

NB GLOBAL CORPORATE INCOME TRUST (ASX: NBI)

Global • Income • Diversification

N | B

MONTHLY INVESTMENT REPORT – AS OF 31 JANUARY 2022

INVESTMENT OBJECTIVE & STRATEGY

- Aims to provide a consistent and stable monthly income stream
- Invests in high yield bonds issued by large, liquid global companies
- Strong emphasis on capital preservation by focusing on credit quality

Market Review and Outlook

Fixed income markets were down over January sparked by a spike in equity market volatility as a result of some high-profile U.S. technology sector earnings misses and a sharp hawkish pivot by the Fed and the Bank of England. The statement released from the Federal Open Market Committee ("the Committee") highlighted that the QE drawdown remains on track to conclude in early March, that it would "soon be appropriate" to raise the fed funds rate and that balance sheet run-off would start after rate hikes; importantly, it highlighted that the fed funds rate remains the Fed's primary monetary policy tool. The Committee also published a separate document titled, "Principles for Reducing the Size of the Federal Reserve's Balance Sheet," a set of guidelines intended to govern the quantitative tightening process. The other main theme was the geopolitical tensions between Russia and the West over Ukraine, which further dampened sentiment among risk assets though they helped oil prices with Brent crude exceeding \$90/barrel for the first time since 2014 while European natural gas futures were up 20% over the month. Despite the rout in risk markets, there were no major negative fundamental news events in credit markets.

Although High Yield spreads widened in January, they are not far above historically tight levels. In our view, spreads are likely to remain in a relatively narrow range given the solid issuer fundamentals. The default rate in January declined to a new all-time low and the default outlook remains benign as evidenced by the rate of upgrades relative to downgrades and the very low share of distressed issuers. In January, the number of issuers upgraded exceeded the number downgraded for the thirteenth consecutive month.

While the persistence of inflation is no longer novel and central banks have decidedly turned hawkish, the trajectory of real GDP growth and improved pricing power should continue to be supportive of most issuers' fundamentals. Strong consumer balance sheets, growing nominal wages, strong jobs growth, businesses working to rebuild inventories and clear supply bottlenecks plus the potential for moderating inflation, should provide support for economic activity and credit conditions going forward.

NBI Review

As of end of January, NBI returned -2.37% and announced a monthly distribution of 0.804 cents per Unit, which represents an annualised distribution of 4.75% (net of fees and expenses).

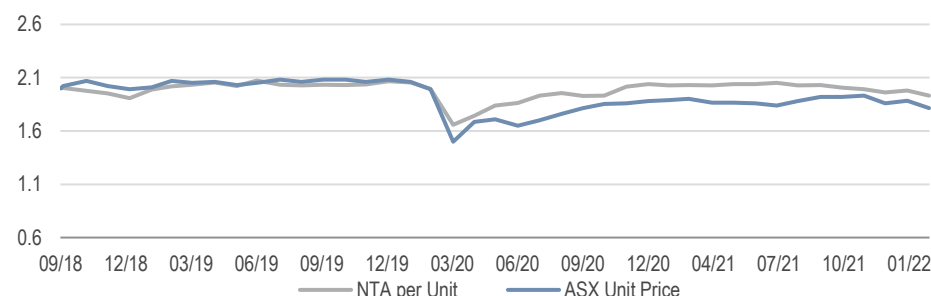
Even with the uncertainty of the pandemic, higher inflation and political risk—which could result in pockets of short-term volatility—we believe our bottom-up, fundamental credit research process focused on security selection while seeking to avoid credit deterioration and putting only our "best ideas" into portfolios, position us well to take advantage of any volatility.

PERFORMANCE (NET)²

31 January 2022	1 Mth	3 Mth	6 Mth	1 Year	2 Year	3 Year	Since Inception ³
Total Return (%)⁴	-2.37	-1.66	-2.33	0.48	2.33	4.74	4.48

Past Performance is not a reliable indicator of future performance. Periods less than one year are not annualized.

NTA PER UNIT / ASX UNIT PRICE PERFORMANCE



TRUST FACTS

Listing Date	26 September 2018
Market Cap	\$767.94 million
Net Tangible Assets (NTA)	\$861.10 million
ASX Unit Price	\$1.82
NTA per Unit	\$1.93 (cum)
Target Distribution¹	4.75% (net)
Distributions	Monthly
Management costs	0.85% p.a.
Responsible Entity	Equity Trustees Limited
Manager	Neuberger Berman Australia Limited

ABOUT NEUBERGER BERMAN

- Founded in 1939; a private, independent, employee-owned investment manager
- US\$460 billion in AUM as of December 31, 2021
- Located in 36 cities with 19 portfolio management centers across 25 countries
- The firm has considered ESG in investment processes as far back as the 1940s. For more information, please visit www.nb.com/esg

FURTHER INFORMATION AND ENQUIRIES

General
Email Info.nbi@nb.com

Boardroom (Unit Registry)
Phone 1300-032-754 (within Australia)
Phone +612-8023-5419 (outside Australia)
www.boardroomlimited.com.au
Email: enquiries@boardroomlimited.com.au

PLATFORMS

Asgard
IOOF

BT Panorama
Macquarie Wrap

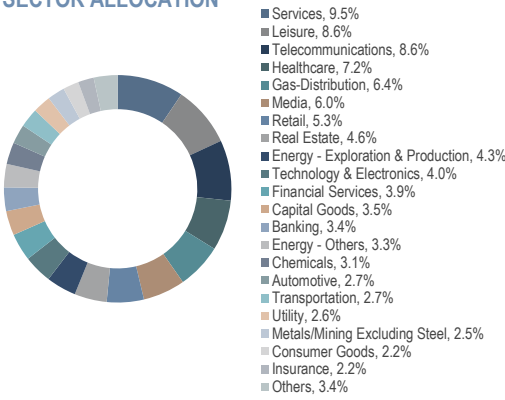
BT Wrap
MLC Wrap

CFS First Wrap
MLC Navigator

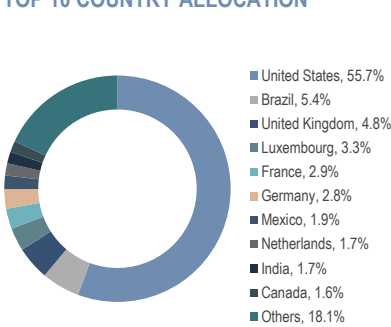
Hub 24
Netwealth

For further information and subscription details, please visit www.nb.com/NBI

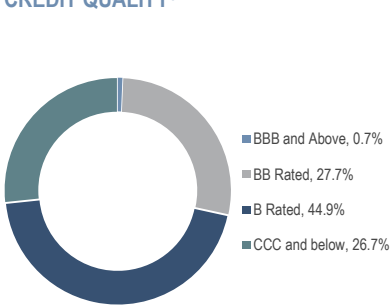
SECTOR ALLOCATION



TOP 10 COUNTRY ALLOCATION



CREDIT QUALITY⁵



TOTAL RETURNS (NET) (%) ^{2, 4}

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
FY2019	—	—	—	-1.14 ⁶	-0.87	-1.74	4.71	1.94	1.09	1.48	-1.20	3.07	7.38
FY2020	-0.70	0.04	0.85	0.33	0.69	1.94	-0.15	-2.05	-16.81	5.58	6.17	1.80	-4.22
FY2021	4.27	1.61	-0.96	0.52	4.80	1.55	-0.15	0.43	0.29	0.88	0.49	0.96	15.54
FY2022	-0.20	0.60	-0.73	-0.55	-1.16	1.91	-2.37						

Past Performance is not a reliable indicator of future performance.

DISTRIBUTIONS(¢/unit)⁷

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total	Annualised Distribution Rate ⁸
FY2019	—	—	—	0.875	0.875	0.875	0.875	0.875	0.875	0.875	0.875	2.469	9.47	6.24%
FY2020	0.899	0.899	0.899	0.899	0.899	0.899	0.899	0.899	0.899	0.899	0.899	0.971	10.86	5.28%
FY2021	0.696	0.696	0.696	0.696	0.696	0.696	0.696	0.696	0.696	0.696	0.696	1.985	9.64	5.20%
FY2022	0.804	0.804	0.804	0.804	0.804	0.804	0.804							4.75%

TOP 10 ISSUERS

	SECTOR	%
Altice France	Telecommunications	1.84
Carvana Co	Retail	1.64
Carnival Corp	Leisure	1.49
CSC Holdings LLC	Media	1.32
Blackstone CQP Holdco LP	Gas-Distribution	1.26
Commscope Holding Co Inc	Technology & Electronics	1.22
Calpine Corp	Utility	1.14
Assuredpartners Inc	Insurance	1.13
Dish DBS Corporation	Media	1.07
MultiPlan Inc	Healthcare	1.07

BOND PORTFOLIO SUMMARY

Number of Holdings	547
Number of Issuers	373
Yield to Maturity (%) ⁹	6.22
Yield to Worst (%) ¹⁰	6.06
Weighted Average Duration (years)	4.17
Average Credit Quality	B

- For FY2022, NBI has set the target distribution amount per Unit, which is paid monthly by NBI, at 4.75% p.a. (net of fees and expenses) on the NTA per Unit as at 1 July 2021 ("Target Distribution"). The Target Distribution is only a target and may not be achieved. Actual distributions will be monitored against the Target Distribution. The Target Distribution will be formally reviewed at least annually (as at the end of each financial year) and any change in Target Distribution will be notified by way of ASX announcement as required. Investors should review the "Risk Factors" set out in Section 8 of NBI's product disclosure statement dated 21 January 2020 ("2020 PDS"). Section 3.3.1 of the 2020 PDS sets out the Manager's views in relation the interest rate environment and impact on target distributions.
- 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.
- Annualised Performance since 26 September 2018 to latest month end.
- Total Return is calculated based on the pre-distribution month end NTA and assumes all distributions are reinvested.
- Credit quality ratings are based on the Bank of America ("BoFA") Merrill Lynch Master High Yield Index composite ratings. The BoFA Merrill Lynch composite ratings are updated once a month on the last calendar day of the month based on information available up to and including the third business day prior to the last business day of the month. The BoFA Merrill Lynch composite rating algorithm is based on an average of the ratings of three agencies (to the extent rated). Generally the composite is based on an average of Moody's, S&P and Fitch. For holdings that are unrated by the BoFA Merrill Lynch Index composite, credit quality ratings are based on S&P's rating. Holdings that are unrated by S&P may be assigned an equivalent rating by the investment manager. No NRSO has been involved with the calculation of credit quality and the ratings of underlying portfolio holdings should not be viewed as a rating of the portfolio itself. Portfolio holdings, underlying ratings of holdings and credit quality composition may change materially over time.
- Calculated from the listing date of 26 September 2018 to 31 October 2018.
- The most recent distribution amount has been announced, and will be paid in the following month.
- FY2019 based on the Initial Public Offer Subscription Price of \$2.00; FY2020 based on the NTA per Unit as at 1 July 2019; FY2021 based on the NTA per Unit as at 1 July 2020; FY2022 based on the NTA per Unit as at 1 July 2021;
- Yield to Maturity — The total annualised return anticipated on a bond if it is held until the end of its lifetime. Yield to maturity is considered a long-term bond yield, but is expressed as an annual rate.
- Yield to Worst — The lowest potential annualised total return that can be received on a bond without the issuer defaulting. This can be different from the yield to maturity because it assumes that the issuer will exercise any option it has to "call" the security at the earliest opportunity (to redeem and repay the principal value to an investor early).

DISCLAIMERS

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298, AFSL 240975), is the Responsible Entity for the NB Global Corporate Income Trust ("NBI"). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). This publication has been prepared by Neuberger Berman Australia Ltd (ACN 146 033 801) ("NB Australia") to provide you with general information only. In preparing this publication, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this publication. Neither NB Australia, Equity Trustees nor any of their related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accept any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of NBI's Product Disclosure Statement before making a decision about whether to invest in this product. The information contained in this publication is taken from publicly available sources that is subject to change without notice. EQT and NB Australia make no representation as to the reliability or accuracy of the publicly available information.