

NB GLOBAL CORPORATE INCOME TRUST (ASX: NBI)

Global • Income • Diversification

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MONTHLY INVESTMENT REPORT – AS OF 30 June 2023

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

The global high yield bond market finished the month of June and the second quarter with solid returns, mostly driven by resilient economic data, slowing inflation and better than expected earnings results from most issuers. Spreads tightened significantly over the month on receding recession fears and despite a more hawkish tone from central banks. U.S. 10-Year Treasury yields ended the month at 3.81%, rising 33 basis points since the end of the first quarter and up 83 basis points from a year ago. Yields on 10-year U.K. Gilts and German Bunds also rose over the month. Broadly, global high yield issuer fundamentals of free cash flow, interest coverage and leverage have remained in favorable ranges with most global high yield issuers well-positioned to navigate the current environment.

While default rates have risen off the lows reached earlier last year, we expect defaults in 2023 and 2024 to remain in a range that are below or around the long-term averages. This outlook is based on our bottom-up assessment of issuers, and driven by the higher-quality ratings mix in global high yield (57% of issuers with credit ratings of BB), less aggressive new issuance, fewer near-term maturities, as well as an energy sector that is far healthier than in the past few cycles. As for EM high yield corporates, the overall default rate started this year in the mid-teens due to non-payment by Russian and Ukrainian issuers, and due to the elevated defaults in the China property sector. Excluding those specific areas, we expect the EM high yield corporate default rate to be relatively benign at around 3.3% in 2023, as EM corporates have entered this period with reasonable liquidity on average.

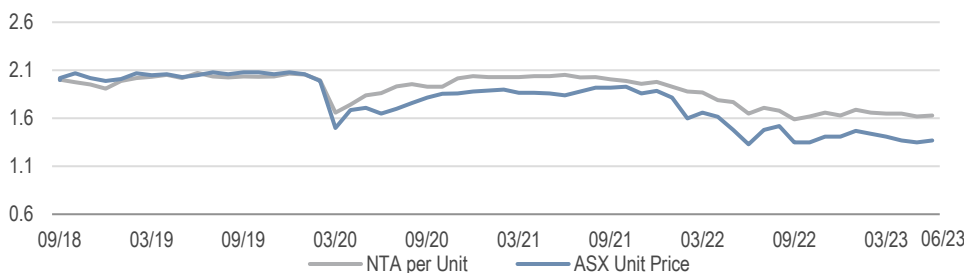
In our view, global high yield valuations and yields are compensating investors for the relatively benign default outlook. While real GDP growth has slowed, it remains positive and slowing real demand has helped inflation come down from last year's peak. The lagged effects of monetary tightening, rising inventories and changes in consumer behavior are likely to continue to push the rate of inflation in a downward trend which has already led to a pause in some central banks' rate hike campaigns. While the incoming macroeconomic data and overall credit cycle dynamics can move global high yield markets day-to-day, we remain very focused on industry-specific trends and idiosyncratic risks to individual issuers.

PERFORMANCE BASED ON NTA (NET)²

30 June 2023	1 Mth	3 Mth	6 Mth	1 Year	2 Year	3 Year	Since Inception ³
Total Return (%) ⁴	1.65	1.36	4.11	7.51	-4.59	1.69	1.66

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



PLATFORMS

Asgard	BT Panorama	CFS First Wrap	Hub 24	IOOF
Macquarie Wrap	MLC Wrap	MLC Navigator	Netwealth	

TRUST FACTS

Listing Date	26 September 2018
Market Cap	\$591.16 million
Net Tangible Assets (NTA)	\$704.37 million
ASX Unit Price	\$1.37
NTA per Unit	\$1.63 (cum)
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\$443.1 billion in AUM as of Jun 30, 2023
- Located in 39 cities with 20 portfolio management centers across 26 countries
- The firm has considered ESG in investment processes as far back as the 1940s. For more information, please visit www.nb.com/esp

FURTHER INFORMATION AND ENQUIRIES

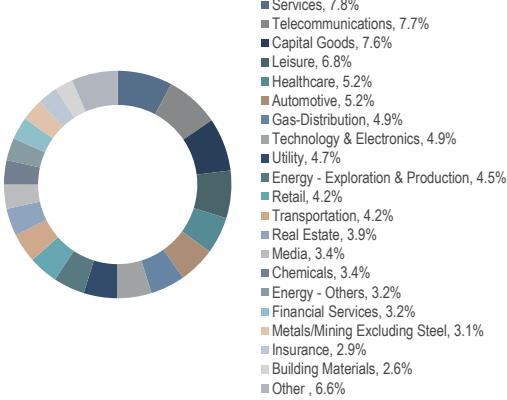
General

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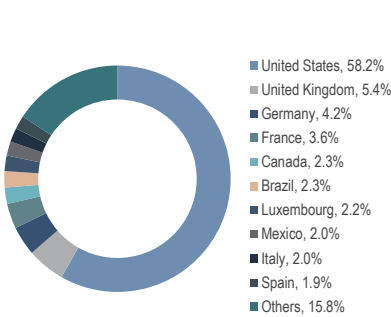
Boardroom (Unit Registry)

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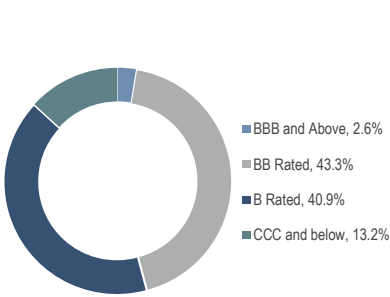
SECTOR ALLOCATION



TOP 10 COUNTRY ALLOCATION



CREDIT QUALITY⁵



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

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
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	-2.02	-0.13	-3.53	-0.71	-7.33	-15.34
FY2023	5.46	-1.33	-4.82	2.63	2.48	-0.87	4.05	-1.46	0.18	0.49	-0.77	1.65	7.51

Past Performance is not a reliable indicator of future performance.

DISTRIBUTIONS (¢/unit)⁶

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
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
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
FY2022	0.805	0.805	0.805	0.805	0.805	0.805	0.805	0.805	0.805	0.805	0.805	1.012	9.87
FY2023	0.711	0.711	0.711	0.711	0.711	0.711	0.711	0.711	1.218	1.218	1.218	1.218	10.56

TOP 10 ISSUERS

	SECTOR	%
Ford Motor Co	Automotive	1.87%
American Airlines Group	Transportation	1.67%
First Quantum Minerals Ltd.	Basic Industry	1.52%
AssuredPartners Inc	Insurance	1.18%
TransDigm Inc	Capital Goods	1.14%
Prime Security Services	Services	1.11%
Petroleos Mexicanos	Energy	1.07%
Calpine Corp	Utility	0.98%
OneMain Finance Corp	Financial Services	0.97%
Charter Communications	Media	0.92%

BOND PORTFOLIO SUMMARY

Number of Holdings	612
Number of Issuers	391
Yield to Maturity (%) ⁷	8.63
Yield to Worst (%) ⁸	8.63
Weighted Average Duration (years)	3.93
Average Credit Quality	B+
Current Yield (%)	6.56

- 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 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.
- The most recent distribution amount has been announced, and will be paid in the following month. For summary purposes monthly distribution figures have been rounded to 3 decimal places and total financial year distribution figures have been rounded to 2 decimal places. Actual distribution figures can be found on the ASX website. Certain monthly distributions include a return of capital. Please refer to your monthly distribution statement and AMMA statement for further detail.
- 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. A copy of NBI's Product Disclosure Statement is available at www.nb.com/NBI. 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.