

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended December 31, 2020

Fixed Income Private Portfolio

NBI Canadian Bond Private Portfolio

Notes on forward-looking statements

This report may contain forward-looking statements concerning the Fund, its future performance, its strategies or prospects or about future events or circumstances. Such forward-looking statements include, among others, statements with respect to our beliefs, plans, expectations, estimates and intentions. The use of the expressions "foresee", "intend", "anticipate", "estimate", "assume", "believe" and "expect" and other similar terms and expressions indicate forward-looking statements.

By their very nature, forward-looking statements imply the use of assumptions and necessarily involve inherent risks and uncertainties. Consequently, there is a significant risk that the explicit or implicit forecasts contained in these forward-looking statements might not materialize or that they may not prove to be accurate in the future. A number of factors could cause future results, conditions or events to differ materially from the objectives, expectations, estimates or intentions expressed in such forward-looking statements. Such differences might be caused by several factors, including changes in Canadian and worldwide economic and financial conditions (in particular interest and exchange rates and the prices of other financial instruments), market trends, new regulatory provisions, competition, changes in technology and the potential impact of conflicts and other international events.

The foregoing list of factors is not exhaustive. Before making any investment decision, investors and others relying on our forward-looking statements should carefully consider the foregoing factors and other factors. We caution readers not to rely unduly on these forward-looking statements. We assume no obligation to update forward-looking statements in the light of new information, future events or other circumstances unless applicable legislation so provides.

This annual management report of fund performance contains financial highlights, but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-888-270-3941 or 514-871-2082, by writing to us at National Bank Investments Advisory Service, 500, Place d'Armes, 12th floor, Montreal, Quebec, H2Y 2W3, by visiting our website at www.nbinvestments.ca, by visiting SEDAR's website at www.sedar.com, or by contacting your advisor. You may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Investment Objective and Strategies

The NBI Canadian Bond Private Portfolio's investment objective is to provide a high level of current income and sustained capital growth. The Fund invests, directly or through investments in securities of other mutual funds, in a portfolio consisting primarily of Canadian government and Canadian corporate bonds.

The portfolio manager's security selection is based on an analysis of economic conditions in Canada and their impact on interest rates. Shorter or longer term issues will be favored depending on whether interest rates are expected to rise or fall. It is expected that investments in debt securities of foreign companies will not exceed approximately 40% of the Fund's assets.

Risks

The global investment risk of the Fund remains as described in the simplified prospectus or any amendments thereto and Fund Facts.

Results of Operations

For the twelve-month period ended December 31, 2020, the NBI Canadian Bond Private Portfolio's Advisor Series units returned 9.02% compared to 8.68% for the Fund's benchmark, the FTSE Canada Universe Bond Index (CAD). Unlike the benchmark, the Fund's performance is calculated after fees and expenses. Please see the *Past Performance* section for the returns of all of the Fund's series, which may vary mainly because of fees and expenses.

Certain series of the Fund, as applicable, may make distributions at a rate determined by the manager. This rate may change from time to time. If the aggregate amount of distributions in such series exceeds the portion of net income and net realized capital gains allocated to such series, the excess will constitute a return of capital. The manager does not believe that the return of capital distributions made by such series of the Fund have a meaningful impact on the Fund's ability to implement its investment strategy or to fulfill its investment objective.

The Fund's net asset value rose by 20.73% over the period, from \$3.084 billion as at December 31, 2019 to \$3.723 billion as at December 31, 2020. The increase stemmed mainly from unit purchases by investors in the Fund and market fluctuations.

After a start marked by the emergence of a global pandemic and the fastest stock market plunge in history, 2020 ended with a third consecutive quarter of strong gains for risk assets. Overall, these twelve months have witnessed extreme variations between asset classes – especially in the first quarter. Nonetheless, both the stock and bond markets generally ended 2020 in positive territory, as lower interest rates led to significant gains for fixed income securities while supporting the economic and stock market recovery. Within equity regions, divergences were also quite spectacular, with the U.S. stock market dominating its peers throughout the first three quarter of the year thanks to its heavy allocation to more defensive sectors. That said, emerging markets rallied strongly later in 2020, lifted by a weaker U.S. dollar and the spectacular performance of Asian countries, most of which have managed to quickly contain the pandemic.

For their part, the majority of fixed-income markets managed to post gains, as bond yields ended the period lower. In this tumultuous and unprecedented market environment, investment grade corporate and sovereign bonds figured among the best performing asset classes for the year, followed by emerging and high yield bonds.

In Canada, the FTSE Canada Universe Bond index posted a strong absolute return for 2020. Municipal and provincial bonds for their part, outperformed corporate and federal bonds. However, the big winners for the period were long-term issues, which outperformed those with short and medium-term maturities. Among corporate bonds, BBB-rated issuers also stood out in comparison to higher rated issuers. On a sector basis, Infrastructure and Communications outperformed other sectors while securitized securities and financial sector-related securities lagged behind.

Under these circumstances, the Fund outperformed its benchmark. An underweight position in federal bonds was a particular source of value added, as these securities underperformed in 2020. Spread movements, curve positioning, and higher carry in the Fund were the major contributors of outperformance. However, a shorter duration positioning negatively impacted value as rates declined sharply.

The portfolio manager's selection in Telecommunications names was strong while the Industrials names detracted some value. Selection in municipal securities detracted some value, offset by strong selection in the provincial space.

Recent Developments

During the year, the portfolio manager increased the Fund's exposure to provincial and corporate bonds while decreasing exposure to federal bonds. The weighting in AAA-rated bonds was decreased while the weighting in A-rated bonds was increased. Meanwhile, the portfolio manager increased the weight in the Infrastructure and Real Estate sectors at the expense of the Industrials sector.

The portfolio manager remains underweight federal bonds while remaining overweight municipal and corporate securities. The portfolio manager now has a slightly longer duration than the benchmark, as he feels bond yields may slightly decline on the short-term horizon given the potential for economic disappointment.

The global economy continues to heal and has stabilized at reasonably healthy levels, with the sheer abundance of monetary and fiscal stimulus acting as a critical source of support. even as COVID-19 continues to circulate across the globe. Economic gains have been driven by the factory sector, which has demonstrated a growing resilience to the pandemic, thanks to the synchronous recovery in global demand and trade flows. Factory strength has counteracted a more tepid revival in the services sector that's been plagued by the latest spike in COVID-19 cases and the flood of new restrictions that have been aimed at the high-touch services space.

While it goes without saying that the latest virus trends are worrisome, there are reasons for optimism. The unrelenting backstop from both central banks and governments has been and will continue to be instrumental in guiding the economy back to health. Moreover, the end of the pandemic is now in sight. In November, three vaccine candidates revealed positive results in clinical trials and inoculations began in December. While widespread distribution and vaccination will take some time, there now appears to be a light at the end of the tunnel.

As such, while the recovery may be restrained in the near-term, it won't be derailed and a profound economic revival is almost certain to unfold in the coming year. As populations get inoculated and large parts of the global economy reopen, the powerful revitalization in consumer and business confidence should unleash massive amounts of pent-up demand and set the stage for an impressive rebound in activity in the latter part of 2021.

Taken together, the pace of economic activity is improving, inflation expectations are on the rise, the U.S. dollar is weakening, and commodity prices are pushing higher.

On April 1, 2020, the benchmark was modified to better reflect the categories of assets in which the Fund invests. The previous blended benchmark was composed of the FTSE Canada Medium Term Bond Index (CAD) (65 %) and the FTSE Canada Short Term Bond Index (CAD) (35%). The previous broad-based index was the FTSE Canada Medium Term Bond Index (CAD).

On April 30, 2020, the Fund's independent review committee (the "IRC") was reduced to three members when Jacques Valotaire and Jean-François Bernier resigned as IRC members. On July 1, 2020, the Fund's IRC was increased to four members when Marie Desroches was appointed as IRC member.

Related Party Transactions

National Bank of Canada (“the Bank”) and its affiliated companies’ roles and responsibilities related to the Fund are as follows:

Trustee, Custodian, and Registrar

Natcan Trust Company (“NTC”), a direct or indirect wholly-owned subsidiary of the Bank, is the Fund’s trustee. In this capacity, it is the legal owner of the Fund’s investments.

NTC acts as registrar for the Fund’s securities and the names of securityholders. NTC also acts as the Fund’s custodian. The fees for NTC’s custodial services are based on the standard rates in effect at NTC.

Agent for securities lending transactions

NTC acts as the agent for securities lending transactions acts on behalf of the Fund in administering securities lending transactions entered into by the Fund. NTC is an affiliate of the Manager.

Fund Manager

The Fund is managed by National Bank Investments Inc. (“NBII”), which is a wholly-owned subsidiary of the Bank. Therefore, NBII provides or ensures the provision of all general management and administrative services required by the Fund’s current operations, including investment consulting, the arrangement of brokerage contracts for the purchase and sale of the investment portfolio, bookkeeping and other administrative services required by the Fund.

The Manager pays the operating expenses of the Fund other than its “Fund costs” (defined below) (the “variable operating expenses”), in exchange for the Fund’s payment to the Manager of annual fixed-rate administration fees with respect to each series of the Fund.

The administration fees are equal to a specified percentage of the net asset value of each series of the Fund, calculated and paid in the same manner as the Fund’s management fees. The variable operating expenses payable by the Manager include, but are not limited to: transfer agency and recordkeeping costs; custodial costs; accounting and valuation fees; audit fees and legal fees; costs of preparing and distributing financial reports, simplified prospectuses, annual information forms, Fund Facts, continuous disclosure material and other securityholder communications; and costs of trustee services relating to registered tax plans, as applicable.

In addition to administration fees, the Fund shall also pay certain Fund costs, namely: taxes (including, but not limited to, GST/HST and income taxes); costs of compliance with any changes to existing governmental or regulatory requirements introduced after August 1, 2013; costs of compliance with any new governmental or regulatory requirements, including any new fees introduced after August 1, 2013; interest and borrowing costs; costs related to external services that were not commonly charged in the Canadian mutual fund industry as at August 1, 2013; Independent Review Committee costs, including compensation paid to IRC members, travel expenses, insurance premiums and costs associated with their continuing education; and variable operating expenses incurred outside of the normal course of business of the Fund.

The Manager may, from time to time and at its sole discretion, decide to absorb a portion of a series’ management fees, administration fees or Fund costs.

As described under the heading *Management Fees*, the Fund pays annual management fees to NBII as consideration for its services.

Distribution and Dealer Compensation

National Bank Financial Inc. (“NBF”) acts as principal distributor for the Advisor Series, Series F, Series F5 or Series T5 of the Fund. NBF may receive, depending on the distributed series, a monthly commission representing a percentage of the average daily value of the securities held by its clients.

NBII acts as principal distributor for the Series N and Series NR of the Fund. Trailing commissions are covered by NBI Private Wealth Management’s service fees, which are paid directly by investors.

Independent Review Committee Approvals and Recommendations

The Fund followed the standing instructions of its Independent Review Committee with respect to one or more of the following transactions:

- Purchasing or holding the securities of a related issuer, in particular, those of National Bank of Canada;
- Investing in the securities of an issuer when an entity related to the manager acts as an underwriter for the placement or at any time during the 60-day period after the end of the placement;
- Purchasing or selling securities to another investment Fund managed by the manager or a company in the same group;
- Purchasing or selling debt securities on the secondary market, through related brokers that are main brokers in the Canadian debt securities market (in accordance with an exemption received from the Canadian Securities Administrators);
- Entering into foreign exchange transactions (including both spot transactions and forward transactions) with National Bank of Canada.

The Manager has implemented policies and procedures to make sure that the conditions applicable to each of the above transactions are met. The applicable standing instructions require that these transactions be carried out in accordance with NBII policies, which specify, in particular, that investment decisions pertaining to these related party transactions must be made free from any influence by an entity related to NBII and without taking into account any consideration relevant to an entity related to NBII. Furthermore, the investment decisions must represent the business judgment of the securities advisor, uninfluenced by considerations other than the best interest of the Fund and must achieve a fair and reasonable result for the Fund.

Registered Plan Trust Services

NBT receives a fixed amount per registered account for services provided as trustee for registered plans.

Administrative and Operating Services

The provision of certain services was delegated by the Fund Manager, NBII, to National Bank Trust Inc. (“NBT”), a wholly-owned indirect subsidiary of the Bank. These include accounting, reporting and portfolio valuation services. The fees incurred for these services are paid to NBT by the Fund manager.

Management Fees

The Fund pays annual management fees to the Fund manager for its management services. The fees are calculated based on a percentage of the Fund’s daily net asset value before applicable taxes and are paid on a monthly basis. A portion of the management fees paid by the Fund covers maximum annual trailer fees and sales commissions paid to brokers. The remainder of the management fees primarily covers investment management and general administration services. The breakdown of major services provided in consideration of the management fees, expressed as an approximate percentage of the management fees is as follows:

Series	Management Fees	Distribution	Others [†]
Advisor Series			
Front-end load	0.85%	76.47%	23.53%
Series F	0.37%	—	100.00%
Series N and Series NR*	0.10%	—	100.00%

^(†) Includes all costs related to management, investment advisory services, general administration and profit.

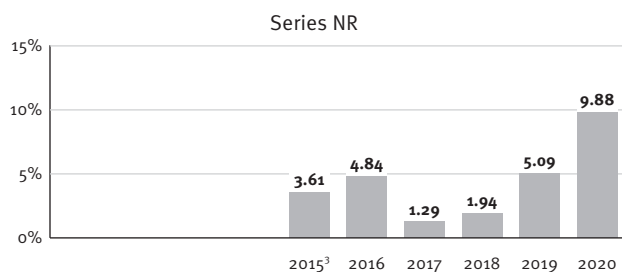
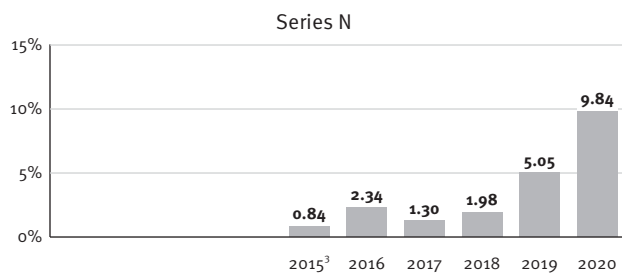
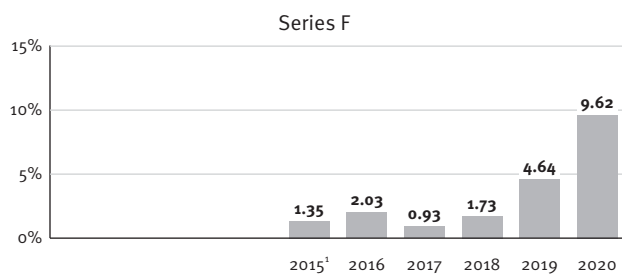
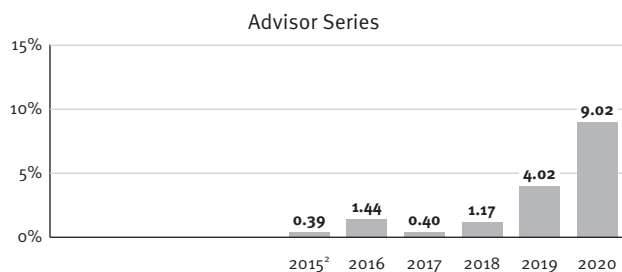
^(*) For Series N and NR, offered only to investors using the NBI Private Wealth Management service (“PWM”), management fees only cover management of fund investments, i.e. the fees related to management of fund portfolios constituting the PWM profiles. General administration services, trailer fees and sale commissions paid to brokers are covered by the PWM’s service fees, which are paid directly by investors.

Past Performance

The performance of each series of the Fund is presented below and calculated as at December 31 of each year. It assumes that all distributions made in the periods shown were reinvested in additional securities and does not take into account sales, redemption charges, distributions, or optional charges that would have reduced returns. Past performance of a series of a Fund does not necessarily indicate how it will perform in the future.

Annual Returns

The bar charts indicate the performance for each the Fund's series in existence greater than one year during the years shown, and illustrate how the performance has changed from year to year. They show, in percentage terms, how much an investment made on January 1 (or made commencing from the start of the series) would have grown or decreased by December 31 of that year, or by June 30, as applicable.



⁽¹⁾ Returns for the period from May 21, 2015 (commencement of operations) to December 31, 2015.

⁽²⁾ Returns for the period from July 14, 2015 (commencement of operations) to December 31, 2015.

⁽³⁾ Returns for the period from October 30, 2015 (commencement of operations) to December 31, 2015.

Annual Compounded Performance

The following table shows the Fund's annual compound returns for each series in existence greater than one year and for each of the periods ended on December 31, 2020, compared with the following benchmark:

- FTSE Canada Universe Bond Index (CAD)

NBI Canadian Bond Private Portfolio

	1 year	3 years	5 years	10 years	Since inception
Advisor Series¹	9.02%	4.69%	3.16%	–	2.96%
Benchmark	8.68%	5.61%	4.19%	–	4.38%
Series F²	9.62%	5.28%	3.74%	–	3.57%
Benchmark	8.68%	5.61%	4.19%	–	4.52%
Series N³	9.84%	5.57%	4.05%	–	4.08%
Benchmark	8.68%	5.61%	4.19%	–	4.44%
Series NR³	9.88%	5.58%	4.04%	–	4.09%
Benchmark	8.68%	5.61%	4.19%	–	4.44%

¹Commencement of operations: July 14, 2015

²Commencement of operations: May 21, 2015

³Commencement of operations: October 30, 2015

A discussion of the Fund's relative performance in comparison to the index (or indices) can be found in the *Results of Operations* Section of this report.

Index Description

The **FTSE Canada Universe Bond Index** is composed of over 900 bonds with a term to maturity of more than one year and tracks the performance of the Canadian Bond market.

The blended benchmark was modified to better reflect the categories of assets in which the Fund invests. The information related to the previous blended benchmark is presented below.

The previous blended benchmark was composed of:

- FTSE Canada Medium Term Bond Index (CAD) (65%)
- FTSE Canada Short Term Bond Index (CAD) (35%)

The previous broad-based index was the FTSE Canada Medium Term Bond Index (CAD).

NBI Canadian Bond Private Portfolio

	1 year	3 years	5 years	10 years	Since inception
Advisor Series¹	9.02%	4.69%	3.16%	–	2.96%
Benchmark	8.39%	5.01%	3.40%	–	3.61%
Broad-based index	10.08%	5.86%	4.01%	–	4.85%
Series F²	9.62%	5.28%	3.74%	–	3.57%
Benchmark	8.39%	5.01%	3.40%	–	3.80%
Broad-based index	10.08%	5.86%	4.01%	–	4.51%
Series N³	9.84%	5.57%	4.05%	–	4.08%
Benchmark	8.39%	5.01%	3.40%	–	3.58%
Broad-based index	10.08%	5.86%	4.01%	–	4.85%
Series NR³	9.88%	5.58%	4.04%	–	4.09%
Benchmark	8.39%	5.01%	3.40%	–	3.58%
Broad-based index	10.08%	5.86%	4.01%	–	4.85%

¹Commencement of operations: July 14, 2015

²Commencement of operations: May 21, 2015

³Commencement of operations: October 30, 2015

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the accounting periods shown.

Advisor Series

Net Assets per Unit⁽¹⁾

Commencement of operations: July 14, 2015

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	9.97	9.75	9.81	9.93	9.98
Increase (Decrease) from Operations (\$)					
Total revenue	0.28	0.27	0.27	0.27	0.29
Total expenses	(0.11)	(0.10)	(0.10)	(0.10)	(0.10)
Realized gains (losses)	0.28	0.08	(0.14)	(0.01)	0.02
Unrealized gains (losses)	0.43	0.16	0.06	(0.13)	(0.11)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.88	0.41	0.09	0.03	0.10
Distributions (\$)					
From net investment income (excluding dividends)	0.18	0.17	0.17	0.16	0.18
From dividends	—	—	—	—	—
From capital gains	0.14	—	—	—	0.02
Return of capital	—	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.32	0.17	0.17	0.16	0.20
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	10.55	9.97	9.75	9.81	9.93

Ratios and Supplemental Data

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Total net asset value (000's of \$) ⁽⁵⁾	10,100	9,723	10,514	13,672	14,140
Number of units outstanding ⁽⁵⁾	957,153	974,996	1,078,739	1,393,675	1,423,734
Management expense ratio (%) ⁽⁶⁾	1.03	1.03	1.03	1.03	1.02
Management expense ratio before waivers or absorptions (%)	1.03	1.03	1.03	1.03	1.02
Trading expense ratio (%) ⁽⁷⁾	—	—	—	—	—
Portfolio turnover rate (%) ⁽⁸⁾	143.52	111.09	126.38	56.34	72.41
Net asset value per unit (\$)	10.55	9.97	9.75	9.81	9.93

Series F / Private Series*

^(*) Please note that the Private Series was created on November 28, 2016 and is offered by way of private placement.

Net Assets per Unit⁽¹⁾

Commencement of operations: May 21, 2015

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	10.03	9.81	9.87	9.98	10.02
Increase (Decrease) from Operations (\$)					
Total revenue	0.28	0.28	0.27	0.27	0.29
Total expenses	(0.05)	(0.05)	(0.05)	(0.05)	(0.05)
Realized gains (losses)	0.28	0.08	(0.14)	(0.01)	0.02
Unrealized gains (losses)	0.42	0.20	0.02	(0.26)	(0.15)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.93	0.51	0.10	(0.05)	0.11
Distributions (\$)					
From net investment income (excluding dividends)	0.23	0.23	0.23	0.20	0.23
From dividends	—	—	—	—	—
From capital gains	0.14	—	—	—	0.01
Return of capital	—	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.37	0.23	0.23	0.20	0.24
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	10.62	10.03	9.81	9.87	9.98

Ratios and Supplemental Data

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Total net asset value (000's of \$) ⁽⁵⁾	101,668	94,256	126,449	209,661	81,538
Number of units outstanding ⁽⁵⁾	9,576,305	9,397,834	12,895,931	21,241,718	8,171,106
Management expense ratio (%) ⁽⁶⁾	0.50	0.47	0.48	0.48	0.47
Management expense ratio before waivers or absorptions (%)	0.50	0.47	0.48	0.48	0.47
Trading expense ratio (%) ⁽⁷⁾	—	—	—	—	—
Portfolio turnover rate (%) ⁽⁸⁾	143.52	111.09	126.38	56.34	72.41
Net asset value per unit (\$)	10.62	10.03	9.81	9.87	9.98

Series N

Net Assets per Unit⁽¹⁾

Commencement of operations: October 30, 2015

Accounting Period Ended	2020	2019	2018	2017	2016
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ^(a)	10.09	9.85	9.91	10.02	10.06
Increase (Decrease) from Operations (\$)					
Total revenue	0.28	0.28	0.27	0.27	0.29
Total expenses	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Realized gains (losses)	0.28	0.08	(0.14)	(0.01)	0.02
Unrealized gains (losses)	0.43	0.13	0.10	(0.13)	(0.19)
Total Increase (Decrease) from Operations (\$) ^(a)	0.97	0.47	0.21	0.11	0.10
Distributions (\$)					
From net investment income (excluding dividends)	0.27	0.26	0.25	0.24	0.26
From dividends	—	—	—	—	—
From capital gains	0.13	—	—	—	0.02
Return of capital	—	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.40	0.26	0.25	0.24	0.28
Net Assets, End of Accounting Period Shown (\$) ^(a)	10.68	10.09	9.85	9.91	10.02

Ratios and Supplemental Data

Accounting Period Ended	2020	2019	2018	2017	2016
	December 31	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	1,721,459	1,425,574	1,153,502	959,797	657,010
Number of units outstanding ⁽⁵⁾	161,140,730	141,342,988	117,119,928	96,883,958	65,560,007
Management expense ratio (%) ⁽⁶⁾	0.17	0.17	0.17	0.17	0.17
Management expense ratio before waivers or absorptions (%)	0.17	0.17	0.17	0.17	0.17
Trading expense ratio (%) ⁽⁷⁾	—	—	—	—	—
Portfolio turnover rate (%) ⁽⁸⁾	143.52	111.09	126.38	56.34	72.41
Net asset value per unit (\$)	10.68	10.09	9.85	9.91	10.02

Series NR

Net Assets per Unit⁽¹⁾

Commencement of operations: October 30, 2015

Accounting Period Ended	2020	2019	2018	2017	2016
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ^(a)	9.89	9.69	9.80	9.97	10.06
Increase (Decrease) from Operations (\$)					
Total revenue	0.28	0.27	0.27	0.27	0.29
Total expenses	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Realized gains (losses)	0.28	0.08	(0.14)	(0.01)	0.02
Unrealized gains (losses)	0.42	0.13	0.08	(0.13)	(0.18)
Total Increase (Decrease) from Operations (\$) ^(a)	0.96	0.46	0.19	0.11	0.11
Distributions (\$)					
From net investment income (excluding dividends)	0.26	0.25	0.25	0.24	0.26
From dividends	—	—	—	—	—
From capital gains	0.13	—	—	—	0.02
Return of capital	0.04	0.04	0.04	0.06	0.04
Total Annual Distributions (\$) ⁽³⁾	0.43	0.29	0.29	0.30	0.32
Net Assets, End of Accounting Period Shown (\$) ^(a)	10.43	9.89	9.69	9.80	9.97

Ratios and Supplemental Data

Accounting Period Ended	2020	2019	2018	2017	2016
	December 31	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	29,707	25,997	22,617	22,524	13,602
Number of units outstanding ⁽⁵⁾	2,848,192	2,629,360	2,333,228	2,299,136	1,364,125
Management expense ratio (%) ⁽⁶⁾	0.17	0.17	0.17	0.17	0.17
Management expense ratio before waivers or absorptions (%)	0.17	0.17	0.17	0.17	0.17
Trading expense ratio (%) ⁽⁷⁾	—	—	—	—	—
Portfolio turnover rate (%) ⁽⁸⁾	143.52	111.09	126.38	56.34	72.41
Net asset value per unit (\$)	10.43	9.89	9.69	9.80	9.97

Series PW*

⁽¹⁾ Please note that this Series is offered by way of private placement.

Net Assets per Unit ⁽¹⁾		Commencement of operations: May 21, 2015				
Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31	
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	11.53	11.26	11.33	11.46	11.52	
Increase (Decrease) from Operations (\$)						
Total revenue	0.33	0.32	0.31	0.31	0.33	
Total expenses	(0.03)	(0.03)	(0.02)	(0.02)	(0.03)	
Realized gains (losses)	0.33	0.09	(0.15)	(0.01)	0.02	
Unrealized gains (losses)	0.48	0.14	0.09	(0.18)	(0.10)	
Total Increase (Decrease) from Operations (\$) ⁽²⁾	1.11	0.52	0.23	0.10	0.22	
Distributions (\$)						
From net investment income (excluding dividends)	0.30	0.28	0.28	0.27	0.30	
From dividends	—	—	—	—	—	
From capital gains	0.15	—	—	—	0.02	
Return of capital	—	—	—	—	—	
Total Annual Distributions (\$) ⁽³⁾	0.45	0.28	0.28	0.27	0.32	
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	12.21	11.53	11.26	11.33	11.46	

Ratios and Supplemental Data

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Total net asset value (000's of \$) ⁽⁵⁾	1,646,594	1,320,207	961,246	933,066	548,501
Number of units outstanding ⁽⁵⁾	134,820,709	114,541,108	85,387,692	82,382,980	47,878,045
Management expense ratio (%) ⁽⁶⁾	0.22	0.22	0.22	0.22	0.22
Management expense ratio before waivers or absorptions (%)	0.22	0.22	0.22	0.22	0.22
Trading expense ratio (%) ⁽⁷⁾	—	—	—	—	—
Portfolio turnover rate (%) ⁽⁸⁾	143.52	111.09	126.38	56.34	72.41
Net asset value per unit (\$)	12.21	11.53	11.26	11.33	11.46

Series PWO*

⁽¹⁾ Please note that this Series is offered by way of private placement.

Net Assets per Unit ⁽¹⁾		Commencement of operations: May 21, 2015				
Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31	
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	9.92	9.70	9.77	9.89	9.96	
Increase (Decrease) from Operations (\$)						
Total revenue	0.28	0.27	0.27	0.27	0.29	
Total expenses	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	
Realized gains (losses)	0.28	0.08	(0.13)	(0.01)	0.02	
Unrealized gains (losses)	0.43	0.15	0.02	(0.08)	(0.04)	
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.98	0.49	0.15	0.17	0.26	
Distributions (\$)						
From net investment income (excluding dividends)	0.27	0.26	0.27	0.25	0.28	
From dividends	—	—	—	—	—	
From capital gains	0.14	—	—	—	0.02	
Return of capital	—	—	—	—	—	
Total Annual Distributions (\$) ⁽³⁾	0.41	0.26	0.27	0.25	0.30	
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	10.49	9.92	9.70	9.77	9.89	

Ratios and Supplemental Data

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Total net asset value (000's of \$) ⁽⁵⁾	213,892	208,360	202,247	371,381	623,530
Number of units outstanding ⁽⁵⁾	20,384,806	20,997,353	20,857,353	38,018,145	63,028,032
Management expense ratio (%) ⁽⁶⁾	0.10	0.10	0.10	0.10	0.10
Management expense ratio before waivers or absorptions (%)	0.10	0.10	0.10	0.10	0.10
Trading expense ratio (%) ⁽⁷⁾	—	—	—	—	—
Portfolio turnover rate (%) ⁽⁸⁾	143.52	111.09	126.38	56.34	72.41
Net asset value per unit (\$)	10.49	9.92	9.70	9.77	9.89

- ⁽¹⁾ This information is derived from the Fund's Annual Audited Financial Statements. The net assets per unit presented in the financial statements might differ from the net asset value calculated for fund pricing purposes. The differences are explained in the notes to the financial statements.
- ⁽²⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase or decrease from operations is based on the average number of units outstanding over the accounting period.
- ⁽³⁾ Distributions were paid in cash or reinvested in additional units of the Fund, or both.
- ⁽⁴⁾ The net assets are calculated in accordance with IFRS.
- ⁽⁵⁾ This information is provided as at the last day of the accounting period shown.
- ⁽⁶⁾ Management expense ratio is based on total expenses including sales taxes for the accounting period indicated (excluding commission, other portfolio transaction costs and withholding taxes) and is expressed as an annualized percentage of daily average net value during the accounting period.
- ⁽⁷⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the accounting period. The trading expense ratio includes, if necessary, the trading expenses from its underlying funds, as described in Article 15.2 of Regulation 81-106.
- ⁽⁸⁾ The Fund's portfolio turnover rate indicates how actively the Fund portfolio's manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the accounting period. The higher a Fund's portfolio turnover rate in an accounting period, the greater the trading costs payable by the Fund in the accounting period, and the greater the chance of an investor receiving taxable capital gains in the accounting period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

Summary of Investment Portfolio

As of December 31, 2020

Portfolio Top Holdings

	% of Net Asset Value
Province of Ontario, 4.65%, due June 2, 2041	4.4
Government of Canada, 2.00%, due December 1, 2051	2.9
Province of Ontario, 2.65%, due December 2, 2050	1.8
Province of Ontario, 2.60%, due June 2, 2027	1.7
Province of Alberta, 2.05%, due June 1, 2030	1.6
Province of Ontario, 2.90%, due June 2, 2049	1.5
Toronto-Dominion Bank, Floating, due April 22, 2030	1.3
Province of Alberta, 3.10%, due June 1, 2050	1.1
TransCanada Pipelines Ltd., 3.80%, due April 5, 2027	1.1
Province of Ontario, 2.05%, due June 2, 2030	1.0
Province of Ontario, 4.70%, due June 2, 2037	1.0
Province of Saskatchewan, 3.10%, due June 2, 2050	0.8
Province of Ontario, 2.90%, due June 2, 2028	0.8
Royal Office Finance LP, 5.21%, due November 12, 2032	0.8
Royal Bank of Canada, 2.33%, due January 28, 2027	0.7
Province of Ontario, 2.80%, due June 2, 2048	0.7
Province of Quebec, 3.50%, due December 1, 2048	0.7
Province of Newfoundland, 2.85%, due June 2, 2029	0.7
Daimler Canada Finance Inc., 1.65%, due September 22, 2025	0.6
Sun Life Financial Inc., 2.58%, due May 10, 2032	0.6
Government of Canada, 1.50%, due December 1, 2044	0.6
Province of Saskatchewan, 2.20%, due June 2, 2030	0.6
Province of Quebec, 3.50%, due December 1, 2045	0.6
Cash, Money Market and Other Net Assets	0.6
Bank of Nova Scotia, 2.16%, due February 3, 2025	0.5
	28.7

Net asset value \$3,723,419,346

Asset Mix

	% of Net Asset Value
Canadian Corporate Bonds	41.3
Provincial Bonds	30.7
Municipal Bonds	16.2
Federal Bonds	7.7
US Bonds	1.8
Asset Backed Securities	0.9
Mortgage Backed Securities	0.8
Cash, Money Market and Other Net Assets	0.6

The above table shows the top 25 positions held by the Fund. In the case of a Fund with fewer than 25 positions, all positions are indicated.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment Fund. A quarterly update is available. Please consult our Web site at www.nbinvestments.ca.