third party service organisations significantly contribute to the safe-keeping of the

Fund's assets, the maintenance of the Fund's financial records and the preparation of the Fund's financial report.

- The Fund's third party service organisations engaged external auditors to provide assurance reports over the design and operating effectiveness of their key internal controls relevant to the preparation of financial reports of entities using these service organisations.
- The external auditor of the Fund's administrator and custodian provides us with an assurance report over the existence, rights and obligations, and valuation of certain instruments held by the Fund as of the reporting date. For instruments held outside of custody, existence, rights and obligations of these are not included within the scope of their assurance report, and testing is performed directly by our team.

### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matter was addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matter to the board of directors (the directors) of Equity Trustees Limited as responsible entity (the Responsible Entity) of the Fund.

| <i>Key audit matter</i>  | <i>How our audit addressed the key audit matter</i>  |
|--|--|
| <p><b><i>Investment existence and valuation</i></b><br/> <i>Refer to note 2, note 5, note 6 and note 7</i></p> <p>As at 30 June 2021, investments in financial assets and financial liabilities at fair value through profit or loss of \$907,107,000 and \$28,237,000 respectively were comprised primarily of investments in debt instruments including international corporate bonds, international floating rate notes and forward currency contracts.</p> <p>The existence and valuation of these investments was a key audit matter because they represent the principal elements of the statement of financial position, accounting for 96.9% of net assets. A discrepancy in the existence or valuation of investments could cause the net assets attributable to unit holders to be materially misstated which could also impact the Fund's performance as the valuation of financial assets and financial liabilities is the main driver of movements in profit.</p> | <p>We performed the following procedures, amongst others:</p> <p>We assessed our ability to place reliance on the service organisations' independent auditor assurance reports by considering the service auditors' experience, competency and the results of their procedures, which are considered below:</p> <p><i>Assurance reports over design and operating effectiveness of service organisations' relevant controls in relation to the existence and valuation of investments</i></p> <p>We obtained the most recent reports issued by the service organisations providing administration and custody services to the Fund setting out the controls in place at those service organisations (including controls in relation to existence and valuation of investments). These reports included an independent audit opinion over design and operating effectiveness of those controls. We assessed the reports by:</p> |



| <i>Key audit matter</i> | <i>How our audit addressed the key audit matter</i>   |
|-------------------------|---|
|                         | <ul style="list-style-type: none"> <li>• developing an understanding of control objectives and associated control activities;</li> <li>• evaluating the tests undertaken by the service auditor; and</li> <li>• evaluating the results of these tests and the conclusions formed by the service auditor on design and operating effectiveness of controls to the extent relevant to our audit of the Fund's financial report.</li> </ul> <p><i>Assurance report over existence and valuation of the Fund's investments</i></p> <p>We obtained an assurance report from the third party service organisation's external auditor over:</p> <ul style="list-style-type: none"> <li>• existence and valuation of the Fund's investments in international corporate bonds and international floating rate notes as at 30 June 2021, and</li> <li>• valuation of forward currency contracts as at 30 June 2021.</li> </ul> <p>Where applicable, we agreed the number and value of investments at 30 June 2021 as recorded in the Fund's financial report and underlying accounting records to the assurance report provided by external auditor of the third party service organisation.</p> <p><i>Procedures for existence of forward currency contracts</i></p> <p>For existence of forward currency contracts, which are not held in custody and not in the scope of service organisation's independent assurance report, we obtained independent confirmations from brokers or counterparties of these investments, and reconciled the holdings of forward currency contracts per the confirmation received with the holdings per the Fund's accounting records.</p> <p>We assessed the adequacy of disclosures made in the financial report against the requirements of Australian Accounting Standards.</p> |

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### *Other information*

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

---

### *Responsibilities of the directors for the financial report*

The directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Fund to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

---

### *Auditor's responsibilities for the audit of the financial report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.



A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf). This description forms part of our auditor's report.

The PricewaterhouseCoopers logo, written in a cursive script.

PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to read 'G Sagonas'.

George Sagonas  
Partner

Melbourne  
31 August 2021

**Additional Corporate Information**

**Directors of the Responsible Entity**

Philip D Gentry  
Michael J O'Brien  
Russell W Beasley

**Company Secretary of the Responsible Entity**

Philip D Gentry

**Registered Office**

Level 1  
575 Bourke Street  
Melbourne, VIC 3000  
Australia  
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**Investment Manager**

Neuberger Berman Australia Ltd

**Auditor and Tax**

PricewaterhouseCoopers

**Unit Register**

Boardroom Pty Limited

**Securities Exchange Listing**

Australian Securities Exchange  
ASX ticker code: NBI

**Website**

[www.nb.com/NBI](http://www.nb.com/NBI)

# ASX ADDITIONAL INFORMATION

NB Global Corporate Income Trust (ARSN 627 297 241) (the Fund)

Additional information required by the Australian Securities Exchange Limited ("ASX") Listing Rules and not disclosed elsewhere in this report is as follows. The information is current as at 12 August 2021 unless otherwise indicated.

## A. CORPORATE GOVERNANCE STATEMENT

Refer to page 8 of the Annual Report.

## B. SUBSTANTIAL UNIT HOLDERS

There are no unit holders that have substantial holdings.

## C. CLASSES OF UNITS

Refer to Note 8 on page 30 of the Annual Report.

## D. VOTING RIGHTS

Voting at a general meeting is by a show of hands unless a poll is validly demanded. On a show of hands each unit holder (and each proxy, attorney or representative) has one vote, and on a poll, each unit holder (and each proxy, attorney or representative) has one vote for each dollar value of units held. For voting purposes, the value of a unit in the Fund is the last sale price on the ASX on the trading day immediately before the day on which the poll is taken.

## E. DISTRIBUTION OF UNITS

Analysis of numbers of unit holders by size of holding as at 12 August 2021:

|               | SIZE OF HOLDING  | NO. OF HOLDERS | TOTAL UNITS        | PERCENTAGE    |
|---------------|------------------|----------------|--------------------|---------------|
| <b>RANGES</b> | 1 – 1,000        | 230            | 101,838            | 0.02          |
|               | 1,001 – 5,000    | 1,350          | 5,068,817          | 1.14          |
|               | 5,001 – 10,000   | 2,559          | 21,031,565         | 4.71          |
|               | 10,001 – 100,000 | 8,360          | 257,971,942        | 57.81         |
|               | 100,001 and over | 553            | 162,080,659        | 36.32         |
|               |                  | <b>13,052</b>  | <b>446,254,821</b> | <b>100.00</b> |

There are 67 unitholders each with an unmarketable parcel of units being a holding of 259 or less, for a combined total of 3,407 units. This is based on the closing ASX price of \$1.93 per unit as at 12 August 2021.



## F. LARGEST UNIT HOLDERS

The names of the twenty largest holders of quoted units as at 12 August 2021 are listed below:

| NO. | UNIT HOLDER NAME               | NO. OF UNITS | PERCENTAGE |
|-----|--------------------------------|--------------|------------|
| 1   | BNP PARIBAS NOMINEES PTY LTD   | 11,088,267   | 2.485      |
| 2   | HSBC CUSTODY NOMINEES          | 10,713,896   | 2.401      |
| 3   | J P MORGAN NOMINEES AUSTRALIA  | 9,150,987    | 2.051      |
| 4   | NAVIGATOR AUSTRALIA LTD        | 4,122,651    | 0.924      |
| 5   | NETWEALTH INVESTMENTS LIMITED  | 3,900,393    | 0.874      |
| 6   | HSBC CUSTODY NOMINEES          | 2,417,221    | 0.542      |
| 7   | AUSTRALIAN EXECUTOR TRUSTEES   | 2,179,109    | 0.488      |
| 8   | SAFECORP GROUP LTD             | 1,735,000    | 0.389      |
| 9   | RANAMOK PTY LTD                | 1,543,953    | 0.346      |
| 10  | LANDCHARM PTY LTD              | 1,270,000    | 0.285      |
| 11  | NETWEALTH INVESTMENTS LIMITED  | 1,217,754    | 0.273      |
| 12  | FRANED PTY LIMITED             | 1,100,189    | 0.247      |
| 13  | THE POLICE ASSOCIATION         | 1,100,000    | 0.246      |
| 14  | THE ART GALLERY BOARD          | 1,067,100    | 0.239      |
| 15  | ASIA UNION INVESTMENTS PTY LTD | 1,000,000    | 0.224      |
| 16  | GEAT INCORPORATED              | 963,594      | 0.216      |
| 17  | ALAMO HOLDINGS LIMITED         | 950,000      | 0.213      |
| 18  | VESADE PTY LTD 2               | 949,712      | 0.213      |
| 19  | MONEYBOURNE PTY LTD            | 878,960      | 0.197      |
| 20  | DIAMONDFIRE PTY LTD            | 835,000      | 0.187      |
|     |                                | 58,183,786   | 13.040     |

## G. UNQUOTED EQUITY SECURITIES

There were no unquoted equity securities on issue for the year ended 30 June 2021.

## H. REVIEW OF OPERATIONS AND ACTIVITIES FOR THE REPORTING PERIOD

Refer to the Directors' report at page 1 of the Annual Report.



## I. ON-MARKET BUY-BACKS

There have been no current on-market buy-backs.

## J. CASH AND ASSETS USED

During the year, the Fund invested in accordance with the investment objective and guidelines as set out in the latest Product Disclosure Statement of the Fund dated 21 January 2020 and in accordance with the Fund's Constitution.

## K. LIST OF ALL INVESTMENTS HELD BY THE FUND AT THE BALANCE DATE

| ISSUER/COUPON/MATURITY            |       |           |  |       |           |
|-----------------------------------|-------|-----------|--|-------|-----------|
| ARD FINANCE SA                    | 6.50% | 30-Jun-27 | APEX TOOL GROUP LLC                          | 9.00% | 15-Feb-23 |
| APX GROUP INC                     | 6.75% | 15-Feb-27 | ARAMARK SERVICES INC                         | 5.00% | 1-Feb-28  |
| AMERICAN AIRLINES                 | 5.50% | 20-Apr-26 | ARCELORMITTAL                                | 7.00% | 1-Mar-41  |
| AMERICAN AIRLINES                 | 5.75% | 20-Apr-29 | ARCHROCK PARTNERS LP                         | 6.25% | 1-Apr-28  |
| AHEAD DB HOLDINGS LLC             | 6.63% | 1-May-28  | ASCENT RESOURCES UTICA HOLDINGS LLC          | 7.00% | 1-Nov-26  |
| ALLIANT HOLDINGS INTERMEDIATE LL  | 6.75% | 15-Oct-27 | ASCENT RESOURCES UTICA HOLDINGS/             | 9.00% | 1-Nov-27  |
| ALLIED UNIVERSAL HOLDCO LLC       | 6.00% | 1-Jun-29  | ASCENT RESOURCES UTICA HOLDINGS/             | 8.25% | 31-Dec-28 |
| ATLAS LUXCO 4 SARL                | 4.63% | 1-Jun-28  | ASCENT RESOURCES UTICA HOLDINGS LLC          | 5.88% | 30-Jun-29 |
| ALTICE FINANCING SA               | 5.00% | 15-Jan-28 | ASSURED PARTNERS INC                         | 5.63% | 15-Jan-29 |
| ALTICE FRANCE SA (FRANCE)         | 6.00% | 15-Feb-28 | ALLIED UNIVERSAL HOLDCO LLC                  | 4.63% | 1-Jun-28  |
| AMERICAN AIRLINES GROUP INC       | 5.00% | 1-Jun-22  | AVIS BUDGET CAR RENTAL LLC                   | 5.25% | 15-Mar-25 |
| AMERICAN AIRLINES GROUP INC       | 3.75% | 1-Mar-25  | AVIS BUDGET FINANCE PLC                      | 5.38% | 1-Mar-29  |
| AMERICAN AXLE & MANUFACTURING INC | 6.50% | 1-Apr-27  | BANCOLOMBIA SA                               | 4.63% | 18-Dec-29 |
| AMERICAN AXLE & MANUFACTURING INC | 6.88% | 1-Jul-28  | BANCO BTG PACTUAL SA (CAYMAN ISLANDS BRANCH) | 4.50% | 10-Jan-25 |
| ANTERO MIDSTREAM PARTNERS LP      | 5.75% | 1-Mar-27  | BOYD GAMING CORP                             | 4.75% | 1-Dec-27  |
| ANTERO MIDSTREAM PARTNERS LP      | 5.75% | 15-Jan-28 | BUCKEYE PARTNERS                             | 5.85% | 15-Nov-43 |
| ANTERO MIDSTREAM PARTNERS LP      | 7.88% | 15-May-26 | CHS/COMMUNITY HEALTH SYSTEMS INC             | 8.00% | 15-Mar-26 |



## ISSUER/COUPON/MATURITY

|                                  |        |           |  |       |           |
|----------------------------------|--------|-----------|--|-------|-----------|
| CHS/COMMUNITY HEALTH SYSTEMS INC | 8.00%  | 15-Dec-27 | COMMSCOPE TECHNOLOGIES LLC                 | 5.00% | 15-Mar-27 |
| CHS/COMMUNITY HEALTH SYSTEMS INC | 6.63%  | 15-Feb-25 | COMMSCOPE FINANCE LLC                      | 8.25% | 1-Mar-27  |
| CHS/COMMUNITY HEALTH SYSTEMS INC | 6.88%  | 15-Apr-29 | COMSTOCK RES INC                           | 6.75% | 1-Mar-29  |
| CHS/COMMUNITY HEALTH SYSTEMS INC | 4.75%  | 15-Feb-31 | COMSTOCK RES INC                           | 5.88% | 15-Jan-30 |
| COMMUNITY HEALTH SYSTEMS INC     | 6.13%  | 1-Apr-30  | CORNERSTONE BUILDING BRANDS INC            | 6.13% | 15-Jan-29 |
| CSC HOLDINGS LLC                 | 7.50%  | 1-Apr-28  | DCP MIDSTREAM LP                           | 5.85% | 21-May-43 |
| CSC HOLDINGS LLC                 | 5.75%  | 15-Jan-30 | DCP MIDSTREAM OPERATING LP                 | 5.60% | 1-Apr-44  |
| CAESARS RESORT COLLECTION LLC    | 5.25%  | 15-Oct-25 | DEALER TIRE LLC                            | 8.00% | 1-Feb-28  |
| CQP HOLDCO LP                    | 5.50%  | 15-Jun-31 | DISH DBS CORP                              | 7.75% | 1-Jul-26  |
| CABLEVISION LIGHTPATH LLC        | 5.63%  | 15-Sep-28 | DISH DBS CORP                              | 7.38% | 1-Jul-28  |
| CALPINE CORP                     | 5.13%  | 15-Mar-28 | DISH DBS CORP                              | 5.13% | 1-Jun-29  |
| CALPINE CORP                     | 4.63%  | 1-Feb-29  | EPR PROPERTIES                             | 4.95% | 15-Apr-28 |
| CALPINE CORP                     | 5.00%  | 1-Feb-31  | EPR PROPERTIES                             | 3.75% | 15-Aug-29 |
| CARNIVAL CORP                    | 10.50% | 1-Feb-26  | EQM MIDSTREAM PARTNERS LP                  | 4.13% | 1-Dec-26  |
| CARNIVAL CORP                    | 9.88%  | 1-Aug-27  | EQM MIDSTREAM PARTNERS LP                  | 5.50% | 15-Jul-28 |
| CARNIVAL CORP                    | 7.63%  | 1-Mar-26  | EQM MIDSTREAM PARTNERS LP                  | 6.50% | 1-Jul-27  |
| CARNIVAL CORP                    | 5.75%  | 1-Mar-27  | EQM MIDSTREAM PARTNERS LP                  | 4.50% | 15-Jan-29 |
| CARSCOM INC                      | 6.38%  | 1-Nov-28  | EQM MIDSTREAM PARTNERS LP                  | 4.75% | 15-Jan-31 |
| CARVANA CO                       | 5.88%  | 1-Oct-28  | COLT MERGER SUB INC                        | 6.25% | 1-Jul-25  |
| CEDAR FAIR LP                    | 5.25%  | 15-Jul-29 | COLT MERGER SUB INC                        | 8.13% | 1-Jul-27  |
| CENTURY ALUMINUM CO.             | 7.50%  | 1-Apr-28  | ENDURANCE INTERNATIONAL GROUP HOLDINGS INC | 6.00% | 15-Feb-29 |
| LUMEN TECHNOLOGIES INC           | 4.50%  | 15-Jan-29 | ENVISION HEALTHCARE CORP                   | 8.75% | 15-Oct-26 |
| CINEMARK USA INC                 | 5.88%  | 15-Mar-26 | FIRST QUANTUM MINERALS LTD                 | 6.88% | 15-Oct-27 |
| CINEMARK USA INC                 | 5.25%  | 15-Jul-28 | FORD MOTOR COMPANY                         | 7.40% | 1-Nov-46  |
| CLARIVATE PLC                    | 4.88%  | 30-Jun-29 | FORD MOTOR COMPANY                         | 5.29% | 8-Dec-46  |





| ISSUER/COUPON/MATURITY             |        |           |  |       |           |
|------------------------------------|--------|-----------|--|-------|-----------|
| COLGATE ENERGY PARTNERS III LLC    | 5.88%  | 1-Jul-29  | FORD MOTOR COMPANY                     | 9.63% | 22-Apr-30 |
| COMMSCOPE TECHNOLOGIES FINANCE LLC | 6.00%  | 15-Jun-25 | FRONTIER COMMUNICATIONS CORP           | 5.88% | 15-Oct-27 |
| FRONTIER COMMUNICATIONS CORP       | 5.00%  | 1-May-28  | JELD-WEN INC                           | 4.88% | 15-Dec-27 |
| FRONTIER COMMUNICATIONS CORP       | 6.75%  | 1-May-29  | JOSEPH T RYERSON & SON INC             | 8.50% | 1-Aug-28  |
| GW HONOS SECURITY CORP             | 9.50%  | 1-Nov-27  | KAR AUCTION SERVICES INC               | 5.13% | 1-Jun-25  |
| GARDA WORLD SECURITY CORP          | 6.00%  | 1-Jun-29  | L BRANDS INC                           | 5.25% | 1-Feb-28  |
| GENESIS ENERGY                     | 6.25%  | 15-May-26 | LIFE TIME INC                          | 5.75% | 15-Jan-26 |
| GENESIS ENERGY                     | 8.00%  | 15-Jan-27 | LIFE TIME INC                          | 8.00% | 15-Apr-26 |
| GLOBAL PARTNERS LP                 | 7.00%  | 1-Aug-27  | LIONS GATE CAPITAL HOLDINGS LLC        | 5.50% | 15-Apr-29 |
| GLOBAL PARTNERS LP                 | 6.88%  | 15-Jan-29 | LIVE NATION ENTERTAINMENT INC          | 6.50% | 15-May-27 |
| GLOBAL AIRCRAFT LEASING CO LTD     | 6.50%  | 15-Sep-24 | LUMEN TECHNOLOGIES INC                 | 5.38% | 15-Jun-29 |
| GRAHAM PACKAGING CO INC            | 7.13%  | 15-Aug-28 | MPH ACQUISITION HOLDINGS LLC           | 5.75% | 1-Nov-28  |
| GRANITE US HOLDINGS CORP           | 11.00% | 1-Oct-27  | MATADOR RESOURCES CO                   | 5.88% | 15-Sep-26 |
| GTCR (AP) FINANCE INC              | 8.00%  | 15-May-27 | MERCADOLIBRE INC                       | 3.13% | 14-Jan-31 |
| HARVEST MIDSTREAM I LP             | 7.50%  | 1-Sep-28  | NCL CORPORATION LTD                    | 3.63% | 15-Dec-24 |
| HEXION INC                         | 7.88%  | 15-Jul-27 | NCL CORPORATION LTD                    | 5.88% | 15-Mar-26 |
| HILCORP ENERGY I LP                | 6.25%  | 1-Nov-28  | NCL FINANCE LTD                        | 6.13% | 15-Mar-28 |
| HILCORP ENERGY I LP                | 5.75%  | 1-Feb-29  | NEW FORTRESS ENERGY INC                | 6.75% | 15-Sep-25 |
| HILCORP ENERGY I LP                | 6.00%  | 1-Feb-31  | NEW FORTRESS ENERGY INC                | 6.50% | 30-Sep-26 |
| SERVICE PROPERTIES TRUST           | 4.65%  | 15-Mar-24 | NIELSEN FINANCE LLC/NIELSON FINANCE CO | 5.63% | 1-Oct-28  |
| SERVICE PROPERTIES TRUST           | 4.95%  | 15-Feb-27 | NIELSEN FINANCE LLC/NIELSON FINANCE CO | 5.88% | 1-Oct-30  |
| SERVICE PROPERTIES TRUST           | 3.95%  | 15-Jan-28 | NOVA CHEMICALS CORP                    | 5.25% | 1-Jun-27  |
| SERVICE PROPERTIES TRUST           | 4.38%  | 15-Feb-30 | ORGANON FINANCE 1 LLC                  | 5.13% | 30-Apr-31 |
| SERVICE PROPERTIES TRUST           | 4.35%  | 1-Oct-24  | ORTHO-CLINICAL DIAGNOSTICS INC         | 7.25% | 1-Feb-28  |
| ITT HOLDINGS LLC                   | 6.50%  | 1-Aug-29  | ORTHO-CLINICAL DIAGNOSTICS INC         | 7.38% | 1-Jun-25  |



## ISSUER/COUPON/MATURITY

|                                      |        |           |  |        |           |
|--------------------------------------|--------|-----------|--|--------|-----------|
| INTELLIGENT PACKAGING FINCO INC LTD  | 6.00%  | 15-Sep-28 | OUTFRONT MEDIA CAPITAL LLC                                 | 5.00%  | 15-Aug-27 |
| IRON MOUNTAIN INC                    | 5.25%  | 15-Mar-28 | OUTFRONT MEDIA CAPITAL LLC                                 | 4.63%  | 15-Mar-30 |
| IRON MOUNTAIN INC                    | 5.63%  | 15-Jul-32 | PARK INTERMEDIATE HOLDINGS LLC                             | 5.88%  | 1-Oct-28  |
| ITAU UNIBANCO HOLDING SA             | 4.50%  | 21-Nov-29 | PETROBRAS GLOBAL FINANCE BV                                | 5.60%  | 3-Jan-31  |
| PETROBRAS GLOBAL FINANCE BV          | 5.50%  | 10-Jun-51 | SEAWORLD PARKS & ENTERTAINMENT                             | 9.50%  | 1-Aug-25  |
| PETROLEOS MEXICANOS                  | 3.50%  | 30-Jan-23 | SELECT MEDICAL CORP  | 6.25%  | 15-Aug-26 |
| PETROLEOS MEXICANOS                  | 6.50%  | 23-Jan-29 | SIRIUS XM RADIO INC  | 5.50%  | 1-Jul-29  |
| PETROLEOS MEXICANOS                  | 5.95%  | 28-Jan-31 | SIRIUS XM RADIO INC  | 4.13%  | 1-Jul-30  |
| PETSMART INC                         | 7.75%  | 15-Feb-29 | SIX FLAGS ENTERTAINMENT CORP                               | 5.50%  | 15-Apr-27 |
| PRESIDIO HOLDINGS INC                | 8.25%  | 1-Feb-28  | SOLARIS MIDSTREAM HOLDINGS LLC                             | 7.63%  | 1-Apr-26  |
| PRIME SECURITY SERVICES BORROWER LLC | 6.25%  | 15-Jan-28 | SPIRIT AROSYSTEMS  | 4.60%  | 15-Jun-28 |
| RHP HOTEL PROPERTIES LP              | 4.75%  | 15-Oct-27 | SPIRIT AROSYSTEMS  | 7.50%  | 15-Apr-25 |
| RACKSPACE TECHNOLOGY GLOBAL INC      | 5.38%  | 1-Dec-28  | SUMMER (BC) BIDCO B LLC                                    | 5.50%  | 31-Oct-26 |
| RADIATE HOLDCO LLC / RADIATE FIN     | 6.50%  | 15-Sep-28 | SUMMIT MIDSTREAM HOLDINGS LLC                              | 5.75%  | 15-Apr-25 |
| RANGE RESOURCES CORP                 | 4.88%  | 15-May-25 | TMS INTERNATIONAL CORP                                     | 6.25%  | 15-Apr-29 |
| RANGE RESOURCES CORP                 | 9.25%  | 1-Feb-26  | TALen ENERGY SUPPLY LLC                                    | 10.50% | 15-Jan-26 |
| REALOGY GROUP LLC                    | 9.38%  | 1-Apr-27  | TALen ENERGY SUPPLY LLC                                    | 7.63%  | 1-Jun-28  |
| REALOGY GROUP LLC / REALOGY CO I     | 5.75%  | 15-Jan-29 | TALLGRASS ENERGY PARTNERS LP                               | 5.50%  | 15-Jan-28 |
| RESIDEO FUNDING INC                  | 6.13%  | 1-Nov-26  | TALLGRASS ENERGY PARTNERS LP/TALLGRASS ENERGY FINANCE CORP | 6.00%  | 1-Mar-27  |
| ROYAL CARIBBEAN CRUISES LTD          | 11.50% | 1-Jun-25  | TALLGRASS ENERGY PARTNERS LP                               | 7.50%  | 1-Oct-25  |
| ROYAL CARIBBEAN CRUISES LTD          | 5.50%  | 1-Apr-28  | TALLGRASS ENERGY PARTNERS LP/TALLGRASS ENERGY FINANCE CORP | 6.00%  | 31-Dec-30 |
| SRS DISTRIBUTION INC                 | 4.63%  | 1-Jul-28  | TECHNIPFMC PLC   | 6.50%  | 1-Feb-26  |
| SRS DISTRIBUTION INC                 | 6.13%  | 1-Jul-29  | TENET HLTHCR CORP  | 6.13%  | 1-Oct-28  |
| SASOL FINANCING USA LLC              | 5.88%  | 27-Mar-24 | TENNECO INC  | 7.88%  | 15-Jan-29 |



## ISSUER/COUPON/MATURITY

|                                  |        |           |  |       |           |
|----------------------------------|--------|-----------|--|-------|-----------|
| SASOL FINANCING USA LLC          | 6.50%  | 27-Sep-28 | Team Hlth Hldgs                              | 6.38% | 1-Feb-25  |
| SASOL FINANCING USA LLC          | 4.38%  | 18-Sep-26 | TEVA PHARMACEUTICAL FINANCE NETH             | 3.15% | 1-Oct-26  |
| SCIENTIFIC GAMES INTERNATIONAL   | 5.00%  | 15-Oct-25 | TEVA PHARMACEUTICAL FINANCE NETH             | 7.13% | 31-Jan-25 |
| SCIENTIFIC GAMES INTERNATIONAL   | 8.25%  | 15-Mar-26 | TRANSDIGM INC                                | 5.50% | 15-Nov-27 |
| SCIENTIFIC GAMES INTERNATIONAL   | 7.00%  | 15-May-28 | TRANSDIGM INC                                | 4.63% | 15-Jan-29 |
| EW SCRIPPS CO                    | 5.38%  | 15-Jan-31 | TRANSDIGM INC                                | 4.88% | 1-May-29  |
| SCS HOLDINGS INC                 | 11.00% | 15-Jul-27 | TRIDENT TPI HOLDINGS INC                     | 9.25% | 1-Aug-24  |
| TRIVIUM PACKAGING FINANCE BV     | 8.50%  | 15-Aug-27 | GREENLAND GLOBAL INVESTMENT LTD              | 5.88% | 3-Jul-24  |
| TRONOX INC                       | 4.63%  | 15-Mar-29 | ABJA INVESTMENT CO PTE LTD                   | 5.95% | 31-Jul-24 |
| US FOODS INC                     | 4.75%  | 15-Feb-29 | HEATHROW FINANCE PLC                         | 6.25% | 3-Mar-25  |
| US ACUTE CARE SOLUTIONS LLC      | 6.38%  | 1-Mar-26  | HUARONG FINANCE II CO LTD                    | 5.50% | 16-Jan-25 |
| UNITED AIRLINES INC              | 4.38%  | 15-Apr-26 | STATE OIL COMPANY OF THE AZERBAIJAN REPUBLIC | 6.95% | 18-Mar-30 |
| UNITED AIRLINES INC              | 4.63%  | 15-Apr-29 | TEVA PHARMACEUTICAL FINANCE NETH             | 1.88% | 31-Mar-27 |
| UNITED CONTINENTAL HOLDINGS INC  | 5.00%  | 1-Feb-24  | YPF SA                                       | 8.50% | 28-Jul-25 |
| UNITED AIRLINES INC              | 4.88%  | 15-Jan-25 | CARNIVAL CORP                                | 1.88% | 7-Nov-22  |
| UNITI GROUP INC/CSL CAPITAL LLC  | 6.50%  | 15-Feb-29 | GOODYEAR EUROPE BV                           | 3.75% | 15-Dec-23 |
| UNIVAR USA INC                   | 5.13%  | 1-Dec-27  | KUWAIT PROJECTS CO CAYMAN                    | 5.00% | 15-Mar-23 |
| USA COMPRESSION PARTNERS LP      | 6.88%  | 1-Apr-26  | Koc Holding                                  | 5.25% | 15-Mar-23 |
| USA COMPRESSION PARTNERS LP      | 6.88%  | 1-Sep-27  | BANCO DE BOGOTA SA                           | 6.25% | 12-May-26 |
| VFU FUNDING PLC                  | 6.20%  | 11-Feb-25 | YUZHOU GROUP HOLDINGS CO LTD                 | 6.00% | 25-Oct-23 |
| BAUSCH HEALTH COMPANIES INC      | 6.13%  | 15-Apr-25 | PAMPA ENERGIA SA                             | 7.50% | 24-Jan-27 |
| VERTICAL US NEWCO INC            | 7.63%  | 15-Jul-28 | CENTRAL AMERICA BOTTLING CORP                | 5.75% | 31-Jan-27 |
| VISTRA OPERATIONS COMPANY LLC    | 5.00%  | 31-Jul-27 | YAPI VE KREDI BANKASI AS                     | 5.75% | 24-Feb-22 |
| VISTRA OPERATIONS COMPANY LLC    | 4.38%  | 1-May-29  | CHINA SCE GROUP HOLDINGS LTD                 | 5.88% | 10-Mar-22 |
| WATCO COS LLC / WATCO FINANCE CO | 6.50%  | 15-Jun-27 | TURKIYE IS BANKASI AS                        | 6.13% | 25-Apr-24 |



| ISSUER/COUPON/MATURITY                     |       |           |                                |       |           |
|--|-------|-----------|--------------------------------|-------|-----------|
| WHITE CAP BUYER LLC                        | 6.88% | 15-Oct-28 | FIRST QUANTUM MINERALS LTD     | 7.25% | 1-Apr-23  |
| WOORI BANK                                 | 5.25% | 16-May-22 | FIRST QUANTUM MINERALS LTD     | 7.50% | 1-Apr-25  |
| WYNN LAS VEGAS LLC / WYNN LAS VE           | 5.50% | 1-Mar-25  | CHINA EVERGRANDE GROUP         | 8.25% | 23-Mar-22 |
| YPF SA                                     | 8.50% | 23-Mar-25 | NK KAZMUNAYGAZ AO              | 4.75% | 19-Apr-27 |
| FRONT RANGE BIDCO INC                      | 6.13% | 1-Mar-28  | UNILABS SUBHOLDING AB (PUBL)   | 5.75% | 15-May-25 |
| BANCO DO BRASIL SA (CAYMAN ISLANDS BRANCH) | 6.25% | 15-Apr-24 | ORAZUL ENERGY EGENOR SCA       | 5.63% | 28-Apr-27 |
| CASINO GUICHARD PERRACHON SA               | 4.50% | 7-Mar-24  | SAKA ENERGI INDONESIA PT       | 4.45% | 5-May-24  |
| BANCO DO BRASIL SA (CAYMAN ISLANDS BRANCH) | 9.00% | 18-Jun-24 | LA FINANCIERE ATALIAN SAS      | 4.00% | 15-May-24 |
| Turk Telekomun                             | 4.88% | 19-Jun-24 | MHP SE                         | 7.75% | 10-May-24 |
| NEXA RESOURCES SA                          | 5.38% | 4-May-27  | PINNACLE BIDCO PLC             | 6.38% | 15-Feb-25 |
| QNB FINANSBANK AS                          | 4.88% | 19-May-22 | ABJA INVESTMENT CO PTE LTD     | 5.45% | 24-Jan-28 |
| CPUK FINANCE LTD                           | 4.88% | 28-Aug-25 | POLYUS FINANCE PLC             | 4.70% | 29-Jan-24 |
| UNITED BANK FOR AFRICA PLC                 | 7.75% | 8-Jun-22  | SCIENTIFIC GAMES INTERNATIONAL | 5.50% | 15-Feb-26 |
| UPC HOLDING BV                             | 3.88% | 15-Jun-29 | MODULAIRE GLOBAL FINANCE PLC   | 6.50% | 15-Feb-23 |
| KAISA GROUP HOLDINGS LTD                   | 9.38% | 30-Jun-24 | YAPI VE KREDI BANKASI AS       | 6.10% | 16-Mar-23 |
| INTRUM AB                                  | 3.13% | 15-Jul-24 | PAPREC HOLDING SA              | 4.00% | 31-Mar-25 |
| LIQUID TELECOMMUNICATIONS FINANC           | 8.50% | 13-Jul-22 | PAPREC HOLDING SA              | 3.50% | 31-Mar-25 |
| SOFTBANK GROUP CORP                        | 6.88% | 31-Dec-49 | TULLOW OIL PLC                 | 7.00% | 1-Mar-25  |
| DIAMOND BC BV                              | 5.63% | 15-Aug-25 | MHP LUX SA                     | 6.95% | 3-Apr-26  |
| C&W SENIOR FINANCING DAC                   | 6.88% | 15-Sep-27 | METINVEST BV                   | 8.50% | 23-Apr-26 |
| TENDAM BRANDS SAU                          | 5.25% | 15-Sep-24 | SUNAC CHINA HOLDINGS LTD       | 8.35% | 19-Apr-23 |
| ICELAND BONDCO PLC                         | 4.63% | 15-Mar-25 | OZTEL HOLDINGS SPC LTD         | 6.63% | 24-Apr-28 |
| GEOPARK LTD                                | 6.50% | 21-Sep-24 | GRUPO ANTOLIN IRAUSA SA        | 3.38% | 30-Apr-26 |
| MILLER HOMES GROUP HOLDINGS PLC            | 5.50% | 15-Oct-24 | GESTAMP AUTOMOCION SA          | 3.25% | 30-Apr-26 |
| NIDDA BONDCO GMBH                          | 5.00% | 30-Sep-25 | SUNSHINE MID BV                | 6.50% | 15-May-26 |



## ISSUER/COUPON/MATURITY

|  |       |           |  |       |           |
|--|-------|-----------|--|-------|-----------|
| ALTICE FINCO SA                              | 4.75% | 15-Jan-28 | TRANSPORTADORA DE GAS DEL SUR SA           | 6.75% | 2-May-25  |
| DUFY AG                                      | 2.50% | 15-Oct-24 | PETROLEOS MEXICANOS                        | 4.75% | 26-Feb-29 |
| TURKIYE PETROL RAFINERILERI AS               | 4.50% | 18-Oct-24 | KRATON POLYMERS HOLDINGS BV                | 5.25% | 15-May-26 |
| BORMIOLI PHARMA SPA                          | 3.50% | 15-Nov-24 | HUNT OIL COMPANY OF PERU LLC (LIMA BRANCH) | 6.38% | 1-Jun-28  |
| INKIA ENERGY LTD                             | 5.88% | 9-Nov-27  | DKT FINANCE APS                            | 7.00% | 17-Jun-23 |
| PETROPAVLOVSK 2016 LTD                       | 8.13% | 14-Nov-22 | ALTICE FRANCE SA (FRANCE)                  | 5.88% | 1-Feb-27  |
| CTC BONDCO GMBH                              | 5.25% | 15-Dec-25 | JAGUAR LAND ROVER AUTOMOTIVE PLC           | 4.50% | 15-Jan-26 |
| PICARD BONDCO SA                             | 5.50% | 30-Nov-24 | ADIB CAPITAL INVEST 2 LTD                  | 7.13% | 20-Sep-23 |
| PICARD GROUPE SAS                            | 3.00% | 30-Nov-23 | AVIS BUDGET FINANCE PLC                    | 4.75% | 30-Jan-26 |
| SCHENCK PROCESS HOLDING GMBH                 | 5.38% | 15-Jun-23 | JBS INVESTMENTS II GMBH                    | 7.00% | 15-Jan-26 |
| REDE DOR FINANCE SARL                        | 4.95% | 17-Jan-28 | CHAMPION SINCERITY HOLDINGS LTD            | 8.13% | 8-Feb-22  |
| BBVA BANCOMER SA (TEXAS BRANCH)              | 5.13% | 18-Jan-33 | SGL CARBON SE                              | 4.63% | 30-Sep-24 |
| RKPF OVERSEAS 2019 A LIMITED                 | 7.88% | 1-Feb-23  | TELECOM ARGENTINA SA                       | 8.00% | 18-Jul-26 |
| BANCO BTG PACTUAL SA (CAYMAN ISLANDS BRANCH) | 7.75% | 15-Feb-24 | HOUSE OF FINANCE NV                        | 4.38% | 15-Jul-26 |
| QNB FINANSBANK AS                            | 6.88% | 7-Sep-24  | LOXAM SAS                                  | 5.75% | 15-Jul-27 |
| PLAYTECH PLC                                 | 4.25% | 7-Mar-26  | JBS INVESTMENTS II GMBH                    | 5.75% | 15-Jan-28 |
| TURKIYE SISE VE CAM FABRIKALARI AS           | 6.95% | 14-Mar-26 | COSAN LTD                                  | 5.50% | 20-Sep-29 |
| EMIRATES NBD BANK PJSC                       | 6.13% | 20-Mar-25 | VIVION INVESTMENTS SARL                    | 3.00% | 8-Aug-24  |
| MILLICOM INTL CELLULAR S.A.                  | 6.25% | 25-Mar-29 | BBVA BANCOMER SA (TEXAS BRANCH)            | 5.88% | 13-Sep-34 |
| CLARIOS GLOBAL LP                            | 4.38% | 15-May-26 | INTERNATIONAL GAME TECHNOLOGY PL           | 2.38% | 15-Apr-28 |
| KOSMOS ENERGY LTD                            | 7.13% | 4-Apr-26  | INTRUM AB                                  | 3.00% | 15-Sep-27 |
| KLABIN AUSTRIA GMBH                          | 7.00% | 3-Apr-49  | COUNTRY GARDEN HOLDINGS CO LTD             | 6.15% | 17-Sep-25 |
| KLABIN AUSTRIA GMBH                          | 5.75% | 3-Apr-29  | IHS NETHERLANDS HOLDCO BV                  | 8.00% | 18-Sep-27 |
| LOXAM SAS                                    | 4.50% | 15-Apr-27 | BANCO VOTORANTIM SA                        | 4.50% | 24-Sep-24 |



## ISSUER/COUPON/MATURITY

|                                       |       |           |                                 |        |           |
|---------------------------------------|-------|-----------|---------------------------------|--------|-----------|
| JSW Steel                             | 5.95% | 18-Apr-24 | BRF SA                          | 4.88%  | 24-Jan-30 |
| CSN RESOURCES SA                      | 7.63% | 17-Apr-26 | GREENLAND GLOBAL INVESTMENT LTD | 6.75%  | 26-Sep-23 |
| EG GROUP LTD                          | 4.38% | 7-Feb-25  | LHMC FINCO 2 SARL               | 7.25%  | 2-Oct-25  |
| MEDCO OAK TREE PTE LTD                | 7.38% | 14-May-26 | UNIGEL LUXEMBOURG SA            | 8.75%  | 1-Oct-26  |
| MGM CHINA HOLDINGS LTD                | 5.88% | 15-May-26 | METINVEST BV                    | 7.75%  | 17-Oct-29 |
| SUMMER BIDCO BV                       | 9.00% | 15-Nov-25 | VIMPELCOM HOLDINGS BV           | 4.00%  | 9-Apr-25  |
| IHO VERWALTUNGS GMBH                  | 3.88% | 15-May-27 | AES GENER SA                    | 6.35%  | 7-Oct-79  |
| LEASEPLAN CORPORATION NV              | 7.38% | 29-May-69 | NETWORK I2I LTD                 | 5.65%  | 25-Jan-25 |
| ULTRAPAR INTERNATIONAL SA             | 5.25% | 6-Jun-29  | EG GLOBAL FINANCE PLC           | 6.25%  | 30-Oct-25 |
| ADANI GREEN ENERGY UP LTD             | 6.25% | 10-Dec-24 | MOTION BONDCO DAC               | 4.50%  | 15-Nov-27 |
| GREENLAND GLOBAL INVESTMENT LTD       | 6.75% | 25-Jun-22 | ZF EUROPE FINANCE BV            | 3.00%  | 23-Oct-29 |
| BANCO MERCANTIL DEL NORTE SA          | 7.50% | 27-Jun-29 | ACCOR SA                        | 2.63%  | 30-Jan-25 |
| BBK                                   | 5.50% | 9-Jul-24  | CABLE ONDA SA                   | 4.50%  | 30-Jan-30 |
| SHIMAO GROUP HOLDINGS LTD             | 5.60% | 15-Jul-26 | CIFI HOLDINGS GROUP CO LTD      | 6.45%  | 7-Nov-24  |
| MELCO RESORTS FINANCE LTD             | 5.63% | 17-Jul-27 | ARD FINANCE SA                  | 5.00%  | 30-Jun-27 |
| USIMINAS INTERNATIONAL SARL           | 5.88% | 18-Jul-26 | DUFREY ONE BV                   | 2.00%  | 15-Feb-27 |
| QUATRIM SAS                           | 5.88% | 15-Jan-24 | VTR FINANCE NV                  | 6.38%  | 15-Jul-28 |
| HEATHROW FINANCE PLC                  | 4.63% | 1-Sep-29  | RUMO LUXEMBOURG SARL            | 5.25%  | 10-Jan-28 |
| CEMEX SAB DE CV                       | 5.45% | 19-Nov-29 | TK ELEVATOR HOLDCO GMBH         | 6.63%  | 15-Jul-28 |
| JAGUAR LAND ROVER AUTOMOTIVE PLC      | 6.88% | 15-Nov-26 | SUNAC CHINA HOLDINGS LTD        | 7.00%  | 9-Jul-25  |
| KENBOURNE INVEST SA                   | 6.88% | 26-Nov-24 | STUDIO CITY FINANCE LTD         | 6.00%  | 15-Jul-25 |
| BRASKEM IDESA SAPI                    | 7.45% | 15-Nov-29 | STUDIO CITY FINANCE LTD         | 6.50%  | 15-Jan-28 |
| KAPLA HOLDING SAS                     | 3.38% | 15-Dec-26 | CIFI HOLDINGS GROUP CO LTD      | 5.95%  | 20-Oct-25 |
| SHRIRAM TRANSPORT FINANCE COMPANY LTD | 5.10% | 16-Jul-23 | MELCO RESORTS FINANCE LTD       | 5.75%  | 21-Jul-28 |
| REDE DOR FINANCE SARL                 | 4.50% | 22-Jan-30 | CARNIVAL CORP                   | 10.13% | 1-Feb-26  |
| GEOPARK LTD                           | 5.50% | 17-Jan-27 | BRASKEM NETHERLANDS BV          | 8.50%  | 31-Jan-81 |



## ISSUER/COUPON/MATURITY

|  |       |           |   |       |           |
|--|-------|-----------|---|-------|-----------|
| TURKIYE SINAI KALKINMA BANKASI A             | 6.00% | 23-Jan-25 | COUNTRY GARDEN HOLDINGS CO LTD          | 4.80% | 6-Aug-30  |
| CBOM FINANCE PLC                             | 4.70% | 29-Jan-25 | SUNAC CHINA HOLDINGS LTD                | 6.65% | 3-Aug-24  |
| MEDCO BELL PTE LTD                           | 6.38% | 30-Jan-27 | DOBANK SPA                              | 5.00% | 4-Aug-25  |
| CSN INOVA VENTURES                           | 6.75% | 28-Jan-28 | LEVIATHAN BOND LTD                      | 6.50% | 30-Jun-27 |
| SUMMER BIDCO BV                              | 9.00% | 15-Nov-25 | LEVIATHAN BOND LTD                      | 6.75% | 30-Jun-30 |
| RCS & RDS SA                                 | 3.25% | 5-Feb-28  | WYNN MACAU LTD                          | 5.63% | 26-Aug-28 |
| SAZKA GROUP AS                               | 3.88% | 15-Feb-27 | GSG GROUP SA                            | 4.88% | 16-Nov-49 |
| BANIJAY GROUP SAS                            | 6.50% | 1-Mar-26  | ENCORE CAP GRP                          | 4.88% | 15-Oct-25 |
| TRUBNAYA METALLURGICHESKAYA<br>KOMPANIYA PAO | 4.30% | 12-Feb-27 | EMBRAER NETHERLANDS FINANCE BV          | 6.95% | 17-Jan-28 |
| GTLK EUROPE CAPITAL DAC                      | 4.65% | 10-Mar-27 | MAXEDA DIY HOLDING BV                   | 5.88% | 1-Oct-26  |
| ALTICE FRANCE SA (FRANCE)                    | 4.00% | 15-Feb-28 | FIRST QUANTUM MINERALS LTD              | 6.88% | 15-Oct-27 |
| ALTICE FRANCE SA (FRANCE)                    | 8.00% | 15-May-27 | JSM GLOBAL SARL                         | 4.75% | 20-Oct-30 |
| CEMEX SAB DE CV                              | 7.38% | 5-Jun-27  | CENTURION BIDCO SPA                     | 5.88% | 30-Sep-26 |
| GREENLAND GLOBAL INVESTMENT LTD              | 6.25% | 16-Dec-22 | PETROLEOS MEXICANOS                     | 6.88% | 16-Oct-25 |
| WYNN MACAU LTD                               | 5.50% | 15-Jan-26 | PERIAMA HOLDINGS LLC                    | 5.95% | 19-Apr-26 |
| AGILE GROUP HOLDINGS LTD                     | 5.75% | 2-Jan-25  | ROLLS-ROYCE PLC                         | 5.75% | 15-Oct-27 |
| VTR COMUNICACIONES SPA                       | 5.13% | 15-Jan-28 | CMA CGM SA                              | 7.50% | 15-Jan-26 |
| MILLICOM INTL CELLULAR S.A.                  | 4.50% | 27-Apr-31 | ORYX FUNDING LTD                        | 5.80% | 3-Feb-31  |
| ULKER BISKUVI SANAYI AS                      | 6.95% | 30-Oct-25 | KLEOPATRA HOLDINGS 2 SCA                | 6.50% | 1-Sep-26  |
| TOTAL PLAY TELECOMUNICACIONES SA DE<br>CV    | 7.50% | 12-Nov-25 | ATENTO LUXCO 1 SA                       | 8.00% | 10-Feb-26 |
| ENCORE CAP GRP                               | 5.38% | 15-Feb-26 | HIDROVIAS INTERNATIONAL FINANCE<br>SARL | 4.95% | 8-Feb-31  |
| IPD 3 BV                                     | 5.50% | 1-Dec-25  | VOLCAN CIA MINERA SAA                   | 4.38% | 11-Feb-26 |
| IPD 3 BV                                     | 5.50% | 1-Dec-25  | BELLIS ACQUISITION COMPANY PLC          | 4.00% | 16-Feb-27 |
| AMERICANAS SA                                | 4.38% | 20-Dec-30 | GUARA NORTE SARL                        | 5.20% | 15-Jun-34 |
| NATIONAL EXPRESS GROUP PLC                   | 4.25% | 26-Nov-50 | ICELAND BONDCO PLC                      | 4.38% | 15-May-28 |



| ISSUER/COUPON/MATURITY               |        |           |   |       |           |
|--------------------------------------|--------|-----------|---|-------|-----------|
| CARNIVAL CORP                        | 7.63%  | 1-Mar-26  | VICTORIA PLC                                | 3.63% | 24-Aug-26 |
| FS LUXEMBOURG SARL                   | 10.00% | 15-Dec-25 | ARDAGH METAL PACKAGING SA                   | 3.00% | 1-Sep-29  |
| ENCORE CAP GRP                       | 4.25%  | 15-Jan-28 | VEDANTA RESOURCES FINANCE II PLC            | 8.95% | 11-Mar-25 |
| SOFIMA HOLDING SPA                   | 3.75%  | 15-Jan-28 | SAPPI PAPIER HOLDING GMBH                   | 3.63% | 15-Mar-28 |
| VEDANTA RESOURCES FINANCE II PLC     | 13.88% | 21-Jan-24 | ENERGEAN ISRAEL FINANCE LTD                 | 4.88% | 30-Mar-26 |
| HOUSE OF HR NV                       | 7.50%  | 15-Jan-27 | BANK MUSCAT SAOG                            | 4.75% | 17-Mar-26 |
| CASINO GUICHARD PERRACHON SA         | 6.63%  | 15-Jan-26 | SPA HOLDINGS 3 OY                           | 3.63% | 4-Feb-28  |
| RKPF OVERSEAS 2020 (A) LIMITED       | 5.20%  | 12-Jan-26 | FONCIA MANAGEMENT SASU                      | 3.38% | 31-Mar-28 |
| CAS CAPITAL NO 1 LTD                 | 4.00%  | 31-Dec-49 | FLAMINGO LUX II SCA                         | 5.00% | 31-Mar-29 |
| VERISURE HOLDING AB                  | 3.25%  | 15-Feb-27 | KRUNG THAI BANK PCL (CAYMAN ISLANDS BRANCH) | 4.40% | 25-Sep-80 |
| VERISURE MIDHOLDING AB               | 5.25%  | 15-Feb-29 | GREENKO DUTCH BV                            | 3.85% | 29-Mar-26 |
| Marb Bondco                          | 3.95%  | 29-Jan-31 | NOVELIS SHEET INGOT GMBH                    | 3.38% | 15-Apr-29 |
| SIMPAR EUROPE SA                     | 5.20%  | 26-Jan-31 | SEPLAT ENERGY PLC                           | 7.75% | 1-Apr-26  |
| INEOS QUATTRO FINANCE 1 PLC          | 3.75%  | 15-Jul-26 | CASINO GUICHARD PERRACHON SA                | 5.25% | 15-Apr-27 |
| CHAMPION PATH HOLDINGS LTD           | 4.85%  | 27-Jan-28 | ARABIAN CENTRES SUKUK II LTD                | 5.63% | 7-Oct-26  |
| SUNAC CHINA HOLDINGS LTD             | 6.50%  | 26-Jan-26 | TI AUTOMOTIVE FINANCE PLC                   | 3.75% | 15-Apr-29 |
| AMAGGI LUXEMBOURG INTERNATIONAL SARL | 5.25%  | 28-Jan-28 | DUFREY ONE BV                               | 3.38% | 15-Apr-28 |
| LABORATOIRE EIMER SELAS              | 5.00%  | 1-Feb-29  | PCF GMBH                                    | 4.75% | 15-Apr-26 |
| BRUNELLO BIDCO SPA                   | 3.50%  | 15-Feb-28 | GLOBELED MESOAMERICA ENERGY SA              | 6.25% | 26-Apr-29 |
| Banco Davivienda                     | 6.65%  | 22-Apr-51 | CSN RESOURCES SA                            | 4.63% | 10-Jun-31 |
| BK LC LUX FINCO 1 SARL               | 5.25%  | 30-Apr-29 | DEUCE ACQUISITIONS LIMITED                  | 5.50% | 15-Jun-27 |
| GRUENENTHAL GMBH                     | 4.13%  | 15-May-28 | CEMEX SAB DE CV                             | 5.13% | 8-Jun-26  |
| NATURA COSMETICOS SA                 | 4.13%  | 3-May-28  | JBS FINANCE LUXEMBOURG SARL                 | 3.63% | 15-Jan-32 |
| CPUK FINANCE LTD                     | 4.50%  | 28-Aug-27 | AZUL INVESTMENTS LLP                        | 7.25% | 15-Jun-26 |
| KAISA GROUP HOLDINGS LTD             | 11.70% | 11-Nov-25 | STONECO LTD                                 | 3.95% | 16-Jun-28 |





## ISSUER/COUPON/MATURITY

|   |        |           |                              |       |           |
|---|--------|-----------|------------------------------|-------|-----------|
| OQ SAOC                                       | 5.13%  | 6-May-28  | SIERRACOL ENERGY ANDINA LLC  | 6.00% | 15-Jun-28 |
| ALLIED UNIVERSAL HOLDCO LLC                   | 3.63%  | 1-Jun-28  | EXPORT CREDIT BANK OF TURKE  | 5.75% | 6-Jul-26  |
| ALLIED UNIVERSAL HOLDCO LLC                   | 4.88%  | 1-Jun-28  | XP INC                       | 3.25% | 1-Jul-26  |
| ENN CLEAN ENERGY INTERNATIONAL INVESTMENT LTD | 3.38%  | 12-May-26 | CASINO GUICHARD PERRACHON SA | 1.00% | 20-Jan-50 |
| TULLOW OIL PLC                                | 10.25% | 15-May-26 | CSN Islands XII              | 7.00% | 31-Dec-49 |
| CHROME HOLDCO SAS                             | 5.00%  | 31-May-29 | CO-OPERATIVE GROUP LTD       | 7.50% | 8-Jul-26  |
| JSW HYDRO ENERGY LTD                          | 4.13%  | 18-May-31 | VOLCAN COMPANIA MINERA SAA   | 5.38% | 2-Feb-22  |
| AFFLELOU SAS                                  | 4.25%  | 19-May-26 | TURKIYE GARANTI BANKASI AS   | 5.25% | 13-Sep-22 |
| INTERNATIONAL DESIGN GROUP SPA                | 4.25%  | 15-May-26 | PETROBRAS GLOBAL FINANCE BV  | 5.38% | 1-Oct-29  |
| CEDACRI MERGECO SPA                           | 4.63%  | 15-May-28 | AKBANK TAS                   | 5.00% | 24-Oct-22 |
| AEDAS HOMES OPCO SL                           | 4.00%  | 15-Aug-26 | VEDANTA RESOURCES LTD        | 7.13% | 31-May-23 |
| CHINA HONGQIAO GROUP LIMITED                  | 6.25%  | 8-Jun-24  | YPF SA                       | 8.50% | 23-Mar-25 |
| PETRORIO LUXEMBOURG SARL                      | 6.13%  | 9-Jun-26  | MV24 CAPITAL BV              | 6.75% | 1-Jun-34  |

## L. INVESTMENT TRANSACTIONS

The total number of transactions for the year ended 30 June 2021 was 1,613 comprising purchases – 937 and the sales – 676. The total brokerage paid or accrued was \$nil.

## M. TOTAL MANAGEMENT FEES PAID OR ACCRUED DURING THE REPORTING PERIOD

Refer to Note 17 on page 33 of the Annual Report.

## N. SECURITIES APPROVED

There have been no issues of securities approved which have not yet been completed.

## O. STOCK EXCHANGE LISTING

The Fund's units are listed on the ASX and are traded under the code "NBI".

## P. UNQUOTED UNITS

There are no unquoted units on issue.

## Q. VOLUNTARY ESCROW

There are no restricted units in the Fund or units subject to voluntary escrow.



## **R. REGISTERED OFFICE OF RESPONSIBLE ENTITY**

Equity Trustees Limited  
Level 1, 575 Bourke Street  
Melbourne, VIC 3000  
Telephone: 03 8623 5000

## **S. UNIT REGISTRY**

Boardroom Pty Limited  
Grosvenor Place  
Level 12, 225 George Street  
Sydney NSW 2000  
Telephone: 02 9290 9600

## **T. COMPANY SECRETARY OF THE RESPONSIBLE ENTITY**

Ms Jennifer Currie resigned as a Company Secretary of Equity Trustees Limited, the Responsible Entity of NB Global Corporate Income Trust, effective 30 April 2021.

Mr Philip D Gentry was appointed as Company Secretary as at the same date.