



Barings UK Unit Trusts

Annual Report & Audited Financial
Statements

for the year ended 31 August 2022

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For the year ended 31 August 2022

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* These pages, together with the investment report, directors' statement, trust information table disclosure and portfolio statement of each trust comprise the Manager's Report

Barings UK Unit Trusts

Introduction

The Annual Reports and Audited Financial Statements for the year from 1 September 2020 to 31 August 2021 reviewed the performance and market outlook for seven of the unit trusts managed by Baring Fund Managers Limited ("the Manager") which comprised of the Barings Dynamic Capital Growth Fund, the Barings Eastern Trust, the Barings European Growth Trust, the Barings Europe Select Trust, the Barings German Growth Trust, the Barings Japan Growth Trust and the Barings Strategic Bond Fund.

These Annual Reports and Audited Financial Statements cover the year from 1 September 2021 to 31 August 2022 and review the performance and market outlook for four of the unit trusts managed by Baring Fund Managers Limited ("the Manager"). These comprise the Barings Eastern Trust, the Barings European Growth Trust, the Barings Europe Select Trust and the Barings German Growth Trust ("the Trusts").

The Barings Dynamic Capital Growth Fund (the "Fund") closed on 3 December 2019, Barings Japan Growth Trust (the "Trust") closed on 6 December 2021 and Barings Strategic Bond Fund (the "Fund") closed on 18 January 2022. The Final Accounts and Audited Financial Statements for the closed Trusts were prepared for the period ended 12 August 2022, and therefore have been excluded from these Annual Reports and Audited Financial Statements for the year ended 31 August 2022.

Baring Asset Management Limited is the Investment Manager for the Trusts.

The functional and presentational currency for all the Trusts is Sterling except for the Barings German Growth Trust where the functional and presentational currency is Euros.

As an investor in one of the Trusts, your money is pooled with that of other investors in the same Trust and invested by the Manager in line with the Investment Objective of the particular trust.

The financial statements of the Trusts have been produced on a Going Concern basis.

For further information about the Trusts please visit the Barings website, www.barings.com.

Trusts Available in Hong Kong

Warning: In relation to the Trusts as set out in this annual report, the following Trusts are authorised by the Securities and Futures Commission ("SFC") pursuant to Section 104 of the Securities and Futures Ordinance of Hong Kong ("SFO") and hence may be offered to the public of Hong Kong:

- Barings Europe Select Trust
- Barings Eastern Trust
- Barings European Growth Trust
- Barings German Growth Trust

The SFC's authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

COVID-19

The spread of COVID-19 around the world continued in 2022. While the degree of disruption and market volatility within international markets seemed reduced in comparison to 2020, COVID-19 continues to impact not only demand for goods and services, but also supply chains. Uncertainty remains around the breadth and duration of business disruptions related to COVID-19, as well as its impact on international economies. The Manager continues to actively monitor the extent of the impact to its operations, financial accounting and reporting.

Russia/Ukraine Crisis

The ongoing conflict between Russia and Ukraine has led to significant disruption and volatility in the global stock market. As at 31 August 2022, the Trusts did not have any exposure to Russian and Ukrainian investments. The future ramifications of the evolving conflict may not be limited to Russia and Russian companies or Ukraine but may spill over to other regional and global economic marks, and the extent of the resulting impact is uncertain.

Barings Eastern Trust

Investment Objective and Policy and Trust at a Glance

Investment Objective and Policy

The investment objective of the Barings Eastern Trust (the “Trust”) until 18 July 2022 was to achieve capital growth by investing in the Asia Pacific region excluding Japan. From 18 July 2022, the Trust aims to provide a total return, including both capital growth and dividend income (after fees have been deducted), in excess of the MSCI AC Asia ex Japan (Total Net Return) Index over a rolling five year period by investing in equity and equity related securities in the Asia region excluding Japan.

The Trust will seek to achieve its investment objective by investing at least 70% of its total assets directly and indirectly in equities and equity-related securities of companies incorporated in, or exercising the predominant part of their economic activity in the Asia region excluding Japan, or quoted or traded on the stock exchanges in those countries, including developed and emerging markets.

The Trust will invest at least 50% of the Trust’s total assets in equities of companies that exhibit positive or improving environmental, social and governance (ESG) characteristics. Such companies are selected through the use of proprietary research supported with the use of third party data. This analysis is also an important driver behind the Investment Manager’s policy of active company engagement in which the Investment Manager seeks to influence (or identify the need to influence) ESG practices and to improve disclosure.

The Trust may invest up to 30% of its total assets directly and indirectly in equities and equity related securities of companies outside of the Asia region excluding Japan, as well as in fixed income and cash. Furthermore, it may also invest up to 50% of its total assets in equities and equity related securities of companies that exhibit less positive environmental, social and governance (ESG) characteristics.

In order to implement the investment policy the Trust may gain indirect exposure through American depositary receipts, global depositary receipts and other equity related securities including participation notes, structured notes, equity-linked notes and debt securities convertible into equities. The Trust may also obtain indirect exposure through investments in collective investment schemes (including collective investment schemes managed by the Manager or an associate of the Manager) and other transferable securities. It may also use derivatives including futures, options, swaps, warrants and forward contracts for efficient portfolio management (including hedging).

Please refer to the Prospectus for the full investment objective and policy.

Benchmark

Until 18 July 2022, the Trust was not managed to a benchmark, however, the Manager used the MSCI AC Asia ex Japan (Total Net Return) Index to assess the Trust’s performance.

From 18 July 2022, the MSCI AC Asia ex Japan (Total Net Return) Index is the target benchmark. The benchmark has been selected as it tracks the performance of large and medium sized companies from developed and emerging Asian countries. The benchmark constituents are not required to exhibit positive/improving ESG characteristics.

The Trust is actively managed and targets outperformance of the benchmark over a five year period. There is however no guarantee that this objective will be achieved over any time period. The Trust is not constrained by the benchmark and can make investments in securities that are not included in the benchmark. Differences in the performance of the Trust compared to the benchmark may also arise as a result of application of the UK UCITS Rules prescribing portfolio concentration and liquidity limits, which are not applied to the benchmark. The Manager considers the benchmark is appropriate based on the investment policy of the Trust.

How the Trust is Managed

At Barings, our equity investment teams share the philosophy of quality “Growth at a Reasonable Price” (GARP). We believe that earnings growth is the principal driver of equity market performance over the medium to long term, and favour high-quality companies for their ability to outperform the market on a risk-adjusted basis. In particular, we believe that structured fundamental research and a disciplined investment process combining quality, growth, upside, and ESG considerations can allow us to identify attractively priced, long-term growth companies which will outperform the market. Our approach emphasises both growth and quality criterion when looking at companies and a three- to five-year time horizon when forecasting company earnings. In determining upside, we use consistent and transparent methods to place emphasis on discounted earnings models. We value companies on a long-term basis utilizing proprietary valuation models that incorporate ESG analysis and macro considerations.

Barings Eastern Trust

Investment Objective and Policy and Trust at a Glance (continued)

Risk Profile

Please see detailed below the key risks applicable to the Trust:

- Changes in exchange rates between the currency of the Trust and the currencies in which the assets of the Trust are valued can have the effect of increasing or decreasing the value of the Trust and any income generated.
- Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. Coupled with less developed regulation, this means your money is at greater risk.
- Regional Trusts have a narrower focus than those which invest broadly across markets and are therefore considered to be more risky.
- Derivative instruments can make a profit or a loss and there is no guarantee that a financial derivative contract will achieve its intended outcome. The use of derivatives can increase the amount by which the Trust's value rises and falls and could expose the Trust to losses that are significantly greater than the cost of the derivative as a relatively small movement may have a larger impact on derivatives than the underlying assets.
- Losses may occur if an organisation through which we buy an asset (such as a bank) fails to meet its obligations.
- Liquidity risk exists when a particular security or instrument is difficult to purchase or sell. If the amount of a transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives, structured products, etc), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

Please refer to the Prospectus for the full risk profile.

Barings Eastern Trust

Investment Objective and Policy and Trust at a Glance (continued)

The Trust at a Glance on 31 August 2022

Total Trust size: 31 August 2022	£111.35 million	
Total Trust size: 31 August 2021	£175.52 million	
OCF*	31/08/2022	31/08/2021
Class A GBP Acc	1.72%	1.68%
Class A GBP Inc	1.72%	1.68%
Class A USD Acc	1.72%	1.68%
Class D GBP Inc	0.80%	0.78%
Class I GBP Acc	0.97%	0.93%
Class I GBP Inc	0.97%	0.93%
Class I USD Acc	0.97%	0.93%
	Initial charge	Annual charge
Class A GBP Acc	up to 5.00%	1.50%
Class A GBP Inc	up to 5.00%	1.50%
Class A USD Acc	up to 5.00%	1.50%
Class D GBP Inc	Nil	0.60%
Class I GBP Acc	Nil	0.75%
Class I GBP Inc	Nil	0.75%
Class I USD Acc	Nil	0.75%
	Minimum initial investment	Minimum subsequent investment
Class A GBP Acc	£1,000	£500
Class A GBP Inc	£1,000	£500
Class A USD Acc	US\$5,000	US\$2,500
Class D GBP Inc	£30,000,000	£500
Class I GBP Acc	£10,000,000	£500
Class I GBP Inc	£10,000,000	£500
Class I USD Acc	US\$10,000,000	US\$2,500

* The Ongoing Charge Figure ("OCF") reflects the payments and expenses which cover aspects of operating the Trust and is deducted from the assets over the year. It includes fees paid for investment management, trustee and general charges. The OCF figures for the current year have increased due to a significant decrease in the Trust's average net asset value during the year in comparison to prior year.

Price per unit	(pence/cents per unit)
Class A GBP Acc	1,355.00p
Class A GBP Inc	1,319.00p
Class A USD Acc	1,570.00c
Class D GBP Inc	1,372.00p
Class I GBP Acc	1,439.00p
Class I GBP Inc	1,369.00p
Class I USD Acc	1,588.00c

Barings Eastern Trust

Trust Information

	Class A GBP Acc - Accumulation units			Class A GBP Inc - Distribution units		
	31/08/2022	31/08/2021	31/08/2020	31/08/2022	31/08/2021	31/08/2020
	(p)	(p)	(p)	(p)	(p)	(p)
Change in net assets per unit						
Opening net asset value per unit	1,705.24	1,367.55	1,058.69	1,659.61	1,330.69	1,030.11
Return before operating charges	(327.10)	364.56	327.84	(318.31)	355.34	318.95
Operating charges	(25.34)	(26.87)	(18.98)	(24.55)	(26.42)	(18.37)
Return after operating charges	(352.44)	337.69	308.86	(342.86)	328.92	300.58
Distributions	–	–	–	–	–	–
Closing net asset value per unit after direct transaction costs of*	1,352.80	1,705.24	1,367.55	1,316.75	1,659.61	1,330.69
	4.16	3.55	2.16	4.03	3.49	2.09
Performance						
Return after charges	(20.67)%	24.69%	29.17%	(20.66)%	24.72%	29.18%
Other information						
Closing net asset value ('000)	£20,791	£32,858	£34,125	£97	£122	£78
Closing number of units	1,536,910	1,926,902	2,495,332	7,365	7,364	5,879
Operating charges	1.72%	1.68%	1.69%	1.72%	1.68%	1.69%
Direct transaction costs	0.28%	0.22%	0.19%	0.28%	0.22%	0.19%
Prices						
Highest unit price	1,735.00	1,887.00	1,411.00	1,689.00	1,837.00	1,373.00
Lowest unit price	1,254.00	1,358.00	935.90	1,221.00	1,322.00	910.70
	Class A USD Acc - Accumulation units			Class D GBP Inc - Distribution units		
	31/08/2022	31/08/2021	31/08/2020	31/08/2022	31/08/2021	31/08/2020
	(c)	(c)	(c)	(p)	(p)	(p)
Change in net assets per unit						
Opening net asset value per unit	2,343.36	1,817.11	1,285.89	1,711.85	1,368.13	1,055.20
Return before operating charges	(745.13)	563.60	557.73	(329.83)	365.88	329.39
Operating charges	(30.15)	(37.35)	(26.51)	(12.28)	(12.58)	(8.91)
Return after operating charges	(775.28)	526.25	531.22	(342.11)	353.30	320.48
Distributions	–	–	–	(13.32)	(9.58)	(7.55)
Closing net asset value per unit after direct transaction costs of*	1,568.08	2,343.36	1,817.11	1,356.42	1,711.85	1,368.13
	4.95	4.93	3.02	4.34	3.58	2.17
Performance						
Return after charges	(33.08)%	28.96%	41.31%	(19.98)%	25.82%	30.37%
Other information						
Closing net asset value ('000)	\$704	\$2,376	\$1,445	£5,288	£33,410	£32,522
Closing number of units	44,874	101,386	79,523	389,833	1,951,671	2,377,126
Operating charges	1.72%	1.68%	1.69%	0.80%	0.78%	0.79%
Direct transaction costs	0.28%	0.22%	0.19%	0.28%	0.22%	0.19%
Prices						
Highest unit price	2,388.00	2,611.00	1,857.00	1,742.00	1,896.00	1,419.00
Lowest unit price	1,545.00	1,743.00	1,077.00	1,265.00	1,359.00	937.80

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs such as dealing spread and underlying costs with regard to Investment Fund holdings which will also have reduced the Trust and unit class returns before operating charges.

Barings Eastern Trust

Trust Information (continued)

	Class I GBP Acc - Accumulation units			Class I GBP Inc - Distribution units		
	31/08/2022	31/08/2021	31/08/2020	31/08/2022	31/08/2021	31/08/2020
	(p)	(p)	(p)	(p)	(p)	(p)
Change in net assets per unit						
Opening net asset value per unit	1,797.81	1,430.87	1,099.27	1,709.71	1,366.48	1,054.23
Return before operating charges	(345.63)	382.71	342.63	(328.65)	365.51	328.67
Operating charges	(15.02)	(15.77)	(11.03)	(14.33)	(15.07)	(10.57)
Return after operating charges	(360.65)	366.94	331.60	(342.98)	350.44	318.10
Distributions	(11.62)	(7.52)	(6.10)	(11.05)	(7.21)	(5.85)
Retained distributions on accumulation units	11.62	7.52	6.10	–	–	–
Closing net asset value per unit after direct transaction costs of*	1,437.16	1,797.81	1,430.87	1,355.68	1,709.71	1,366.48
	4.38	3.76	2.26	4.17	3.59	2.16
Performance						
Return after charges	(20.06)%	25.64%	30.17%	(20.06)%	25.65%	30.17%
Other information						
Closing net asset value ('000)	£55,191	£69,897	£41,586	£29,377	£37,503	£24,133
Closing number of units	3,840,307	3,887,886	2,906,310	2,166,978	2,193,553	1,766,102
Operating charges	0.97%	0.93%	0.94%	0.97%	0.93%	0.94%
Direct transaction costs	0.28%	0.22%	0.19%	0.28%	0.22%	0.19%
Prices						
Highest unit price	1,830.00	1,982.00	1,476.00	1,740.00	1,893.00	1,416.00
Lowest unit price	1,328.00	1,421.00	976.10	1,263.00	1,357.00	936.10

Class I USD Acc - Accumulation units**

	31/08/2022	31/08/2021
	(c)	(c)
Change in net assets per unit		
Opening net asset value per unit	2,348.25	1,869.00
Return before operating charges	(745.06)	484.82
Operating charges	(16.60)	(5.17)
Return after operating charges	(761.66)	479.25
Distributions	(14.35)	(8.68)
Retained distributions on accumulation units	14.35	8.68
Closing net asset value per unit after direct transaction costs of*	1,586.59	2,348.25
	4.84	5.11
Performance		
Return after charges	(32.44)%	25.64%
Other information		
Closing net asset value ('000)	\$1	\$1
Closing number of units	43	43
Operating charges	0.97%	0.93%
Direct transaction costs	0.28%	0.22%
Prices		
Highest unit price	2,395.00	2,611.00
Lowest unit price	1,561.00	1,869.00

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs such as dealing spread and underlying costs with regard to Investment Fund holdings which will also have reduced the Trust and unit class returns before operating charges.

**Unit class was launched on 30 October 2020 and seeded in the Trust on 4 June 2021.

Barings Eastern Trust

Report of the Investment Manager

Performance

Over the 1-year period to 31 August 2022, the Barings Eastern Trust (the “Trust”) declined by -20.62% on the Class A GBP Acc (net of fees) and underperformed against the target benchmark, which fell by -7.43%. The table below shows the 1 year and 5 year annualised net return for the Class A GBP Acc units against the target benchmark.

	1 year	5 years
Barings Eastern Trust	(20.62)%	5.62%
MSCI AC Asia ex Japan (Total Net Return) Index*	(7.43)%	3.77%

* From 18 July 2022, the MSCI AC Asia ex Japan (Total Net Return) Index is the target benchmark.

Asian equities lost ground over the review period, as rising inflation pressure alongside global economic slowdown worries dominated the headlines and led to market de-risking globally, not helped by a hawkish US Federal Reserve with fast-paced interest rate hikes as well as escalating geopolitical tensions, which further weighed on investor sentiment. In Asia, China’s regulatory crackdown, property market weakness and supply chain disruptions from COVID-19 lockdowns were some of the key drags, while export-oriented markets such as Taiwan and Korea also came under pressure on the down-cycle of the technology sector amid slowing demand and inventory destocking. Over longer time periods, relative performance has been positive, driven by strong stock selection especially in the New Economy sectors. This we believe demonstrates effectively the capability of our stock selection process, guided by our GARP (Growth-at-a-Reasonable-Price) approach.

Over the 1-year period, relative underperformance was mainly driven by stock selection, particularly from some of the New Economy sectors on the back of the stylistic rotations from Growth to Value amid a rising interest rate backdrop. Singapore-based internet companies, including game developer and e-commerce marketplace SEA as well as ride hailing and food delivery super-app Grab, ended as key detractors to relative performance over the period. Both companies are deemed as long-term digitalization beneficiaries in the region and have strong competitive advantages, but at the same time they’ve suffered from weak near-term earnings due to macro uncertainties. Overall sentiment on the global technology sector was also weak, which added selling pressure on these stocks. On the bright side, our relative positive exposure to Energy contributed positively to relative performance over the review period, especially from Indian conglomerate Reliance Industries thanks to positive refining margin outlook for the company on the back of the elevated energy prices.

Significant trades over the review period included the sale of Korea-based semiconductor manufacturer Samsung Electronics, as the Trust decreased position on downward pricing in memory chips given elevated inventory levels alongside slowing end-demand, which dampened earnings outlook of the company in the short run. On the other hand, we initiated position in Grab during its stock IPO (Initial Public Offering) in the US market, driven by the company’s long-term upside potentials in delivery, mobility and online financial services supported by the secular growth trend of digitalization in ASEAN. We also added to Astra International, an Indonesian auto manufacturing company that also diversifies its line of businesses into mining and agribusiness, in light of soaring commodity prices due to supply-demand imbalance, but later took profit and exited from the company as the catalyst has largely been priced in.

Barings Eastern Trust

Report of the Investment Manager (continued)

The top ten purchases and sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
Grab	6,162	Samsung Electronics	4,200
Alibaba Group	6,068	Reliance Industries	3,656
Hana Financial	2,904	NAVER	3,378
China Resources Beer	2,626	Chailease	3,113
JD.com	2,625	Orient Overseas International	3,104
HDFC Bank	2,393	Li Ning	3,081
Meituan Dianping	2,258	Hon Hai Precision Industry	2,926
Eclat Textile	2,217	Astra International	2,744
Astra International	2,193	SK HYNIX	2,683
Petronas Chemicals Group	2,180	PI Industries	2,473

Market Outlook

We expect COVID-19 to be less of an overhang for Asia in the coming quarters, as majority of the economies in the region have reopened to quarantine-free travels, with restoration of domestic activities expecting to support company fundamentals. As for China, the quarantine requirements are expected to ease, albeit its “zero tolerance” policy would likely to be enforced until effective roll-out of vaccines among its elderly age groups. On the other hand, Europe and US economies have observed strong recoveries from COVID-19, but inflationary pressure and hawkish central bank policies are slowing demand globally, resulting in headwinds to the export-driven manufacturing sectors. However, it also comes with silver linings as there are signs of commodity prices peaking out, which should benefit most Asian economies and help mitigate input cost pressure for mid-to-downstream companies. We are constructive on Asian equities in the medium to longer run, as we believe markets have discounted a fair bit of the earnings cuts to come, partly driven by external macro headwinds such as rising US/EU recession risks. Further, key ASEAN markets may experience faster growth in 2022 in light of improving fundamentals from depressed activity levels in 2021 due to COVID-19 and lead to stronger earnings revisions relative to broader Asia, while accommodative policy support should continue to help on the recovery of Chinese economy.

We manage the strategy, with our bottom-up approach, identifying quality companies with sustainable growth at attractive valuations, and remain constructive on Asian companies that are exposed to the secular growth themes such as technological ubiquity (digitalization and connectivity of everything), evolving lifestyle and societal values (sustainability, millennial/Gen Z consumption trends, healthy living) and de-globalization (supply chain diversification and reshoring). Furthermore, we are using current volatility to refine and improve the quality of portfolio and add stronger franchises where we have higher conviction, and where it makes sense from a valuation and growth perspective, fine-tuning the portfolio to add names that will benefit from economic reopening and an environment of rising interest rates.

Baring Asset Management (Asia) Limited, appointed as Sub-Investment Manager; and

Barings Singapore Pte. Limited, appointed as delegate of Sub-Investment Manager by

Baring Asset Management Limited

Baring Asset Management Limited (the “Investment Manager”) gives its portfolio managers full authority to manage their funds as they see fit, within the established guidelines set down. This includes the views that managers may take of the markets and sectors they invest in, which may differ from the views of other Barings portfolio managers.

Barings Eastern Trust

Environmental, Social and Governance (“ESG”) Integration

ESG INTEGRATION PROCESS

Barings integrates environmental, social, and governance (“ESG”) considerations into all company analysis and investment decisions. We achieve this through a focus on integration, forward-looking dynamics, and active engagement with management teams to unlock long-term returns and improve ESG outcomes.

Integration

Integrating ESG is core to our fundamental research and allows us to better assess the risks and opportunities for our investments that are not apparent in traditional fundamental analysis. This influences both our quality assessment of a company as well as its valuation, and is therefore integral to decision making.

Dynamic & Forward Looking

Our proprietary assessment is aimed at capturing improving or deteriorating standards to highlight and reward more sustainable business practices, rather than relying on static assessments from third parties.*

Engagement

We aim to drive outcomes through direct engagement with corporate management teams, potentially unlocking value for our investors while seeking better outcomes for society and the planet, rather than relying on blanket exclusions.

Please note, we will not directly invest in companies that violate International Conventions on cluster munitions, anti-personnel mines, chemical and biological weapons. We will not knowingly hold companies that are materially involved in the production, stockpiling and use of these weapons at the time of investment. Our strong preference is to engage with companies, as opposed to applying a broad based sector exclusion approach.

For the purposes of the Sustainable Finance Disclosure Regulation, this Trust promotes environmental or social characteristics and is classified as an Article 8 product.

Holdings % with Positive or Improving ESG Characteristics as at 31 August 2022

	Positive or Improving	All Others
Barings Eastern Trust	81.37%	18.63%

ENGAGEMENT CASE STUDY: PHOENIX MILLS

Engagement Category: Governance

Format: Call/Video call (one to one)

Contact: Chief Financial Officer (“CFO”)

Engagement Overview

We engaged with Phoenix Mills, a retail mall developer and operator based in India, to discuss our concerns regarding the independence of the board.

Engagement Objective: Change Behaviour

Phoenix Mills currently has three independent directors which have been on the board for periods greater than 10 years. This has raised some concerns of entrenchment, which brings into question the independence of the members. We wanted to engage with the company to understand what the company is doing to hire new board members and to restore independence.

Outcome: Ongoing

Following our engagement with the company, the Chief Financial Officer gave the explanation that rules surrounding independent board members of tenures greater than 10 years came into existence in 2014, and hence the Company has taken an interpretation of this rule from this date, rather than from the appointment date

*Barings cost of equity is applied to value companies. This includes an ESG adjustment of between +2% to 1% to the cost of equity in our valuation process based on our proprietary assessment of each company’s ESG profile. The best ESG rated stocks are awarded a 1% discount to the required cost of equity while the worst have a 2% premium applied to our required cost of equity.

Barings Eastern Trust

Environmental, Social and Governance (“ESG”) Integration (continued)

The company has been extremely receptive to our concerns and did assure that new independent directors will come on board in time, also assuring that there would not be any extensions to tenures.

However, due to the “grey” nature of this interpretation, we have decided to vote against management for appointment / re-election of directors till board independence is restored. We will continue to monitor the progress of this engagement in the future.

Barings Eastern Trust

Responsibilities of the Manager and the Trustee

Responsibilities of the Manager

The Collective Investment Schemes sourcebook (“COLL”) requires Baring Fund Managers Limited (the “Manager”) to prepare financial statements for each financial year which give a true and fair view of the financial affairs of the Barings Eastern Trust (the “Trust”) and of its net revenue and net capital losses for the year. In preparing the financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association (“IA”) in May 2014 (the “IMA SORP 2014”);
- follow generally accepted accounting principles and applicable accounting standards;
- make judgments and estimates that are reasonable and prudent;
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements; and
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Manager confirms that it has complied with the above requirements in preparing the financial statements. The Manager is responsible for the management of the Trust in accordance with the Trust Deed, Prospectus and the COLL. The Manager is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Manager is responsible for the maintenance and integrity of the company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of the Trustee’s Responsibilities and Report of the Trustee to the Unitholders of Barings Eastern Trust (the “Trust”) for the year ended 31 August 2022

NatWest Trustee and Depositary Services Limited (the “Trustee”) must ensure that the Trust is managed in accordance with the Financial Conduct Authority’s Collective Investment Schemes sourcebook, the Financial Services and Markets Act 2000, as amended (together the “Regulations”), the Trust Deed and Prospectus (together the “Scheme documents”) as detailed below.

The Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Trustee is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Trustee must ensure that:

- the Trust’s cash flows are properly monitored and that cash of the Trust is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust’s assets is remitted to the Trust within the usual time limits;
- the Trust’s income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager (the “AFM”) are carried out (unless they conflict with the Regulations).

The Trustee also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Regulations, and the Scheme documents in relation to the investment and borrowing powers applicable to the Trust.

Barings Eastern Trust

Responsibilities of the Manager and the Trustee (continued)

Statement of the Trustee's Responsibilities and Report of the Trustee to the Unitholders of Barings Eastern Trust (the "Trust") for the year ended 31 August 2022 (continued)

Having carried out such procedures as we considered necessary to discharge our responsibilities as Trustee of the Trust, it is our opinion, based on the information available to us and the explanations provided, that in all material respects, the Trust, acting through the AFM:

- has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Regulations and the Scheme documents; and
- has observed the investment and borrowing powers and restrictions applicable to the Trust.

NatWest Trustee and Depositary Services Limited
Trustee & Depositary Services
London 9 December 2022

Barings Eastern Trust

Portfolio Statement

as at 31 August 2022

Holdings	Investments	Bid-Market value (£)	Percentage of total net assets (%)
	Investment Funds: 1.74% (1.28%)		
87,369	Barings China A-Share Fund	1,935,213	1.74
	Equities: 97.88% (98.43%)		
	China: 35.18% (29.94%)		
401,656	Alibaba Group	4,154,643	3.73
383,700	Centre Testing International	1,052,814	0.94
338,000	China Resources Beer	2,033,579	1.83
1,636,000	China State Construction International	1,627,640	1.46
62,858	China Tourism Duty Free	1,531,871	1.38
506,000	Geely Automobile	881,391	0.79
95,035	JD.com	2,568,574	2.31
9,905	Kweichow Moutai	2,374,350	2.13
304,500	Li Ning	2,404,848	2.16
161,200	Meituan Dianping	3,354,286	3.01
410,166	NARI Technology	1,403,721	1.26
48,498	NIO	844,777	0.76
186,742	Shenzhen Inovance Technology	1,395,101	1.25
530,000	SITC International Holdings	1,159,228	1.04
103,300	Sungrow Power Supply	1,435,104	1.29
196,600	Tencent	7,056,098	6.34
149,900	WuXi AppTec	1,468,321	1.32
2,577,200	Yangzijiang Shipbuilding	1,539,416	1.38
226,500	Zhejiang Shuanghuan Driveline	887,588	0.80
		39,173,350	35.18
	Hong Kong: 8.42% (7.39%)		
517,200	AIA	4,305,941	3.87
522,500	BOC Hong Kong Holdings	1,550,320	1.39
1,127,000	Cathay Pacific Airways	1,007,510	0.90
72,200	Hong Kong Exchange	2,515,275	2.26
		9,379,046	8.42
	India: 12.47% (14.22%)		
23,560	Dixon Technologies India	1,048,040	0.94
122,625	HDFC Bank	1,970,533	1.77
142,630	Infosys	2,301,818	2.07
676,005	Motherson Sumi Wiring India	592,520	0.53
39,228	PI Industries	1,455,666	1.31
162,666	Reliance Industries	4,647,684	4.17
129,682	SBI Life Insurance	1,868,545	1.68
		13,884,806	12.47
	Indonesia: 3.03% (0.00%)		
16,744,000	Industri Jamu Dan Farmasi Sido Muncul	689,531	0.62
5,091,600	Merdeka Copper Gold	1,263,963	1.14
2,976,100	PT Bank Cental Asia	1,415,460	1.27
		3,368,954	3.03

Barings Eastern Trust
Portfolio Statement (continued)
as at 31 August 2022

Holdings	Investments	Percentage Bid-Market of total net value (£)	assets (%)
	Equities: 97.88% (98.43%) (continued)		
	Malaysia: 2.71% (0.04%)		
1,068,500	Petronas Chemicals Group	1,808,668	1.62
1,326,100	Press Metal Aluminium	1,211,635	1.09
		3,020,303	2.71
	Philippines: 1.16% (0.00%)		
466,940	International Container Terminal Services	1,297,102	1.16
	Singapore: 3.95% (1.05%)		
71,700	DBS	1,438,489	1.29
821,000	Grab	2,134,487	1.92
101,850	TDCX	825,076	0.74
		4,398,052	3.95
	South Korea: 12.45% (23.69%)		
41,335	Hana Financial	1,041,557	0.94
12,565	Kia Motors	652,634	0.59
2,505	L&F	371,147	0.33
4,062	LG Chem	1,649,691	1.48
4,159	LG Innotek	918,156	0.82
4,662	Samsung Electro-Mechanics	420,082	0.38
142,393	Samsung Electronics	5,462,208	4.91
26,993	SK Hynix	1,652,209	1.48
26,082	S-Oil	1,695,491	1.52
		13,863,175	12.45
	Taiwan: 13.60% (16.36%)		
85,000	Bafang Yunji International	395,475	0.35
22,000	eMemory Technology	861,801	0.77
324,000	Hon Hai Precision Industry	998,863	0.90
70,000	MediaTek	1,320,560	1.19
1,140	Poya International	13,768	0.01
748,000	Taiwan Semiconductor Manufacturing	10,662,684	9.58
209,000	Unimicron Technology	895,557	0.80
		15,148,708	13.60

Barings Eastern Trust
Portfolio Statement (continued)
as at 31 August 2022

Holdings	Investments	Bid-Market value (£)	Percentage of total net assets (%)
	Equities: 97.88% (98.43%) (continued)		
	Thailand: 4.91% (5.74%)		
3,158,900	Bangkok Dusit Medical Services	2,162,872	1.94
26,121	SEA	1,401,845	1.26
2,389,100	Srinanaporn Marketing	902,509	0.81
2,650,900	Thai Life Insurance	995,147	0.90
		<u>5,462,373</u>	<u>4.91</u>
	Portfolio of investments: 99.62% (99.71%) (Cost: £93,658,253)	110,931,082	99.62
	Net other assets	419,842	0.38
	Net assets	<u>111,350,924</u>	<u>100.00</u>

Note: Securities shown on the portfolio statement are ordinary shares admitted to official stock exchange listings or traded on a regulated market, unless otherwise stated.

Comparative figures shown in brackets relate to 31 August 2021.

Barings Eastern Trust

Independent auditors' Report to the Unitholders of Barings Eastern Trust

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Barings Eastern Trust (the "Trust"):

- give a true and fair view of the financial position of the Trust as at 31 August 2022 and of the net revenue and the net capital losses on its scheme property for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Annual Report & Audited Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 August 2022 (page 23); the Statement of Total Return and Statement of Change in Net Assets Attributable to Unitholders for the year then ended (page 22); the Distribution Tables (pages 38 to 39); and the Notes to the Financial Statements (pages 24 to 37), which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements 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 remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Trust's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Barings Eastern Trust

Independent auditors' Report to the Unitholders of Barings Eastern Trust (continued)

Manager's Report

In our opinion, the information given in the Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Manager for the financial statements

As explained more fully in the Responsibilities of the Manager, the Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Manager is also responsible for such internal control as they determine is to be necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern, and using the going concern basis of accounting, unless the Manager either intend to wind up or terminate the Trust, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs (UK) 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 these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Trust/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Trust. Audit procedures performed included:

- Discussions with the Manager, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Manager's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Barings Eastern Trust

Independent auditors' Report to the Unitholders of Barings Eastern Trust (continued)

Use of this report

This report, including the opinions, has been prepared for, and only for, the Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook, and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook, we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Glasgow

9 December 2022

Barings Eastern Trust

Statement of Total Return and Statement of Change in Net Assets Attributable to Unitholders

for the year ended 31 August 2022

Statement of Total Return

	Notes	31/08/2022		31/08/2021	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	2		(37,174)		34,960
Revenue	3	2,622		2,524	
Expenses	4	(1,536)		(1,684)	
Interest payable and other similar charges	5	(1)		(2)	
Net revenue before taxation		<u>1,085</u>		<u>838</u>	
Taxation	6	(9)		(1,168)	
Net revenue/(expense) after taxation			<u>1,076</u>		(330)
Total return before distributions			<u>(36,098)</u>		<u>34,630</u>
Distributions	7		<u>(857)</u>		<u>(632)</u>
Change in net assets attributable to unitholders from investment activities			<u>(36,955)</u>		<u>33,998</u>

Statement of Change in Net Assets Attributable to Unitholders

		31/08/2022		31/08/2021	
		£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders			175,517		133,529
Amounts receivable on issue of units		32,784		60,699	
Amounts payable on cancellation of units		<u>(60,441)</u>		<u>(53,001)</u>	
			<u>(27,657)</u>		7,698
Changes in net assets attributable to unitholders from investment activities			<u>(36,955)</u>		33,998
Retained distribution on accumulation units	7		446		292
Closing net assets attributable to unitholders			<u>111,351</u>		<u>175,517</u>

Barings Eastern Trust**Balance Sheet**as at 31 August 2022

	Notes	31/08/2022 £'000	31/08/2021 £'000
Assets			
Investment assets		110,931	175,014
Current assets:			
Debtors	9	3,120	1,505
Cash and bank balances	10	3,934	1,486
Total assets		117,985	178,005
Liabilities			
Creditors:			
Distribution payable on income units	7	(291)	(345)
Other creditors	11	(5,930)	(979)
Capital gains tax payable on Indian securities	12	(413)	(1,164)
Total liabilities		(6,634)	(2,488)
Net assets attributable to unitholders		111,351	175,517

Barings Eastern Trust

Notes to the Financial Statements

for the year ended 31 August 2022

1. Accounting policies

Basis of Accounting

The financial statements have been prepared with the historical cost convention, as modified by the revaluation of investments, and in accordance with UK Generally Accepted Accounting Practice and the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association (“IA”) in May 2014 (the “IMA SORP 2014”) and amended in June 2017. The financial statements are also in compliance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been prepared on a going concern basis.

Basis of Valuation of Investments

All investments are valued at their fair value as at 12 noon on 31 August 2022, being the last business day of the accounting year. The fair value for non-derivative securities is the bid-market price, excluding any accrued interest.

Where values cannot be readily determined, the securities are valued at the Manager’s best assessment of their fair value.

Foreign Exchange

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Where applicable, assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at 12 noon on 31 August 2022.

Revenue Recognition

Revenue from quoted equity and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend.

Bank interest and other revenue is recognised on an accruals basis.

Distributions receivable from Investment Funds are recognised when the shares are priced ex-distribution. Distributions receivable from Investment Funds, excluding any equalisation element, are recognised as revenue. Equalisation is deducted from the bookcost of the investments.

Special Dividends

These are recognised as either revenue or capital depending upon the nature and circumstances of the dividend. Amounts recognised as revenue will form part of Trust’s distribution. Any tax thereon will follow the accounting treatment of the principal amount.

Distribution Policy

Where applicable, for the income (“Inc”) units, the Trust will pay any surplus revenue as a distribution. For accumulation (“Acc”) units, the Trust will retain any surplus revenue for investment in the Trust.

Acc unitholders will nonetheless be liable to United Kingdom taxation in the same manner, and to the same extent, as if the income accumulated for their benefit had instead been distributed to them.

Treatment of Expenses

For accounting purposes, all expenses (other than those relating to the purchase and sale of investments and stamp duty reserve tax) are charged against revenue for the year on an accruals basis.

Taxation

Corporation tax is provided for on an accounting basis, hence deferred tax on short-term timing difference does not arise. Deferred tax assets arising from unutilised expenses are only recognised as they are expected to crystallise. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Dilution Adjustment

The Trust is single priced and, as a result, may suffer a reduction in value due to costs incurred in the purchase and sale of its underlying investments. With a view to countering this and to act in the best interests of all investors, we have the ability to apply a dilution adjustment, which means we will change the price (up or down) at which you buy or sell. Please refer to the full Prospectus for further details.

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

1. Accounting policies (continued)

Unclaimed Distributions

Distributions which have remained unclaimed by unitholders for over six years are credited to the capital property of the Trust.

2. Net Capital (Losses)/Gains

The net capital (losses)/gains during the year comprise:

	31/08/2022	31/08/2021
	£'000	£'000
Non-derivative securities	(36,842)	35,143
Currency losses	(273)	(144)
Forward currency contracts	(31)	(20)
Transaction charges	(28)	(19)
Net capital (losses)/gains on investments	<u>(37,174)</u>	<u>34,960</u>

3. Revenue

	31/08/2022	31/08/2021
	£'000	£'000
Bank interest	1	–
Offshore CIS dividend revenue	10	16
Overseas dividends	2,611	2,508
	<u>2,622</u>	<u>2,524</u>

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

4. Expenses

	31/08/2022 £'000	31/08/2021 £'000
Payable to Baring Fund Managers Limited (the "Manager") or associates of the Manager:		
Manager's service charge	1,249	1,431
	<u>1,249</u>	<u>1,431</u>
Payable to NatWest Trustee and Depositary Services Limited (the "Trustee") or associates of the Trustee:		
Trustee fees	30	34
Safe custody charges	146	102
	<u>176</u>	<u>136</u>
Other expenses:		
Administration fees	3	2
Audit fees	12	12
Legal fees	2	–
Professional fees	12	(10)
Registrar and transfer agency fees	67	65
Standing charges	3	3
Taxation fees*	12	45
	<u>111</u>	<u>117</u>
Total expenses	<u><u>1,536</u></u>	<u><u>1,684</u></u>

* Taxation fees relates to PricewaterhouseCoopers LLP ("PwC") or an affiliate of PwC.

5. Interest payable and other similar charges

	31/08/2022 £'000	31/08/2021 £'000
Interest expenses	1	2
	<u>1</u>	<u>2</u>

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

6. Taxation

	31/08/2022 £'000	31/08/2021 £'000
a) Analysis of tax charges for the period:		
Capital gains tax on Indian securities	(226)	846
Overseas withholding tax	235	322
Current tax charge (note 6b)	9	1,168

b) Factors affecting taxation charge for the year:

The tax assessed for the year is lower (31 August 2021: higher) than the standard rate of corporation tax in the UK for an authorised unit trust, which is 20% (31 August 2021: 20%). The differences are explained below:

	31/08/2022 £'000	31/08/2021 £'000
Net revenue before taxation	1,085	838
Corporation tax at 20%	217	168
Effects of:		
Overseas withholding tax	235	322
Non-taxable UK dividends	(2)	(3)
Excess management expenses not utilised	307	337
Capital gains tax on Indian securities	(226)	846
Non taxable overseas dividends	(522)	(502)
Current tax charge for the period (note 6a)	9	1,168

c) Provision for the deferred tax

At the year end, there was an unrecognised potential tax asset of £2,512,916 (31 August 2021: £2,205,639) in relation to unutilised management expenses. These are not expected to be utilised in the foreseeable future, unless the nature of the Trust's revenue or capital gains changes.

There is a capital gains tax payable on Indian securities as at the year end of £413,411 (31 August 2021: £1,164,427). For 31 August 2022, the capital gains tax payable on Indian securities has been shown under note 12 on page 29.

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

7. Distributions

The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprises:

	31/08/2022 £'000	31/08/2021 £'000
Final Distribution	291	345
Final Accumulation	446	292
	<u>737</u>	<u>637</u>
Add: Revenue deducted on cancellation of units	200	34
Deduct: Revenue received on issue of units	(80)	(39)
	<u>120</u>	<u>(5)</u>
Total distributions	<u><u>857</u></u>	<u><u>632</u></u>

Details of the distributions per unit are set out in the Distribution Tables on pages 38 and 39.

Distributions payable at the period end of £291,391 (31 August 2021: £345,214) are disclosed in the Balance Sheet on page 23.

8. Movement between net expenses and distributions

	31/08/2022 £'000	31/08/2021 £'000
Net revenue/(expenses) after taxation	1,076	(330)
Add: Capitalised expenses	(226)	846
Equalisation on conversions	–	2
Income deficit	7	114
	<u>857</u>	<u>632</u>

9. Debtors

	31/08/2022 £'000	31/08/2021 £'000
Accrued revenue	237	290
Amount receivable for creation of units	157	675
Prepaid expenses	1	–
Sales awaiting settlement	2,725	540
	<u>3,120</u>	<u>1,505</u>

10. Cash and bank balances

	31/08/2022 £'000	31/08/2021 £'000
Cash and bank balances	3,934	1,486
	<u>3,934</u>	<u>1,486</u>

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

11. Other creditors

	31/08/2022	31/08/2021
	£'000	£'000
Accrued expenses	202	248
Amounts payable for cancellation of units	4,711	300
Currency deals awaiting settlement	8	1
Purchases awaiting settlement	1,009	430
	5,930	979

12. Capital gains tax payable on Indian securities

	31/08/2022	31/08/2021
	£'000	£'000
Capital gains tax payable on Indian securities	413	1,164
	413	1,164

13. Contingent liabilities

There were no contingent liabilities at the year-end date (31 August 2021: same).

14. Equalisation

Equalisation applies only to units purchased during the distribution year (Group 2 units). It is the average amount of net revenue included in the purchase price of all Group 2 units. In the case of income ("Inc") units, it is refunded as part of a unitholder's first distribution. In the case of accumulation ("Acc") units, it is automatically reinvested into capital on the first ex-distribution date after the units were purchased. Being a capital repayment, it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

15. Financial instruments

In pursuing its investment objective set out on page 4, the Trust may hold a number of financial instruments. These comprise:

- equity and non-equity shares, fixed-income securities, and floating-rate securities. These are held in accordance with the Trust's investment objective and policies;
- cash, Collective Investment Funds, liquid resources and short-term debtors and creditors that arise directly from its operations;
- unitholders' funds which represent investors' monies which are invested on their behalf;
- borrowings used to finance investment activity;
- forward foreign currency contracts, the purpose of which is to manage the currency risk arising from the Trust's investment activities (and related financing); and
- derivative instruments for the purpose of investment and efficient portfolio management.

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

16. Risks of financial instruments

The risks arising from the Trust's financial instruments are market price, foreign currency, interest rate, liquidity and credit risks. The Investment Manager reviews (and agrees with the Trustee) policies for managing each of these risks and they are summarised below. These policies have remained unchanged since the beginning of the year to which these financial statements relate (31 August 2021: same):

Market price risk

Arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Trust might suffer through holding market positions in the face of price movements.

The Investment Manager meets regularly to consider the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the investment objective. An individual fund manager has responsibility for monitoring the existing portfolio selected in accordance with the overall asset allocation parameter described above and seeks to ensure that individual stocks also meet the risk reward profile that is acceptable.

The Investment Manager does not use derivative instruments to hedge the investment portfolio against market risk, as in their opinion the cost of such a process would result in an unacceptable reduction in the potential for capital growth.

Market price risk sensitivity analysis

As at 31 August 2022, if the price of the investments held by the Trust increased or decreased by 5%, with all other variables held constant, then the net assets attributable to unitholders would increase or decrease by approximately £5.547 million (31 August 2021: £8.751 million).

Foreign currency risk

The revenue and capital value of the Trust's investments can be significantly affected by foreign currency translation movements, as the majority of the Trust's assets and revenue are denominated in currencies other than sterling, which is the Trust's functional currency.

The Investment Manager has identified three principal areas where foreign currency risk could impact the Trust. These are: movement in exchange rates affecting the value of investments, short-term timing differences such as exposure to exchange rate movements during the period between when an investment, purchase or sale is entered into and the date when settlement of the investment occurs, and finally, movements in exchange rates affecting revenue received by the Trust. The Trust converts all receipts of revenue received in foreign currencies into sterling on the day of receipt.

At the year-end date, a proportion of the net assets of the Trust were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements.

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

16. Risks of financial instruments (continued)

These net assets consist of the following:

Currency exposure for the year ended 31 August 2022:

	Portfolio of investments £'000	Net other assets £'000	Total £'000
Chinese yuan	10,081	1,675	11,756
Hong Kong dollar	36,932	–	36,932
Indian rupee	13,885	11	13,896
Indonesian rupiah	3,369	–	3,369
Malaysian ringgit	3,020	–	3,020
Philippine peso	1,297	–	1,297
Singapore dollar	2,978	–	2,978
South Korean won	13,863	–	13,863
Taiwan dollar	15,149	–	15,149
Thai bhat	4,061	–	4,061
US dollar	4,361	–	4,361
	108,996	1,686	110,682

Currency exposure for the year ended 31 August 2021:

	Portfolio of investments £'000	Net other assets £'000	Total £'000
Chinese yuan	17,165	7	17,172
Hong Kong dollar	48,364	–	48,364
Indian rupee	24,963	430	25,393
Malaysian ringgit	63	–	63
Singapore dollar	1,846	–	1,846
South Korean won	41,569	–	41,569
Taiwan dollar	28,719	–	28,719
Thai bhat	1,655	–	1,655
US dollar	14,383	–	14,383
	178,727	437	179,164

Foreign currency risk sensitivity analysis

At 31 August 2022, if the value of the sterling increased or decreased by 10% (31 August 2021: 1%), with all other variables held constant, then the net assets attributable to unitholders would increase or decrease by approximately £11.068 million (31 August 2021: £1.792 million).

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

16. Risks of financial instruments (continued)

Interest rate risk

The Trust may invest in both fixed-rate and floating rate securities. Any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing, or the Investment Manager being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held.

In general, if interest rates rise, the revenue potential of the Trust also rises, but the value of fixed-rate securities will decline (along with certain expenses calculated by reference to the assets of the Trust). A decline in interest rates will in general have the opposite effect.

The interest rate risk profile of financial assets and liabilities consists of the following:

	Floating rate 31/08/2022 £'000	Fixed rate 31/08/2022 £'000	Non-interest bearing 31/08/2022 £'000	Total 31/08/2022 £'000
Portfolio of investments	–	–	110,931	110,931
Cash at bank	3,934	–	–	3,934
Other assets	–	–	3,120	3,120
Liabilities	–	–	(6,634)	(6,634)
	3,934	–	107,417	111,351

	Floating rate 31/08/2021 £'000	Fixed rate 31/08/2021 £'000	Non-interest bearing 31/08/2021 £'000	Total 31/08/2021 £'000
Portfolio of investments	–	–	175,014	175,014
Cash at bank	1,486	–	–	1,486
Other assets	–	–	1,505	1,505
Liabilities	–	–	(2,488)	(2,488)
	1,486	–	174,031	175,517

The floating rate assets and liabilities comprise bank balances, whose rates are determined by reference to the London Interbank Offered Rate (“LIBOR”) or international equivalent borrowing rate.

Interest rate risk sensitivity analysis

The Trust had no significant interest rate risk exposure as at 31 August 2022 (31 August 2021: same).

Liquidity risk

The Trust’s assets comprise mainly readily realisable securities, which can be readily sold. The main liability of the Trust is the redemption of any units that investors wish to sell.

Credit risk

Certain transactions in securities that the Trust enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Trust has fulfilled its responsibilities. As at 31 August 2022, the Trust did not hold any open forward currency contracts with any counterparty (31 August 2021: same).

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

16. Risks of financial instruments (continued)

The Trust only buys and sells investments through brokers which have been approved as an acceptable counterparty. In addition, limits are set as to the maximum exposure to any individual broker that may exist at any time, and these limits are reviewed regularly.

Derivatives and other financial instruments

The Trust did not hold any derivatives that could impact the value of the Trust significantly in the current or prior year.

17. Fair value

The fair value of a financial instrument is the amount for which it could be exchanged between knowledgeable, willing parties in an arm's length transaction. There is no significant difference between the value of the financial assets and liabilities, as shown in the financial statements, and their fair value.

FRS 102 requires the Trust to classify financial instruments measured at fair value into the following hierarchy: The disclosures are based on a three-level fair value hierarchy for the inputs used in valuation techniques to measure fair value.

A financial instrument is regarded as quoted in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques. The Trust uses a variety of methods and makes assumptions that are based on market conditions existing at the year-end date. The fair value hierarchy has the following levels:

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Valuation technique for the year ended 31 August 2022:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial Assets				
Equities	108,093	903	–	108,996
Investment Funds	–	1,935	–	1,935
	108,093	2,838	–	110,931

Valuation technique for the year ended 31 August 2021:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial Assets				
Equities	172,764	–	–	172,764
Investment Funds	–	2,250	–	2,250
	172,764	2,250	–	175,014

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

18. Portfolio transaction costs

	31/08/2022 £'000	31/08/2021 £'000
Analysis of total purchase costs:		
Purchases before transaction costs*	94,249	104,692
Corporate Actions	1,414	974
Commissions:		
Equities total value paid	77	129
Taxes:		
Equities total value paid	61	58
Total transaction costs	138	187
Gross purchases total	94,801	105,853
	31/08/2022	31/08/2021
	£'000	£'000
Analysis of total sale costs:		
Sales before transaction costs*	122,072	99,509
Corporate Actions	1,414	974
Commissions:		
Equities total value paid	(69)	(51)
Taxes:		
Equities total value paid	(209)	(118)
Total transaction costs	(278)	(169)
Total sales net of transaction costs	123,208	100,314

* Not included in 2022 figures are purchases and sales in cash funds totaling £nil million and £nil million, respectively, where there are no transaction costs applicable. For the year ended 31 August 2021, purchases and sales in cash funds totaled £0.410 million and £0.410 million, respectively, where there are no transaction costs applicable.

The above analysis covers any direct transaction costs suffered by the Trust during the year.

In the case of equities and Investment Funds, separately identifiable direct transaction costs (commissions and taxes etc.) are attributable to the Trust's purchase and sale of equity investments. In addition, there may be dealing spread costs (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions which are not separately identifiable and do not form part of the analysis above.

In the case of Investment Funds, there may be potential dealing spread costs applicable to purchases and sales. Additionally, there are indirect transaction costs suffered in those underlying sub-funds throughout the holding period for the instruments which are not separately identifiable and do not form part of the analysis above.

The dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions are not separately identifiable and do not form part of the analysis above.

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

18. Portfolio transaction costs (continued)

The average portfolio dealing spread is disclosed below. Transaction costs vary depending on the transaction value and market sentiment.

	31/08/2022	31/08/2021
Analysis of total purchase costs:	%	%
Commissions:		
Equities percentage of total equities purchases costs	0.08	0.12
Equities percentage of average NAV	0.05	0.08
Equities percentage of total equities purchases costs	0.06	0.05
Equities percentage of average NAV	0.04	0.04
Analysis of total sale costs:	31/08/2022	31/08/2021
	%	%
Commissions:		
Equities percentage of total equities sales costs	(0.06)	(0.05)
Equities percentage of average NAV	(0.05)	(0.03)
Equities percentage of total equities sales costs	(0.17)	(0.12)
Equities percentage of average NAV	(0.14)	(0.07)

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.19% (31 August 2021: 0.15%), based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

19. Unit classes

The Trust currently has seven unit classes: A GBP Acc, A GBP Inc, A USD Acc, D GBP Inc, I GBP Acc, I GBP Inc and I USD Acc. The annual management charge and Trust management fee can be found on page 6. The net asset value of each unit class, the net asset value per unit and the number of units in each class are given in the comparative tables on pages 7 and 8. The distribution per unit class is given in the distribution tables on pages 38 and 39. All classes have the same rights on winding up.

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

19. Unit classes (continued)

	Class A GBP Acc	Class A GBP Inc	Class A USD Acc
Opening units	1,926,902	7,364	101,386
Units created	113,613	1	2,935
Units liquidated	(501,833)	–	(59,447)
Units converted	(1,772)	–	–
Closing units	1,536,910	7,365	44,874
	Class D GBP Inc	Class I GBP Acc	Class I GBP Inc
Opening units	1,951,671	3,887,886	2,193,553
Units created	63,742	1,305,393	608,005
Units liquidated	(1,625,580)	(1,354,648)	(634,580)
Units converted	–	1,676	–
Closing units	389,833	3,840,307	2,166,978
			Class I USD Acc*
Opening units			43
Units created			–
Units liquidated			–
Units converted			–
Closing units			43

* Unit class was launched on 30 October 2020 and seeded in the Trust on 4 June 2021.

20. Related party transactions

Baring Asset Management Limited (the "Investment Manager") is the immediate parent company of the Manager and also regarded as a related party. The Investment Manager's fees and expenses will be paid by the Manager out of its remuneration from the Trust. As at 31 August 2022, no amounts due from or to the Investment Manager in respect of unit transactions (31 August 2021: same).

The Manager exercises control over the Trust and is therefore a related party by virtue of its controlling influence. Amounts paid during the year or due to the Manager in respect of management fees at the balance sheet date are disclosed under Expenses and Other creditors in the notes to the financial statements.

The Manager acts as principal on all transactions of units in the Trust. The aggregate monies received through the issue and cancellations of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and Distributions in the notes to the financial statements. Amounts due from or to the Manager in respect of unit transactions at the balance sheet date are disclosed under Debtors and Other creditors in the notes to the financial statements.

Barings Eastern Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

21. Post balance sheet events

Subsequent to the year end, the price per unit of the A GBP Accumulation class decreased from 1,355.00p to 1,258.00p, A GBP Income class from 1,319.00p to 1,225.00p, A USD Accumulation class from 1,570.00c to 1,534.00c, D GBP Income class from 1,372.00P to 1,265.00p, I GBP Accumulation class from 1,439.00p to 1,339.00p, I GBP Income class from 1,369.00p to 1,263.00p and I USD Accumulation class from 1,588.00c to 1,554.00c as at 06 December 2022. This movement takes into account routine transaction. The Manager continues to monitor investment performance in line with investment objectives.

Barings Eastern Trust

Distribution Tables

Final Distribution

Group 1: Units purchased prior to 1 September 2021

Group 2: Units purchased between 1 September 2021 and 31 August 2022

Final accumulation - Class A GBP Acc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Payable	2021 Accumulation Paid
1	Nil	Nil	Nil	Nil
2	Nil	Nil	Nil	Nil

Final distribution - Class A GBP Inc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Payable	2021 Distribution Paid
1	Nil	Nil	Nil	Nil
2	Nil	Nil	Nil	Nil

Final accumulation - Class A USD Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Payable	2021 Accumulation Paid
1	Nil	Nil	Nil	Nil
2	Nil	Nil	Nil	Nil

Final distribution - Class D GBP Inc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Payable	2021 Distribution Paid
1	13.3192	0.0000	13.3192	9.5796
2	9.1646	4.1546	13.3192	9.5796

Final accumulation - Class I GBP Acc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Payable	2021 Accumulation Paid
1	11.6228	0.0000	11.6228	7.5223
2	7.4746	4.1482	11.6228	7.5223

Barings Eastern Trust

Distribution Tables (continued)

Final Distribution (continued)

Final distribution - Class I GBP Inc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Payable	2021 Distribution Paid
1	11.0508	0.0000	11.0508	7.2144
2	7.4903	3.5605	11.0508	7.2144

Final accumulation - Class I USD Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Payable	2021 Accumulation Paid
1	14.3463	0.0000	14.3463	8.6801
2	14.3463	0.0000	14.3463	8.6801

Barings European Growth Trust

Investment Objective and Policy and Trust at a Glance

Investment Objective and Policy

The investment objective of Barings European Growth Trust (the “Trust”) until 18 July 2022 was to achieve capital growth by investing in Europe excluding the United Kingdom. From 18 July 2022, the Trust aims to provide a total return, including both capital growth and dividend income (after fees have been deducted), in excess of the MSCI Europe ex UK (Total Net Return) Index over a rolling five year period by investing in equity and equity related securities in Europe excluding the United Kingdom.

The Trust will seek to achieve its investment objective by investing at least 70% of its total assets directly and indirectly in equities and equity-related securities of companies incorporated in, or exercising the predominant part of their economic activity in Europe excluding the United Kingdom, or quoted or traded on the stock exchanges in Europe excluding the United Kingdom.

The Trust will invest at least 50% of the Trust’s total assets in equities of companies that exhibit positive or improving environmental, social and governance (ESG) characteristics. Such companies are selected through the use of proprietary research supported with the use of third party data. This analysis is also an important driver behind the Investment Manager’s policy of active company engagement in which the Investment Manager seeks to influence (or identify the need to influence) ESG practices and to improve disclosure.

The Trust may invest up to 30% of its total assets directly and indirectly in equities and equity-related securities outside of Europe (including in the United Kingdom) as well as in fixed income and cash. Furthermore, it may also invest up to 50% of its total assets in equities and equity related securities of companies that exhibit less positive ESG characteristics.

In order to implement the investment policy the Trust may gain indirect exposure through American depositary receipts, global depositary receipts and other equity related securities including participation notes, structured notes, equity-linked notes and debt securities convertible into equities. The Trust may also obtain indirect exposure through investments in collective investment schemes (including collective investment schemes managed by the Manager or an associate of the Manager) and other transferable securities. It may also use derivatives including futures, options, swaps, warrants and forward contracts for efficient portfolio management (including hedging).

Please refer to the Prospectus for the full investment objective and policy.

Benchmark

Until 18 July 2022, the Trust was not managed to a benchmark, however the Manager used the MSCI Europe ex UK (Total Net Return) Index to assess the Trust’s performance.

From 18 July 2022, the MSCI Europe ex UK (Total Net Return) Index is the target benchmark. The benchmark has been selected as it tracks the performance of large and medium sized companies from developed and emerging European countries excluding the UK. The benchmark constituents are not required to exhibit positive/improving ESG characteristics.

The Trust is actively managed and targets outperformance of the benchmark over a five year period. There is however no guarantee that this objective will be achieved over any time period. The Trust is not constrained by the benchmark and can make investments in securities that are not included in the benchmark. Differences in the performance of the Trust compared to the benchmark may also arise as a result of application of the UK UCITS Rules prescribing portfolio concentration and liquidity limits, which are not applied to the benchmark. The Manager considers the benchmark is appropriate based on the investment policy of the Trust.

How the Trust is Managed

At Barings, our equity investment teams share the philosophy of quality “Growth at a Reasonable Price” (GARP). We believe that earnings growth is the principal driver of equity market performance over the medium to long term, and favour high-quality companies for their ability to outperform the market on a risk-adjusted basis. In particular, we believe that structured fundamental research and a disciplined investment process combining quality, growth, upside, and ESG considerations can allow us to identify attractively priced, long-term growth companies which will outperform the market. Our approach emphasises both growth and quality criterion when looking at companies and a three- to five-year time horizon when forecasting company earnings. In determining upside, we use consistent and transparent methods to place emphasis on discounted earnings models. We value companies on a long term-term basis utilizing proprietary valuation models that incorporate ESG analysis and macro considerations.

Barings European Growth Trust

Investment Objective and Policy and Trust at a Glance (continued)

Risk Profile

Please see detailed below the key risks applicable to the Trust:

- Changes in exchange rates between the currency of the Trust and the currencies in which the assets of the Trust are valued can have the effect of increasing or decreasing the value of the Trust and any income generated.
- The Trust can hold smaller company shares which can be more difficult to buy and sell as they may trade infrequently and in small volumes, so their share prices may fluctuate more than those of larger companies.
- Derivative instruments can make a profit or a loss and there is no guarantee that a financial derivative contract will achieve its intended outcome. The use of derivatives can increase the amount by which the Trust's value rises and falls and could expose the Trust to losses that are significantly greater than the cost of the derivative as a relatively small movement may have a larger impact on derivatives than the underlying assets.
- Emerging market countries may have less developed regulation and face more political, economic or structural challenges than developed countries. This means your money is at greater risk.
- Losses may occur if an organisation through which we buy an asset (such as a bank) fails to meet its obligations.
- Liquidity risk exists when a particular security or instrument is difficult to purchase or sell. If the amount of a transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives, structured products, etc), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

Please refer to the Prospectus for the full risk profile.

The Trust at a Glance on 31 August 2022

Total Trust size: 31 August 2022	£70.50 million	
Total Trust size: 31 August 2021	£85.08 million	
OCF*	31/08/2022	31/08/2021
Class A GBP Inc	1.61%	1.63%
Class I GBP Inc	0.86%	0.88%
	Initial charge	Initial charge
Class A GBP Inc	up to 5.00%	Up to 5.00%
Class I GBP Inc	Nil	Nil
	Minimum initial investment	Minimum subsequent investment
Class A GBP Inc	£1,000	£500
Class I GBP Inc	£10,000,000	£500

* The Ongoing Charge Figure ("OCF") reflects the payments and expenses which cover aspects of operating the Trust and is deducted from the assets over the year. It includes fees paid for investment management, trustee and general charges

Price per unit	(pence per unit)
Class A GBP Inc	1,503.00p
Class I GBP Inc	1,519.00p

Barings European Growth Trust

Trust Information

	Class A GBP Inc - Distribution units			Class I GBP Inc - Distribution units		
	31/08/2022	31/08/2021	31/08/2020	31/08/2022	31/08/2021	31/08/2020
	(p)	(p)	(p)	(p)	(p)	(p)
Change in net assets per unit						
Opening net asset value per unit	1,693.21	1,331.67	1,392.05	1,697.87	1,335.50	1,396.56
Return before operating charges	(177.58)	389.57	(35.75)	(178.77)	394.29	(35.74)
Operating charges	(25.51)	(23.58)	(21.40)	(13.56)	(13.25)	(11.42)
Return after operating charges	(203.09)	365.99	(57.15)	(192.33)	381.04	(47.16)
Distributions	(18.59)	(4.45)	(3.23)	(30.90)	(18.67)	(13.90)
Closing net asset value per unit	1,471.53	1,693.21	1,331.67	1,474.64	1,697.87	1,335.50
after direct transaction costs of*	0.64	0.59	0.85	0.64	0.61	0.85
Performance						
Return after charges	(11.99)%	27.48%	(4.11)%	(11.33)%	28.53%	(3.38)%
Other information						
Closing net asset value ('000)	£17,683	£22,126	£36,342	£52,821	£62,951	£21,973
Closing number of units	1,201,672	1,306,735	2,729,063	3,581,969	3,707,637	1,645,267
Operating charges	1.61%	1.63%	1.60%	0.86%	0.88%	0.85%
Direct transaction costs	0.04%	0.04%	0.06%	0.04%	0.04%	0.06%
Prices						
Highest unit price	1,762.00	1,699.00	1,451.00	1,764.00	1,717.00	1,461.00
Lowest unit price	1,418.00	1,207.00	961.40	1,431.00	1,212.00	968.60

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs such as dealing spread and underlying costs with regard to Investment Fund holdings which will also have reduced the Trust and unit class returns before operating charges.

Barings European Growth Trust

Report of the Investment Manager

Performance

Over the 1-year period to 31 August 2022, the Barings European Growth Trust (the “Trust”) declined -11.30% on the Class A GBP Inc (net of fees) but outperformed against the target benchmark, which fell -11.72%. The table below shows 1 year and 5 year annualised net return for the Class A GBP Inc units against the target benchmark.

	1 year	5 years
Barings European Growth Trust	(11.30)%	1.30%
MSCI Europe ex UK (Total Net Return) Index*	(11.72)%	3.24%

* From 18 July 2022, the MSCI Europe ex UK (Total Net Return) Index is the target benchmark.

European equities started the period positively, before suffering significant selling in the first quarter of 2022 in response to Russia’s invasion of Ukraine. The asset class remained under pressure throughout the period as sharply higher headline inflation and fears of an economic slowdown prompted further selling.

Over the period, stock selection significantly improved relative performance, whilst sector allocation made a small positive contribution.

Value style equities outperformed Growth over the period (based on the MSCI Europe ex UK Value vs Growth indices). This value rally was led by the Energy sector, which returned over 40% in the period and significantly outperformed relative to the broader index. Our stock selection in the Energy sector contributed significantly to the Trust’s outperformance, led by holdings such as Shell and Total.

Similarly, the portfolio’s holdings in the Materials sector also outperformed significantly. European aluminium producer Norsk Hydro was one of the best performers, following strong earnings that highlighted the benefits of owning an aluminium producer with high exposure to renewable energy at a time of energy constraints in Europe. In contrast, the Information Technology sector negatively impacted relative performance. Some of the portfolio’s higher growth holdings in this sector underperformed in line with the broader trend of Value outperforming Growth. This impacted payments business Adyen and software company Temenos.

Key sales included a reduction in our holding in ASML earlier in the period. We believed further upside was limited post strong performance heading into the group’s capital markets day, and that any, even minor, disappointment could lead to an adverse share price reaction. The partial sale allowed us to raise monies to invest in ASM International, a quasi-peer of ASML, which had greater upside to its target price and would diversify the fund’s exposure to semiconductor equipment manufacturers, a segment of the market we believe can continue to grow strongly in the years ahead.

Sanofi was another major purchase during the reporting period. In part this reflected a switch out of healthcare peer Novartis, as we preferred Sanofi due to its attractive valuation and diversified portfolio of pharmaceutical assets and consumer healthcare operations. In addition to the revenue growth we anticipate to be generated by these businesses, Sanofi also has a cost cutting programme in place and has restructured its R&D function.

The Trust has underperformed the benchmark over five years, although it has delivered capital growth. Whilst growth-style equities outperformed value over the five-years, stock selection had a negative impact on a relative returns over the period and drove the underperformance.

Underperformance over five years is driven largely by weak returns relative to the benchmark in 2018 and 2020. Stock selection had a significant negative impact on relative returns during both years, whilst the impact of country asset allocation was also negative. During both periods, European equities suffered steep declines as a result of a worsening economic outlook and the Trust suffered from having a greater level of exposure to companies that were more economically sensitive in nature.

Following the change in managers in 2020, the portfolio was reviewed and changes were made to emphasise the Trust’s strategy of bottom-up stock selection as the most important driver of relative returns, with a focus on higher quality companies with more compelling and sustainable growth prospects. Since then, we have seen a strong pick up in relative performance of the Trust which has continued over the past 12 months, outperforming the benchmark performance objective. This outperformance was due to positive contributions from numerous stocks from a variety of sectors, even as the benchmark index declined in value.

Barings European Growth Trust

Report of the Investment Manager (continued)

The top ten purchases and sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
Sanofi	2,855	ASML	3,375
ASM International	2,219	Roche	2,169
Merck	1,922	Novartis	1,927
Wolters Kluwer	1,620	Allianz	1,771
Husqvarna	1,454	Getinge	1,760
Randstad	1,208	HelloFresh	1,758
Deutsche Boerse	1,202	Galp Energia	1,433
Industria de Diseno Textil	1,150	Norsk Hydro	1,376
Stabilus	1,095	Prosus NV	1,239
Vinci	979	Shell	1,120

Market Outlook

2022 has continued to be a tumultuous year for many asset classes, including European equities. What has been roiling markets are the cross-currents of inflation, rising interest rates, slowing growth, geopolitical tensions (punctuated by the Russia-Ukraine conflict), and the lingering effects of COVID-19.

Whilst some of these cross-currents may be near to having run their course, others, such as the Russia/Ukraine conflict, look set to continue. This means that disruptions to previous supply chains and flows of commodities will persist.

As a result, energy security remains high on the agenda, with countries previously dependant on Russian energy hurriedly implementing alternative plans. Europe, and especially Germany, for instance, are looking to reduce their dependence on Russian natural gas through various means.

The risk of slowing economic growth has already resulted in a decline in prices across the energy, metals and soft commodity complexes. This should diminish the risk of inflation, and may mean interest rates will not rise as much as previously thought.

Whilst all of the above has implications for our investments, turnover has remained low. We will continue to monitor how companies are navigating what are undoubtedly very difficult trading conditions, but our approach remains unchanged. We invest in what we perceive to be higher quality companies that can withstand the gyrations of the global economy better than most, with an aim to holding these investments over the longer term.

Baring Asset Management Limited

Baring Asset Management Limited (the "Investment Manager") gives its portfolio managers full authority to manage their funds as they see fit, within the established guidelines set down. This includes the views that managers may take of the markets and sectors they invest in, which may differ from the views of other Barings portfolio managers.

Barings European Growth Trust

Environmental, Social and Governance (“ESG”) Integration

ESG INTEGRATION PROCESS

Barings integrates environmental, social, and governance (“ESG”) considerations into all company analysis and investment decisions. We achieve this through a focus on integration, forward-looking dynamics, and active engagement with management teams to unlock long-term returns and improve ESG outcomes.

Integration

Integrating ESG is core to our fundamental research and allows us to better assess the risks and opportunities for our investments that are not apparent in traditional fundamental analysis. This influences both our quality assessment of a company as well as its valuation, and is therefore integral to decision making.

Dynamic & Forward Looking

Our proprietary assessment is aimed at capturing improving or deteriorating standards to highlight and reward more sustainable business practices, rather than relying on static assessments from third parties.*

Engagement

We aim to drive outcomes through direct engagement with corporate management teams, potentially unlocking value for our investors while seeking better outcomes for society and the planet, rather than relying on blanket exclusions.

Please note, we will not directly invest in companies that violate International Conventions on cluster munitions, anti-personnel mines, chemical and biological weapons. We will not knowingly hold companies that are materially involved in the production, stockpiling and use of these weapons at the time of investment. Our strong preference is to engage with companies, as opposed to applying a broad based sector exclusion approach.

For the purposes of the Sustainable Finance Disclosure Regulation, this Trust promotes environmental or social characteristics and is classified as an Article 8 product.

Holdings % with Positive or Improving ESG Characteristics as at 31 August 2022

	Positive or Improving	All Others
Barings European Growth Trust	92.89%	7.11%

ENGAGEMENT CASE STUDY: CRH

Engagement Category: Environmental

Format: Video call (one to one)

Contact: Investor Relations

Engagement Overview

We engaged with CRH, one of the largest suppliers of construction raw materials, to help us understand their approach towards decarbonisation of the production chain.

Engagement Objective: Improve Disclosure

Our aim was to encourage the company to improve disclosure and through broader communication to improve the perception of the company, with external investors and policy makers, in an area we believe is increasing in importance for investors and their investment decisions.

Outcome: Ongoing

Through our regular interactions with the company we have encouraged the company to continue increasing their disclosure of the carbon intensity of the production of construction raw materials, which are a critical component of the development of renewable energy infrastructure as identified by the European Union in its Fit for 55 strategy.

*Barings cost of equity is applied to value companies. This includes an ESG adjustment of between +2% to 1% to the cost of equity in our valuation process based on our proprietary assessment of each company’s ESG profile. The best ESG rated stocks are awarded a 1% discount to the required cost of equity while the worst have a 2% premium applied to our required cost of equity.

Barings European Growth Trust

Environmental, Social and Governance (“ESG”) Integration (continued)

Although we acknowledge that the company has made significant improvements in this area we believe there is more they can do to communicate both the importance of and the need for decarbonising of the production of construction raw materials. We believe that through improved disclosure they will be able to educate investors and policy makers in the significant improvement they, and the industry, are making. We will continue to monitor the anticipated improvements and work with them to help improve communication.

Barings European Growth Trust

Responsibilities of the Manager and the Trustee

Responsibilities of the Manager

The Collective Investment Schemes sourcebook (“COLL”) requires Baring Fund Managers Limited (the “Manager”) to prepare financial statements for each financial year which give a true and fair view of the financial affairs of the Barings European Growth Trust (the “Trust”) and of its net revenue and net capital losses for the year. In preparing the financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association (“IA”) in May 2014 (the “IMA SORP 2014”);
- follow generally accepted accounting principles and applicable accounting standards;
- make judgments and estimates that are reasonable and prudent;
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements; and
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Manager confirms that it has complied with the above requirements in preparing the financial statements. The Manager is responsible for the management of the Trust in accordance with the Trust Deed, Prospectus and the COLL. The Manager is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Manager is responsible for the maintenance and integrity of the company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of the Trustee’s Responsibilities and Report of the Trustee to the Unitholders of Barings European Growth Trust (the “Trust”) for the year ended 31 August 2022

NatWest Trustee and Depositary Services Limited (the “Trustee”) must ensure that the Trust is managed in accordance with the Financial Conduct Authority’s Collective Investment Schemes sourcebook, the Financial Services and Markets Act 2000, as amended (together the “Regulations”), the Trust Deed and Prospectus (together the “Scheme documents”) as detailed below.

The Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Trustee is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Trustee must ensure that:

- the Trust’s cash flows are properly monitored and that cash of the Trust is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust’s assets is remitted to the Trust within the usual time limits;
- the Trust’s income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager (the “AFM”) are carried out (unless they conflict with the Regulations).

The Trustee also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Regulations, and the Scheme documents in relation to the investment and borrowing powers applicable to the Trust.

Barings European Growth Trust

Responsibilities of the Manager and the Trustee (continued)

Statement of the Trustee's Responsibilities and Report of the Trustee to the Unitholders of Barings European Growth Trust (the "Trust") for the year ended 31 August 2022 (continued)

Having carried out such procedures as we considered necessary to discharge our responsibilities as Trustee of the Trust, it is our opinion, based on the information available to us and the explanations provided, that in all material respects, the Trust, acting through the AFM:

- has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Regulations and the Scheme documents; and
- has observed the investment and borrowing powers and restrictions applicable to the Trust.

NatWest Trustee and Depositary Services Limited
Trustee & Depositary Services
London 9 December 2022

Barings European Growth Trust

Portfolio Statement

as at 31 August 2022

Holdings	Investments	Percentage Bid-Market of total net value assets (£) (%)	value (£)	assets (%)
	Equities: 99.04% (99.62%)			
	Belgium: 4.35% (6.13%)			
53,437	KBC		2,174,691	3.08
73,608	Telenet		896,081	1.27
			3,070,772	4.35
	France: 21.72% (15.23%)			
169,470	AXA		3,425,111	4.86
22,686	Cap Gemini		3,371,757	4.78
37,456	Sanofi		2,644,476	3.75
23,541	Schneider Electric		2,401,453	3.41
55,428	Total		2,413,813	3.42
13,385	Vinci		1,060,693	1.50
			15,317,303	21.72
	Germany: 7.69% (7.78%)			
8,552	Deutsche Boerse		1,237,630	1.75
81,913	Infineon Technologies		1,704,078	2.42
10,663	Merck		1,570,154	2.23
20,742	Stabilus		908,810	1.29
			5,420,672	7.69
	Ireland: 5.23% (6.34%)			
75,581	CRH		2,387,907	3.39
45,174	Smurfit Kappa Group		1,301,679	1.84
			3,689,586	5.23
	Italy: 1.53% (0.99%)			
265,150	Snam		1,078,608	1.53
	Netherlands: 20.36% (22.64%)			
1,841	Adyen		2,443,624	3.47
8,686	ASM International		2,021,534	2.87
7,707	ASML		3,208,971	4.55
84,252	Koninklijke Ahold Delhaize		1,983,275	2.81
7,859	Koninklijke DSM		859,842	1.22
95,956	Shell		2,180,469	3.09
19,805	Wolters Kluwer		1,657,242	2.35
			14,354,957	20.36
	Norway: 2.88% (3.06%)			
342,003	Norsk Hydro		2,028,415	2.88
	Portugal: 0.00% (1.50%)			
	Spain: 1.68% (1.12%)			
63,830	Industria De Diseno Textil		1,181,746	1.68
	Sweden: 3.19% (4.53%)			
78,986	Assa Abloy		1,382,513	1.96
149,193	Husqvarna		864,294	1.23
			2,246,807	3.19

Barings European Growth Trust

Portfolio Statement (continued)

as at 31 August 2022

Holdings	Investments	Bid-Market value (£)	Percentage of total net assets (%)
	Equities: 99.04% (99.62%) (continued)		
	Switzerland: 20.64% (22.79%)		
42,239	Julius Baer	1,760,536	2.50
62,225	Nestle	6,261,711	8.88
16,147	Roche	4,472,804	6.34
3,068	Tecan Group	970,182	1.38
15,475	Temenos	1,088,826	1.54
		<u>14,554,059</u>	<u>20.64</u>
	United Kingdom: 9.77% (7.51%)		
161,503	CNH Industrial	1,689,974	2.40
11,567	Linde	2,792,411	3.96
61,600	Unilever	2,403,963	3.41
		<u>6,886,348</u>	<u>9.77</u>
	Portfolio of investments: 99.04% (99.62%)		
	(Cost: £59,591,519)	69,829,273	99.04
	Net other assets	674,666	0.96
	Net assets	<u>70,503,939</u>	<u>100.00</u>

Note: Securities shown on the portfolio statement are ordinary shares admitted to official stock exchange listings or traded on a regulated market, unless otherwise stated.

Comparative figures shown in brackets relate to 31 August 2021.

Barings European Growth Trust

Independent auditors' Report to the Unitholders of Barings European Growth Trust

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Barings European Growth Trust (the "Trust"):

- give a true and fair view of the financial position of the Trust as at 31 August 2022 and of the net revenue and the net capital losses on its scheme property for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Annual Report & Audited Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 August 2022 (page 56); the Statement of Total Return and Statement of Change in Net Assets Attributable to Unitholders for the year then ended (page 55); the Distribution Tables (page 69); and the Notes to the Financial Statements (pages 57 to 68), which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements 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 remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Trust's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Barings European Growth Trust

Independent auditors' Report to the Unitholders of Barings European Growth Trust (continued)

Manager's Report

In our opinion, the information given in the Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Manager for the financial statements

As explained more fully in the Responsibilities of the Manager, the Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Manager is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern, and using the going concern basis of accounting, unless the Manager either intend to wind up or terminate the Trust, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs (UK) 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 these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Trust/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Trust. Audit procedures performed included:

- Discussions with the Manager, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Manager's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Barings European Growth Trust

Independent auditors' Report to the Unitholders of Barings European Growth Trust (continued)

Use of this report

This report, including the opinions, has been prepared for, and only for, the Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook, and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook, we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
9 December 2022

Barings European Growth Trust
Statement of Total Return and Statement of Change in Net Assets Attributable to Unitholders
for the year ended 31 August 2022

Statement of Total Return

	Notes	31/08/2022		31/08/2021	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	2		(11,195)		16,355
Revenue	3	2,646		1,528	
Expenses	4	(821)		(723)	
Net revenue before taxation		<u>1,825</u>		<u>805</u>	
Taxation	5	(435)		(249)	
Net return after taxation			<u>1,390</u>		<u>556</u>
Total (loss)/return before distributions			<u>(9,805)</u>		<u>16,911</u>
Distributions	6		(1,390)		(556)
Change in net assets attributable to unitholders from investment activities			<u>(11,195)</u>		<u>16,355</u>

Statement of Change in Net Assets Attributable to Unitholders

	31/08/2022		31/08/2021	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		85,077		58,315
Amounts receivable on issue of units	4,689		19,095	
Amounts payable on cancellation of units	(8,073)		(8,733)	
		<u>(3,384)</u>		<u>10,362</u>
Dilution adjustment		–		34
Changes in net assets attributable to unitholders from investment activities		(11,195)		16,355
Unclaimed distributions		6		11
Closing net assets attributable to unitholders		<u>70,504</u>		<u>85,077</u>

Barings European Growth Trust**Balance Sheet**as at 31 August 2022

	Notes	31/08/2022 £'000	31/08/2021 £'000
Assets			
Investment assets		69,829	84,757
Current assets:			
Debtors	8	445	332
Cash and bank balances	9	2,007	1,193
Total assets		72,281	86,282
Liabilities			
Creditors:			
Distribution payable on income units	6	(1,330)	(750)
Other creditors	10	(447)	(455)
Total liabilities		(1,777)	(1,205)
Net assets attributable to unitholders		70,504	85,077

Barings European Growth Trust

Notes to the Financial Statements

for the year ended 31 August 2022

1. Accounting policies

Basis of Accounting

The financial statements have been prepared with the historical cost convention, as modified by the revaluation of investments, and in accordance with UK Generally Accepted Accounting Practice and the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association (“IA”) in May 2014 (the “IMA SORP 2014”) and amended in June 2017. The financial statements are also in compliance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been prepared on a going concern basis.

Basis of Valuation of Investments

All investments are valued at their fair value as at close of business on 31 August 2022, being the last business day of the accounting year. The fair value for non-derivative securities is the bid-market price, excluding any accrued interest.

Where values cannot be readily determined, the securities are valued at the Manager’s best assessment of their fair value.

Foreign Exchange

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Where applicable, assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at close of business on 31 August 2022.

Revenue Recognition

Revenue from quoted equity and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend.

Bank interest and other revenue is recognised on an accruals basis.

Special Dividends

These are recognised as either revenue or capital depending upon the nature and circumstances of the dividend. Amounts recognised as revenue will form part of Trust’s distribution. Any tax thereon will follow the accounting treatment of the principal amount.

Distribution Policy

Where applicable, for the income (“Inc”) units, the Trust will pay any surplus revenue as a distribution. For accumulation (“Acc”) units, the Trust will retain any surplus revenue for investment in the Trust.

Acc unitholders will nonetheless be liable to United Kingdom taxation in the same manner, and to the same extent, as if the income accumulated for their benefit had instead been distributed to them.

Treatment of Expenses

For accounting purposes, all expenses (other than those relating to the purchase and sale of investments and stamp duty reserve tax) are charged against revenue for the year on an accruals basis.

Taxation

Corporation tax is provided for on an accounting basis, hence deferred tax on short-term timing difference does not arise. Deferred tax assets arising from unutilised expenses are only recognised as they are expected to crystallise. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Dilution Adjustment

The Trust is single priced and, as a result, may suffer a reduction in value due to costs incurred in the purchase and sale of its underlying investments. With a view to countering this and to act in the best interests of all investors, we have the ability to apply a dilution adjustment, which means we will change the price (up or down) at which you buy or sell. Please refer to the full Prospectus for further details.

Barings European Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

1. Accounting policies (continued)

Unclaimed Distributions

Distributions which have remained unclaimed by unitholders for over six years are credited to the capital property of the Trust.

2. Net Capital (Losses)/Gains

The net capital (losses)/gains during the year comprise:

	31/08/2022	31/08/2021
	£'000	£'000
Non-derivative securities	(11,140)	16,409
Currency losses	(51)	(53)
Transaction charges	(4)	(1)
Net capital (losses)/gains on investments	<u>(11,195)</u>	<u>16,355</u>

3. Revenue

	31/08/2022	31/08/2021
	£'000	£'000
Bank interest	1	—
UK dividends	163	55
Overseas dividends	2,482	1,473
	<u>2,646</u>	<u>1,528</u>

Barings European Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

4. Expenses

	31/08/2022 £'000	31/08/2021 £'000
Payable to Baring Fund Managers Limited (the "Manager") or associates of the Manager:		
Manager's service charge	749	668
	<hr/>	<hr/>
	749	668
Payable to NatWest Trustee and Depositary Services Limited (the "Trustee") or associates of the Trustee:		
Trustee fees	17	14
Safe custody charges	19	11
	<hr/>	<hr/>
	36	25
Other expenses:		
Administration fees	4	2
Audit fees	12	12
ISDA	(7)	–
Professional fees	1	(13)
Registrar and transfer agency fees	20	21
Regulatory fees	5	(13)
Standing charges	3	3
Taxation fees*	(2)	18
	<hr/>	<hr/>
	36	30
Total expenses	<hr/>	<hr/>
	821	723

* Taxation fees relates to PricewaterhouseCoopers LLP ("PwC") or an affiliate of PwC.

Barings European Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

5. Taxation

	31/08/2022 £'000	31/08/2021 £'000
a) Analysis of tax charges for the year:		
Overseas withholding tax	435	249
Current tax charge (note 5b)	<u>435</u>	<u>249</u>

b) Factors affecting taxation charge for the year:

The tax assessed for the year is higher (31 August 2021: higher) than the standard rate of corporation tax in the UK for an authorised unit trust, which is 20% (31 August 2021: 20%). The differences are explained below:

	31/08/2022 £'000	31/08/2021 £'000
Net revenue before taxation	<u>1,825</u>	<u>805</u>
Corporation tax at 20%	365	161
Effects of:		
Double taxation relief expenses	(1)	(1)
Overseas withholding tax	435	249
Non-taxable UK dividends	(33)	(11)
Excess management expenses not utilised	158	138
Non taxable overseas dividends	(489)	(287)
Current tax charge for the period (note 5a)	<u>435</u>	<u>249</u>

c) Provision for the deferred tax

At the year end, there was an unrecognised potential tax asset of £5,385,346 (31 August 2021: £5,227,733) in relation to unutilised management expenses. These are not expected to be utilised in the foreseeable future, unless the nature of the Trust's revenue or capital gains changes.

Barings European Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

6. Distributions

The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:

	31/08/2022 £'000	31/08/2021 £'000
Final Distribution	1,330	750
	<u>1,330</u>	<u>750</u>
Add: Revenue deducted on cancellation of units	72	26
Deduct: Revenue received on issue of units	(12)	(220)
	<u>60</u>	<u>(194)</u>
Total distributions	<u>1,390</u>	<u>556</u>

Details of the distributions per unit are set out in the Distribution Tables on page 69.

Distributions payable at the year end of £1,330,087 (31 August 2021: £750,252) are disclosed in the Balance Sheet on page 56.

7. Movement between net revenue and distributions

	31/08/2022 £'000	31/08/2021 £'000
Net revenue after taxation	1,390	556
	<u>1,390</u>	<u>556</u>

8. Debtors

	31/08/2022 £'000	31/08/2021 £'000
Accrued revenue	80	67
Amount receivable for creation of units	1	16
Overseas tax recoverable	364	249
	<u>445</u>	<u>332</u>

9. Cash and bank balances

	31/08/2022 £'000	31/08/2021 £'000
Cash and bank balances	2,007	1,193
	<u>2,007</u>	<u>1,193</u>

Barings European Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

10. Other creditors

	31/08/2022	31/08/2021
	£'000	£'000
Accrued expenses	408	429
Amounts payable for cancellation of units	39	26
	<u>447</u>	<u>455</u>

11. Contingent liabilities

There were no contingent liabilities at the year-end date (31 August 2021: same).

12. Equalisation

Equalisation applies only to units purchased during the distribution year (Group 2 units). It is the average amount of net revenue included in the purchase price of all Group 2 units. In the case of income ("Inc") units, it is refunded as part of a unitholder's first distribution. In the case of accumulation ("Acc") units, it is automatically reinvested into capital on the first ex-distribution date after the units were purchased. Being a capital repayment, it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

13. Financial instruments

In pursuing its investment objective set out on page 40, the Trust may hold a number of financial instruments. These comprise:

- equity and non-equity shares, fixed-income securities, and floating-rate securities. These are held in accordance with the Trust's investment objective and policies;
- cash, Collective Investment Funds, liquid resources and short-term debtors and creditors that arise directly from its operations;
- unitholders' funds which represent investors' monies which are invested on their behalf;
- borrowings used to finance investment activity;
- forward foreign currency contracts, the purpose of which is to manage the currency risk arising from the Trust's investment activities (and related financing); and
- derivative instruments for the purpose of investment and efficient portfolio management.

14. Risks of financial instruments

The risks arising from the Trust's financial instruments are market price, foreign currency, interest rate, liquidity and credit risks. The Investment Manager reviews (and agrees with the Trustee) policies for managing each of these risks and they are summarised below. These policies have remained unchanged since the beginning of the year to which these financial statements relate (31 August 2021: same):

Market price risk

Arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Trust might suffer through holding market positions in the face of price movements.

The Investment Manager meets regularly to consider the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the investment objective. An individual fund manager has responsibility for monitoring the existing portfolio selected in accordance with the overall asset allocation parameter described above and seeks to ensure that individual stocks also meet the risk reward profile that is acceptable.

Barings European Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

14. Risks of financial instruments (continued)

The Investment Manager does not use derivative instruments to hedge the investment portfolio against market risk, as in their opinion the cost of such a process would result in an unacceptable reduction in the potential for capital growth.

Market price risk sensitivity analysis

As at 31 August 2022, if the price of the investments held by the Trust increased or decreased by 5%, with all other variables held constant, then the net assets attributable to unitholders would increase or decrease by approximately £3.491 million (31 August 2021: £4.238 million).

Foreign currency risk

The revenue and capital value of the Trust's investments can be significantly affected by foreign currency translation movements, as the majority of the Trust's assets and revenue are denominated in currencies other than sterling, which is the Trust's functional currency.

The Investment Manager has identified three principal areas where foreign currency risk could impact the Trust. These are: movement in exchange rates affecting the value of investments, short-term timing differences such as exposure to exchange rate movements during the year between when an investment, purchase or sale is entered into and the date when settlement of the investment occurs, and finally, movements in exchange rates affecting revenue received by the Trust. The Trust converts all receipts of revenue received in foreign currencies into sterling on the day of receipt.

At the year-end date, a proportion of the net assets of the Trust were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements. These net assets consist of the following:

Currency exposure for the year ended 31 August 2022:

	Portfolio of investments £'000	Net other assets £'000	Total £'000
Euro	51,000	364	51,364
Norwegian krone	2,028	–	2,028
Swedish krona	2,247	–	2,247
Swiss franc	14,554	–	14,554
	69,829	364	70,193

Currency exposure for the year ended 31 August 2021:

	Portfolio of investments £'000	Net other assets £'000	Total £'000
Danish krone	–	19	19
Euro	58,913	230	59,143
Norwegian krone	2,602	–	2,602
Swedish krona	3,850	–	3,850
Swiss franc	19,392	–	19,392
	84,757	249	85,006

Barings European Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

14. Risks of financial instruments (continued)

Foreign currency risk sensitivity analysis

At 31 August 2022, if the value of the sterling increased or decreased by 1%, with all other variables held constant, then the net assets attributable to unitholders would increase or decrease by approximately £0.705 million (31 August 2021: £0.851 million).

Interest rate risk

The Trust may invest in both fixed-rate and floating rate securities. Any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing, or the Investment Manager being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held.

In general, if interest rates rise, the revenue potential of the Trust also rises, but the value of fixed-rate securities will decline (along with certain expenses calculated by reference to the assets of the Trust). A decline in interest rates will in general have the opposite effect.

The interest rate risk profile of financial assets and liabilities consists of the following:

	Floating rate 31/08/2022 £'000	Fixed rate 31/08/2022 £'000	Non-interest bearing 31/08/2022 £'000	Total 31/08/2022 £'000
Portfolio of investments	–	–	69,829	69,829
Cash at bank	2,007	–	–	2,007
Other assets	–	–	445	445
Liabilities	–	–	(1,777)	(1,777)
	2,007	–	68,497	70,504

	Floating rate 31/08/2021 £'000	Fixed rate 31/08/2021 £'000	Non-interest bearing 31/08/2021 £'000	Total 31/08/2021 £'000
Portfolio of investments	–	–	84,757	84,757
Cash at bank	1,193	–	–	1,193
Other assets	–	–	332	332
Liabilities	–	–	(1,205)	(1,205)
	1,193	–	83,884	85,077

The floating rate assets and liabilities comprise bank balances, whose rates are determined by reference to the London Interbank Offered Rate (“LIBOR”) or international equivalent borrowing rate.

Interest rate risk sensitivity analysis

The Trust had no significant interest rate risk exposure as at 31 August 2022 (31 August 2021: same).

Liquidity risk

The Trust’s assets comprise mainly readily realisable securities, which can be readily sold. The main liability of the Trust is the redemption of any units that investors wish to sell.

Barings European Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

14. Risks of financial instruments (continued)

Credit risk

Certain transactions in securities that the Trust enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Trust has fulfilled its responsibilities. As at 31 August 2022, the Trust did not hold any open forward currency contracts with any counterparty (31 August 2021: same).

The Trust only buys and sells investments through brokers which have been approved as an acceptable counterparty. In addition, limits are set as to the maximum exposure to any individual broker that may exist at any time, and these limits are reviewed regularly.

Derivatives and other financial instruments

The Trust did not hold any derivatives that could impact the value of the Trust significantly in the current or prior year.

15. Fair value

The fair value of a financial instrument is the amount for which it could be exchanged between knowledgeable, willing parties in an arm's length transaction. There is no significant difference between the value of the financial assets and liabilities, as shown in the financial statements, and their fair value.

FRS 102 requires the Trust to classify financial instruments measured at fair value into the following hierarchy: The disclosures are based on a three-level fair value hierarchy for the inputs used in valuation techniques to measure fair value.

A financial instrument is regarded as quoted in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques. The Trust uses a variety of methods and makes assumptions that are based on market conditions existing at the year-end date. The fair value hierarchy has the following levels:

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Valuation technique for the year ended 31 August 2022:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial Assets				
Equities	69,829	–	–	69,829
	<u>69,829</u>	<u>–</u>	<u>–</u>	<u>69,829</u>

Valuation technique for the year ended 31 August 2021:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial Assets				
Equities	84,757	–	–	84,757
	<u>84,757</u>	<u>–</u>	<u>–</u>	<u>84,757</u>

Barings European Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

16. Portfolio transaction costs

	31/08/2022 £'000	31/08/2021 £'000
Analysis of total purchase costs:		
Purchases before transaction costs*	22,040	37,097
Corporate Actions	2,999	1,532
Commissions:		
Equities total value paid	7	11
Taxes:		
Equities total value paid	16	39
Total transaction costs	23	50
Gross purchases total	25,062	38,629
Analysis of total sale costs:		
Sales before transaction costs*	25,860	27,477
Corporate Actions	3,002	1,532
Commissions:		
Equities total value paid	(8)	(10)
Total transaction costs	(8)	(10)
Total sales net of transaction costs	28,854	28,999

* Not included in 2022 figures are purchases and sales in cash funds totalling £nil million and £3.296 million, respectively, where there are no transaction costs applicable. In 2021, purchases and sales in cash funds totalled £nil million and £14.755 million, respectively.

The above analysis covers any direct transaction costs suffered by the Trust during the year.

In the case of equities and Investment Funds, separately identifiable direct transaction costs (commissions and taxes etc.) are attributable to the Trust's purchase and sale of equity investments. In addition, there may be dealing spread costs (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions which are not separately identifiable and do not form part of the analysis above.

In the case of Investment Funds, there may be potential dealing spread costs applicable to purchases and sales. Additionally, there are indirect transaction costs suffered in those underlying sub-funds throughout the holding period for the instruments which are not separately identifiable and do not form part of the analysis above.

The dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions are not separately identifiable and do not form part of the analysis above.

The average portfolio dealing spread is disclosed next page. Transaction costs vary depending on the transaction value and market sentiment.

Barings European Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

16. Portfolio transaction costs (continued)

	31/08/2022	31/08/2021
	%	%
Analysis of total purchase costs:		
Commissions:		
Equities percentage of total equities purchases costs	0.03	0.03
Equities percentage of average NAV	0.01	0.02
Taxes:		
Equities percentage of total equities purchases costs	0.07	0.11
Equities percentage of average NAV	0.02	0.06
	31/08/2022	31/08/2021
	%	%
Analysis of total sale costs:		
Commissions:		
Equities percentage of total equities sales costs	(0.03)	(0.04)
Equities percentage of average NAV	(0.01)	(0.02)

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.08% (31 August 2021: 0.04%), based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

17. Unit classes

The Trust currently has two unit classes: A GBP Inc and I GBP Inc. The annual management charge and Trust management fee can be found on page 41. The net asset value of each unit class, the net asset value per unit and the number of units in each class are given in the comparative tables on pages 42. The distribution per unit class is given in the distribution tables on page 69. All classes have the same rights on winding up.

	Class A GBP Inc	Class I GBP Inc
Opening units	1,306,735	3,707,637
Units created	40,291	241,338
Units liquidated	(142,963)	(369,386)
Units converted	(2,391)	2,380
Closing units	1,201,672	3,581,969

18. Related party transactions

Baring Asset Management Limited (the "Investment Manager") is the immediate parent company of the Manager and also regarded as a related party. The Investment Manager's fees and expenses will be paid by the Manager out of its remuneration from the Trust. As at 31 August 2022, no amounts due from or to the Investment Manager in respect of unit transactions (31 August 2021: same).

The Manager exercises control over the Trust and is therefore a related party by virtue of its controlling influence.

Barings European Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

18. Related party transactions (continued)

Amounts paid during the year or due to the Manager in respect of management fees at the balance sheet date are disclosed under Expenses and Other creditors in the notes to the financial statements.

The Manager acts as principal on all transactions of units in the Trust. The aggregate monies received through the issue and cancellations of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and Distributions in the notes to the financial statements. Amounts due from or to the Manager in respect of unit transactions at the balance sheet date are disclosed under Debtors and Other creditors in the notes to the financial statements.

19. Post balance sheet events

Subsequent to the year end, the price per unit of the A GBP Income class increased from 1,503.00p to 1,570.00p and I GBP Income class from 1,519.00p to 1,576.00p as at 06 December 2022. This movement takes into account routine transactions. The Manager continues to monitor investment performance in line with investment objectives.

Barings European Growth Trust

Distribution Tables

Final Distribution

Group 1: Units purchased prior to 1 September 2021

Group 2: Units purchased between 1 September 2021 and 31 August 2022

Final distribution - Class A GBP Inc (in pence per unit)

Group	Net Revenue	Equalisation (Note 12)	2022 Distribution Payable	2021 Distribution Paid
1	18.5852	0.0000	18.5852	4.4512
2	16.8232	1.7620	18.5852	4.4512

Final distribution - Class I GBP Inc (in pence per unit)

Group	Net Revenue	Equalisation (Note 12)	2022 Distribution Payable	2021 Distribution Paid
1	30.8979	0.0000	30.8979	18.6665
2	25.0874	5.8105	30.8979	18.6665

Barings Europe Select Trust

Investment Objective and Policy and Trust at a Glance

Investment Objective and Policy

The investment objective of Barings Europe Select Trust (the "Trust") until 18 July 2022 was to achieve capital growth by investing Europe excluding the United Kingdom. From 18 July 2022, the Trust aims to provide a total return, including both capital growth and dividend income (after fees have been deducted), in excess of the EMIX Smaller European Companies Ex UK (Total Net Return) Index over a rolling five year period by investing in equity and equity related securities in Europe excluding the United Kingdom.

The Trust will seek to achieve its investment objective by investing at least 75% of its total assets directly and indirectly in equities and equity-related securities of smaller companies incorporated in, or exercising the predominant part of their economic activity in Europe excluding the United Kingdom, or quoted or traded on the stock exchanges in Europe excluding the United Kingdom.

Smaller European companies can be defined as those companies which are constituents of the bottom 30% of total market capitalisation of Europe's listed companies (this excludes companies in the United Kingdom).

The Trust will invest at least 50% of the Trust's total assets in equities of companies that exhibit positive or improving environmental, social and governance (ESG) characteristics. Such companies are selected through the use of proprietary research supported with the use of third party data. This analysis is also an important driver behind the Investment Manager's policy of active company engagement in which the Investment Manager seeks to influence (or identify the need to influence) ESG practices and to improve disclosure.

The Trust may invest up to 25% of its total assets directly and indirectly in equities and equity-related securities outside of Europe (including in the United Kingdom), as well as in larger companies, and in fixed income and cash. Furthermore, it may also invest up to 50% of its total assets in equities and equity related securities of companies that exhibit less positive ESG characteristics.

In order to implement the investment policy the Trust may gain indirect exposure through American depositary receipts, global depositary receipts and other equity related securities including participation notes, structured notes, equity-linked notes and debt securities convertible into equities. The Trust may also obtain indirect exposure through investments in collective investment schemes (including collective investment schemes managed by the Manager or an associate of the Manager) and other transferable securities. It may also use derivatives including futures, options, swaps, warrants and forward contracts for efficient portfolio management (including hedging).

Please refer to the Prospectus for the full investment objective and policy.

Benchmark

Until 18 July 2022, the Trust was not managed to a benchmark, however the Manager used the EMIX Smaller European Companies Ex UK (Total Net Return) Index to assess the Trust's performance.

From 18 July 2022, the EMIX Smaller European Companies Ex UK (Total Net Return) Index is the target benchmark. The benchmark has been selected as it tracks the performance of small and medium sized companies from developed European countries excluding the UK. The benchmark constituents are not required to exhibit positive/improving ESG characteristics.

The Trust is actively managed and targets outperformance of the benchmark over a five year period. There is however no guarantee that this objective will be achieved over any time period. The Trust is not constrained by the benchmark and can make investments in securities that are not included in the benchmark. Differences in the performance of the Trust compared to the benchmark may also arise as a result of application of the UK UCITS Rules prescribing portfolio concentration and liquidity limits, which are not applied to the benchmark. The Manager considers the benchmark is appropriate based on the investment policy of the Trust.

Barings Europe Select Trust

Investment Objective and Policy and Trust at a Glance (continued)

How the Trust is Managed

At Barings, our equity investment teams share the philosophy of quality “Growth at a Reasonable Price” or GARP. We believe that earnings growth is the principal driver of equity market performance over the medium to long term, and favour high-quality companies for their ability to outperform the market on a risk-adjusted basis. In particular, we believe that structured fundamental research and a disciplined investment process combining quality, growth and upside disciplines can allow us to identify attractively priced, long-term growth companies which will outperform the market. Our approach emphasises quality criteria when looking at companies and a three- to five-year time horizon when forecasting company earnings. In determining upside, we use consistent and transparent methods to place emphasis on discounted earnings models. We value companies on a long term-term basis utilizing proprietary valuation models that incorporate ESG analysis and macro considerations.

Risk Profile

Please see detailed below the key risks applicable to the Trust:

- Changes in exchange rates between the currency of the Trust and the currencies in which the assets of the Trust are valued can have the effect of increasing or decreasing the value of the Trust and any income generated.
- The Trust can hold smaller company shares, which can be more difficult to buy and sell as they may trade infrequently and in small volumes, so their share prices may fluctuate more than those of larger companies.
- Regional Funds have a narrower focus than those which invest broadly across markets and are therefore considered to be more risky.
- Derivative instruments can make a profit or a loss and there is no guarantee that a financial derivative contract will achieve its intended outcome. The use of derivatives can increase the amount by which the Trust’s value rises and falls and could expose the Trust to losses that are significantly greater than the cost of the derivative, as a relatively small movement may have a larger impact on derivatives than the underlying assets. Some derivative transactions may be entered into directly with an eligible person or institution (a “counterparty”). There is a risk that the counterparty may not meet its obligations or becomes insolvent, which could cause the Trust to incur a loss.
- Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. Coupled with less developed regulation, this means your money is at greater risk.
- Losses may occur if an organization through which we buy an asset (such as a bank) fails to meet its obligations.
- Liquidity risk exists when a particular security or instrument is difficult to purchase or sell. If the amount of a transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives, structured products, etc), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

Please refer to the Prospectus for the full risk profile.

Barings Europe Select Trust

Investment Objective and Policy and Trust at a Glance (continued)

The Trust at a Glance on 31 August 2022

Total Trust size: 31 August 2022	£687.44 million	
Total Trust size: 31 August 2021	£1,439.15 million	
OCF*	31/08/2022	31/08/2021
Class A GBP Inc**	1.56%	1.55%
Class A EUR Acc**	1.56%	1.55%
Class A EUR Inc**	1.56%	1.55%
Class A USD Acc	1.56%	1.55%
Class I GBP Acc	0.81%	0.80%
Class I GBP Inc	0.81%	0.80%
Class I EUR Acc	0.81%	0.80%
Class I EUR Inc	0.81%	0.80%
	Initial charge	Initial charge
Class A GBP Inc**	up to 5.00%	up to 5.00%
Class A EUR Acc**	up to 5.00%	up to 5.00%
Class A EUR Inc**	up to 5.00%	up to 5.00%
Class A USD Acc	up to 5.00%	up to 5.00%
Class I GBP Acc	Nil	Nil
Class I GBP Inc	Nil	Nil
Class I EUR Acc	Nil	Nil
Class I EUR Inc	Nil	Nil
	Minimum initial investment	Minimum initial investment
Class A GBP Inc**	£1,000	£1,000
Class A EUR Acc**	€5,000	€5,000
Class A EUR Inc**	€5,000	€5,000
Class A USD Acc	US\$5,000	US\$5,000
Class I GBP Acc	£10,000,000	£10,000,000
Class I GBP Inc	£10,000,000	£10,000,000
Class I EUR Acc	€10,000,000	€10,000,000
Class I EUR Inc	€10,000,000	€10,000,000

* The Ongoing Charge Figure ("OCF") reflects the payments and expenses which cover aspects of operating the Trust and is deducted from the assets over the year. It includes fees paid for investment management, trustee and general charges.

** Calculation based on mid-price.

Barings Europe Select Trust

Investment Objective and Policy and Trust at a Glance (continued)

The Trust at a Glance on 31 August 2022 (continued)

Price per unit	(pence/cents per unit)
Class A GBP Inc	4,160.00p
Class A EUR Acc	5,187.00c
Class A EUR Inc	4,841.00c
Class A USD Acc	5,167.00c
Class I GBP Acc	103.20p
Class I GBP Inc	4,196.00p
Class I EUR Acc	5,324.00c
Class I EUR Inc	4,947.00c

Barings Europe Select Trust

Trust Information

	Class A GBP Inc - Distribution units			Class A EUR Acc - Accumulation units		
	31/08/2022	31/08/2021	31/08/2020	31/08/2022	31/08/2021	31/08/2020
	(p)	(p)	(p)	(c)	(c)	(c)
Change in net assets per unit						
Opening net asset value per unit	5,550.13	4,321.13	4,217.91	6,917.82	5,144.69	4,959.27
Return before operating charges	(1,336.36)	1,332.32	167.49	(1,663.64)	1,867.50	261.99
Operating charges	(75.77)	(75.88)	(64.27)	(94.43)	(94.37)	(76.57)
Return after operating charges	(1,412.13)	1,256.44	103.22	(1,758.07)	1,773.13	185.42
Distributions	(46.11)	(27.44)	–	(60.00)	(35.29)	–
Retained distributions on accumulation units	–	–	–	60.00	35.29	–
Closing net asset value per unit after direct transaction costs of*	4,091.89	5,550.13	4,321.13	5,159.75	6,917.82	5,144.69
	2.64	3.15	4.14	3.29	3.92	4.93
Performance						
Return after charges	(25.44)%	29.08%	2.45%	(25.41)%	34.47%	3.74%
Other information						
Closing net asset value ('000)	£83,609	£185,204	£217,196	€16,107	€31,433	€25,373
Closing number of units	2,043,290	3,336,929	5,026,359	312,160	454,372	493,187
Operating charges	1.56%	1.55%	1.57%	1.56%	1.55%	1.57%
Direct transaction costs	0.05%	0.06%	0.10%	0.05%	0.06%	0.10%
Prices						
Highest unit price	5,618.00	5,581.00	4,419.00	7,041.00	5,942.99	5,616.00
Lowest unit price	4,059.00	4,121.00	3,072.00	5,083.00	4,395.82	3,607.00

	Class A EUR Inc - Distribution units			Class A USD Acc - Accumulation units		
	31/08/2022	31/08/2021	31/08/2020	31/08/2022	31/08/2021	31/08/2020
	(c)	(c)	(c)	(c)	(c)	(c)
Change in net assets per unit						
Opening net asset value per unit	6,455.70	4,823.50	4,649.41	8,171.81	6,121.29	5,464.50
Return before operating charges	(1,551.31)	1,749.88	246.06	(2,937.86)	2,162.89	747.84
Operating charges	(89.45)	(87.68)	(71.97)	(94.00)	(112.37)	(91.05)
Return after operating charges	(1,640.76)	1,662.20	174.09	(3,031.86)	2,050.52	656.79
Distributions	(52.44)	(30.00)	–	(57.53)	(41.86)	–
Retained distributions on accumulation units	–	–	–	57.53	41.86	–
Closing net asset value per unit after direct transaction costs of*	4,762.50	6,455.70	4,823.50	5,139.95	8,171.81	6,121.29
	3.12	3.64	4.64	3.28	4.66	5.87
Performance						
Return after charges	(25.42)%	34.46%	3.74%	(37.10)%	33.50%	12.02%
Other information						
Closing net asset value ('000)	€64,300	€164,531	€179,049	\$15,458	\$28,995	\$16,057
Closing number of units	1,350,127	2,548,618	3,712,004	300,744	354,813	262,319
Operating charges	1.56%	1.55%	1.57%	1.56%	1.55%	1.57%
Direct transaction costs	0.05%	0.06%	0.10%	0.05%	0.06%	0.10%
Prices						
Highest unit price	6,571.00	5,571.23	5,265.00	8,285.00	5,945.32	6,125.00
Lowest unit price	4,743.00	4,121.36	3,382.00	5,132.00	4,398.08	3,928.00

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs such as dealing spread and underlying costs with regard to Investment Fund holdings which will also have reduced the Trust and unit class returns before operating charges.

Barings Europe Select Trust

Trust Information (continued)

	Class I GBP Acc - Accumulation units		Class I GBP Inc - Distribution units		
	31/08/2022 (p)	31/08/2021 [^] (p)	31/08/2022 (p)	31/08/2021 (p)	31/08/2020 (p)
Change in net assets per unit					
Opening net asset value per unit	136.58	101.84	5,556.62	4,323.55	4,217.28
Return before operating charges	(32.98)	35.61	(1,342.95)	1,338.32	169.65
Operating charges	(0.95)	(0.87)	(39.55)	(39.41)	(33.65)
Return after operating charges	(33.93)	34.74	(1,382.50)	1,298.91	136.00
Distributions	(2.13)	(1.65)	(86.20)	(65.84)	(29.73)
Retained distributions on accumulation units	2.13	1.65	–	–	–
Closing net asset value per unit after direct transaction costs of*	102.65	136.58	4,087.92	5,556.62	4,323.55
	0.06	0.08	2.65	3.17	4.15
Performance					
Return after charges	(24.84)%	34.11%	(24.88)%	30.04%	3.22%
Other information					
Closing net asset value ('000)	£9,975	£5,091	£484,301	£949,468	£870,211
Closing number of units	9,718,054	3,727,683	11,847,115	17,087,144	20,127,246
Operating charges	0.81%	0.80%	0.81%	0.80%	0.82%
Direct transaction costs	0.05%	0.06%	0.05%	0.06%	0.10%
Prices					
Highest unit price	138.00	136.70	5,625.00	5,621.00	4,434.00
Lowest unit price	101.00	100.00	4,088.00	4,128.00	3,084.00

	Class I EUR Acc - Accumulation units			Class I EUR Inc - Distribution units		
	31/08/2022 (c)	31/08/2021 (c)	31/08/2020 (c)	31/08/2022 (c)	31/08/2021 (c)	31/08/2020 (c)
Change in net assets per unit						
Opening net asset value per unit	7,047.25	5,201.78	4,975.84	6,467.10	4,830.91	4,652.29
Return before operating charges	(1,700.90)	1,894.66	266.29	(1,498.51)	1,758.78	249.16
Operating charges	(50.32)	(49.19)	(40.35)	(47.53)	(46.01)	(37.72)
Return after operating charges	(1,751.22)	1,845.47	225.94	(1,546.04)	1,712.77	211.44
Distributions	(109.36)	(81.19)	(35.34)	(101.89)	(76.58)	(32.82)
Retained distributions on accumulation units	109.36	81.19	35.34	–	–	–
Closing net asset value per unit after direct transaction costs of*	5,296.03	7,047.25	5,201.78	4,819.17	6,467.10	4,830.91
	3.38	3.96	4.98	3.19	3.70	4.65
Performance						
Return after charges	(24.85)%	35.48%	4.54%	(23.91)%	35.45%	4.54%
Other information						
Closing net asset value ('000)	€28,087	€68,474	€78,588	€3,531	€59,389	€42,409
Closing number of units	530,349	971,638	1,510,216	73,272	918,322	877,868
Operating charges	0.81%	0.80%	0.82%	0.81%	0.80%	0.82%
Direct transaction costs	0.05%	0.06%	0.10%	0.05%	0.06%	0.10%
Prices						
Highest unit price	7,184.00	6,053.75	5,655.00	6,593.00	5,616.74	5,287.00
Lowest unit price	5,210.00	4,450.71	3,635.00	4,841.00	4,133.06	3,398.00

[^]Unit class was launched on 30 October 2020.

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs such as dealing spread and underlying costs with regard to Investment Fund holdings which will also have reduced the Trust and unit class returns before operating charges.

Barings Europe Select Trust

Report of the Investment Manager

Performance

Over the 1-year period to 31 August 2022, the Barings Europe Select Trust (the “Trust”) declined -25.09% on the Class A GBP Inc (net of fees) and underperformed against the target benchmark, which fell -20.37%. The table below shows the 1 year and 5 year annualised net return for the Class A GBP Inc units against the target benchmark.

	1 year	5 years
Barings Europe Select Trust	(25.09)%	1.12%
EMIX Smaller European Companies Ex UK (Total Net Return) Index*	(20.37)%	3.22%

* From 18 July 2022, the EMIX Smaller European Companies Ex UK (Total Net Return) Index is the target benchmark.

European smaller company equities started the period positively, before suffering significant selling in the first quarter of 2022 in response to Russia’s tragic invasion of Ukraine. The asset class remained under pressure throughout the period as sharply higher headline inflation and fears of an economic slowdown prompted further selling.

Over the period, country allocation contributed positively to relative performance, whilst stock selection detracted. Value style equities outperformed Growth by approximately 12 percentage points over the period (based on the MSCI Europe ex UK Small Cap Value vs Growth indices). The underperformance of the Trust over the period reflects poor returns relative to the benchmark in Q1 2022, when the Value style outperformance was particularly pronounced.

This style environment proved to be a material headwind for our Growth at a Reasonable Price investment approach, which prioritises higher quality companies with sustainable growth prospects over a 5-year forecast horizon. The portfolio’s structural tilt to Growth and Quality characteristics provided less downside protection in a falling market than is normally the case. Stock Selection therefore detracted, despite positive earnings revisions. Energy and Defence sector companies in the benchmark, while not held on ESG and Quality grounds, performed very strongly, despite weak profitability.

The portfolio’s holdings in the Industrial Goods and Consumer Goods sectors, which conform to this tilt towards Growth and Quality relative to their sectors, accounted for a significant part of relative underperformance. This weakness largely reflected profit-taking and de-rating.

Key purchases over the period included Swiss insurance group Baloise. We had sold out of this company towards the end of 2021, realising a small profit. Following share price weakness, despite improved disclosure on Baloise’s online insurance-related ventures and continuing strong developments in the Swiss P&C insurance market, we re-invested in the company.

Among the sales during the period, we reduced exposure to ASM International following a strong share price performance both in 2021 and since inception of the holding. The share price more fully discounted our long-term assessment of the company’s prospects while the valuation had attained a significant premium to the valuation of the broader market.

Over five years the Trust has underperformed relative to the benchmark performance objective and to the peer group, although it has delivered the objective of capital growth.

This underperformance has primarily been driven by stock selection over the short term, amid a style environment where Value has outperformed Growth dramatically over the past 12 months. This has proved to be a material headwind for our Growth at a Reasonable Price (GARP) investment approach, which focuses on quality companies with sustainable growth prospects. European (and global) equity markets have been subject to sharp, top-down driven moves in indices, and more recently to changes in the inflationary environment, geopolitics and interest rates resulting in marked underperformance by companies with higher quality characteristics (such as high return on equity, low debt to equity and strong historic earnings growth). Furthermore, more recently, companies’ positive earnings revisions have not driven share prices and as a result short term performance has suffered.

Barings Europe Select Trust

Report of the Investment Manager (continued)

The top ten purchases and sales during the year were as follows:

Purchases	Costs £'000	Sales	Proceeds £'000
SEB	16,936	Bâloise	20,877
Bâloise	15,441	ASM International	20,851
SimCorp	14,830	Signify	20,131
Soitec	14,338	Interpump Group	19,854
Chr Hansen	11,901	KION	19,681
Securitas	11,318	IMCD	18,619
Pandora	11,298	Rockwool International	16,128
Barry Callebaut	10,757	Aalberts Industries	15,905
Ubisoft Entertainment	9,846	D'ieteren	15,362
Aker BP	9,480	HelloFresh	14,957

Market Outlook

Equity markets are likely to remain volatile over the coming months, with central banks raising interest rates in response to rising inflation. Furthermore, geopolitical developments continue to exacerbate inflation and weaken global trade, whilst raw material and component supplies remain affected by the war in Ukraine and by the impact of lockdowns in China. Energy prices remain elevated, whilst Europe's dependence on Russian gas supplies has raised fears of energy rationing and even blackouts.

Unsurprisingly these developments have led to significant declines in consumer and business confidence, whilst economic growth forecasts are now receiving downward revisions.

Consensus forecasts for earnings growth from European smaller companies in 2022, however, remain positive, as profits in the first half of the year have proved strong, boosted by the EU Recovery Fund and Green Deal, tourism and travel recoveries, and strong growth in technology and infrastructure spending.

Our Growth at a Reasonable Price approach remains unchanged, focusing on reasonably valued companies whose profit growth potential is demonstrably improving. Following the recent outperformance of Value style equities, and underperformance by Growth companies, valuation dispersion has declined across sectors. Earnings revisions, and individual companies' commentaries on their specific growth prospects, should increasingly determine share price performance.

Baring Asset Management Limited

Baring Asset Management Limited (the "Investment Manager") gives its portfolio managers full authority to manage their funds as they see fit, within the established guidelines set down. This includes the views that managers may take of the markets and sectors they invest in, which may differ from the views of other Barings portfolio managers.

Barings Europe Select Trust

Environmental, Social and Governance (“ESG”) Integration

ESG INTEGRATION PROCESS

Barings integrates environmental, social, and governance (“ESG”) considerations into all company analysis and investment decisions. We achieve this through a focus on integration, forward-looking dynamics, and active engagement with management teams to unlock long-term returns and improve ESG outcomes.

Integration

Integrating ESG is core to our fundamental research and allows us to better assess the risks and opportunities for our investments that are not apparent in traditional fundamental analysis. This influences both our quality assessment of a company as well as its valuation, and is therefore integral to decision making.

Dynamic & Forward Looking

Our proprietary assessment is aimed at capturing improving or deteriorating standards to highlight and reward more sustainable business practices, rather than relying on static assessments from third parties.*

Engagement

We aim to drive outcomes through direct engagement with corporate management teams, potentially unlocking value for our investors while seeking better outcomes for society and the planet, rather than relying on blanket exclusions.

Please note, we will not directly invest in companies that violate International Conventions on cluster munitions, anti-personnel mines, chemical and biological weapons. We will not knowingly hold companies that are materially involved in the production, stockpiling and use of these weapons at the time of investment. Our strong preference is to engage with companies, as opposed to applying a broad based sector exclusion approach.

For the purposes of the Sustainable Finance Disclosure Regulation, this Trust promotes environmental or social characteristics and is classified as an Article 8 product.

Holdings % with Positive or Improving ESG Characteristics as at 31 August 2022

	Positive or Improving	All Others
Barings Europe Select Trust	76.92%	23.08%

ENGAGEMENT CASE STUDY: GETINGE

Engagement Category: Societal

Format: Video call (one to one)

Contact: Investor Relations

Engagement Overview

We engaged with Getinge, a Swedish medical technology leader, to request greater disclosure around product safety and particularly the recall of a historic product.

Engagement Objective: Improve Disclosure

Our aim was to encourage greater disclosure around the recall of an intra-aortic balloon pump, and also promote increased disclosure around future possible product related issues.

Outcome: Ongoing

Through our dialogue with the company we received assurances that the diminishing disclosure related to this issue resulted from a lack of new incidents related to it. We have subsequently requested for this to be disclosed publicly which is currently outstanding.

*Barings cost of equity is applied to value companies. This includes an ESG adjustment of between +2% to 1% to the cost of equity in our valuation process based on our proprietary assessment of each company's ESG profile. The best ESG rated stocks are awarded a 1% discount to the required cost of equity while the worst have a 2% premium applied to our required cost of equity.

Barings Europe Select Trust

Environmental, Social and Governance (“ESG”) Integration (continued)

Furthermore, the company expressed a willingness to strive to be best in class in transparency on the issues of recalls and field corrections going forward. Based on our initial discussions we believe there has seen some progress, and we will follow up with the company to understand if they have achieved both targets.

Barings Europe Select Trust

Responsibilities of the Manager and the Trustee

Responsibilities of the Manager

The Collective Investment Schemes sourcebook (“COLL”) requires Baring Fund Managers Limited (the “Manager”) to prepare financial statements for each financial year which give a true and fair view of the financial affairs of the Barings Europe Select Trust (the “Trust”) and of its net revenue and net capital losses for the year. In preparing the financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association (“IA”) in May 2014 (the “IMA SORP 2014”);
- follow generally accepted accounting principles and applicable accounting standards;
- make judgments and estimates that are reasonable and prudent;
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements; and
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Manager confirms that it has complied with the above requirements in preparing the financial statements. The Manager is responsible for the management of the Trust in accordance with the Trust Deed, Prospectus and the COLL. The Manager is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Manager is responsible for the maintenance and integrity of the company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of the Trustee’s Responsibilities and Report of the Trustee to the Unitholders of Barings Europe Select Trust (the “Trust”) for the year ended 31 August 2022

NatWest Trustee and Depositary Services Limited (the “Trustee”) must ensure that the Trust is managed in accordance with the Financial Conduct Authority’s Collective Investment Schemes sourcebook, the Financial Services and Markets Act 2000, as amended (together the “Regulations”), the Trust Deed and Prospectus (together the “Scheme documents”) as detailed below.

The Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Trustee is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Trustee must ensure that:

- the Trust’s cash flows are properly monitored and that cash of the Trust is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust’s assets is remitted to the Trust within the usual time limits;
- the Trust’s income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager (the “AFM”) are carried out (unless they conflict with the Regulations).

The Trustee also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Regulations, and the Scheme documents in relation to the investment and borrowing powers applicable to the Trust.

Barings Europe Select Trust

Responsibilities of the Manager and the Trustee (continued)

Statement of the Trustee's Responsibilities and Report of the Trustee to the Unitholders of Barings Europe Select Trust (the "Trust") for the year ended 31 August 2022 (continued)

Having carried out such procedures as we considered necessary to discharge our responsibilities as Trustee of the Trust, it is our opinion, based on the information available to us and the explanations provided, that in all material respects, the Trust, acting through the AFM:

- has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Regulations and the Scheme documents; and
- has observed the investment and borrowing powers and restrictions applicable to the Trust.

NatWest Trustee and Depositary Services Limited
Trustee & Depositary Services
London 9 December 2022

Barings Europe Select Trust

Portfolio Statement

as at 31 August 2022

Holdings	Investments	Percentage Bid-Market of total net value (£)	assets (%)
	Equities: 98.26% (98.11%)		
	Austria: 2.65% (3.17%)		
284,647	BAWAG	11,048,543	1.61
356,522	Wienerberger	7,155,028	1.04
		18,203,571	2.65
	Belgium: 2.61% (2.82%)		
22,044	Ackermans & van Haaren	2,759,320	0.40
66,195	Barco	1,263,634	0.19
162,593	COLRUYT	3,866,519	0.56
77,482	D'ieteren	10,031,508	1.46
		17,920,981	2.61
	Denmark: 8.34% (5.07%)		
305,369	ALK-Abello	4,871,568	0.71
26,487	Chemometec	2,432,484	0.35
197,052	Chr Hansen	9,867,794	1.43
261,971	GN Store Nord	6,394,445	0.93
165,915	Pandora	8,632,452	1.26
146,217	Royal Unibrew	9,408,127	1.37
350,391	Topdanmark	15,745,363	2.29
		57,352,233	8.34
	Finland: 7.87% (7.81%)		
175,452	Cargotec	5,109,874	0.74
410,612	Huhtamaki	12,286,757	1.79
106,346	Kemira	1,098,191	0.16
1,056,280	Metsa Board	7,804,223	1.13
1,199,911	Metso Outotec	8,090,217	1.18
162,058	Sanoma	1,896,268	0.28
210,741	TietoEVRY	4,616,803	0.67
604,861	Valmet	13,183,424	1.92
		54,085,757	7.87
	France: 14.12% (10.12%)		
561,076	ALD	5,234,843	0.76
1,229,109	Elis	13,484,457	1.96
194,618	Eurazeo	9,973,455	1.45
49,730	Gaztransport Et Technigaz	5,421,660	0.79
110,290	IPSOS	4,292,265	0.63
156,273	Nexity	2,999,296	0.44
254,241	Publicis Groupe	10,645,922	1.55
152,525	Quadiant	2,210,590	0.32
716,514	Rexel	9,972,220	1.45
107,653	Societe BIC	5,243,984	0.76
36,776	Sopra Steria	4,356,933	0.63
681,806	SPIE	12,745,940	1.85
38,573	Trigano	2,868,155	0.42
206,481	Worldline	7,590,573	1.11
		97,040,293	14.12

Barings Europe Select Trust

Portfolio Statement (continued)

as at 31 August 2022

Holdings	Investments	Bid-Market value (£)	Percentage of total net assets (%)
	Equities: 98.26% (98.11%) (continued)		
	Germany: 5.28% (12.82%)		
81,994	Cancom	1,966,752	0.28
133,938	CompuGroup Medical	4,305,858	0.63
66,999	Dermapharm	2,661,573	0.39
153,700	Evotec	2,897,094	0.42
240,328	GEA Group	7,131,467	1.04
217,499	Jenoptik	3,927,735	0.57
94,726	Sixt	7,918,341	1.15
57,628	Stroeer	2,091,268	0.30
273,306	Synlab	3,428,105	0.50
		36,328,193	5.28
	Iceland: 0.00% (0.27%)		
	Ireland: 1.64% (1.90%)		
391,225	Smurfit Kappa Group	11,273,060	1.64
	Italy: 13.76% (12.77%)		
219,909	ACEA	2,255,794	0.33
285,334	Amplifon	6,380,869	0.93
1,383,673	Autogrill	7,774,337	1.13
630,135	Banca Generali	14,291,891	2.08
1,042,039	Credito Emiliano	5,156,543	0.75
104,954	DiaSorin	11,802,957	1.72
1,423,868	FinecoBank	13,229,652	1.92
5,433,641	Hera	11,665,661	1.70
1,104,358	Infrastrutture Wireless Italiane	8,781,837	1.28
252,463	Prysmian	6,621,810	0.96
154,841	Recordati	5,416,839	0.79
62,988	Tinexta Spa	1,191,591	0.17
		94,569,781	13.76
	Luxembourg: 0.00% (0.38%)		
	Netherlands: 12.23% (17.15%)		
105,339	Aalberts Industries	3,307,720	0.48
207,724	Arcadis	5,675,001	0.83
53,273	ASM International	12,398,477	1.80
433,946	ASR Nederland	15,158,465	2.21
187,277	BE Semiconductor Industries	7,624,710	1.11
168,872	Euronext	10,704,058	1.56
156,530	Flow Traders	2,676,103	0.39
760,830	Fugro	8,301,250	1.21
92,590	IMCD	10,949,454	1.59
80,792	Van Lanschot Kempen	1,454,134	0.21
307,892	Vopak	5,800,818	0.84
		84,050,190	12.23
	Norway: 4.83% (2.25%)		
332,822	Aker BP	10,028,492	1.46
89,679	Bakkafrøst	4,528,251	0.66
586,258	Borregaard	7,653,456	1.11

Barings Europe Select Trust

Portfolio Statement (continued)

as at 31 August 2022

Holdings	Investments	Bid-Market value (£)	Percentage of total net assets (%)
	Equities: 98.26% (98.11%) (continued)		
	Norway: 4.83% (2.25%) (continued)		
226,266	Crayon Holding	2,112,413	0.31
286,976	Nordic Semiconductor	3,801,130	0.55
389,342	TGS-NOPEC Geophysical Company	5,113,141	0.74
		33,236,883	4.83
	Spain: 5.13% (2.69%)		
1,701,954	Applus Services	9,701,545	1.41
534,408	CIE Automotive	11,193,318	1.63
352,463	Fluidra	4,826,741	0.70
94,943	Laboratorios Farmaceuticos Rovi	4,001,683	0.58
115,849	Viscofan	5,558,628	0.81
		35,281,915	5.13
	Sweden: 8.41% (10.75%)		
770,569	AAK	10,137,299	1.48
408,318	Arjo	1,569,296	0.23
574,334	Getinge	9,158,786	1.33
981,431	Hexpol	7,472,063	1.09
334,223	Intrum	5,149,661	0.75
1,061,205	Nordnet	10,943,279	1.59
1,245,906	Securitas	9,364,364	1.36
256,560	SkiStar	2,833,477	0.41
642,030	Stillfront Group	1,180,570	0.17
		57,808,795	8.41
	Switzerland: 11.39% (8.14%)		
100,965	Bâloise	12,540,516	1.82
5,162	Barry Callebaut	9,086,798	1.32
28,791	BKW	2,986,770	0.44
149,709	DKSH	9,553,855	1.39
41,366	Galenica	2,501,742	0.36
81,311	Helvetia	7,713,797	1.12
3,521	Siegfried	2,418,622	0.35
701,256	SIG Combibloc	14,143,068	2.06
39,310	Tecan	12,430,846	1.81
70,354	Temenos	4,950,128	0.72
		78,326,142	11.39
	Portfolio of investments: 98.26% (98.11%) (Cost: £631,624,954)	675,477,794	98.26
	Net other assets	11,957,336	1.74
	Net assets	687,435,130	100.00

Note: Securities shown on the portfolio statement are ordinary shares admitted to official stock exchange listings or traded on a regulated market, unless otherwise stated.

Comparative figures shown in brackets relate to 31 August 2021.

Barings Europe Select Trust

Independent auditors' Report to the Unitholders of Barings Europe Select Trust

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Barings Europe Select Trust (the "Trust"):

- give a true and fair view of the financial position of the Trust as at 31 August 2022 and of the net revenue and the net capital losses on its scheme property for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Annual Report & Audited Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 August 2022 (page 90); the Statement of Total Return and Statement of Change in Net Assets Attributable to Unitholders for the year then ended (page 89); the Distribution Tables (pages 103 to 106) and the Notes to the Financial Statements (pages 91 to 102), which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements 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 remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Trust's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our Auditors' report thereon. The Manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Barings Europe Select Trust

Independent auditors' Report to the Unitholders of Barings Europe Select Trust (continued)

Manager's report

In our opinion, the information given in the Manager's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Manager for the financial statements

As explained more fully in the Responsibilities of the Manager, the Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Manager is also responsible for such internal control as they determine is to be necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern, and using the going concern basis of accounting, unless the Manager either intend to wind up or terminate the Trust, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs (UK) 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 these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Trust/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Trust. Audit procedures performed included:

- Discussions with the Manager, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Manager's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Barings Europe Select Trust

Independent auditors' Report to the Unitholders of Barings Europe Select Trust (continued)

Use of this report

This report, including the opinions, has been prepared for, and only for, the Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook, and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook, we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
9 December 2022

Barings Europe Select Trust

Statement of Total Return and Statement of Change in Net Assets Attributable to Unitholders

for the year ended 31 August 2022

Statement of Total Return

	Notes	31/08/2022		31/08/2021	
		£'000	£'000	£'000	£'000
Income					
Net capital (losses)/gains	2		(320,839)		339,862
Revenue	3	30,775		30,743	
Expenses	4	(10,444)		(13,661)	
Interest payable and other similar charges	5	(283)		(357)	
Net revenue before taxation		<u>20,048</u>		<u>16,725</u>	
Taxation	6	(4,604)		(2,079)	
Net revenue after taxation			<u>15,444</u>		<u>14,646</u>
Total return before distributions			<u>(305,395)</u>		<u>354,508</u>
Distributions	7		<u>(15,444)</u>		<u>(14,648)</u>
Change in net assets attributable to unitholders from investment activities			<u>(320,839)</u>		<u>339,860</u>

Statement of Change in Net Assets Attributable to Unitholders

	31/08/2022		31/08/2021	
	£'000	£'000	£'000	£'000
Opening net assets attributable to unitholders		1,439,151		1,390,778
Amounts receivable on issue of units	272,157		283,363	
Amounts payable on cancellation of units	<u>(704,191)</u>		<u>(575,823)</u>	
		(432,034)		(292,460)
Dilution adjustment		138		–
Changes in net assets attributable to unitholders from investment activities		(320,839)		339,860
Retained distribution on accumulation units	7	1,015		969
Unclaimed distributions		4		4
Closing net assets attributable to unitholders		<u>687,435</u>		<u>1,439,151</u>

Barings Europe Select Trust**Balance Sheet**as at 31 August 2022

	Notes	31/08/2022 £'000	31/08/2021 £'000
Assets			
Investment assets		675,478	1,411,982
Current assets:			
Debtors	9	7,852	12,455
Cash and bank balances	10	19,337	60,498
Total assets		702,667	1,484,935
Liabilities			
Creditors:			
Bank overdraft	10	–	(7,119)
Distribution payable on income units	7	(11,827)	(12,560)
Other creditors	11	(3,405)	(26,105)
Total liabilities		(15,232)	(45,784)
Net assets attributable to unitholders		687,435	1,439,151

Barings Europe Select Trust

Notes to the Financial Statements

for the year ended 31 August 2022

1. Accounting policies

Basis of Accounting

The financial statements have been prepared with the historical cost convention, as modified by the revaluation of investments, and in accordance with UK Generally Accepted Accounting Practice and the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association (“IA”) in May 2014 (the “IMA SORP 2014”) and amended in June 2017. The financial statements are also in compliance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been prepared on a going concern basis.

Basis of Valuation of Investments

All investments are valued at their fair value as at close of business on 31 August 2022, being the last business day of the accounting year. The fair value for non-derivative securities is the bid-market price, excluding any accrued interest.

Where values cannot be readily determined, the securities are valued at the Manager’s best assessment of their fair value.

Foreign Exchange

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Where applicable, assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at close of business on 31 August 2022.

Revenue Recognition

Revenue from quoted equity and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend.

Bank interest and other revenue is recognised on an accruals basis.

Special Dividends

These are recognised as either revenue or capital depending upon the nature and circumstances of the dividend. Amounts recognised as revenue will form part of Trust’s distribution. Any tax thereon will follow the accounting treatment of the principal amount.

Distribution Policy

Where applicable, for the income (“Inc”) units, the Trust will pay any surplus revenue as a distribution. For accumulation (“Acc”) units, the Trust will retain any surplus revenue for investment in the Trust.

Acc unitholders will nonetheless be liable to United Kingdom taxation in the same manner, and to the same extent, as if the income accumulated for their benefit had instead been distributed to them.

Stock Dividends

The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Trust. Any enhancement above the cash dividend is treated as capital and is non-distributable. As at 31 August 2022, there were no stock dividends on this Trust.

Treatment of Expenses

For accounting purposes, all expenses (other than those relating to the purchase and sale of investments and stamp duty reserve tax) are charged against revenue for the year on an accruals basis.

Taxation

Corporation tax is provided for on an accounting basis, hence deferred tax on short-term timing difference does not arise. Deferred tax assets arising from unutilised expenses are only recognised as they are expected to crystallise. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Barings Europe Select Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

1. Accounting policies (continued)

Dilution Adjustment

The Trust is single priced and, as a result, may suffer a reduction in value due to costs incurred in the purchase and sale of its underlying investments. With a view to countering this and to act in the best interests of all investors, we have the ability to apply a dilution adjustment, which means we will change the price (up or down) at which you buy or sell. Please refer to the full Prospectus for further details.

Unclaimed Distributions

Distributions which have remained unclaimed by unitholders for over six years are credited to the capital property of the Trust.

2. Net Capital (Losses)/Gains

The net capital (losses)/gains during the year comprise:

	31/08/2022 £'000	31/08/2021 £'000
Non-derivative securities	(320,685)	342,274
Currency losses	(153)	(2,366)
Transaction charges	(2)	(46)
CSDR penalty*	1	–
Net capital (losses)/gains on investments	<u>(320,839)</u>	<u>339,862</u>

* These are penalties imposed on trades with settlement delays. The Central Securities Depositories Regulation (CSDR) provides for a schedule of cash penalties following the initial failure of a transaction. Penalties are calculated whenever a trade instruction fails to settle on the Intended Settlement Date (ISD) or which is input and matched after the ISD.

3. Revenue

	31/08/2022 £'000	31/08/2021 £'000
Bank interest	31	60
Offshore CIS interest revenue	–	2
Overseas dividends	30,744	30,681
	<u>30,775</u>	<u>30,743</u>

Barings Europe Select Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

4. Expenses

	31/08/2022 £'000	31/08/2021 £'000
Payable to Baring Fund Managers Limited (the "Manager") or associates of the Manager:		
Manager's service charge	9,785	13,025
	9,785	13,025
Payable to NatWest Trustee and Depositary Services Limited (the "Trustee") or associates of the Trustee:		
Trustee fees	156	183
Safe custody charges	309	264
	465	447
Other expenses:		
Administration fees	3	2
Audit fees	12	12
Professional fees	1	(9)
Registrar and transfer agency fees	158	169
Regulatory fees	2	(15)
Standing charges	3	3
Taxation fees*	15	27
	194	189
Total expenses	10,444	13,661

* Taxation fees relate to PricewaterhouseCoopers LLP ("PwC") or an affiliate of PwC.

5. Interest payable and other similar charges

	31/08/2022 £'000	31/08/2021 £'000
Interest expenses	283	357
	283	357

6. Taxation

	31/08/2022 £'000	31/08/2021 £'000
a) Analysis of tax charges for the period:		
Overseas withholding tax	4,604	2,079
Current tax charge (note 6b)	4,604	2,079
	4,604	2,079

Barings Europe Select Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

6. Taxation (continued)

b) Factors affecting taxation charge of the year:

The tax assessed for the year is higher (31 August 2021: lower) than the standard rate of corporation tax in the UK for an authorised unit trust, which is 20% (31 August 2021: 20%). The differences are explained below:

	31/08/2022	31/08/2021
	£'000	£'000
Net revenue before taxation	20,048	16,725
Corporation tax at 20%	4,010	3,345
Effects of:		
Overseas withholding tax	4,604	2,079
Excess management expenses not utilised	2,132	2,791
Non taxable overseas dividends	(6,142)	(6,136)
Current tax charge for the period (note 6a)	4,604	2,079

c) Provision for the deferred tax

At the year end, there was an unrecognised potential tax asset of £37,286,726 (31 August 2021: £35,154,328) in relation to unutilised management expenses. These are not expected to be utilised in the foreseeable future, unless the nature of the Trust's revenue or capital gains changes.

7. Distributions

The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units and comprise:

	31/08/2022	31/08/2021
	£'000	£'000
Interim Distribution	–	869
Interim Accumulation	–	28
Final Distribution	11,827	12,560
Final Accumulation	1,015	941
	12,842	14,398
Add: Revenue deducted on cancellation of units	3,411	1,216
Deduct: Revenue received on issue of units	(809)	(966)
	2,602	250
Total distributions	15,444	14,648

Details of the distributions per units are set out in the Distribution Tables on pages 103 to 106.

Distributions payable at the year end of £11,826,941 (31 August 2021: £12,560,294) are disclosed in the Balance Sheet on page 90.

Barings Europe Select Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

8. Movement between net revenue and distributions

	31/08/2022	31/08/2021
	£'000	£'000
Net revenue after taxation	15,444	14,646
Equalisation on conversions	–	2
	15,444	14,648

9. Debtors

	31/08/2022	31/08/2021
	£'000	£'000
Accrued revenue	311	480
Amount receivable for creation of units	1,356	7,049
Overseas tax recoverable	5,469	4,926
Sales awaiting settlement	716	–
	7,852	12,455

10. Cash and bank balances

	31/08/2022	31/08/2021
	£'000	£'000
Bank overdraft	–	(7,119)
Cash and bank balances	19,337	60,498
	19,337	53,379

11. Other creditors

	31/08/2022	31/08/2021
	£'000	£'000
Accrued expenses	816	1,554
Amounts payable for cancellation of units	2,587	24,133
Currency deals awaiting settlement	2	–
Purchases awaiting settlement	–	418
	3,405	26,105

12. Contingent liabilities

There were no contingent liabilities at the year-end date (31 August 2021: same).

13. Equalisation

Equalisation applies only to units purchased during the distribution year (Group 2 units). It is the average amount of net revenue included in the purchase price of all Group 2 units. In the case of income ("Inc") units, it is refunded as part of a unitholder's first distribution. In the case of accumulation ("Acc") units, it is automatically reinvested into the capital on the first ex-distribution date after the units were purchased. Being a capital repayment, it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Barings Europe Select Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

14. Financial instruments

In pursuing its investment objective set out on page 70, the Trust may hold a number of financial instruments. These comprise:

- equity and non-equity shares, fixed-income securities, and floating-rate securities. These are held in accordance with the Trust's investment objective and policies;
- cash, Collective Investment Funds, liquid resources and short-term debtors and creditors that arise directly from its operations;
- unitholders' funds which represent investors' monies which are invested on their behalf;
- borrowings used to finance investment activity;
- forward foreign currency contracts, the purpose of which is to manage the currency risk arising from the Trust's investment activities (and related financing); and
- derivative instruments for the purpose of investment and efficient portfolio management.

15. Risks of financial instruments

The risks arising from the Trust's financial instruments are market price, foreign currency, interest rate, liquidity and credit risks. The Investment Manager reviews (and agrees with the Trustee) policies for managing each of these risks and they are summarised below. These policies have remained unchanged since the beginning of the year to which these financial statements relate (31 August 2021: same):

Market price risk

Arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Trust might suffer through holding market positions in the face of price movements.

The Investment Manager meets regularly to consider the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the investment objective. An individual fund manager has responsibility for monitoring the existing portfolio selected in accordance with the overall asset allocation parameter described above and seeks to ensure that individual stocks also meet the risk reward profile that is acceptable.

The Investment Manager does not use derivative instruments to hedge the investment portfolio against market risk, as in their opinion the cost of such a process would result in an unacceptable reduction in the potential for capital growth.

Market price risk sensitivity analysis

As at 31 August 2022, if the price of the investments held by the Trust increased or decreased by 5%, with all other variables held constant, then the net assets attributable to unitholders would increase or decrease by approximately £33.774 million (31 August 2021: £70.599 million).

Foreign currency risk

The revenue and capital value of the Trust's investments can be significantly affected by foreign currency translation movements, as the majority of the Trust's assets and revenue are denominated in currencies other than sterling, which is the Trust's functional currency.

The Investment Manager has identified three principal areas where foreign currency risk could impact the Trust. These are: movement in exchange rates affecting the value of investments, short-term timing differences such as exposure to exchange rate movements during the year between when an investment, purchase or sale is entered into and the date when settlement of the investment occurs, and finally, movements in exchange rates affecting revenue received by the Trust. The Trust converts all receipts of revenue received in foreign currencies into sterling on the day of receipt.

At the year-end date, a proportion of the net assets of the Trust were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements.

Barings Europe Select Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

15. Risks of financial instruments (continued)

These net assets consist of the following:

Currency exposure for the year ended 31 August 2022:

	Portfolio of investments £'000	Net other assets £'000	Total £'000
Danish krone	57,352	2,434	59,786
Euro	448,754	16,018	464,772
Norwegian krone	33,237	148	33,385
Swedish krona	57,809	5,260	63,069
Swiss franc	78,326	7	78,333
US dollar	–	463	463
	675,478	24,330	699,808

Currency exposure for the year ended 31 August 2021:

	Portfolio of investments £'000	Net other assets £'000	Total £'000
Danish krone	72,932	12,110	85,042
Euro	1,034,929	18,529	1,053,458
Norwegian krone	32,350	2,835	35,185
Swedish krona	154,709	3,150	157,859
Swiss franc	117,063	16,301	133,364
US dollar	–	2,811	2,811
	1,411,983	55,736	1,467,719

Foreign currency risk sensitivity analysis

At 31 August 2022, if the value of the sterling increased or decreased by 1%, with all other variables held constant, then the net assets attributable to unitholders would increase or decrease by approximately £6.998 million (31 August 2021: £14.677 million).

Interest rate risk

The Trust may invest in both fixed-rate and floating rate securities. Any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing, or the Investment Manager being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held.

In general, if interest rates rise, the revenue potential of the Trust also rises, but the value of fixed-rate securities will decline (along with certain expenses calculated by reference to the assets of the Trust). A decline in interest rates will in general have the opposite effect.

Barings Europe Select Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

15. Risks of financial instruments (continued)

The interest rate risk profile of financial assets and liabilities consists of the following:

	Floating rate 31/08/2022 £'000	Fixed rate 31/08/2022 £'000	Non-interest bearing 31/08/2022 £'000	Total 31/08/2022 £'000
Portfolio of investments	–	–	675,478	675,478
Cash at bank	19,337	–	–	19,337
Other assets	–	–	7,852	7,852
Liabilities	–	–	(15,232)	(15,232)
	19,337	–	668,098	687,435

	Floating rate 31/08/2021 £'000	Fixed rate 31/08/2021 £'000	Non-interest bearing 31/08/2021 £'000	Total 31/08/2021 £'000
Portfolio of investments	–	–	1,411,982	1,411,982
Cash at bank	53,379	–	–	53,379
Other assets	–	–	12,455	12,455
Liabilities	–	–	(38,665)	(38,665)
	53,379	–	1,385,772	1,439,151

The floating rate assets and liabilities comprise bank balances, whose rates are determined by reference to the London Interbank Offered Rate (“LIBOR”) or international equivalent borrowing rate.

Interest rate risk sensitivity analysis

The Trust had no significant interest rate risk exposure as at 31 August 2022 (31 August 2021: same).

Liquidity risk

The Trust’s assets comprise mainly readily realisable securities, which can be readily sold. The main liability of the Trust is the redemption of any units that investors wish to sell.

Credit risk

Certain transactions in securities that the Trust enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Trust has fulfilled its responsibilities. As at 31 August 2022, the Trust did not hold any open forward currency contracts with any counterparty (31 August 2021: same).

The Trust only buys and sells investments through brokers which have been approved as an acceptable counterparty. In addition, limits are set as to the maximum exposure to any individual broker that may exist at any time, and these limits are reviewed regularly.

Derivatives and other financial instruments

The Trust did not hold any derivatives that could impact the value of the Trust significantly in the current or prior year.

Barings Europe Select Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

16. Fair value

The fair value of a financial instrument is the amount for which it could be exchanged between knowledgeable, willing parties in an arm's length transaction. There is no significant difference between the value of the financial assets and liabilities, as shown in the financial statements, and their fair value.

FRS 102 requires the Trust to classify financial instruments measured at fair value into the following hierarchy: The disclosures are based on a three-level fair value hierarchy for the inputs used in valuation techniques to measure fair value.

A financial instrument is regarded as quoted in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques. The Trust uses a variety of methods and makes assumptions that are based on market conditions existing at the year-end date. The fair value hierarchy has the following levels:

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Valuation technique for the year ended 31 August 2022:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial Assets				
Equities	675,478	–	–	675,478
	675,478	–	–	675,478

Valuation technique for the year ended 31 August 2021:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial Assets				
Equities	1,411,982	–	–	1,411,982
	1,411,982	–	–	1,411,982

Barings Europe Select Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

17. Portfolio transaction costs

	31/08/2022 £'000	31/08/2021 £'000
Analysis of total purchase costs:		
Purchases before transaction costs*	348,116	571,835
Corporation Actions	12,240	14,506
Commissions:		
Equities total value paid	136	257
Taxes:		
Equities total value paid	317	301
Total transaction costs	453	558
Gross purchases total	360,809	586,899
	31/08/2022	31/08/2021
Analysis of total sale costs:	£'000	£'000
Sales before transaction costs*	761,721	833,405
Corporation Actions	12,240	14,506
Commissions:		
Equities total value paid	(263)	(296)
Total transaction costs	(263)	(296)
Total sales net of transaction costs	773,698	847,615

* Not included in 2022 figures are purchases and sales in cash funds totalling £nil million and £nil million, respectively, where there are no transaction costs applicable. In 2021, purchases and sales in cash funds totalled £7.25 million and £56.50 million, respectively.

The above analysis covers any direct transaction costs suffered by the Trust during the year.

In the case of equities and Investment Funds, separately identifiable direct transaction costs (commissions and taxes etc.) are attributable to the Trust's purchase and sale of equity investments. In addition, there may be dealing spread costs (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions which are not separately identifiable and do not form part of the analysis above.

In the case of Investment Funds, there may be potential dealing spread costs applicable to purchases and sales. Additionally, there are indirect transaction costs suffered in those underlying sub-funds throughout the holding period for the instruments which are not separately identifiable and do not form part of the analysis above.

The dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions are not separately identifiable and do not form part of the analysis above.

The average portfolio dealing spread is disclosed next page. Transaction costs vary depending on the transaction value and market sentiment.

Barings Europe Select Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

17. Portfolio transaction costs (continued)

	31/08/2022	31/08/2021
Analysis of total purchase costs:	%	%
Commissions:		
Equities percentage of total equities purchases costs	0.04	0.04
Equities percentage of average NAV	0.01	0.02
Equities percentage of total equities purchases costs	0.09	0.05
Equities percentage of average NAV	0.03	0.02
	31/08/2022	31/08/2021
Analysis of total sale costs:	%	%
Commissions:		
Equities percentage of total equities sales costs	(0.03)	(0.04)
Equities percentage of average NAV	(0.02)	(0.02)
Equities percentage of total equities sales costs	–	–
Equities percentage of average NAV	–	–

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.15% (31 August 2021: 0.10%), based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

18. Unit classes

The Trust currently has eight unit classes: A EUR Acc, A EUR Inc, A GBP Inc, A USD Acc, I EUR Acc, I EUR Inc, I GBP Acc and I GBP Inc. The annual management charge and Trust management fee can be found on page 72. The net asset value of each unit class, the net asset value per unit and the number of units in each class are given in the comparative tables on pages 74 and 75. The distribution per unit class is given in the distribution tables on pages 103 to 106. All classes have the same rights on winding up.

	Class A GBP Inc	Class A EUR Acc	Class A EUR Inc
Opening units	3,336,929	454,372	2,548,618
Units created	164,735	33,996	191,709
Units liquidated	(1,453,185)	(176,054)	(1,390,066)
Units converted	(5,189)	(154)	(134)
Closing units	2,043,290	312,160	1,350,127

Barings Europe Select Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

18. Unit classes (continued)

	Class A USD Acc	Class I GBP Acc	Class I GBP Inc
Opening units	354,813	3,727,683	17,087,144
Units created	152,173	9,352,119	3,117,510
Units liquidated	(206,242)	(3,371,730)	(8,362,466)
Units converted	–	9,982	4,927
Closing units	300,744	9,718,054	11,847,115

	Class I EUR Acc	Class I EUR Inc
Opening units	971,638	918,322
Units created	2,599	1,686,145
Units liquidated	(444,038)	(2,531,329)
Units converted	150	134
Closing units	530,349	73,272

19. Related party transactions

Baring Asset Management Limited (the "Investment Manager") is the immediate parent company of the Manager and also regarded as a related party. The Investment Manager's fees and expenses will be paid by the Manager out of its remuneration from the Trust. As at 31 August 2022, the Investment Manager had holdings of 1,000 units (31 August 2020: nil), equivalent to 0.00% (31 August 2021: 0.00%) of units held in the Trust. Amounts due from or to the Investment Manager in respect of unit transactions at the balance sheet date are disclosed under Debtors and Other creditors in the notes to the financial statements.

The Manager exercises control over the Trust and is therefore a related party by virtue of its controlling influence. Amounts paid during the year or due to the Manager in respect of management fees at the balance sheet date are disclosed under Expenses and Other creditors in the notes to the financial statements.

The Manager acts as principal on all transactions of units in the Trust. The aggregate monies received through the issue and cancellations of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and Distributions in the notes to the financial statements. Amounts due from or to the Manager in respect of unit transactions at the balance sheet date are disclosed under Debtors and Other creditors in the notes to the financial statements.

20. Post balance sheet events

Subsequent to the year end, the price per unit of the A GBP Income class increased from 4,160.00p to 4,240.00p, A EUR Accumulation class from 5,187.00c to 5,334.00c, A EUR Income class from 4,841.00c to 4,924.00c, A USD Accumulation class from 5,167.00c to 5,600.00c, I GBP Accumulation class from 103.20p to 106.60p, I GBP Income class from 4,196.00p to 4,244.00p, I EUR Accumulation class from 5,324.00c to 5,485.00c and I EUR Income class from 4,947.00c to 4,992.00c as at 06 December 2022. This movement takes into account routine transaction. The Manager continues to monitor investment performance in line with investment objectives.

Barings Europe Select Trust

Distribution Tables

Interim Distribution

Group 1: Units purchased prior to 1 September 2021

Group 2: Units purchased between 1 September 2021 and 28 February 2022

Interim distribution - Class A GBP Inc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Paid	2021 Distribution Paid
1	Nil	Nil	Nil	Nil
2	Nil	Nil	Nil	Nil

Interim accumulation - Class A EUR Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	Nil	Nil	Nil	Nil
2	Nil	Nil	Nil	Nil

Interim distribution - Class A EUR Inc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Paid	2021 Distribution Paid
1	Nil	Nil	Nil	Nil
2	Nil	Nil	Nil	Nil

Interim accumulation - Class A USD Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	Nil	Nil	Nil	Nil
2	Nil	Nil	Nil	Nil

Interim accumulation - Class I GBP Acc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	Nil	Nil	Nil	0.1446
2	Nil	Nil	Nil	0.1446

Barings Europe Select Trust

Distribution Tables (continued)

Interim distribution - Class I GBP Inc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Paid	2021 Distribution Paid
1	Nil	Nil	Nil	4.8154
2	Nil	Nil	Nil	4.8154

Interim accumulation - Class I EUR Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	Nil	Nil	Nil	4.6697
2	Nil	Nil	Nil	4.6697

Interim distribution - Class I EUR Inc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Paid	2021 Distribution Paid
1	Nil	Nil	Nil	5.5455
2	Nil	Nil	Nil	5.5455

Final Distribution

Group 1: Units purchased prior to 1 September 2021

Group 2: Units purchased between 1 September 2021 and 31 August 2022

Final distribution - Class A GBP Inc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Paid	2021 Distribution Paid
1	46.1105	0.0000	46.1105	27.4366
2	20.3660	25.7445	46.1105	27.4366

Final accumulation - Class A EUR Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	60.0031	0.0000	60.0031	35.2898
2	59.7520	0.2511	60.0031	35.2898

Barings Europe Select Trust

Distribution Tables (continued)

Final distribution - Class A EUR Inc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Paid	2021 Distribution Paid
1	52.4435	0.0000	52.4435	29.9982
2	52.0852	0.3583	52.4435	29.9982

Final accumulation - Class A USD Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	57.5259	0.0000	57.5259	41.8559
2	57.2034	0.3225	57.5259	41.8559

Final accumulation - Class I GBP Acc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	2.1293	0.0000	2.1293	1.5014
2	1.0924	1.0369	2.1293	1.5014

Final distribution - Class I GBP Inc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Paid	2021 Distribution Paid
1	86.2010	0.0000	86.2010	61.0223
2	52.0093	34.1917	86.2010	61.0223

Final accumulation - Class I EUR Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	109.3593	0.0000	109.3593	76.5159
2	109.3593	0.0000	109.3593	76.5159

Barings Europe Select Trust

Distribution Tables (continued)

Final distribution - Class I EUR Inc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Paid	2021 Distribution Paid
1	101.8863	0.0000	101.8863	71.0324
2	101.5687	0.3176	101.8863	71.0324

Barings German Growth Trust

Investment Objective and Policy and Trust at a Glance

Investment Objective and Policy

The investment objective of Barings German Growth Trust (the “Trust”) until 18 July 2022 was to achieve capital growth by investing in Germany. From 18 July 2022, the Trust aims to provide a total return, including both capital growth and dividend income (after fees have been deducted), in excess of the HDAX® (Total Return) Index over a rolling five year period by investing in equity and equity related securities in Germany.

The Trust will seek to achieve its investment objective by investing at least 75% of its total assets directly and indirectly in equities and equity related securities of companies incorporated in, or exercising the predominant part of their economic activity in Germany, or quoted or traded on the stock exchanges in Germany.

For the remainder of its total assets, the Trust may invest directly and indirectly in equities and equity-related securities outside of Germany as well as in fixed income and cash.

In order to implement the investment policy the Trust may gain indirect exposure through American depositary receipts, global depositary receipts and other equity related securities including participation notes, structured notes, equity-linked notes and debt securities convertible into equities. The Trust may also obtain indirect exposure through investments in collective investment schemes (including collective investment schemes which are managed by the Manager or an associate of the Manager) and other transferable securities. It may also use derivatives including futures, options, swaps, warrants and forward contracts for efficient portfolio management (including hedging). Please refer to the Prospectus for the full investment objective and policy.

Benchmark

Until 18 July 2022, the Trust was not managed to a benchmark, however the Manager used the HDAX® (Total Return) Index to assess the Trust's performance.

From 18 July 2022, the HDAX® (Total Return) Index is the target benchmark. The benchmark has been selected as it tracks the performance of the stock market index in Germany.

The Trust is actively managed and targets outperformance of the benchmark over a five year period. There is however no guarantee that this objective will be achieved over any time period. The Trust is not constrained by the benchmark and can make investments in securities that are not included in the benchmark. Differences in the performance of the Trust compared to the benchmark may also arise as a result of application of the UK UCITS Rules prescribing portfolio concentration and liquidity limits, which are not applied to the benchmark. The Manager considers the benchmark is appropriate based on the investment policy of the Trust.

How the Trust is Managed

At Barings, our equity investment teams share the philosophy of quality “Growth at a Reasonable Price” (GARP). We believe that earnings growth is the principal driver of equity market performance over the medium to long term, and favour high-quality companies for their ability to outperform the market on a risk-adjusted basis. In particular, we believe that structured fundamental research and a disciplined investment process combining quality, growth, upside, and Economic, Social, Governance (ESG) considerations can allow us to identify attractively priced, long-term growth companies which will outperform the market. Our approach emphasises both growth and quality criterion when looking at companies and a three- to five-year time horizon when forecasting company earnings. In determining upside, we use consistent and transparent methods to place emphasis on discounted earnings models. We value companies on a long term-term basis utilizing proprietary valuation models that incorporate ESG analysis and macro considerations.

Risk Profile

Please see detailed below the key risks applicable to the Trust:

- Changes in exchange rates between the currency of the Trust and the currencies in which the assets of the Trust are valued can have the effect of increasing or decreasing the value of the Trust and any income generated.
- Country-specific funds have a narrower focus than those which invest broadly across markets and are therefore considered to be more risky.
- Derivative instruments can make a profit or a loss and there is no guarantee that a financial derivative contract will achieve its intended outcome. The use of derivatives can increase the amount by which the Trust's value rises and falls and could expose the Trust to losses that are significantly greater than the cost of the derivative as a relatively small movement may have a larger impact on derivatives than the underlying assets.

Barings German Growth Trust

Investment Objective and Policy and Trust at a Glance (continued)

Risk Profile (continued)

- Losses may occur if an organisation through which we buy an asset (such as a bank) fails to meet its obligations.
- Liquidity risk exists when a particular security or instrument is difficult to purchase or sell. If the amount of a transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives, structured products, etc), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

Please refer to the Prospectus for the full risk profile.

Barings German Growth Trust

Investment Objective and Policy and Trust at a Glance (continued)

The Trust at a Glance on 31 August 2022

Total Trust size: 31 August 2022	€318.57 million	
Total Trust size: 31 August 2021	€400.28 million	
OCF*	31/08/2022	31/08/2021
Class A GBP Acc	1.57%	1.58%
Class A GBP Inc	1.57%	1.58%
Class A EUR Acc	1.57%	1.58%
Class A EUR Inc	1.57%	1.58%
Class A USD Acc	1.57%	1.58%
Class A USD Hedged Acc	1.57%	1.58%
Class A RMB Hedged Acc	1.57%	1.58%
Class I GBP Acc	0.82%	0.83%
Class I GBP Inc	0.82%	0.83%
Class I GBP Hedged Acc	0.82%	0.83%
Class I EUR Acc	0.82%	0.83%
Class I EUR Inc	0.82%	0.83%
Class I USD Acc	0.82%	0.83%
	Initial charge	Annual charge
Class A GBP Acc	up to 5.00%	1.50%
Class A GBP Inc	up to 5.00%	1.50%
Class A EUR Acc	up to 5.00%	1.50%
Class A EUR Inc	up to 5.00%	1.50%
Class A USD Acc	up to 5.00%	1.50%
Class A USD Hedged Acc	up to 5.00%	1.50%
Class A RMB Hedged Acc	up to 5.00%	1.50%
Class I GBP Acc	Nil	0.75%
Class I GBP Inc	Nil	0.75%
Class I GBP Hedged Acc	Nil	0.75%
Class I EUR Acc	Nil	0.75%
Class I EUR Inc	Nil	0.75%
Class I USD Acc	Nil	0.75%
	Minimum initial investment	Minimum subsequent investment
Class A GBP Acc	£1,000	£500
Class A GBP Inc	£1,000	£500
Class A EUR Acc	€5,000	€1,000
Class A EUR Inc	€5,000	€1,000
Class A USD Acc	US\$5,000	US\$2,500
Class A USD Hedged Acc	US\$5,000	US\$2,500
Class A RMB Hedged Acc	US\$5,000	US\$2,500
Class I GBP Acc	£10,000,000	£500
Class I GBP Inc	£10,000,000	£500
Class I GBP Hedged Acc	£10,000,000	£500

Barings German Growth Trust

Investment Objective and Policy and Trust at a Glance (continued)

The Trust at a Glance on 31 August 2022 (continued)

	Minimum initial investment	Minimum subsequent investment
Class I EUR Acc	€10,000,000	€1,000
Class I EUR Inc	€10,000,000	€1,000
Class I USD Acc	US\$10,000,000	US\$2,500

* The Ongoing Charge Figure ("OCF") reflects the payments and expenses which cover aspects of operating the Trust and is deducted from the assets over the year. It includes fees paid for investment management, trustee and general charges.

Price per unit	(pence/cents per unit)
Class A GBP Acc	811.60p
Class A GBP Inc	727.50p
Class A EUR Acc	944.90c
Class A EUR Inc	844.40c
Class A USD Acc	942.50c
Class A USD Hedged Acc	1,168.00c
Class A RMB Hedged Acc	RMB81.86
Class I GBP Acc	871.50p
Class I GBP Inc	728.40p
Class I GBP Hedged Acc	901.80p
Class I EUR Acc	1,016.00c
Class I EUR Inc	828.80c
Class I USD Acc	1,005.00c

Barings German Growth Trust

Trust Information

	Class A GBP Acc - Accumulation units			Class A GBP Inc - Distribution units		
	31/08/2022	31/08/2021	31/08/2020	31/08/2022	31/08/2021	31/08/2020
	(p)	(p)	(p)	(p)	(p)	(p)
Change in net assets per unit						
Opening net asset value per unit	1,025.11	782.61	817.54	918.82	702.26	734.48
Return before operating charges	(203.80)	256.23	(22.54)	(182.67)	229.89	(20.26)
Operating charges	(14.77)	(13.73)	(12.39)	(13.22)	(12.29)	(11.12)
Return after operating charges	(218.57)	242.50	(34.93)	(195.89)	217.60	(31.38)
Distributions	(4.07)	(1.30)	(0.82)	(3.85)	(1.04)	(0.84)
Retained distributions on accumulation units	4.07	1.30	0.82	–	–	–
Closing net asset value per unit after direct transaction costs of*	806.54	1,025.11	782.61	719.08	918.82	702.26
	0.30	0.34	0.34	0.27	0.30	0.31
Performance						
Return after charges	(21.32)%	30.99%	(4.27)%	(21.32)%	30.99%	(4.27)%
Other information						
Closing net asset value ('000)	£48,182	£64,778	£59,214	£323	£422	£420
Closing number of units	5,973,885	6,319,159	7,566,216	44,954	45,970	59,817
Operating charges	1.57%	1.58%	1.56%	1.57%	1.58%	1.56%
Direct transaction costs	0.03%	0.04%	0.04%	0.03%	0.04%	0.04%
Prices						
Highest unit price	1,051.00	1,027.00	866.10	941.00	921.10	778.10
Lowest unit price	784.90	695.90	533.10	703.00	624.50	479.00

	Class A EUR Acc - Accumulation units			Class A EUR Inc - Distribution units		
	31/08/2022	31/08/2021	31/08/2020	31/08/2022	31/08/2021	31/08/2020
	(c)	(c)	(c)	(c)	(c)	(c)
Change in net assets per unit						
Opening net asset value per unit	1,192.95	874.38	901.94	1,065.99	781.47	807.09
Return before operating charges	(236.74)	334.54	(13.71)	(211.52)	298.80	(12.29)
Operating charges	(17.20)	(15.97)	(13.85)	(15.39)	(14.09)	(12.42)
Return after operating charges	(253.94)	318.57	(27.56)	(226.91)	284.71	(24.71)
Distributions	(4.68)	(1.32)	(0.92)	(3.88)	(0.19)	(0.91)
Retained distributions on accumulation units	4.68	1.32	0.92	–	–	–
Closing net asset value per unit after direct transaction costs of*	939.01	1,192.95	874.38	835.20	1,065.99	781.47
	0.36	0.39	0.38	0.32	0.34	0.34
Performance						
Return after charges	(21.29)%	36.43%	(3.06)%	(21.29)%	36.43%	(3.06)%
Other information						
Closing net asset value ('000)	€130,559	€177,337	€155,414	€870	€1,248	€1,520
Closing number of units	13,903,808	14,865,376	17,774,191	104,164	117,057	194,475
Operating charges	1.57%	1.58%	1.56%	1.57%	1.58%	1.56%
Direct transaction costs	0.03%	0.04%	0.04%	0.03%	0.04%	0.04%
Prices						
Highest unit price	1,247.00	1,025.99	1,031.00	1,114.00	916.95	922.30
Lowest unit price	922.00	695.27	572.50	824.00	621.38	512.30

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs such as dealing spread and underlying costs with regard to Investment Fund holdings which will also have reduced the Trust and unit class returns before operating charges.

Barings German Growth Trust

Trust Information (continued)

	Class A USD Acc - Accumulation units			Class A USD Hedged Acc - Accumulation units		
	31/08/2022 (c)	31/08/2021 (c)	31/08/2020 (c)	31/08/2022 (c)	31/08/2021 (c)	31/08/2020 (c)
Change in net assets per unit						
Opening net asset value per unit	1,411.07	1,042.02	995.49	1,444.16	1,049.67	1,059.09
Return before operating charges	(457.32)	387.78	63.01	(265.15)	413.00	8.13
Operating charges	(17.16)	(18.73)	(16.48)	(18.96)	(18.51)	(17.55)
Return after operating charges	(474.48)	369.05	46.53	(284.11)	394.49	(9.42)
Distributions	(4.56)	(1.20)	(1.47)	(5.93)	–	(1.15)
Retained distributions on accumulation units	4.56	1.20	1.47	5.93	–	1.15
Closing net asset value per unit after direct transaction costs of*	936.59	1,411.07	1,042.02	1,160.05	1,444.16	1,049.67
	0.35	0.46	0.45	0.39	0.45	0.48
Performance						
Return after charges	(33.63)%	35.42%	4.67%	(19.67)%	37.58%	(0.89)%
Other information						
Closing net asset value ('000)	\$3,715	\$6,266	\$7,590	\$6,001	\$8,739	\$15,392
Closing number of units	396,638	444,084	728,375	517,346	605,097	1,466,324
Operating charges	1.57%	1.58%	1.56%	1.57%	1.58%	1.56%
Direct transaction costs	0.03%	0.04%	0.04%	0.03%	0.04%	0.04%
Prices						
Highest unit price	1,421.00	1,027.49	1,126.00	1,513.00	1,052.21	1,223.00
Lowest unit price	928.00	697.74	615.10	1,134.00	716.18	679.40

	Class A RMB Hedged Acc - Accumulation units			Class I GBP Acc - Accumulation units		
	31/08/2022 (RMB)	31/08/2021 (RMB)	31/08/2020 (RMB)	31/08/2022 (p)	31/08/2021 (p)	31/08/2020 (p)
Change in net assets per unit						
Opening net asset value per unit	99.80	70.87	71.57	1,092.52	827.80	858.28
Return before operating charges	124.20	155.01	115.77	(218.23)	272.36	(23.71)
Operating charges*	(142.65)	(126.08)	(116.47)	(8.24)	(7.64)	(6.77)
Return after operating charges	(18.45)	28.93	(0.70)	(226.47)	264.72	(30.48)
Distributions	–	–	(4.47)	(12.16)	(8.44)	(7.43)
Retained distributions on accumulation units	–	–	4.47	12.16	8.44	7.43
Closing net asset value per unit after direct transaction costs of**	81.35	99.80	70.87	866.05	1,092.52	827.80
	2.95	3.09	3.20	0.33	0.36	0.36
Performance						
Return after charges	(18.49)%	40.83%	(0.97)%	(20.73)%	31.98%	(3.55)%
Other information						
Closing net asset value ('000)	RMB1,079	RMB5,079	RMB4,570	£74,915	£94,833	£86,287
Closing number of units	13,266	50,889	64,480	8,650,138	8,680,206	10,423,693
Operating charges	1.57%	1.58%	1.56%	0.82%	0.83%	0.81%
Direct transaction costs	0.03%	0.04%	0.04%	0.03%	0.04%	0.04%
Prices						
Highest unit price	105.70	99.94	82.82	1,122.00	1,094.00	912.30
Lowest unit price	79.62	62.74	45.98	842.00	737.00	562.00

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs such as dealing spread and underlying costs with regard to Investment Fund holdings which will also have reduced the Trust and unit class returns before operating charges.

Barings German Growth Trust

Trust Information (continued)

	Class I GBP Inc - Distribution units			Class I GBP Hedged Acc - Accumulation units		
	31/08/2022	31/08/2021	31/08/2020	31/08/2022	31/08/2021	31/08/2020
	(p)	(p)	(p)	(p)	(p)	(p)
Change in net assets per unit						
Opening net asset value per unit	913.17	697.41	729.60	1,120.17	812.11	835.94
Return before operating charges	(182.38)	229.46	(20.16)	(215.40)	315.78	(16.69)
Operating charges	(6.92)	(6.47)	(5.77)	(8.63)	(7.72)	(7.14)
Return after operating charges	(189.30)	222.99	(25.93)	(224.03)	308.06	(23.83)
Distributions	(10.09)	(7.23)	(6.26)	(13.11)	(8.88)	(3.88)
Retained distributions on accumulation units	–	–	–	13.11	8.88	3.88
Closing net asset value per unit after direct transaction costs of*	713.78	913.17	697.41	896.14	1,120.17	812.11
	0.27	0.30	0.31	0.34	0.36	0.38
Performance						
Return after charges	(20.73)%	31.97%	(3.55)%	(20.00)%	37.93%	(2.85)%
Other information						
Closing net asset value ('000)	£6,939	£12,199	£10,460	£435	£665	£633
Closing number of units	972,141	1,335,914	1,499,778	48,556	59,331	77,989
Operating charges	0.82%	0.83%	0.81%	0.82%	0.83%	0.81%
Direct transaction costs	0.03%	0.04%	0.04%	0.03%	0.04%	0.04%
Prices						
Highest unit price	937.00	921.70	775.60	1,175.00	1,122.00	961.20
Lowest unit price	704.00	620.90	477.80	877.00	715.30	530.20

	Class I EUR Acc - Accumulation units			Class I EUR Inc - Distribution units		
	31/08/2022	31/08/2021	31/08/2020	31/08/2022	31/08/2021	31/08/2020
	(c)	(c)	(c)	(c)	(c)	(c)
Change in net assets per unit						
Opening net asset value per unit	1,271.53	925.05	947.20	1,038.53	761.52	786.80
Return before operating charges	(253.27)	355.19	(14.52)	(207.04)	292.16	(11.96)
Operating charges	(9.50)	(8.71)	(7.63)	(7.83)	(6.91)	(6.27)
Return after operating charges	(262.77)	346.48	(22.15)	(214.87)	285.25	(18.23)
Distributions	(14.26)	(10.12)	(8.26)	(11.57)	(8.24)	(7.05)
Retained distributions on accumulation units	14.26	10.12	8.26	–	–	–
Closing net asset value per unit after direct transaction costs of*	1,008.76	1,271.53	925.05	812.09	1,038.53	761.52
	0.38	0.41	0.40	0.31	0.32	0.33
Performance						
Return after charges	(20.67)%	37.46%	(2.34)%	(20.69)%	37.46%	(2.32)%
Other information						
Closing net asset value ('000)	€10,520	€7,179	€14,200	€13	€16	€34
Closing number of units	1,042,850	564,582	1,535,073	1,561	1,561	4,421
Operating charges	0.82%	0.83%	0.81%	0.82%	0.83%	0.81%
Direct transaction costs	0.03%	0.04%	0.04%	0.03%	0.04%	0.04%
Prices						
Highest unit price	1,333.00	1,093.81	1,087.00	1,089.00	900.64	902.20
Lowest unit price	989.00	736.46	603.60	808.00	606.30	501.50

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs such as dealing spread and underlying costs with regard to Investment Fund holdings which will also have reduced the Trust and unit class returns before operating charges.

Barings German Growth Trust

Trust Information (continued)

	Class I USD Acc - Accumulation units		
	31/08/2022 (c)	31/08/2021 (c)	31/08/2020 (c)
Change in net assets per unit			
Opening net asset value per unit	1,490.00	1,080.00	1,030.00
Return before operating charges	(483.19)	420.49	58.86
Operating charges	(8.47)	(10.49)	(8.86)
Return after operating charges	(491.66)	410.00	50.00
Distributions	(15.49)	(16.45)	(13.35)
Retained distributions on accumulation units	15.49	16.45	13.35
Closing net asset value per unit	998.34	1,490.00	1,080.00
after direct transaction costs of*	0.33	0.49	0.47
Performance			
Return after charges	(33.00)%	37.96%	4.85%
Other information			
Closing net asset value ('000)	\$14,440	\$0	\$0
Closing number of units	1,446,374	10	10
Operating charges	0.82%	0.83%	0.81%
Direct transaction costs	0.03%	0.04%	0.04%
Prices			
Highest unit price	1,501.00	1,085.66	1,167.00
Lowest unit price	988.00	729.43	638.30

*Direct transaction costs comprise commission and taxes, principally applicable to equity investment purchases and sales. Unitholders should note that there are other additional transaction costs such as dealing spread and underlying costs with regard to Investment Fund holdings which will also have reduced the Trust and unit class returns before operating charges.

Barings German Growth Trust

Report of the Investment Manager

Performance

Over the 1-year period to 31 August 2022, the Barings German Growth Trust (the “Trust”) declined -20.93% on the Class A EUR Acc (net of fees) and underperformed against the target benchmark, which fell -20.33%. The table below shows the 1 year and 5 year annualised net return for the Class A EUR Acc units against the target benchmark.

	1 year	5 years
Barings German Growth Trust	(20.93)%	(0.59)%
HDAX® (Total Return) Index*	(20.33)%	1.55%

* From 18 July 2022, the HDAX® (Total Net Return) Index is the target benchmark.

German equities started the period positively, before suffering significant selling in the first quarter of 2022 in response to Russia’s invasion of Ukraine. The asset class remained under pressure throughout the period as sharply higher headline inflation, concerns regarding energy supplies and fears of an economic slowdown prompted further selling.

Over the period, both stock selection and sector allocation contributed positively to relative performance.

Value style equities outperformed Growth over the period by approximately 9% (based on the MSCI Germany Value vs Growth indices). This proved to be a headwind for our Growth at a Reasonable Price investment approach at times.

Our investment in Technology group GFT was one of the top contributors to relative performance as elevated demand for new high-margin digitalisation solutions has supported strong earnings momentum.

The portfolio also benefitted from not owning some of the more consumer-focused companies that have been particularly hard hit by rising costs and falls in demand, such as Adidas and Zalando.

In contrast, the holding in speciality chemicals maker Lanxess underperformed over the period. This was more a reflection of broader market concerns related to the economic outlook as a result of higher energy and raw material costs, as opposed to company-specific news.

Key sales included BASF, a chemicals company that uses large amounts of natural gas in its production process and has been impacted significantly by rising prices. Key purchases included Deutsche Telekom, a traditionally defensive business that should be well positioned going into a weaker economic cycle.

Over five years, the Trust has underperformed relative to the benchmark (net of fees) and did not meet its objective of capital growth. Over this period, stock selection has contributed positively to relative performance, but was offset by negative asset allocation, which drove the underperformance.

Smaller companies in the portfolio, those we define to have less than \$5bn market cap, accounted for the vast majority of negative asset allocation that drove underperformance over the period. The Trust has consistently had significant exposure to smaller companies, which can tend to underperform during market downturns as they can be perceived to be more economically sensitive. In addition, Value has also outperformed dramatically over the past 12 months which proved to be a headwind for our Growth at a Reasonable Price (GARP) investment approach which prioritises quality companies with sustainable growth prospects. Furthermore, more recently companies’ positive earnings revisions have not driven share price performance.

Barings German Growth Trust

Report of the Investment Manager (continued)

The top ten purchases and sales during the year were as follows:

Purchases	Costs €'000	Sales	Proceeds €'000
Deutsche Telekom	18,000	BASF	12,164
Airbus	17,882	SAP	10,734
Allianz	14,893	Allianz	10,234
Infineon Technologies	11,251	Linde	9,931
Bayerische Motoren Werke	8,058	Merck	9,239
Deutsche Boerse	7,827	Siemens	8,789
Commerzbank	7,147	Einhell	7,110
E.ON	5,935	Bayerische Motoren Werke	6,903
Synlab	4,497	K+S	4,532
S&T	3,585	Nagarro	4,099

Market Outlook

Equity markets are likely to remain volatile over the coming months, with central banks raising interest rates in response to rising inflation. Furthermore, geopolitical developments continue to exacerbate inflation and weaken global trade, whilst raw material and component supplies remain affected by the war in Ukraine and by the impact of lockdowns in China. Energy prices remain elevated, whilst Europe's dependence on Russian gas supplies has raised fears of energy rationing and even blackouts.

Unsurprisingly these developments have led to significant declines in consumer and business confidence, whilst economic growth forecasts are now receiving downward revisions.

In this context, we have increased exposure in the portfolio to businesses more defensive in nature and less exposed to the economic cycle. Whilst a number of consumer-focused businesses have been sold, as we expect the sector to continue to face significant headwinds. Our focus will remain on individual companies' abilities to meet, and beat, earnings growth expectations.

We continue to follow our quality Growth at a Reasonable Price investment approach. Our aim remains to identify attractively valued investment opportunities in companies whose strategic positioning and competitive strengths can drive sustained improvements in their profitability and returns.

Baring Asset Management Limited

Baring Asset Management Limited (the "Investment Manager") gives its portfolio managers full authority to manage their funds as they see fit, within the established guidelines set down. This includes the views that managers may take of the markets and sectors they invest in, which may differ from the views of other Barings portfolio managers.

Barings German Growth Trust

Responsibilities of the Manager and the Trustee

Responsibilities of the Manager

The Collective Investment Schemes sourcebook (“COLL”) requires Baring Fund Managers Limited (the “Manager”) to prepare financial statements for each financial year which give a true and fair view of the financial affairs of the Barings German Growth Trust (the “Trust”) and of its net revenue and net capital losses for the year. In preparing the financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- comply with the requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association (“IA”) in May 2014 (the “IMA SORP 2014”);
- follow generally accepted accounting principles and applicable accounting standards;
- make judgments and estimates that are reasonable and prudent;
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements; and
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Manager confirms that it has complied with the above requirements in preparing the financial statements. The Manager is responsible for the management of the Trust in accordance with the Trust Deed, Prospectus and the COLL. The Manager is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Manager is responsible for the maintenance and integrity of the company’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of the Trustee’s Responsibilities and Report of the Trustee to the Unitholders of Barings German Growth Trust (the “Trust”) for the year ended 31 August 2022

NatWest Trustee and Depositary Services Limited (the “Trustee”) must ensure that the Trust is managed in accordance with the Financial Conduct Authority’s Collective Investment Schemes sourcebook, the Financial Services and Markets Act 2000, as amended (together the “Regulations”), the Trust Deed and Prospectus (together the “Scheme documents”) as detailed below.

The Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Trustee is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Trustee must ensure that:

- the Trust’s cash flows are properly monitored and that cash of the Trust is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust’s assets is remitted to the Trust within the usual time limits;
- the Trust’s income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager (the “AFM”) are carried out (unless they conflict with the Regulations).

The Trustee also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Regulations, and the Scheme documents in relation to the investment and borrowing powers applicable to the Trust.

Barings German Growth Trust

Responsibilities of the Manager and the Trustee (continued)

Statement of the Trustee's Responsibilities and Report of the Trustee to the Unitholders of Barings German Growth Trust (the "Trust") for the year ended 31 August 2022 (continued)

Having carried out such procedures as we considered necessary to discharge our responsibilities as Trustee of the Trust, it is our opinion, based on the information available to us and the explanations provided, that in all material respects, the Trust, acting through the AFM:

- has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Regulations and the Scheme documents; and
- has observed the investment and borrowing powers and restrictions applicable to the Trust.

NatWest Trustee and Depositary Services Limited
Trustee & Depositary Services
London 9 December 2022

Barings German Growth Trust

Portfolio Statement

as at 31 August 2022

Holdings	Investments	Value (€)	Percentage of total net assets (%)
	Equities: 90.00% (92.92%)		
	Basic Materials: 10.22% (10.00%)		
34,000	Brenntag	2,224,280	0.70
108,000	Linde	30,348,000	9.52
		32,572,280	10.22
	Communication Services: 0.00% (0.52%)		
	Consumer Discretionary: 6.82% (10.06%)		
232,000	Daimler	13,019,840	4.09
55,253	HELMA Eigenheimbau	1,972,532	0.62
48,159	Novem	395,867	0.12
270,000	Polytec	1,514,700	0.48
385,000	SAF-Holland	3,045,350	0.96
60,000	Zeal Network	1,767,000	0.55
		21,715,289	6.82
	Consumer, Cyclical: 0.37% (1.11%)		
15,000	Cewe Stiftung & Co KGAA	1,179,000	0.37
	Energy: 1.20% (0.41%)		
60,000	Vereinigte BioEnergie	3,837,000	1.20
	Financials: 17.69% (9.72%)		
104,000	Allianz	17,532,320	5.50
1,140,000	Commerzbank	7,546,800	2.37
48,000	Deutsche Boerse	8,085,600	2.54
179,000	Deutsche Pfandbriefbank	1,541,190	0.48
75,000	Hannover Reinsurance	11,017,500	3.46
41,000	Muenchener Rueckversicherungs-Gesellschaftin	9,737,500	3.06
25,000	Talanx	880,500	0.28
		56,341,410	17.69
	Health Care: 5.76% (9.02%)		
52,500	Apontis Pharma	519,750	0.16
58,000	CompuGroup Medical	2,170,360	0.68
25,000	Eckert & Ziegler	983,500	0.31
260,000	M1 Kliniken	1,305,200	0.41
47,000	Medios	1,137,400	0.36
33,000	Merck	5,656,200	1.77
55,000	MPH Health Care	910,250	0.29
480,000	Paion	409,920	0.13
53,000	PharmaSGP	1,367,400	0.43
267,000	Synlab	3,898,200	1.22
		18,358,180	5.76
	Industrials: 14.90% (16.42%)		
40,000	2G Energy	948,000	0.30
150,000	Airbus	14,683,500	4.61
10,000	Amadeus Fire	994,000	0.31
60,000	Bauer	524,400	0.17
67,000	Bilfinger	1,983,200	0.62

Barings German Growth Trust

Portfolio Statement (continued)

as at 31 August 2022

Holdings	Investments	Percentage Bid-Market of total net Value assets (€) (%)	Value (€)	Percentage of total net assets (%)
	Equities: 90.00% (92.92%) (continued)			
	Industrials: 14.90% (16.42%) (continued)			
119,000	Daimler Truck		3,037,475	0.95
232,000	Deutsche Post		8,443,640	2.65
29,000	DO & Co		2,293,900	0.72
86,325	Enapter		1,346,670	0.42
54,000	Frequentis		1,566,000	0.49
448,000	Heidelberger Druckmaschinen		654,080	0.21
79,330	JOST Werke		2,923,310	0.92
29,000	Sixt		1,728,400	0.54
7,000	Steico		536,200	0.17
85,897	Technotrans		2,267,681	0.71
164,000	Traton		2,304,200	0.72
53,000	Wienerberger		1,238,080	0.39
			47,472,736	14.90
	Information Technology: 18.06% (21.95%)			
14,555	Adesso		1,749,511	0.55
150,000	Allgeier		4,530,000	1.42
6,000	Also Holding		996,277	0.31
43,000	DataSE		2,816,500	0.88
44,059	Exasol		175,135	0.06
170,000	GFT Technologies		5,644,000	1.77
27,000	GK Software		3,288,600	1.03
350,000	Infineon Technologies		8,475,250	2.66
75,000	Jenoptik		1,576,500	0.50
66,000	LPKF Laser & Electronics		567,600	0.18
170,000	Mobotix		595,000	0.19
12,000	Nagarro		1,209,600	0.38
110,000	PSI Software		2,596,000	0.82
41,000	PVA TePla		688,390	0.22
374,000	S&T		5,684,800	1.78
149,000	SAP		12,656,060	3.97
17,000	SMA Solar Technology		855,100	0.27
132,000	SUESS MicroTec		1,623,600	0.51
86,000	Traffic Systems		1,797,400	0.56
			57,525,323	18.06
	Materials: 4.07% (10.37%)			
90,000	AlzChem		1,615,500	0.51
120,000	BRAIN Biotechnology Research & Information Network		806,400	0.25
25,000	Covestro		753,000	0.24
55,000	Ibu-Tec Advanced Materials		1,245,750	0.39
123,000	Lanxess		4,138,950	1.30
113,000	Nabaltec		3,073,600	0.97
25,000	Salzgitter		613,500	0.19
5,000	Wacker Chemie		710,250	0.22
			12,956,950	4.07
	Technology: 0.42% (1.23%)			
250,000	7C Solarparken		1,327,500	0.42

Barings German Growth Trust

Portfolio Statement (continued)

as at 31 August 2022

Holdings	Investments	Percentage Bid-Market of total net Value assets (€) (%)	Value (€)	assets (%)
	Equities: 90.00% (92.92%) (continued)			
	Technology: 0.42% (1.23%) (continued)			
250,000	7C Solarparken RTS		4,318	–
			1,331,818	0.42
	Telecommunications: 6.14% (0.00%)			
1,002,000	Deutsche Telekom		18,815,556	5.91
34,000	Freenet		737,460	0.23
			19,553,016	6.14
	Utilities: 4.35% (2.11%)			
34,919	ABO Wind		2,067,205	0.65
520,000	E.ON		4,425,200	1.39
194,000	RWE		7,375,880	2.31
			13,868,285	4.35
	Forward Currency Contracts: 0.04% (-0.01%)			
EUR (6,354,713)	Sold EUR, bought USD 6,493,106 for settlement 15/09/2022 (State Street)		145,991	0.04
USD (199,209)	Sold USD, bought EUR 200,208 for settlement 15/09/2022 (State Street)		766	–
EUR (202,099)	Sold EUR, bought CNH 1,395,709 for settlement 15/09/2022 (State Street)		366	–
GBP (14,382)	Sold GBP, bought EUR 17,016 for settlement 15/09/2022 (State Street)		286	–
GBP (14,521)	Sold GBP, bought EUR 17,172 for settlement 15/09/2022 (State Street)		280	–
CNH (208,100)	Sold CNH, bought EUR 30,431 for settlement 15/09/2022 (State Street)		243	–
EUR (7,808)	Sold EUR, bought USD 7,977 for settlement 15/09/2022 (State Street)		179	–
EUR (6,346)	Sold EUR, bought USD 6,489 for settlement 15/09/2022 (State Street)		150	–
EUR (5,164)	Sold EUR, bought USD 5,301 for settlement 15/09/2022 (State Street)		143	–
EUR (3,746)	Sold EUR, bought USD 3,862 for settlement 15/09/2022 (State Street)		120	–
EUR (2,843)	Sold EUR, bought USD 2,944 for settlement 15/09/2022 (State Street)		105	–
EUR (4,742)	Sold EUR, bought USD 4,831 for settlement 15/09/2022 (State Street)		95	–
EUR (4,773)	Sold EUR, bought USD 4,844 for settlement 15/09/2022 (State Street)		77	–
GBP (3,447)	Sold GBP, bought EUR 4,061 for settlement 15/09/2022 (State Street)		51	–
CNH (42,755)	Sold CNH, bought EUR 6,251 for settlement 15/09/2022 (State Street)		49	–
USD (9,243)	Sold USD, bought EUR 9,301 for settlement 15/09/2022 (State Street)		47	–
EUR (7,732)	Sold EUR, bought USD 7,763 for settlement 15/09/2022 (State Street)		40	–

BARINGS

Barings German Growth Trust

Portfolio Statement (continued)

as at 31 August 2022

Holdings	Investments	Value (€)	Percentage of total net assets (%)
	Forward Currency Contracts: 0.04% (-0.01%) (continued)		
EUR (9,102)	Sold EUR, bought USD 9,124 for settlement 15/09/2022 (State Street)	33	–
GBP (1,161)	Sold GBP, bought EUR 1,375 for settlement 15/09/2022 (State Street)	24	–
GBP (1,061)	Sold GBP, bought EUR 1,254 for settlement 15/09/2022 (State Street)	20	–
EUR (3,239)	Sold EUR, bought USD 3,246 for settlement 15/09/2022 (State Street)	11	–
GBP (296)	Sold GBP, bought EUR 346 for settlement 15/09/2022 (State Street)	1	–
USD (1,287)	Sold USD, bought EUR 1,285 for settlement 15/09/2022 (State Street)	1	–
EUR (9)	Sold EUR, bought GBP 7 for settlement 15/09/2022 (State Street)	–	–
EUR (4,107)	Sold EUR, bought USD 4,102 for settlement 15/09/2022 (State Street)	–	–
GBP (116)	Sold GBP, bought EUR 100 for settlement 15/09/2022 (State Street)	–	–
EUR (89)	Sold EUR, bought GBP 75 for settlement 15/09/2022 (State Street)	(1)	–
EUR (119)	Sold EUR, bought GBP 100 for settlement 15/09/2022 (State Street)	(2)	–
EUR (236)	Sold EUR, bought GBP 200 for settlement 15/09/2022 (State Street)	(3)	–
CNH (24,934)	Sold CNH, bought EUR 3,609 for settlement 15/09/2022 (State Street)	(8)	–
EUR (1,180)	Sold EUR, bought GBP 999 for settlement 15/09/2022 (State Street)	(18)	–
EUR (4,532)	Sold EUR, bought USD 4,501 for settlement 15/09/2022 (State Street)	(26)	–
EUR (33,512)	Sold EUR, bought CNH 4,826 for settlement 15/09/2022 (State Street)	(39)	–
EUR (3,368)	Sold EUR, bought GBP 2,840 for settlement 15/09/2022 (State Street)	(64)	–
USD (11,461)	Sold USD, bought EUR 11,181 for settlement 15/09/2022 (State Street)	(294)	–
USD (48,611)	Sold USD, bought EUR 48,247 for settlement 15/09/2022 (State Street)	(421)	–
USD (33,068)	Sold USD, bought EUR 32,363 for settlement 15/09/2022 (State Street)	(744)	–
USD (43,701)	Sold USD, bought EUR 42,878 for settlement 15/09/2022 (State Street)	(874)	–

Barings German Growth Trust

Portfolio Statement (continued)

as at 31 August 2022

Holdings	Investments	Bid-Market Value (€)	Percentage of total net assets (%)
	Forward Currency Contracts: 0.04% (-0.01%) (continued)		
	Sold EUR, bought GBP 481,104 for settlement 15/09/2022		
EUR (570,424)	(State Street)	(10,778)	–
		135,806	0.04
	Portfolio of investments: 90.04% (92.91%)		
	(Cost: €275,755,639)	286,847,093	90.04
	Net other assets	31,719,007	9.96
	Net assets	318,566,100	100.00

Note: Securities shown on the portfolio statement are ordinary shares admitted to official stock exchange listings or traded on a regulated market, unless otherwise stated.

Comparative figures shown in brackets relate to 31 August 2021.

Barings German Growth Trust

Independent auditors' Report to the Unitholders of Barings German Growth Trust

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Barings German Growth Trust (the "Trust"):

- give a true and fair view of the financial position of the Trust as at 31 August 2022 and of the net revenue and the net capital losses on its scheme property for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Trust Deed.

We have audited the financial statements, included within the Annual Report & Audited Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 August 2022 (page 129); the Statement of Total Return and Statement of Change in Net Assets Attributable to Unitholders for the year then ended (page 128); the Distribution Tables (pages 143 to 145); and the Notes to the Financial Statements (pages 130 to 142), which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements 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 remained independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Trust's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Manager is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Barings German Growth Trust

Independent auditors' Report to the Unitholders of Barings German Growth Trust (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Manager's Report

In our opinion, the information given in the Manager's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Manager for the financial statements

As explained more fully in the Responsibilities of the Manager, the Manager is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Manager is also responsible for such internal control as they determine to be necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable, matters related to going concern, and using the going concern basis of accounting, unless the Manager either intend to wind up or terminate the Trust, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs (UK) 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 these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Trust/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Fund. Audit procedures performed included:

- Discussions with the Manager, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Manager's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

Barings German Growth Trust

Independent auditors' Report to the Unitholders of Barings German Growth Trust (continued)

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for, and only for, the Trust's unitholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook, and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook, we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
9 December 2022

Barings German Growth Trust

Statement of Total Return and Statement of Change in Net Assets Attributable to Unitholders

for the year ended 31 August 2022

Statement of Total Return

	Notes	31/08/2022		31/08/2021	
		€'000	€'000	€'000	€'000
Income					
Net capital (losses)/gains	2		(82,699)		112,617
Revenue	3	8,522		7,128	
Expenses	4	(4,742)		(4,843)	
Interest payable and other similar charges	5	(84)		(56)	
Net revenue before taxation		<u>3,696</u>		<u>2,229</u>	
Taxation	6	(1,250)		(917)	
Net revenue after taxation			<u>2,446</u>		<u>1,312</u>
Total return before distributions			<u>(80,253)</u>		<u>113,929</u>
Distributions	7		(2,447)		(1,319)
Change in net assets attributable to unitholders from investment activities			<u>(82,700)</u>		<u>112,610</u>

Statement of Change in Net Assets Attributable to Unitholders

	31/08/2022		31/08/2021	
	€'000	€'000	€'000	€'000
Opening net assets attributable to unitholders		400,283		366,385
Amounts receivable on issue of units	55,786		50,114	
Amounts payable on cancellation of units	(57,390)		(130,038)	
		<u>(1,604)</u>		<u>(79,924)</u>
Changes in net assets attributable to unitholders from investment activities		(82,700)		112,610
Retained distribution on accumulation units	7	2,587		1,212
Closing net assets attributable to unitholders		<u>318,566</u>		<u>400,283</u>

Barings German Growth Trust**Balance Sheet**as at 31 August 2022

	Notes	31/08/2022 €'000	31/08/2021 €'000
Assets			
Investment assets		286,860	371,963
Current assets:			
Debtors	9	336	6,714
Cash and bank balances	10	32,807	23,858
Total assets		320,003	402,535
Liabilities			
Investment liabilities		(13)	(63)
Creditors:			
Distribution payable on income units	7	(120)	(113)
Other creditors	11	(1,304)	(2,076)
Total liabilities		(1,437)	(2,252)
Net assets attributable to unitholders		318,566	400,283

Barings German Growth Trust

Notes to the Financial Statements

for the year ended 31 August 2022

1. Accounting policies

Basis of Accounting

The financial statements have been prepared with the historical cost convention, as modified by the revaluation of investments, and in accordance with UK Generally Accepted Accounting Practice and the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association (“IA”) in May 2014 (the “IMA SORP 2014”) and amended in June 2017. The financial statements are also in compliance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been prepared on a going concern basis.

Basis of Valuation of Investments

All investments are valued at their fair value as at close of business on 31 August 2022 being the last business day of the accounting year. The fair value for non-derivative securities is the bid-market price, excluding any accrued interest.

Where values cannot be readily determined, the securities are valued at the Manager’s best assessment of their fair value.

Foreign Exchange

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Where applicable, assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at close of business on 31 August 2022.

Revenue Recognition

Revenue from quoted equity and non-equity shares is recognised net of attributable tax credits when the security is quoted ex-dividend.

Bank interest and other revenue is recognised on an accruals basis.

Special Dividends

These are recognised as either revenue or capital depending upon the nature and circumstances of the dividend. Amounts recognised as revenue will form part of Trust’s distribution. Any tax thereon will follow the accounting treatment of the principal amount.

Stock Dividends

The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Trust. Any enhancement above the cash dividend is treated as capital and is non-distributable. As at 31 August 2022, there were no stock dividends on this Trust.

Distribution Policy

Where applicable, for the income (“Inc”) units, the Trust will pay any surplus revenue as a distribution. For accumulation (“Acc”) units, the Trust will retain any surplus revenue for investment in the Trust.

Acc unitholders will nonetheless be liable to United Kingdom taxation in the same manner, and to the same extent, as if the income accumulated for their benefit had instead been distributed to them.

Treatment of Expenses

For accounting purposes, all expenses (other than those relating to the purchase and sale of investments and stamp duty reserve tax) are charged against revenue for the year on an accruals basis.

Taxation

Corporation tax is provided for on an accounting basis, hence deferred tax on short-term timing difference does not arise. Deferred tax assets arising from unutilised expenses are only recognised as they are expected to crystallise. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

Barings German Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

1. Accounting policies (continued)

Dilution Adjustment

The Trust is single priced and, as a result, may suffer a reduction in value due to costs incurred in the purchase and sale of its underlying investments. With a view to countering this and to act in the best interests of all investors, we have the ability to apply a dilution adjustment, which means we will change the price (up or down) at which you buy or sell. Please refer to the full Prospectus for further details.

2. Net Capital (Losses)/Gains

The net capital (losses)/gains during the year comprise:

	31/08/2022	31/08/2021
	€'000	€'000
Non-derivative securities	(84,239)	112,580
Currency gains	344	89
Forward currency contracts	1,197	(16)
Transaction charges	(1)	(36)
Net capital (losses)/gains on investments	<u>(82,699)</u>	<u>112,617</u>

3. Revenue

	31/08/2022	31/08/2021
	€'000	€'000
Overseas dividends	8,522	7,128
	<u>8,522</u>	<u>7,128</u>

Barings German Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

4. Expenses

	31/08/2022 €'000	31/08/2021 €'000
Payable to Baring Fund Managers Limited (the "Manager") or associates of the Manager:		
Manager's service charge	4,489	4,603
	4,489	4,603
Payable to NatWest Trustee and Depositary Services Limited (the "Trustee") or associates of the Trustee:		
Trustee fees	72	73
Safe custody charges	34	29
	106	102
Other expenses:		
Administration fees	3	2
Audit fees	11	9
Professional fees	6	(3)
PRS fees	8	(10)
Registrar and transfer agency fees	96	99
Standing charges	4	3
Taxation fees*	19	38
	147	138
Total expenses	4,742	4,843

* Taxation fees relates to PricewaterhouseCoopers LLP ("PwC") or an affiliate of PwC.

5. Interest payable and other similar charges

	31/08/2022 €'000	31/08/2021 €'000
Interest expenses	84	56
	84	56

6. Taxation

	31/08/2022 €'000	31/08/2021 €'000
a) Analysis of tax charges for the period:		
Overseas withholding tax	1,250	917
Current tax charge (note 6b)	1,250	917
	1,250	917

Barings German Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

6. Taxation (continued)

b) Factors affecting taxation charge for the year:

The tax assessed for the year is higher (31 August 2021: higher) than the standard rate of corporation tax in the UK for an authorised unit trust, which is 20% (31 August 2021: 20%). The differences are explained below:

	31/08/2022	31/08/2021
	€'000	€'000
Net revenue before taxation	3,696	2,229
Corporation tax at 20%	739	446
Effects of:		
Overseas withholding tax	1,250	917
Excess management expenses not utilised	965	980
Non taxable overseas dividends	(1,704)	(1,426)
Current tax charge for the period (note 6a)	1,250	917

c) Provision for the deferred tax

At the year end, there was an unrecognised potential tax asset of €18,495,386 (31 August 2021: €17,530,226) in relation to unutilised management expenses. These are not expected to be utilised in the foreseeable future, unless the nature of the Trust's revenue or capital gains changes.

7. Distributions

The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprises:

	31/08/2022	31/08/2021
	€'000	€'000
Final Distribution	120	113
Final Accumulation	2,587	1,212
	2,707	1,325
Add: Revenue deducted on cancellation of units	152	105
Deduct: Revenue received on issue of units	(412)	(111)
	(260)	(6)
Total distributions	2,447	1,319

Details of the distributions per unit are set out in the Distribution Tables on pages 143 to 145.

Distributions payable at the period end of €120,353 (31 August 2021: €113,215) are disclosed in the Balance Sheet on page 129.

Barings German Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

8. Movement between net revenue and distributions

	31/08/2022	31/08/2021
	€'000	€'000
Net revenue after taxation	2,446	1,312
Income deficit	1	7
	<u>2,447</u>	<u>1,319</u>

9. Debtors

	31/08/2022	31/08/2021
	€'000	€'000
Amount receivable for creation of units	210	279
Overseas tax recoverable	85	138
Sales awaiting settlement	41	6,297
	<u>336</u>	<u>6,714</u>

10. Cash and bank balances

	31/08/2022	31/08/2021
	€'000	€'000
Cash and bank balances	32,807	23,858
	<u>32,807</u>	<u>23,858</u>

11. Other creditors

	31/08/2022	31/08/2021
	€'000	€'000
Accrued expenses	431	520
Amounts payable for cancellation of units	495	1,522
Currency deals awaiting settlement	1	–
Purchases awaiting settlement	377	34
	<u>1,304</u>	<u>2,076</u>

12. Contingent liabilities

There were no contingent liabilities at the year-end date (31 August 2021: same).

13. Equalisation

Equalisation applies only to units purchased during the distribution year (Group 2 units). It is the average amount of net revenue included in the purchase price of all Group 2 units. In the case of income ("Inc") units, it is refunded as part of a unitholder's first distribution. In the case of accumulation ("Acc") units, it is automatically reinvested into capital on the first ex-distribution date after the units were purchased. Being a capital repayment, it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Barings German Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

14. Financial instruments

In pursuing its investment objective set out on page 107, the Trust may hold a number of financial instruments. These comprise:

- equity and non-equity shares, fixed-income securities, and floating-rate securities. These are held in accordance with the Trust's investment objective and policies;
- cash, Collective Investment Funds, liquid resources and short-term debtors and creditors that arise directly from its operations;
- unitholders' funds which represent investors' monies which are invested on their behalf;
- borrowings used to finance investment activity;
- forward foreign currency contracts, the purpose of which is to manage the currency risk arising from the Trust's investment activities (and related financing); and
- derivative instruments for the purpose of investment and efficient portfolio management.

15. Risks of financial instruments

The risks arising from the Trust's financial instruments are market price, foreign currency, interest rate, liquidity and credit risks. The Investment Manager reviews (and agrees with the Trustee) policies for managing each of these risks and they are summarised below. These policies have remained unchanged since the beginning of the year to which these financial statements relate (31 August 2021: same):

Market price risk

Arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Trust might suffer through holding market positions in the face of price movements.

The Investment Manager meets regularly to consider the asset allocation of the portfolio in order to minimise the risk associated with particular countries or industry sectors whilst continuing to follow the investment objective. An individual fund manager has responsibility for monitoring the existing portfolio selected in accordance with the overall asset allocation parameter described above and seeks to ensure that individual stocks also meet the risk reward profile that is acceptable.

The Investment Manager does not use derivative instruments to hedge the investment portfolio against market risk, as in their opinion the cost of such a process would result in an unacceptable reduction in the potential for capital growth.

Market price risk sensitivity analysis

As at 31 August 2022, if the price of the investments held by the Trust increased or decreased by 5%, with all other variables held constant, then the net assets attributable to unitholders would increase or decrease by approximately €14.343 million (31 August 2021: €18.595 million).

Foreign currency risk

The revenue and capital value of the Trust's investments can be significantly affected by foreign currency translation movements, as the majority of the Trust's assets and revenue are denominated in currencies other than euro, which is the Trust's functional currency.

The Investment Manager has identified three principal areas where foreign currency risk could impact the Trust. These are: movement in exchange rates affecting the value of investments, short-term timing differences such as exposure to exchange rate movements during the year between when an investment, purchase or sale is entered into and the date when settlement of the investment occurs, and finally, movements in exchange rates affecting revenue received by the Trust. The Trust converts all receipts of revenue received in foreign currencies into euro on the day of receipt.

In addition, the Investment Manager makes significant use of forward currency contracts for investment and efficient portfolio management purposes. These contracts are denominated in a range of currencies, some of which are not held in other assets within the Trust. This increases the exposure of the Trust to exchange rate movements and may significantly affect the returns of the Trust.

Barings German Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

15. Risks of financial instruments (continued)

At the year-end date, a proportion of the net assets of the Trust were denominated in currencies other than euro with the effect that the balance sheet and total return can be affected by exchange rate movements. These net assets consist of the following:

Currency exposure for the year ended 31 August 2022:

	Portfolio of investments €'000	Net other assets €'000	Total €'000
Chinese yuan	157	–	157
Swiss franc	996	–	996
US dollar	6,220	186	6,406
Sterling	524	(1,165)	(641)
	7,897	(979)	6,918

Currency exposure for the year ended 31 August 2021:

	Portfolio of investments €'000	Net other assets €'000	Total €'000
Chinese yuan	638	–	638
Swiss franc	1,602	–	1,602
US dollar	8,977	128	9,105
Sterling	767	9,491	10,258
	11,984	9,619	21,603

Foreign currency risk sensitivity analysis

At 31 August 2022, if the value of the euro increased or decreased by 1%, with all other variables held constant, then the net assets attributable to unitholders would increase or decrease by approximately €0.069 million (31 August 2021: €0.216 million).

Interest rate risk

The Trust may invest in both fixed-rate and floating rate securities. Any change to the interest rates relevant for particular securities may result in either revenue increasing or decreasing, or the Investment Manager being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of the securities held.

In general, if interest rates rise, the revenue potential of the Trust also rises, but the value of fixed-rate securities will decline (along with certain expenses calculated by reference to the assets of the Trust). A decline in interest rates will in general have the opposite effect.

Barings German Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

15. Risks of financial instruments (continued)

The interest rate risk profile of financial assets and liabilities consists of the following:

	Floating rate 31/08/2022 €'000	Fixed rate 31/08/2022 €'000	Non-interest bearing 31/08/2022 €'000	Total 31/08/2022 €'000
Portfolio of investments	(13)	–	286,860	286,847
Cash at bank	32,807	–	–	32,807
Other assets	–	–	336	336
Liabilities	–	–	(1,424)	(1,424)
	32,794	–	285,772	318,566

	Floating rate 31/08/2021 €'000	Fixed rate 31/08/2021 €'000	Non-interest bearing 31/08/2021 €'000	Total 31/08/2021 €'000
Portfolio of investments	(63)	–	371,963	371,900
Cash at bank	23,857	–	–	23,857
Other assets	–	–	6,715	6,715
Liabilities	–	–	(2,189)	(2,189)
	23,794	–	376,489	400,283

The floating rate assets and liabilities comprise bank balances, whose rates are determined by reference to the London Interbank Offered Rate (“LIBOR”) or international equivalent borrowing rate.

Interest rate risk sensitivity analysis

The Trust had no significant interest rate risk exposure as at 31 August 2022 (31 August 2021: same).

Liquidity risk

The Trust’s assets comprise mainly readily realisable securities, which can be readily sold. The main liability of the Trust is the redemption of any units that investors wish to sell.

Credit risk

Certain transactions in securities that the Trust enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Trust has fulfilled its responsibilities. All currency contracts are held with State Street; please see below for details of the notional exposure.

The Trust only buys and sells investments through brokers which have been approved as an acceptable counterparty. In addition, limits are set as to the maximum exposure to any individual broker that may exist at any time, and these limits are reviewed regularly.

During the year, the Trust made use of “Over The Counter” (“OTC”) derivative instruments. These types of transactions introduce counterparty risk, where a counterparty may fail to meet its financial commitments. The Trust’s exposure to counterparty risk in respect of OTC derivative instruments for forward contracts is the notional exposure of these contracts. In order to reduce this risk, collateral may be held by the Trust.

Barings German Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

16. Fair value

The fair value of a financial instrument is the amount for which it could be exchanged between knowledgeable, willing parties in an arm's length transaction. There is no significant difference between the value of the financial assets and liabilities, as shown in the financial statements, and their fair value.

FRS 102 requires the Trust to classify financial instruments measured at fair value into the following hierarchy: The disclosures are based on a three-level fair value hierarchy for the inputs used in valuation techniques to measure fair value.

A financial instrument is regarded as quoted in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques. The Trust uses a variety of methods and makes assumptions that are based on market conditions existing at the period-end date. The fair value hierarchy has the following levels:

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Valuation technique for the year ended 31 August 2022:

	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Financial Assets				
Equities	286,707	4	–	286,711
Forward Currency Contracts	–	149	–	149
	<u>286,707</u>	<u>153</u>	<u>–</u>	<u>286,860</u>
Financial Liabilities				
Forward Currency Contracts	–	(13)	–	(13)
	<u>–</u>	<u>(13)</u>	<u>–</u>	<u>(13)</u>

Valuation technique for the year ended 31 August 2021:

	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Financial Assets				
Equities	371,962	–	–	371,962
Forward Currency Contracts	–	1	–	1
	<u>371,962</u>	<u>1</u>	<u>–</u>	<u>371,963</u>
Financial Liabilities				
Forward Currency Contracts	–	(63)	–	(63)
	<u>–</u>	<u>(63)</u>	<u>–</u>	<u>(63)</u>

Barings German Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

17. Portfolio transaction costs

	31/08/2022 €'000	31/08/2021 €'000
Analysis of total purchase costs:		
Purchases before transaction costs*	144,680	110,499
Corporate Actions	4,407	10,109
Commissions:		
Equities total value paid	59	50
Total transaction costs	59	50
Gross purchases total	149,146	120,658
Analysis of total sale costs:		
Sales before transaction costs*	145,531	212,792
Corporate Actions	4,407	10,109
Commissions:		
Equities total value paid	(58)	(91)
Total transaction costs	(58)	(91)
Total sales net of transaction costs	149,880	222,810

* Not included in 2022 figures are purchases and sales in cash funds totaling €nil million and €nil million, respectively, where there are no transaction costs applicable. For the year ended 31 August 2021, purchases and sales in cash funds totaled €2.82 million and €2.84 million, respectively, where there are no transaction costs applicable.

The above analysis covers any direct transaction costs suffered by the Trust during the year.

In the case of equities and Investment Funds, separately identifiable direct transaction costs (commissions and taxes etc.) are attributable to the Trust's purchase and sale of equity investments. In addition, there may be dealing spread costs (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions which are not separately identifiable and do not form part of the analysis above.

In the case of Investment Funds, there may be potential dealing spread costs applicable to purchases and sales. Additionally, there are indirect transaction costs suffered in those underlying sub-funds throughout the holding period for the instruments which are not separately identifiable and do not form part of the analysis above.

The average portfolio dealing spread is disclosed on the next page. Transaction costs vary depending on the transaction value and market sentiment.

Barings German Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

17. Portfolio transaction costs (continued)

	31/08/2022	31/08/2021
Analysis of total purchase costs:	%	%
Commissions:		
Equities percentage of total equities purchases costs	0.04	0.05
Equities percentage of average NAV	0.02	0.01
	31/08/2022	31/08/2021
Analysis of total sale costs:	%	%
Commissions:		
Equities percentage of total equities sales costs	(0.04)	(0.04)
Equities percentage of average NAV	(0.01)	(0.02)

Average portfolio dealing spread

As at the balance sheet date, the average portfolio dealing spread was 0.38% (31 August 2021: 0.28%), based on close of business prices. This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

18. Unit classes

The Trust currently has thirteen unit classes: A EUR Acc, A EUR Inc, A GBP Acc, A GBP Inc, A RMB Hedged Acc, A USD Acc, A USD Hedged Acc, I EUR Acc, I EUR Inc, I GBP Acc, I GBP Hedged Acc, I GBP Inc and I USD Acc. The annual management charge and Trust management fee can be found on page 109. The net asset value of each unit class, the net asset value per unit and the number of units in each class are given in the comparative tables on page 111 to 114. The distribution per unit class is given in the distribution tables on pages 143 to 145. All classes have the same rights on winding up.

Barings German Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

18. Unit classes (continued)

	Class A GBP Acc	Class A GBP Inc	Class A EUR Acc
Opening units	6,319,159	45,970	14,865,376
Units created	273,127	663	695,601
Units liquidated	(614,334)	(1,679)	(1,657,169)
Units converted	(4,067)	–	–
Closing units	5,973,885	44,954	13,903,808

	Class A EUR Inc	Class A USD Acc	Class A USD Hedged Acc
Opening units	117,057	444,084	605,097
Units created	4,704	185,961	194,817
Units liquidated	(17,597)	(233,407)	(282,568)
Units converted	–	–	–
Closing units	104,164	396,638	517,346

	Class A RMB Hedged Acc	Class I GBP Acc	Class I GBP Inc
Opening units	50,889	8,680,206	1,335,914
Units created	1,908	1,619,878	130,874
Units liquidated	(39,531)	(1,653,759)	(494,647)
Units converted	–	3,813	–
Closing units	13,266	8,650,138	972,141

	Class I GBP Hedged Acc	Class I EUR Acc	Class I EUR Inc
Opening units	59,331	564,582	1,561
Units created	32,430	549,146	–
Units liquidated	(43,205)	(70,878)	–
Units converted	–	–	–
Closing units	48,556	1,042,850	1,561

	Class I USD Acc
Opening units	10
Units created	1,490,595
Units liquidated	(44,231)
Units converted	–
Closing units	1,446,374

Barings German Growth Trust

Notes to the Financial Statements (continued)

for the year ended 31 August 2022

19. Related party transactions

Baring Asset Management Limited (the "Investment Manager") is the immediate parent company of the Manager and also regarded as a related party. The Investment Manager's fees and expenses will be paid by the Manager out of its remuneration from the Trust. As at 31 August 2022, no amounts due from or to the Investment Manager in respect of unit transactions (31 August 2021: £nil).

The Manager exercises control over the Trust and is therefore a related party by virtue of its controlling influence. Amounts paid during the year or due to the Manager in respect of management fees at the balance sheet date are disclosed under Expenses and Other creditors in the notes to the financial statements.

The Manager acts as principal on all transactions of units in the Trust. The aggregate monies received through the issue and cancellations of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and Distributions in the notes to the financial statements. Amounts due from or to the Manager in respect of unit transactions at the balance sheet date are disclosed under Debtors and Other creditors in the notes to the financial statements.

20. Post balance sheet events

Subsequent to the year end, the price per unit of the A EUR Accumulation class increased from 944.90c to 1,042.00c, A GBP Accumulation class from 811.60p to 896.40p, A GBP Income class from 727.50p to 799.20p, A EUR Income class from 844.40c to 926.30c, A USD Accumulation class from 942.50c to 1,095.00c, A USD Hedged Accumulation class from 1,168.00c to 1,302.00c, A RMB Hedged Accumulation class from RMB 81.86 to RMB 90.58, I GBP Accumulation class from 871.50p to 964.30p, I GBP Income class from 728.40p to 794.90p, I GPB Hedged Accumulation class from 901.80p to 998.80p, I EUR Accumulation class from 1,016.00c to 1,121.00c, I EUR Income class from 828.80c to 902.40c and I USD Accumulation class from 1,005.00c to 1,169.00c as at 06 December 2022. This movement takes into account routine transaction. The Manager continues to monitor investment performance in line with investment objectives.

Barings German Growth Trust

Distribution Tables

For the year ended 31 August 2022

Final Distribution

Group 1: Units purchased prior to 1 September 2021

Group 2: Units purchased between 1 September 2021 and 31 August 2022

Final accumulation - Class A GBP Acc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	4.0698	0.0000	4.0698	1.2999
2	3.0152	1.0546	4.0698	1.2999

Final distribution - Class A GBP Inc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Paid	2021 Distribution Paid
1	3.8494	0.0000	3.8494	1.0391
2	3.2892	0.5602	3.8494	1.0391

Final accumulation - Class A EUR Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	4.6805	0.0000	4.6805	1.3196
2	4.6674	0.0131	4.6805	1.3196

Final distribution - Class A EUR Inc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Paid	2021 Distribution Paid
1	3.8765	0.0000	3.8765	0.1939
2	3.8617	0.0148	3.8765	0.1939

Final accumulation - Class A USD Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	4.5571	0.0000	4.5571	1.1951
2	4.5495	0.0076	4.5571	1.1951

Barings German Growth Trust

Distribution Tables (continued)

For the year ended 31 August 2022

Final Distribution (continued)

Final accumulation - Class A USD Hedged Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	5.9311	0.0000	5.9311	Nil
2	5.9163	0.0148	5.9311	Nil

Final accumulation - Class A RMB Hedged Acc (in RMB per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	Nil	Nil	Nil	Nil
2	Nil	Nil	Nil	Nil

Final accumulation - Class I GBP Acc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	12.1550	0.0000	12.1550	8.4392
2	9.2755	2.8795	12.1550	8.4392

Final distribution - Class I GBP Inc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Paid	2021 Distribution Paid
1	10.0852	0.0000	10.0852	7.2254
2	7.5478	2.5374	10.0852	7.2254

Final accumulation - Class I GBP Hedged Acc (in pence per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	13.1063	0.0000	13.1063	8.8808
2	11.2563	1.8500	13.1063	8.8808

Barings German Growth Trust

Distribution Tables (continued)

For the year ended 31 August 2022

Final Distribution (continued)

Final accumulation - Class I EUR Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	14.2583	0.0000	14.2583	10.1236
2	14.1159	0.1424	14.2583	10.1236

Final distribution - Class I EUR Inc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Distribution Paid	2021 Distribution Paid
1	11.5739	0.0000	11.5739	8.2360
2	11.5739	0.0000	11.5739	8.2360

Final accumulation - Class I USD Acc (in cents per unit)

Group	Net Revenue	Equalisation (Note 13)	2022 Accumulation Paid	2021 Accumulation Paid
1	15.4875	0.0000	15.4875	16.4499
2	15.3181	0.1694	15.4875	16.4499

Barings UK Unit Trusts

The Risk and Reward Profile

	SRRRI risk category* 31/08/2022	SRRRI risk category* 31/08/2021
Barings Eastern Trust - Class A GBP Acc	6	6
Barings Eastern Trust - Class A GBP Inc	6	6
Barings Eastern Trust - Class A USD Acc	6	6
Barings Eastern Trust - Class D GBP Inc	6	6
Barings Eastern Trust - Class I GBP Acc	6	6
Barings Eastern Trust - Class I GBP Inc	6	6
Barings Eastern Trust - Class I USD Acc	6	6
	SRRRI risk category* 31/08/2022	SRRRI risk category* 31/08/2021
Barings European Growth - Class A GBP Inc	6	6
Barings European Growth - Class I GBP Inc	6	6
	SRRRI risk category* 31/08/2022	SRRRI risk category* 31/08/2021
Barings Europe Select - Class A GBP Inc	6	6
Barings Europe Select - Class A EUR Acc	6	6
Barings Europe Select - Class A EUR Inc	6	6
Barings Europe Select - Class A USD Acc	6	6
Barings Europe Select - Class I GBP Acc	6	6
Barings Europe Select - Class I GBP Inc	6	6
Barings Europe Select - Class I EUR Acc	6	6
Barings Europe Select - Class I EUR Inc	6	6

Barings UK Unit Trusts

The Risk and Reward Profile (continued)

	SRRRI risk category* 31/08/2022	SRRRI risk category* 31/08/2021
Barings German Growth - Class A GBP Acc	6	6
Barings German Growth - Class A GBP Inc	6	6
Barings German Growth - Class A EUR Acc	6	6
Barings German Growth - Class A EUR Inc	6	6
Barings German Growth - Class A USD Acc	6	6
Barings German Growth - Class A USD Hedged Acc	6	6
Barings German Growth - Class A CHF Hedged Acc	6	6
Barings German Growth - Class A RMB Hedged Acc	6	6
Barings German Growth - Class I GBP Acc	6	6
Barings German Growth - Class I GBP Inc	6	6
Barings German Growth - Class I GBP Hedged Acc	6	6
Barings German Growth - Class I EUR Acc	6	6
Barings German Growth - Class I EUR Inc	6	6
Barings German Growth - Class I USD Acc	6	6

* The Synthetic Risk and Reward Indicator ("SRRRI") is not a measure of the risk of capital loss, but a measure of the Trust's price movement over time; the higher the number, the greater the price movement both up and down. It is based on historical data and is not a reliable indication of the future risk profile of the Trust. The risk category shown is in line with the Key Investor Information Document ("KIID") at year-end, is not guaranteed, and may change over time. The risk categories are measured from 1 to 7 (1 measuring typically lower risk/rewards and 7 measuring typically higher risk/rewards). The lowest category does not mean a risk-free investment. The Trust is classified in the category indicated due to past movements in the Trust's price. There is no capital guarantee. The value of investments and the income from them may go down as well as up and investors may not get back the amount they invest.

Barings UK Unit Trusts

Important Information

Constitution

The Trusts were constituted by a Trust Deed between Baring Fund Managers Limited (“the Manager”) and NatWest Trustee and Depositary Services Limited.

This document has been issued by the Manager, which is authorised by the Financial Conduct Authority.

The Trusts are authorised unit trust schemes as defined in section 243 of the Financial Services and Markets Act 2000 and have been established as Undertakings for Collective Investments in Transferable Securities (“UCITS”) schemes.

Performance

Past performance is no indication of current or future performance. Investment involves risk. The value of any investments and any income generated may go down as well as up and is not guaranteed. Any reference in the Investment Manager reports for any of the Trusts should not be read as recommendations to investors to buy or sell the same but are included as illustrations only.

Key changes during the year

Emma Browning resigned as a Director of the Manager on 3 May 2022.

Alan Behen was appointed as a Director of the Manager on 27 July 2022.

The Prospectus of the Trusts was updated on 6 December 2021, 18 January 2022 and 18 July 2022. There were no material changes relating to the Trusts on 6 December 2021.

The material change to the Prospectus on 18 January 2022 is outlined as follows:

- Adjustments to the disclosures within the 'Investment Manager' section following the appointment of Barings Singapore Pte. Ltd. as a delegate of Sub-Investment Manager.

The material change to the Prospectus on 18 July 2022 is outlined as follows:

- Amending the investment objective of the Trusts in order to clarify their financial objective and to introduce a target benchmark to offer investors a more readily measurable means of assessing whether the Trusts have met their investment objective.

There are other immaterial changes to the Prospectus that are not listed above.

Market timing

Repeatedly purchasing and selling units in the Trusts in response to short-term market fluctuations – known as ‘market timing’ – can disrupt the Manager’s investment strategy and increase the Trusts’ expenses to the prejudice of all unitholders.

The Trusts are not intended for market timing or excessive trading. To deter these activities, the Manager may refuse to accept an application for units from persons that it reasonably believes are engaged in market timing or are otherwise excessive or potentially disruptive to the Trusts.

The Manager also reserves the right to redeem units which it reasonably believes have been purchased by unitholders engaged in market timing.

Publication of prices

The prices of units are published on the Barings website at www.baring.com. You can also obtain prices by telephone by calling +44 (0) 333 300 0372.

Dealing basis

The Manager’s basis for dealing in purchases and sales of the Trusts’ units is “forward”. This means that the price used for any deal will be calculated at the next valuation point following receipt of the investor’s instruction.

Fees and expenses

The Manager’s periodic charge is calculated on each business day, based on the value of the property of the Trust on the immediately preceding business day, and is paid to the Manager monthly, in arrears, on the first business day of the calendar month immediately following. The current annual management fees charged to the Trusts are shown on 6, 41, 72, and 109.

Barings UK Unit Trusts

Important Information (continued)

Revenue allocations and reports

Revenue allocations are made on 30 April (interim) and 31 October (final) of each year, where applicable, and forwarded to unitholders together with tax vouchers. The most recent annual report and audited financial statements and interim report and unaudited financial statements will be available on the Baring Asset Management Limited website at www.barings.com.

Prospectus and Manager's reports

Copies of the Prospectus, the Key Investor Information Document(s) ("KIID(s)"), and the most recent annual or interim report and financial statements are available to all persons free of charge from the Manager upon request. PricewaterhouseCoopers LLP (the "Independent Auditor") expresses its opinion on the English version of the annual report and financial statements, and accepts no responsibility for any translations of those financial statements.

Value Assessment

As part of the FCA's Asset Management Market Study, Authorised Fund Managers are now required to produce an annual Value Assessment for all UK authorised funds. The Manager published its annual Value Assessment for the Barings funds as part of a broader composite report in December 2022. This is made available on the Barings website at www.barings.com.

Remuneration (unaudited)

The Manager's Remuneration Policy ensures the remuneration arrangements, as defined in the FCA's rules for UCITS and AIFs are:

- (i) consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profile, rules or instruments of incorporation of the Manager or the Trust; and
- (ii) consistent with the Manager's business strategy, objectives, values and interests and includes measures to avoid conflicts of interest.

The Manager is subject to the FCA's UCITS and AIFM Remuneration Codes (SYSC 19B and 19E) and complies with the remuneration principles in a way and to the extent appropriate to its size and business.

Remuneration Committee

Due to the size and nature of the Manager, the Board of Directors considers it appropriate not to apply the requirement to appoint a remuneration committee.

The Manager is part of the Barings Europe Limited (UK) group of companies ("Barings") which is governed by the Remuneration Panel and the Barings LLC Human Resources Committee. These bodies ensure the fair and proportionate application of the remuneration rules and ensures that potential conflicts arising from remuneration are managed and mitigated appropriately.

Remuneration Code Staff

The Manager has determined its Remuneration Code Staff as the following:

1. Senior Management

Senior Management comprises the Board of Directors, all SMFs and all members of the European Management Team ("EMT").

All control functions detailed in section 2 below are also senior managers.

2. Control Functions

The Manager's control functions include the Heads of Risk, Compliance, Legal, Operations, Internal Audit, HR and Finance along with other heads of department in the Executive Committee and the Money Laundering Reporting Officer.

Barings UK Unit Trusts

Important Information (continued)

Remuneration Code Staff (continued)

3. Risk takers

Risk takers are defined as the investment managers of the Trust. Investment managers do not work for the Manager directly as the Manager delegates portfolio management to Baring Asset Management Limited ("BAML"). Accordingly, the Manager currently has no risk takers outside of the senior management.

BAML is a MIFIDPRU firm and subject to the Investment Firms Prudential Regime ("IFPR") which has equivalent remuneration rules.

4. Employees in the same remuneration bracket as risk takers

The Manager will not treat a person as Remuneration Code Staff if a person's professional activities do not have a material impact on the risk profiles of the firm or the Trust. Accordingly, the Manager currently has no staff in this category.

5. Staff responsible for heading the investment management, administration, marketing and human resources

To the extent that the Manager's staff fall within this category, they are also control function staff falling within section 2 above.

Remuneration Disclosure (unaudited)

The disclosure below details fixed and variable remuneration paid to Baring Fund Managers ("BFM") Staff and BFM Remuneration Code Staff (for the financial year end 31 August 2022).

	Number of beneficiaries	Total remuneration	Total fixed remuneration	Total variable remuneration
Total remuneration paid by BFM in relation to the Trusts*	18	£480,042	£79,428	£400,614
Total Senior Management Remuneration paid by BFM**	18	£612,257	£101,305	£510,952
Risk Takers remuneration	0	£0	£0	£0
Employees in the same remuneration bracket as risk takers	0	£0	£0	£0
Carried interest paid by the Trusts	0	£0	£0	£0

The Manager's Remuneration Policy is reviewed annually both in respect of the general principles it contains and its own implementation. No material changes have been made throughout the year or as a result of the review; no irregularities were identified.

The above disclosures are made in line with Barings' interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops, Barings may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other Barings fund disclosures in that same year.

Barings UK Unit Trusts

Important Information (continued)

Remuneration Disclosure (unaudited) (continued)

Notes:

*Manager does not make any direct payments to staff who are paid by other Barings Group entities. Figures shown are apportioned on a fund Asset Under Management ("AUM") basis as a proportion of Barings total AUM as at 31 August 2022. Accordingly, the figures are not representative of any individual's actual remuneration.

**Senior management remuneration is apportioned on the basis of the Manager's total AUM as a proportion of Barings total AUM.

Variable remuneration consists of Short Term Incentive awards, Long Term Incentive awards and any other variable payments including benefits in kind and discretionary pension awards.

The Trust does not pay performance fees.

There has been no award of carry interest in the year.

Barings UK Unit Trusts

Disclosure for Overseas Investors

Special risks resulting from additional German tax publication requirements in Germany

A foreign investment company such as Baring Fund Managers Limited (the "Manager") must provide documentation to the German fiscal authorities upon request, e.g. in order to verify the accuracy of the additional German published tax information. German investors will use this for their tax returns. The basis upon which such figures are calculated is open to interpretation and it cannot be guaranteed that the German fiscal authorities will accept the Manager's calculation methodology in every material respect. In addition, you should be aware that if it transpires that these publications are incorrect, any subsequent correction will, as a general rule, not have retrospective effect and will, as a general rule, only take effect during the current financial year. Consequently, the correction may positively or negatively affect the investors who receive a distribution or an attribution of deemed income distributions in the current financial year.

Information for investors in Switzerland

The Manager has appointed BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich, Switzerland as representative and paying agent for Switzerland. Units are distributed in Switzerland by BNP Paribas (Switzerland) Limited at the above address. Investors can obtain free of charge the Prospectus, KIID(s), the latest annual and interim reports, copies of the Trust Deed (and any amendments thereto) as well as a list of the purchases and sales made on behalf of the Trust, in French, from the representative at the above address. Official publications for the relevant trusts are found on the internet at www.fundinfo.com. Unit prices (Net Asset Value with the words "plus commissions") are published daily on the internet at www.fundinfo.com.

Important information to the performance tables on pages 156 to 157

The value of an investment can fall as well as rise as a result of market fluctuations and investors may not get back the amount originally invested. Past performance is no indication of current or future performance. The performance data does not take account of the commissions and costs incurred on the issue and redemption of units, nor the effect of the Manager's preliminary charge.

In conformity with a Guideline of the Swiss Funds Association ("SFA") dated 16 May 2008, the Manager is providing the below additional information regarding performance.

Total Expense Ratio ("TER")

Following the Guideline of the Swiss Funds Association ("SFA") dated 16 May 2008, the Manager is required to publish a total expense ratio ("TER") for the Trust for the 12 month to 31 August 2022. The TER has been established by the Manager and draws upon the data contained in the "Statement of total return" (Manager's management fee, registration fees, trustee fees, safe custody charges, audit fees, Financial Conduct Authority ("FCA") and other regulatory fees and taxation fees as well as any further fees and costs listed in the "Statement of total return" account which do not form part of the aforementioned categories). It is calculated with reference to these numbers and in conformity with the above guideline.

Barings UK Unit Trusts

Disclosure for Overseas Investors (continued)

The TERs for each class for the year ended 31 August 2022 and 31 August 2021 are as follows:

	TER 31/08/2022 %	TER 31/08/2021 %
Barings Europe Select Trust - Class A GBP Inc	1.56	1.55
Barings Europe Select Trust - Class A EUR Acc	1.56	1.55
Barings Europe Select Trust - Class A EUR Inc	1.56	1.55
Barings Europe Select Trust - Class A USD Acc	1.56	1.55
Barings Europe Select Trust - Class I GBP Acc	0.81	0.80
Barings Europe Select Trust - Class I GBP Inc	0.81	0.80
Barings Europe Select Trust - Class I EUR Acc	0.81	0.80
Barings Europe Select Trust - Class I EUR Inc	0.81	0.80

Barings UK Unit Trusts

Disclosure for Overseas Investors (continued)

The TERs for each class for the year ended 31 August 2022 and 31 August 2021 are as follows:

	TER 31/08/2022 %	TER 31/08/2021 %
Barings German Growth Trust - Class A GBP Acc	1.57	1.58
Barings German Growth Trust - Class A GBP Inc	1.57	1.58
Barings German Growth Trust - Class A EUR Acc	1.57	1.58
Barings German Growth Trust - Class A EUR Inc	1.57	1.58
Barings German Growth Trust - Class A USD Acc	1.57	1.58
Barings German Growth Trust - Class A USD Hedged Acc	1.57	1.58
Barings German Growth Trust - Class A CHF Hedged Acc	1.57	1.58
Barings German Growth Trust - Class A RMB Hedged Acc	1.57	1.58
Barings German Growth Trust - Class I GBP Acc	0.82	0.83
Barings German Growth Trust - Class I GBP Inc	0.82	0.83
Barings German Growth Trust - Class I GBP Acc	0.82	0.83
Barings German Growth Trust - Class I GBP Hedged Acc	0.82	0.83
Barings German Growth Trust - Class I EUR Acc	0.82	0.83
Barings German Growth Trust - Class I EUR Inc	0.82	0.83
Barings German Growth Trust - Class I USD Acc	0.82	0.83

Barings UK Unit Trusts

Disclosure for Overseas Investors (continued)

Trailer fees and reimbursements

Trailer fees (Bestandespflegekommissionen) may only be paid to the sales agents/partners indicated below:

- authorised sales agents (distributors) within the meaning of Article 19, Para 1, Collective Investment Schemes Act ("CISA");
- sales agents (distributors) exempted from the authorisation requirement within the meaning of Article 19, Para 4, CISA;
- sales partners who place fund units exclusively with institutional investors with professional treasury facilities; and/or;
- sales partners who place fund units with their clients exclusively on the basis of a written commission-based asset management mandate.

Reimbursements (Rückvergütungen) may only be paid to the institutional investors detailed below who from a commercial perspective are holding the fund units for third parties:

- life insurance companies (in respect of fund units held for the account of insured persons or to cover obligations towards insured persons), pension funds and other retirement provision institutions (in respect of fund units held for the account of beneficiaries);
- investment foundations (in respect of fund units held for the account of in-house funds);
- Swiss fund management companies (in respect of fund units held for the account of the funds managed); and
- foreign fund management companies and providers (in respect of fund units held for the account of managed funds and investing unitholders).

Barings UK Unit Trusts

Disclosure for Overseas Investors (continued)

Performance record to 31 August 2022

Barings Europe Select Trust

	01/09/2021 - 31/08/2022 %	01/09/2020 - 31/08/2021 %	01/09/2019 - 31/08/2020 %	01/06/2018 - 31/08/2019 %	01/06/2017 - 31/05/2018 %
Class A GBP Inc (GBP terms)*	(25.09)	29.19	2.34	4.25	5.27
EMIX Smaller European Companies Ex UK (Total Net Return) Index (GBP terms)***	(20.37)	36.43	6.74	(0.62)	6.17
Class A EUR Acc (EUR terms)*	(25.07)	34.51	3.69	1.00	4.91
Class A EUR Inc (EUR terms)*	(25.05)	34.49	3.70	0.76	4.92
Class A USD Acc (USD terms)	(36.80)	33.73	11.81	(4.74)	9.27
Class I GBP Acc (GBP terms)**	(24.51)	34.15	N/A	N/A	N/A
Class I GBP Inc (GBP terms)	(24.53)	29.17	3.12	5.22	6.06
Class I EUR Acc (EUR terms)	(24.49)	35.52	4.50	1.72	5.72
Class I EUR Inc (EUR terms)	(23.55)	35.52	4.49	1.71	5.70

Performance figures are shown net of fees and charges, on a published NAV per unit basis (mid-price), with gross revenue reinvested.

Source: Morningstar/Barings/Euromoney.

* 'Baring Europe Select Trust - Class GBP Inc' changed its name to 'Barings Europe Select Trust - Class A GBP Inc' on 29 August 2017.

'Baring Europe Select Trust - Class EUR Acc' changed its name to 'Barings Europe Select Trust - Class A EUR Acc' on 29 August 2017.

'Baring Europe Select Trust - Class EUR Inc' changed its name to 'Barings Europe Select Trust - Class A EUR Inc' on 29 August 2017.

** The Class I GBP Acc unit class was launched on 30 October 2020.

*** From 18 July 2022, the EMIX Smaller European Companies Ex UK (Total Net Return) Index is the target benchmark.

Barings UK Unit Trusts

Disclosure for Overseas Investors (continued)

Performance record to 31 August 2022 (continued)

Barings German Growth Trust

	01/09/2021 - 31/08/2022 %	01/09/2020 - 31/08/2021 %	01/09/2019 - 31/08/2020 %	16/05/2018 - 31/08/2019 %	16/05/2017 - 15/05/2018 %
Class A GBP Acc (GBP terms)	(20.97)	31.48	(4.62)	(11.92)	9.84
Class A GBP Inc (GBP terms)	(20.93)	31.27	(4.62)	(11.91)	9.84
HDAX® Total Return (GBP terms)**	(20.33)	23.78	6.60	(5.65)	7.19
Class A EUR Acc (EUR terms)	(20.93)	36.87	(3.35)	(14.53)	5.94
Class A EUR Inc (EUR terms)	(20.92)	36.85	(3.35)	(14.49)	5.89
Class A USD Acc (USD terms)	(33.30)	36.00	4.20	(20.80)	14.98
Class A USD Hedged Acc (USD terms)	(19.28)	38.20	(1.32)	(11.21)	8.14
Class A RMB Hedged Acc (RMB terms)	-	-	-	-	9.97
Class I GBP Acc (GBP terms)	(20.34)	32.43	(3.91)	(11.03)	10.67
Class I GBP Inc (GBP terms)	(20.35)	31.27	(3.91)	(11.03)	10.67
Class I GBP Hedged Acc (GBP terms)*	(19.63)	38.45	(3.21)	(12.39)	7.26
Class I EUR Acc (EUR terms)	(20.25)	37.94	(2.65)	(13.68)	6.70
Class I EUR Inc (EUR terms)	(20.36)	37.96	(2.63)	(17.09)	6.67
Class I USD Acc (USD terms)	(32.69)	37.60	5.34	(20.03)	15.93

Performance figures are shown net of fees and charges, on a published NAV per unit basis (mid-price), with gross revenue reinvested.

Source: Morningstar/Barings/HDAX.

* The Class I GBP Hedged Acc unit class was launched on 24 March 2017.

** From 18 July 2022, the HDAX® (Total Net Return) Index is the target benchmark.

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Past performance is no indication of current or future performance. The performance data does not take account of the commissions and costs incurred on the issue and redemption of units. Please note that changes in the rates of exchange may have an adverse effect on the value, price or income of an investment.

Barings UK Unit Trusts

Unit Price History - Hong Kong Registered Trusts

Barings Eastern Trust, Barings European Growth Trust, Barings Europe Select Trust and Barings German Growth Trust have been registered for sale in Hong Kong.

Barings Eastern Trust

	A GBP Acc (p)	A GBP Inc (p)	A USD Acc (c)	A USD Inc* (c)	D GBP Inc** (p)
2022 High Low	1,735.00 1,254.00	1,689.00 1,221.00	2,388.00 1,545.00	N/A N/A	1,742.00 1,265.00
2021 High Low	1,887.00 1,358.00	1,837.00 1,322.00	2,611.00 1,743.00	N/A N/A	1,896.00 1,359.00
2020 High Low	1,411.00 935.90	1,373.00 910.70	1,857.00 1,077.00	N/A N/A	1,419.00 937.80
2019 High Low	1,145.00 889.70	1,150.00 899.00	1,139.57 888.47	N/A N/A	1,149.99 898.95
2018 High Low	1,165.00 856.80	1,143.00 840.70	1,627.00 1,050.00	N/A N/A	1,177.00 858.00
2017 High Low	866.30 627.10	850.10 615.40	1,110.00 890.90	N/A N/A	867.70 625.80
2016 High Low	770.40 559.00	756.10 548.60	1,153.00 878.80	1,131.00 862.20	N/A N/A
2015 High Low	705.80 521.50	692.60 511.80	1,065.00 848.80	1,045.00 833.00	N/A N/A
2014 High Low	554.60 522.50	544.30 511.80	943.60 797.50	912.40 728.90	N/A N/A
2013 High Low	609.20 563.50	598.12 553.12	927.40 758.00	912.40 745.60	N/A N/A

* Class A USD Inc was closed on 2016 hence no data available from 2017 to 2022.

** Class D GBP Inc was only launched on 2017 hence no data available from 2013 to 2016.

Barings UK Unit Trusts

Unit Price History - Hong Kong Registered Trusts (continued)

Barings Eastern Trust (continued)

	I GBP Acc* (p)	I GBP Inc (p)	I USD Acc** (c)
2022 High Low	1,830.00 1,328.00	1,740.00 1,263.00	2,395.00 1,561.00
2021 High Low	1,982.00 1,421.00	1,893.00 1,357.00	2,611.00 1,869.00
2020 High Low	1,476.00 976.10	1,416.00 936.10	N/A N/A
2019 High Low	1,175.00 917.80	1,150.00 897.60	N/A N/A
2018 High Low	1,195.00 872.70	1,175.00 858.00	N/A N/A
2017 High Low	879.70 635.00	866.70 625.60	N/A N/A
2016 High Low	773.37 562.67	764.00 556.10	N/A N/A
2015 High Low	707.21 579.73	701.60 516.80	N/A N/A
2014 High Low	N/A N/A	549.40 516.80	N/A N/A
2013 High Low	N/A N/A	599.50 553.96	N/A N/A

* Class I GBP Acc was only launched on 2015 hence no data available from 2013 to 2014.

** Class I USD Acc was only launched on 2020 hence no data available from 2013 to 2019.

Barings UK Unit Trusts

Unit Price History - Hong Kong Registered Trusts (continued)

Barings European Growth Trust

	A GBP Inc (p)	I GBP Inc (p)
2022 High Low	1,762.00 1,418.00	1,764.00 1,431.00
2021 High Low	1,699.00 1,207.00	1,717.00 1,212.00
2020 High Low	1,451.00 961.40	1,461.0 968.80
2019 High Low	1,512.00 1,152.00	1,517.00 1,161.00
2018 High Low	1,552.00 1,315.00	1,564.00 1,318.00
2017 High Low	1,326.00 980.40	1,338.00 982.80
2016 High Low	1,167.00 912.90	1,114.00 920.40
2015 High Low	1,185.00 964.30	1,138.00 970.80
2014 High Low	1,107.00 984.60	1,064.00 992.00
2013 High Low	972.90 815.10	927.30 815.10

Barings UK Unit Trusts

Unit Price History - Hong Kong Registered Trusts (continued)

Barings Europe Select Trust

	A GBP Inc (p)	A EUR Acc (c)	A Eur Inc (c)	A USD Acc* (c)	I GBP Acc** (p)
2022					
High	5,618.00	7,041.00	6,571.00	8,285.00	138.00
Low	4,059.00	5,083.00	4,743.00	5,132.00	101.00
2021					
High	5,581.00	5,942.99	5,571.23	5,945.32	136.70
Low	4,121.00	4,395.82	4,121.36	4,398.08	100.00
2020					
High	4,419.00	5,616.00	5,265.00	6,125.00	N/A
Low	3,072.00	3,607.00	3,382.00	3,928.00	N/A
2019					
High	4,383.00	5,141.00	4,828.00	5,971.00	N/A
Low	3,534.00	4,150.00	3,907.00	4,728.00	N/A
2018					
High	4,184.00	5,000.00	4,735.00	6,184.00	N/A
Low	3,828.00	4,482.00	4,243.00	5,206.00	N/A
2017					
High	3,887.00	4,717.00	4,481.00	5,253.00	N/A
Low	2,793.00	3,615.00	3,450.00	3,982.00	N/A
2016					
High	2,891.00	4,042.00	3,866.00	4,393.00	N/A
Low	2,439.00	3,373.00	3,226.00	3,783.00	N/A
2015					
High	2,701.00	3,908.00	3,757.00	4,372.00	N/A
Low	2,033.00	2,652.00	2,550.00	3,380.00	N/A
2014					
High	2,486.00	3,106.00	3,004.00	4,277.00	N/A
Low	2,299.00	2,406.00	2,327.00	3,834.00	N/A
2013					
High	2,171.00	2,579.00	2,536.00	N/A	N/A
Low	1,843.00	1,879.00	1,849.00	N/A	N/A

* Class A USD Acc was only launched on 2014 hence no data available for 2013.

** Class I GBP Acc was launched on 30 October 2020 hence no data available from 2013 to 2020.

Barings UK Unit Trusts

Unit Price History - Hong Kong Registered Trusts (continued)

Barings Europe Select Trust (continued)

	I GBP Inc (p)	I EUR Acc* (c)	I EUR Inc** (c)
2022 High Low	5,625.00 4,088.00	7,184.00 5,210.00	6,593.00 4,841.00
2021 High Low	5,621.00 4,128.00	6,053.75 4,450.71	5,616.74 4,133.06
2020 High Low	4,434.00 3,084.00	5,655.00 3,635.00	5,287.00 3,398.00
2019 High Low	4,424.00 3,552.00	5,152.00 4,152.00	4,886.00 3,939.00
2018 High Low	4,212.00 3,837.00	4,973.00 4,438.00	4,786.00 4,271.00
2017 High Low	3,929.00 2,803.00	4,660.00 3,550.00	4,531.00 3,450.00
2016 High Low	2,917.00 2,450.00	3,940.00 3,293.00	3,892.00 3,252.00
2015 High Low	2,722.00 2,043.00	3,794.00 3,777.00	3,793.00 2,563.00
2014 High Low	2,507.00 2,317.00	N/A N/A	3,033.00 2,874.00
2013 High Low	2,183.00 1,848.00	N/A N/A	N/A N/A

* Class I EUR Acc was only launched in 2015 hence no data available from 2013 to 2014.

** Class I EUR Inc was only launched in 2014 hence no data available for 2013.

Barings UK Unit Trusts

Unit Price History - Hong Kong Registered Trusts (continued)

Barings German Growth Trust

	A GBP Inc (p)	A GBP Acc (p)	A Eur Acc (c)	A EUR Inc (c)	A USD Acc* (c)
2022 High Low	941.00 703.00	1,051.00 784.90	1,247.00 922.00	1,114.00 824.00	1,421.00 928.00
2021 High Low	921.10 624.50	1,027.00 695.90	1,025.99 695.27	916.95 621.38	1,027.49 697.74
2020 High Low	778.10 479.00	866.10 533.10	1,031.00 572.50	922.30 512.30	1,260.00 615.10
2019 High Low	846.20 639.90	936.90 708.50	1,068.00 785.80	960.40 706.90	1,262.00 894.70
2018 High Low	887.30 752.00	980.20 830.70	1,117.00 956.60	1,009.00 864.00	1,378.00 1,083.00
2017 High Low	771.10 535.80	846.40 587.90	997.70 712.10	907.80 648.10	1,095.00 788.00
2016 High Low	584.30 500.90	634.80 544.20	879.20 694.60	808.40 638.70	966.60 785.20
2015 High Low	589.60 497.30	638.80 538.80	885.70 606.60	817.50 559.80	1,014.00 772.90
2014 High Low	553.30 516.50	596.80 557.30	722.10 566.10	669.60 515.70	990.80 909.40
2013 High Low	472.10 409.80	509.00 441.80	601.90 430.20	558.30 399.10	N/A N/A

* Class A USD Acc was only launched on 2014 hence no data available for 2013.

Barings UK Unit Trusts

Unit Price History - Hong Kong Registered Trusts (continued)

Barings German Growth Trust (continued)

	A USD Hedged Acc* (c)	A CHF Hedged Acc** (CHF)	A RMB Hedged Acc* (RMB)	I GBP Acc (p)	I GBP Inc (p)
2022 High Low	1,513.00 1,134.00	N/A N/A	105.70 79.62	1,122.00 842.00	937.00 704.00
2021 High Low	1,052.51 716.18	N/A N/A	99.94 62.74	1,094.00 737.00	921.70 620.90
2020 High Low	1,223.00 679.40	N/A N/A	82.82 45.98	912.30 562.00	775.60 477.80
2019 High Low	1,208.00 904.60	N/A N/A	81.33 61.30	973.90 740.00	840.70 638.90
2018 High Low	1,253.00 1,064.00	11.35 9.74	83.87 70.80	1,017.00 857.00	885.90 747.00
2017 High Low	1,105.00 778.00	9.30 6.75	73.02 49.90	886.00 602.40	771.10 532.10
2016 High Low	954.80 755.10	9.06 7.14	59.71 47.93	649.6 556.1	584.40 500.30
2015 High Low	N/A N/A	N/A N/A	N/A N/A	648.7 546.1	589.40 496.10
2014 High Low	N/A N/A	N/A N/A	N/A N/A	600.9 560.9	553.30 516.50
2013 High Low	N/A N/A	N/A N/A	N/A N/A	509.5 469.2	474.20 410.30

* Class A USD Hedged Acc and A RMB Hedged Acc were only launched on 2016 hence no data available from 2013 to 2015.

** Class A CHF Hedged Acc was only launched on 2016 and closed in 2018 hence no data available from 2013 to 2015 and 2019 to 2022.

Barings UK Unit Trusts

Unit Price History - Hong Kong Registered Trusts (continued)

Barings German Growth Trust (continued)

	I GBP Hedged Acc* (p)	I EUR Acc** (c)	I Eur Inc** (c)	I USD Acc** (c)
2022 High Low	1,175.00 877.00	1,333.00 989.00	1,089.00 808.00	1,501.00 988.00
2021 High Low	1,122.00 715.30	1,093.41 736.46	900.64 606.30	1,085.66 729.43
2020 High Low	961.20 530.20	1,087.00 603.60	902.20 501.50	1,167.00 638.30
2019 High Low	966.30 719.30	1,111.00 821.10	969.00 688.00	1,290.00 918.80
2018 High Low	1,007.00 857.20	1,159.00 989.00	1,020.00 871.00	1,406.00 1,100.00
2017 High Low	891.00 826.20	1,030.00 730.00	919.00 652.10	1,111.00 794.00
2016 High Low	N/A N/A	895.00 710.10	807.70 641.30	930.90 788.10
2015 High Low	N/A N/A	N/A N/A	N/A N/A	N/A N/A
2014 High Low	N/A N/A	N/A N/A	N/A N/A	N/A N/A
2013 High Low	N/A N/A	N/A N/A	N/A N/A	N/A N/A

* Class I GBP Hedged Acc was only launched on 2017 hence no data available from 2013 to 2016.

** Class I EUR Acc, I EUR Inc and I USD Acc were only launched on 2016 hence no data available from 2013 to 2015.

Barings UK Unit Trusts

Directory

Manager

Baring Fund Managers Limited

Authorised and regulated by the Financial Conduct Authority ("FCA").

Investment Manager

Baring Asset Management Limited

20 Old Bailey

London, EC4M 7BF

Authorised and regulated by the FCA.

Sub-Investment Manager for Barings Eastern Trust

Barings Asset Management (Asia) Limited

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15 Queen's Road Central

Hong Kong

Directors

J. Armstrong (non-executive)

A. Behen (appointed 27 July 2022)

E. Browning (resigned 3 May 2022)

R. Kent

J. Swayne

K. Troup (non-executive)

Registered Office

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London, EC4M 7BF

Trustee

NatWest Trustee and Depositary Services Limited

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Authorised by the Prudential Regulation Authority ("PRA") and regulated by the FCA and PRA.

Administrator & Registrar

Northern Trust Global Services SE

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Senningerberg

Luxembourg, L-1748

The Administrator & Registrar's principal place of business in the United Kingdom:

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London, E14 5NT

Authorised by the PRA and regulated by the FCA and PRA.

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141 Bothwell Street

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Barings UK Unit Trusts

Directory (continued)

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8002 Zurich
Switzerland

The Prospectus, the Key Investor Information Document(s) ("KIID(s)"), a list of portfolio changes, the Instrument of Incorporation as well as the annual and the interim reports and financial statements are available on www.barings.com, or via the office of the Austrian, French, German, Swedish, and Swiss paying agents.

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BARINGS

The logo for Barings, featuring the word "BARINGS" in a bold, dark blue, sans-serif font. Below the text is a horizontal line that is green on the left and blue on the right.