

## Barings Global Senior Secured Bond Fund\*

\* The Barings Global Senior Secured Bond Fund principally invests in sub-investment grade and/or unrated debt securities. The Fund's investment in senior secured debt securities does not guarantee repayment of the principal of investments by the investors.

April 2024

Baring International Fund Managers (Ireland) Limited

- This statement provides you with key information about Barings Global Senior Secured Bond Fund (the "Fund").
- This statement is a part of the offering document.
- You should not invest in the Fund based on this statement alone.

QUICK FACTS				
<b>Fund Manager</b>	Baring International Fund Managers (Ireland) Limited			
<b>Investment Manager</b>	Baring Asset Management Limited (internal delegation, in the United Kingdom) Barings LLC (internal delegation, in the United States)			
<b>Depository</b>	State Street Custodial Services (Ireland) Limited			
<b>Ongoing charges over a year:</b>	<b>Distribution Share Tranches (Classes)</b>		<b>Accumulation Share Tranches (Classes)</b>	
	Tranche G USD Dist Monthly	1.34% <sup>#</sup>	Tranche G USD Acc	1.34% <sup>#</sup>
	Tranche G HKD Unhedged Dist Monthly	1.34% <sup>#</sup>	Tranche G HKD Unhedged Acc	1.34% <sup>#</sup>
	Tranche G EUR Hedged Dist Monthly	1.36% <sup>#</sup>	Tranche G EUR Hedged Acc	1.36% <sup>#</sup>
	Tranche G GBP Hedged Dist Monthly	1.36% <sup>#</sup>	Tranche G GBP Hedged Acc	1.35% <sup>+</sup>
	Tranche G AUD Hedged Dist Monthly	1.36% <sup>#</sup>	Tranche G AUD Hedged Acc	1.36% <sup>#</sup>
	Tranche G CAD Hedged Dist Monthly	1.36% <sup>#</sup>	Tranche G CAD Hedged Acc	1.35% <sup>#</sup>
	Tranche G SGD Hedged Dist Monthly	1.36% <sup>#</sup>	Tranche G SGD Hedged Acc	1.36% <sup>#</sup>
	Tranche G NZD Hedged Dist Monthly	1.35% <sup>#</sup>	Tranche G NZD Hedged Acc	1.35% <sup>^</sup>
	Tranche G RMB Hedged Dist Monthly	1.36% <sup>#</sup>	Tranche G RMB Hedged Acc	1.36% <sup>#</sup>
<p><sup>#</sup> The ongoing charges figure is based on the ongoing expenses chargeable to the respective Share Tranche in the latest interim financial statements for the period ended 30 June 2023 (covering the period from 1 January 2023 to 30 June 2023) and the latest annual financial statements (covering the period from 1 July 2022 to 31 December 2022) expressed as a percentage of the average net asset value of the respective Share Tranche for the same period. This figure may vary from year to year.</p> <p><sup>^</sup> The ongoing charges figure for this unlaunched or recently launched Share Tranche is an estimate only and is calculated by aggregating all the estimated ongoing fees (expressed as a percentage of the net asset value of the Share Tranche). The actual figures may be different upon actual operation of the Share Tranches and the figures may vary from year to year.</p> <p><sup>+</sup> As this Share Tranche has been fully redeemed, the ongoing charges figure is an estimate only and is based on ongoing charges figure for a reference Share Tranche which has a similar fee structure. The actual figure may be different upon actual operation of the Share Tranche and the figure may vary from year to year.</p>				
<b>Dealing frequency</b>	Daily (each day on which banks in Dublin and London and the New York Stock Exchange and London Stock Exchange are open for business)			
<b>Base currency</b>	US Dollar			

<b>Dividend policy</b>	<p>Distribution Share Tranches* – Declared and paid monthly on a discretionary basis.</p> <p>For Accumulation Share Tranches, no dividend will be paid.</p> <p>* The Directors may, at their discretion declare dividends out of net realised and unrealised gains. Payment of distributions out of unrealized gains amounts to distribution out of capital under Hong Kong regulatory disclosure requirements. The Directors may, at their discretion, also declare dividends out of gross investment income while charging some or all fees out of capital (i.e. effectively paying dividends out of capital) and/or out of capital. Payment of dividends out of unrealized gains, effectively out of capital and/or out of capital may result in an immediate reduction of the Fund's Net Asset Value per Share.</p>		
<b>Financial year end</b>	31 December		
<b>Min. investment:</b>		<b>Initial min. investment**:</b>	<b>Subsequent min. investment:</b>
	<b>Distribution Share Tranches</b>		
	Tranche G USD Dist Monthly	USD 1,000	Nil
	Tranche G HKD Unhedged Dist Monthly	HKD 10,000	Nil
	Tranche G EUR Hedged Dist Monthly	EUR 1,000	Nil
	Tranche G GBP Hedged Dist Monthly	GBP 1,000	Nil
	Tranche G AUD Hedged Dist Monthly	AUD 1,000	Nil
	Tranche G CAD Hedged Dist Monthly	CAD 1,000	Nil
	Tranche G SGD Hedged Dist Monthly	SGD 1,000	Nil
	Tranche G NZD Hedged Dist Monthly	NZD 1,000	Nil
	Tranche G RMB Hedged Dist Monthly	RMB 10,000	Nil
	<b>Accumulation Share Tranches</b>		
	Tranche G USD Acc	USD 1,000	Nil
	Tranche G HKD Unhedged Acc	HKD 10,000	Nil
	Tranche G EUR Hedged Acc	EUR 1,000	Nil
	Tranche G GBP Hedged Acc	GBP 1,000	Nil
	Tranche G AUD Hedged Acc	AUD 1,000	Nil
	Tranche G CAD Hedged Acc	CAD 1,000	Nil
	Tranche G SGD Hedged Acc	SGD 1,000	Nil
	Tranche G NZD Hedged Acc	NZD 1,000	Nil
	Tranche G RMB Hedged Acc	RMB 10,000	Nil
	<p>** Minimum subscription for Share Tranches is USD 100,000 (or the currency equivalent). However, the Directors will waive the minimum subscription level to the level set out above if invested through an intermediary or financial institution.</p>		
<p><b>WHAT IS THIS PRODUCT?</b></p> <p>Barings Global Senior Secured Bond Fund is a sub-fund of Barings Umbrella Fund plc, which is a mutual fund domiciled in Ireland. Its home regulator is the Central Bank of Ireland.</p>			
<p><b>OBJECTIVES AND INVESTMENT STRATEGY</b></p> <p><b>Investment Objective</b></p> <p>The investment objective of the Fund is to provide high current income generation and, where appropriate, capital appreciation.</p>			

## Policies

To achieve its investment objective, the Fund will invest principally in a portfolio of fixed and floating rate corporate bonds, notes and other fixed and floating rate income securities that are either secured or unsecured, and, either senior or subordinated (i.e. non-senior), focusing primarily on North American and European senior secured high yield (i.e. sub-investment grade) instruments which are listed or traded on recognised markets in Europe or North America (i.e. at least 50% of the Fund's Net Asset Value in aggregate). Secured debt means that collateral has been pledged as security against default. Investors in senior debt instruments are legally entitled to be repaid ahead of investors in subordinated instruments issued by the same corporation. Sub-investment grade means a rating which is "BB+" or lower from the ratings agency Standard & Poor's or Fitch, "Ba1" or lower from Moody's Investor Services, or the equivalent rating of another internationally recognised rating agency. Where an eligible asset is not rated by an internationally recognised rating agency, the Investment Manager may determine its own assessment of credit quality and assign an agency equivalent rating to the asset. In the case of new issuance expected ratings may be used and further issuer level ratings may be applied if available where security issue level ratings are unavailable. Subordinated issuer level ratings may also be used for unrated subordinated instruments.

While the Fund will invest principally in North American and European issuers, it may also invest in issuers located in other geographic areas, subject to a limit of 5% of Net Asset Value in issuers from emerging markets in the non-OECD member states with a sub-investment grade sovereign credit rating.

For avoidance of doubt, the Fund may invest up to 100% of its Net Asset Value in high yield instruments (including secured/unsecured and senior/subordinated).

The Fund is also permitted to invest to a lesser extent in other types of debt instruments such as unsecured high yield bonds, investment grade bonds, cash and near cash, deposits, money market instruments (such as short term commercial paper, bankers' acceptances, bank notes, government securities, certificates of deposit and, subject to a limit of 10% of Net Asset Value, certain loan instruments (which may be securitised or unsecuritised) which qualify as money market instruments in accordance with the requirements of the Central Bank), convertible bonds including contingent convertible bonds (subject to a limit of 10% of Net Asset Value) which are not expected to be materially leveraged, and units and/or shares in collective investment schemes (subject to a limit of 10% of Net Asset Value) where such investment is consistent with the investment objective of the Fund.

The Fund will invest at least 50% of its Net Asset Value in assets which exhibit positive or improving environmental and/or social characteristics. Issuers that exhibit positive or improving environmental, social and governance ("ESG") characteristics are selected through the Investment Managers' proprietary ESG scoring methodology, which is supported with the use of third party issuer-specific ESG data where coverage allows.

The Fund may invest less than 30% of its net assets in debt instruments with loss absorption features ("LAP") e.g. contingent convertible bonds, Tier 2, Tier 3, external LAC debt instruments and certain similar debt instruments issued by a holding company of a financial institution which exhibit LAP features). LAP is intended to capture debt instruments with features of contingent write-down or contingent conversion to ordinary shares on the occurrence of (a) when a financial institution is near or at the point of non-viability or (b) when the capital ratio of a financial institution falls to meet a specified level. Under extraordinary market conditions (which includes, for example, economic conditions, political risks or world events, high downside risks during uncertainties, or closure of relevant market(s) due to unexpected events, such as political unrest, war or bankruptcy of large financial institutions), investment may be made into asset classes other than those in which the Fund is normally invested in order to mitigate the Fund's exposure to market risk. During such periods, the Fund may temporarily invest up to 100% of its Net Asset Value in cash, deposits, treasury bills, government bonds or short-term money market instruments or have substantial holdings in cash and cash equivalents. The Fund may make investments in money market instruments pending investment of subscription monies or payment of redemption proceeds.

The Fund is not expected to invest more than 10% of its Net Asset Value in securities issued and/or guaranteed by a single sovereign (including its government, a public or local government of that country) which is rated sub-investment grade.

The Fund intends to limit the use of derivative instruments to (i) currency forward contracts to hedge currency risk, (ii) convertible bonds including contingent convertible bonds and (iii) warrants for investment purposes.

## USE OF DERIVATIVES

The Fund's net derivative exposure may be up to 50% of the Fund's Net Asset Value.

## WHAT ARE THE KEY RISKS?

Investment involves risks. Please refer to the offering document for details including the risk factors.

### 1. Investment risk

- The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. The Fund is an investment fund and is not in the nature of a bank deposit. There is no guarantee of repayment of principal.

**2. Concentration risk**

- The Fund's investment may be concentrated in the North American and European markets and the value of the Fund may be more volatile than that of a fund having a more diverse portfolio of investments.
- The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the North American and European markets.
- In light of ongoing concerns on the sovereign debt risk of certain countries within the Eurozone, the Fund's investments in the region may be subject to higher volatility, liquidity, currency and default risks. Any adverse events, such as credit downgrade of a sovereign or exit of EU members from the Eurozone, may have a negative impact on the value of the Fund.

**3. Risks of investing in sub-investment grade and/or unrated debt instruments**

- The Funds may invest in sub-investment grade and/or unrated debt instruments such as high yield bonds, which carry greater credit risk and lower liquidity than investment grade instruments.
- Sub-investment grade and/or unrated debt instruments are subject to the increased risk of loss of principal and interest due to an issuer's inability to meet principal and interest obligations than higher-rated debt securities.
- These instruments may be subject to greater price volatility due to such factors as specific corporate developments, interest rate sensitivity, negative perceptions of the financial markets generally and less secondary market liquidity.

**4. Risk of investing in senior secured debt instruments**

- Investment in senior secured debt instruments are still subject to credit/default risk of the issuer of the debt instruments. Whilst collateral is pledged for senior secured debt instruments against default and such instruments are legally entitled to be repaid ahead of investors in subordinated instruments issued by the same issuer, there is no guarantee of the repayment of principal of investment and investors may still suffer losses.

**5. Credit risk**

- The Fund is exposed to the credit/default risk of issuers of debt securities that the Fund may invest in.

**6. Risks of interest rate fluctuations**

- Investment in the Fund is subject to risks of interest rate fluctuations. In general, when interest rates decline, the value of fixed income securities generally can be expected to rise and vice versa.

**7. Downgrading risk**

- The credit rating of a debt instrument or its issuer may subsequently be downgraded. In the event of such downgrading, the value of the Fund may be adversely affected. The Manager or the Investment Manager may or may not be able to dispose of the debt instruments that are being downgraded.

**8. Valuation risk**

- Valuation of the Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Fund.

**9. Credit rating risk**

- Credit ratings assigned by rating agencies are also subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

**10. Risks associated with derivative instruments**

- The Fund may have exposure to derivatives for hedging and/or investment purposes. Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivative by the Fund. Exposure to derivatives may lead to a high risk of significant loss by the Fund.

**11. Currency risk**

- The underlying investments of the Fund may be denominated in currencies other than the base currency of the Fund. Also, a tranche of shares of the Fund may be designated in a currency other than the base currency of the Fund. The net asset value of the Fund may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.

**12. Charges deducted from capital/Risks relating to distribution**

- The Fund may, at the discretion of the Directors, distribute dividends out of net realised and unrealised gains of the Fund attributable to the Distribution Share Tranches. Payment of dividends out of unrealised gains amounts to distribution out of capital under Hong Kong regulatory disclosure requirements. The Directors may also declare

dividends out of capital and/or declare dividends out of gross investment income while charging some or all fees and expenses out of capital. Payment of dividends out of gross investment income while charging some or all fees and expenses out of capital resulting in an increase in distributable income for the payment of dividends by the Fund mean the Fund may effectively pay dividends out of capital. Payment of distributions under such circumstances amount to a return or withdrawal of part of an investor's original investment or from any gains attributable to that original investment. Any distributions involving payment of unrealised gains as dividends (which mean effectively paying dividend out of capital), payment of dividends effectively out of the Fund's capital and/or payment of dividends out of capital may result in an immediate reduction of the Fund's net asset value per share.

- The distribution amount and net asset value of the Hedged Tranche(s) may be adversely affected by differences in the interest rates of the reference currency of the Hedged Tranche and the Fund's base currency, resulting in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than other non-hedged tranches.

### **13. Risks associated with instruments with loss-absorption features**

- Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of certain trigger event(s) (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments.
- In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.
- A Fund may invest in contingent convertible debt securities which are highly complex and are of high risk. Upon the occurrence of the trigger event, contingent convertible debt securities may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on contingent convertible debt securities are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.
- A Fund may invest in senior non-preferred debts (e.g. Tier 3 securities). While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.

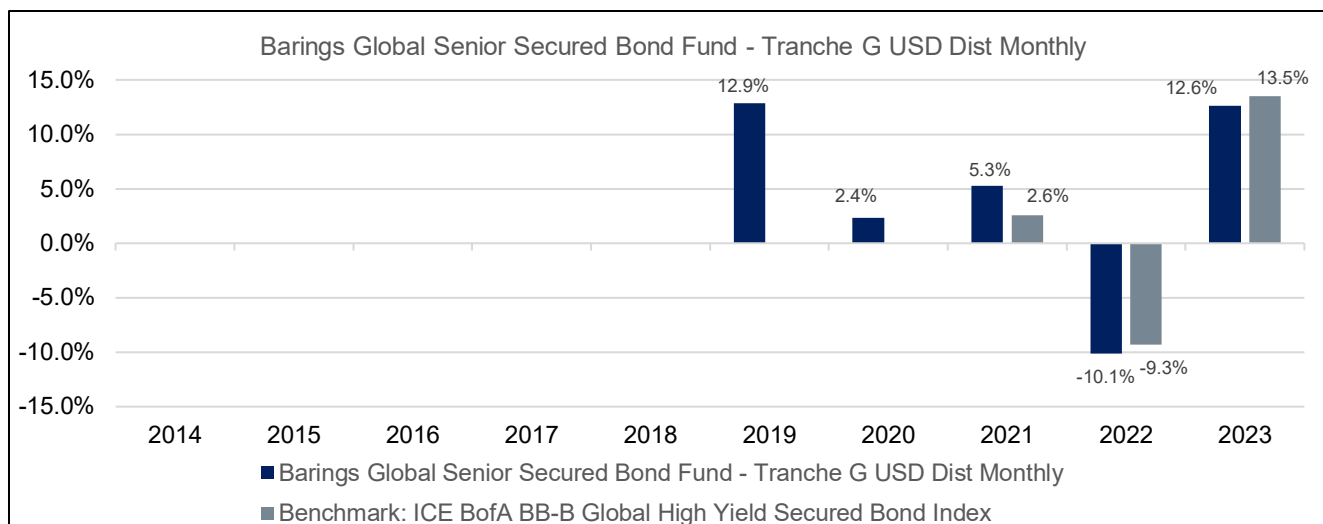
### **14. RMB classes related risk**

- RMB is currently not freely convertible and is subject to exchange controls and restrictions.
- Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currencies (for example USD) will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment in the Fund.
- Although offshore RMB (CNH) and onshore RMB (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors.
- Non-RMB based investors in share classes denominated in RMB may have to convert USD or other currency(ies) into RMB when investing in share classes denominated in RMB and subsequently convert the RMB redemption proceeds and/or dividend payment (if any) back to USD or such other currency(ies). Investors will incur currency conversion costs and you may suffer losses depending on the exchange rate movements of RMB relative to USD or such other currencies.
- Under exceptional circumstances, payment of realisation proceeds and/or dividend payment from underlying investments to the Fund in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

### **15. Risks of ESG integration and promotion of ESG characteristics**

- The Investment Manager integrates ESG information into the investment process. In addition to ESG integration, the Fund also promotes ESG factors or characteristics within its investment policies. The use of ESG information may affect the Fund's investment performance and, as such, may perform differently compared to similar collective investment schemes.
- The Investment Manager may use third-party resources that provide ESG information. In evaluating an investment, the Investment Manager is dependent upon such information and data, which may be incomplete, inaccurate or unavailable. There is no guarantee that such ESG information or the way in which it is implemented is fair, correct, accurate, reasonable or complete.
- Investor and societal sentiment towards ESG concepts and topics may change over time, which may affect the demand for ESG-based investments and may also affect their (and, in turn, the Fund's) performance.

## **HOW HAS THE FUND PERFORMED?**



Source: Barings

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much the Tranche G USD Dist Monthly increased or decreased in value during the calendar year being shown. Performance data has been calculated in US dollars, including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Tranche G USD Dist Monthly is selected as representative Share Tranche as it is a Share Tranche offered to the public in Hong Kong and is denominated in the Fund's base currency.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- The Fund formally adopted ICE BofA BB-B Global High Yield Secured Bond Index as the benchmark with effect from 31 August 2020 which is used only for risk management and performance comparison purposes. The Fund is not designed to track the benchmark and its investments are not constrained by the benchmark.
- Since the benchmark has been adopted for less than a full calendar year in 2020, the past performance of the benchmark prior to and including 2020 is not provided.
- Fund launch date: 2011
- Tranche G USD Dist Monthly launch date: Oct 2018

**IS THERE ANY GUARANTEE?**

The Fund does not have any guarantees. You may not get back the full amount of money you invest.

**WHAT ARE THE FEES AND CHARGES?**

**Charges which may be payable by you**

You may have to pay the following fees when dealing in the shares of the Fund.

Fee	What you pay
Subscription fee (Preliminary charge)	Up to 5%
Switching fee (Conversion fee) +	For switching into Tranche G Shares, up to 5%
Redemption fee	Nil

+ Any switching fee/conversion fee charged by the distributors may still apply.

**Ongoing fees payable by the Fund**

The following expenses will be paid out of the Fund. They affect you because they reduce the return you get on your

investments.

	<b>Annual rate (as a % of the Fund's net asset value ("NAV")), unless otherwise specified</b>
<b>Management fee</b>	1.25% of the Fund's NAV attributable to the relevant Tranche
<b>Depository fee</b>	Included in the administration, depository and operating expenses
<b>Performance fee</b>	Not applicable
<b>Administration, depository and operating expenses*</b>	Up to 0.20% of the Fund's NAV attributable to the relevant Tranche
<b>Transaction fee</b>	At normal commercial rates
<b>Hedging expenses</b>	Currently up to 0.0125% of the Fund's NAV of the Hedged Tranches**

\* The administration, depository and operating expenses include the aggregate fees and expenses of the Administrator and Depository and certain other fees and ongoing expenses. Please refer to the offering document for further details.

\*\* At least one month's notice will be given to investors should the current maximum permitted level of hedging expenses be increased up to the specified permitted level as set out in the offering document.

#### **Other fees**

You may have to pay other fees when dealing in the shares of the Fund. The Fund will also bear the costs which are directly attributable to it, as set out in the offering document.

#### **ADDITIONAL INFORMATION**

- You generally subscribe and redeem shares at the Fund's next-determined NAV per share attributable to the relevant Share Tranche after your request is received in good order by Baring Asset Management (Asia) Limited, the Fund's Hong Kong Representative, by 5 p.m. Hong Kong time or the Administrator by 12 noon Irish time on any dealing day (please refer to the offering documents for details of the dealing procedures and cut-off time). Before placing your subscription, redemption and/or conversion instructions, please check with your distributor for the distributor's internal dealing deadline (which may be earlier than the Fund's dealing deadline).
- The NAV of the Fund is calculated and the prices of share of the relevant Share Tranches are published for each Dealing Day, and are available online at [www.barings.com](http://www.barings.com)<sup>1</sup>.
- The composition of the dividends (i.e. the relative amounts paid out of net distributable income and capital) for the last 12 months can be obtained either through the Hong Kong Representative's website at [www.barings.com](http://www.barings.com)<sup>1</sup> or from the Hong Kong Representative on request.
- You may obtain the past performance information of other Share Tranches offered to Hong Kong investors from [www.barings.com](http://www.barings.com)<sup>1</sup>.

#### **IMPORTANT**

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

<sup>1</sup> This website has not been reviewed by the SFC and it may contain information of funds which are not authorised by the SFC.