

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended December 31, 2020

Short Term and Income Fund
NBI High Yield Bond Fund

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 High Yield Bond Fund's investment objective is to achieve high total income return. The Fund invests primarily in high yield debt securities of foreign (U.S.A. and Western Europe) and Canadian companies such as corporate bonds with medium to long terms. The Fund may also invest in convertible debentures, preferred shares and mortgage-backed securities.

The portfolio manager looks for well-managed companies with a well-defined business vision and significant competitive advantages. The management style of the portfolio manager is based on good diversification by sector and in-depth analysis of the companies.

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 High Yield Bond Fund's Investor Series units returned -0.37% compared to 4.66% for the Fund's benchmark, the ICE BofA U.S. High Yield Constrained Index (CAD Hedged). 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 dropped by 25.20% over the period, from \$502.91 million as at December 31, 2019 to \$376.19 million as at December 31, 2020.

The decline stemmed mainly from withdrawals in the Fund by other NBI Funds.

2020 was a historic year across assets classes and high yield was no exception: a dramatic sell-off to start the first quarter, a substantial recovery through the summer months, a few sideways months during the fall before another significant rally to finish the year. The market bottomed on March 23rd with a year-to-date return of -20.57% and during March the market was historically dislocated, with extreme bid-ask spreads and unprecedented illiquidity. With the U.S. Federal Reserve's (the "Fed") announcement on April 9th, stating high yield ETFs and select BB fallen angels (bonds that have been downgraded from BBB) were eligible for secondary market purchases, the market began to rally significantly and the new issuance market reopened to most high yield issuers, alleviating defaults compared to previous downturns. Risk on sentiment continued until September, the first negative return month since March, with July being the strongest return month for the year. Finally, the positive reaction to the U.S. elections and vaccine trial results once again catalyzed the risk-on trade, with lower quality and COVID exposed sectors outperforming to finish the year. High yield finished the year with mutual fund inflows of \$44.3bn and gross issuance of \$450bn, both the largest totals in history. The default rate ended 2020 at 6.17%, well below consensus estimates during the spring but above the long-term average of approximately 3.5%.

In this environment, high yield bonds ended the year with a positive return. Higher quality issuers outperformed, with BB's outpacing single-B's and CCC's. Sectors most affected by COVID-19 and the collapse of commodity prices have lagged the index with Energy, Leisure and Real Estate leading the declines while higher quality and more defensive sectors were strongly positive, led by Banking, Automotive and Consumer Goods.

In the first two months of the year, the Fund was managed by Fiera Capital while National Bank Trust Inc. ("NBT") was appointed as portfolio manager to the Fund and investment decisions were delegated to J.P. Morgan Investment Management Inc. ("JPMIM"). Since J.P. Morgan is taking decisions for this Fund, the portfolio remained defensively positioned.

Since J.P. Morgan oversees this mandate, the portfolio was defensively positioned from March to December. However, as the portfolio manager believed he was being fairly compensated for taking cyclical risk, he added to his cyclical positions. During the period he added exposure in the Automotive sector, specifically in Ford, the largest fallen angel YTD, midstream via Tallgrass Energy and Targa Resources and packaging through Mauser Packaging Solutions. Conversely, he decreased exposure to Oil field services, specifically by trimming Arhcrok Partners, gaming via trimming MGM Resorts, and financials by exiting Fairstone Financial. There were no changes to strategy during the period.

In this context, the Fund lagged its benchmark for the period. Security selection in the Automotive, Technology and Food/Beverage sectors enhanced relative performance. Specifically, overweights to Frontier Communications, Archrock Partners, Telephone & Data Systems, Envision Healthcare and Cheniere Energy contributed to performance during the period. An underweight exposure to independent Energy and Finance companies as well as security selection in Healthcare led the detractors in the period. Overweights to Voyager Aviation, Charter Communications, T-Mobile and Bausch Healthcare and an underweight to Occidental Petroleum hindered performance during the period.

Recent Developments

High yield bonds have consistently rallied along with other risk asset classes since March, with credit spreads tightening from close to 700 bps at their widest point earlier this year to 392 bps currently. Fundamentals remain challenged in a handful of sectors, but most high yield issuers have the liquidity or business models to sustain the current environment into 2021. The portfolio manager believes corporate earnings and cash flows will continue their path to recovery through 2021 as the global population is vaccinated. Default rates will likely continue to decline from 2020 highs to 3-4% by the end of 2021. Investor sentiment, initially buoyed by Fed signals of support, should continue to be supportive on the back of expectations around economic recovery. While spreads are tight relative to most of 2020 and provide limited cushion in a downside scenario, the high yield market is the highest quality it has ever been, and he expects the 2020 support from central banks and improving investor sentiment to provide high yield investors with reasonable value going forward.

At the end of the year, the Fund was overweight Wireless, Pharmaceuticals, Healthcare and Cable satellite relative to the benchmark due to their potential value opportunities within those sectors. Conversely, the Fund was underweight the Electric utilities, Banking, Finance companies and Food/Beverage sectors as these sectors are not compelling due to challenging fundamental outlooks or rich valuations. The Fund's duration of 2.81 is less than the index's duration of 3.52.

On or about February 24, 2020, National Bank Trust Inc. (“NBT”) was appointed as portfolio manager to the Fund and investment decisions were delegated to J.P. Morgan Investment Management Inc. (“JPMIM”). JPMIM acts as the funds’ sub-advisor, with NBT ensuring that their decisions remain compliant within the given mandate. The investment objective of the Fund remains unchanged. However, the Fund will modify its investment strategy to allow it to invest 100% in underlying funds. This change is in line with the governance process of NBI’s open architecture structure.

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 Merrill Lynch High Yield BB-B US Cash Pay Only Index (\$CAD - Hedged) (85%) and the Merrill Lynch High Yield C US Cash Pay Only Index (\$CAD - Hedged) (15%). The previous broad-based index was the Bloomberg Barclays U.S. Corporate High Yield Bond Index (CAD Hedged).

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.

On May 6, 2020, the management fees for Series F and F5 were reduced from 0.93% to 0.80%.

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.

Portfolio Manager

The Manager has appointed National Bank Trust Inc. (“NBT”), an indirect wholly-owned subsidiary of the Bank, as the portfolio manager for the Fund. A flat fee is payable annually to NBT for its management services.

Distribution and Dealer Compensation

NBII acts as principal distributor for the Fund. In this capacity, NBII buys, sells and swaps securities through Bank branches and the National Bank Investments Advisory Service in Canadian provinces and territories, and through external registered representatives. Fund securities are also offered by National Bank Financial Inc. (including its division National Bank Direct Brokerage), CABN Investments (a division of NBII) and other affiliated entities. Brokers may receive, depending on the distributed series, a monthly commission representing a percentage of the average daily value of the securities held by their clients.

Brokerage Fees

The Fund may pay broker’s commissions at market rates to a corporation affiliated with NBII. The brokerage fees paid by the Fund for the period are as follows:

	Period ended December 31, 2020
Total brokerage fees	106,493.76
Brokerage fees paid to National Bank Financial	106,493.76

Holdings

As at December 31, 2020, National Bank Investments Inc. held 497.81 Fund securities for a value of \$3,886.71, which represented close to 0.0010% of the net asset value of the Fund at that date. Transactions between National Bank Investments Inc. and the Fund were carried out in the normal course of business and at the Fund’s net asset value as at the transaction date.

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

NTC 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 [†]
Investor Series and Series R	1.75%	42.86%	57.14%
Advisor Series and Series T5*			
Front-end load	1.75%	42.86%	57.14%
Back-end load - 1 to 6 years	1.75%	14.29%	85.71%
Back-end load - 7 years and more	1.75%	42.86%	57.14%
Low load - 1 to 3 years	1.75%	14.29%	85.71%
Low load - 4 years and more	1.75%	42.86%	57.14%
Series F and Series F5	0.80%	—	100.00%
Series O	N/A**	—	100.00%

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

^(*) Excluding sales commissions paid on the Advisor Series and Series T5 with low sales charges option and deferred sales charge option, which are not paid for out of the management fees.

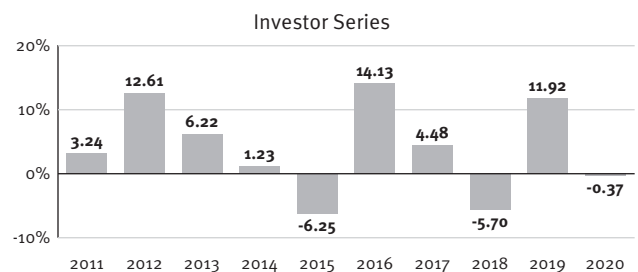
^(**) There are no management fees paid by the Fund with respect to the Series O. Instead, Series O securityholders pay a negotiated administration fee directly to National Bank Investments.

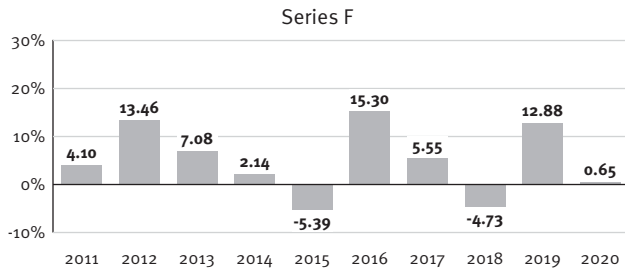
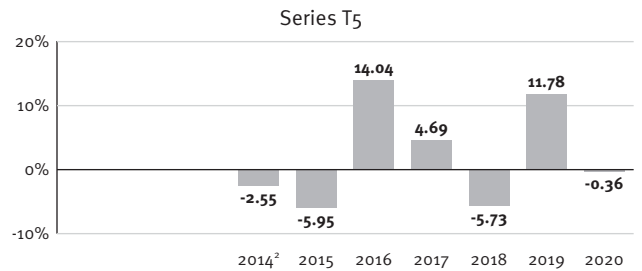
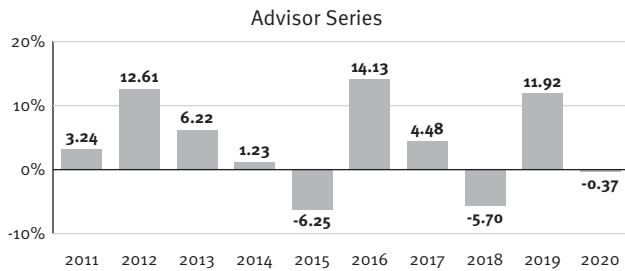
Past Performance

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.



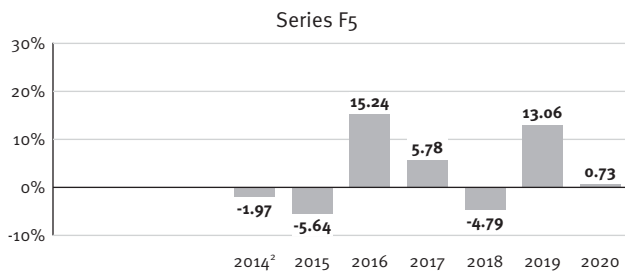


⁽¹⁾ Returns for the period from May 27, 2011 (commencement of operations) to December 31, 2011.
⁽²⁾ Returns for the period from May 21, 2014 (commencement of operations) to December 31, 2014

Annual Compounded Performance

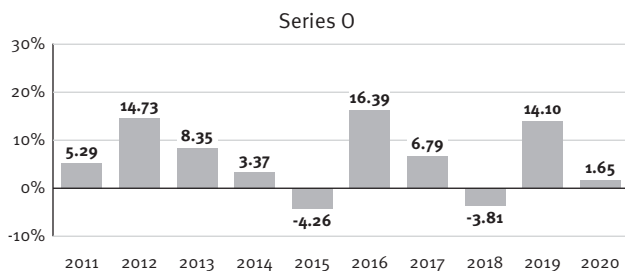
The following table shows the Fund's annual compound returns for each series in existence greater than one year and for each of the periods ended on December 31, 2020, compared with the following benchmark:

- ICE BofA US High Yield Constrained Index (CAD Hedged)



NBI High Yield Bond Fund

	1 year	3 years	5 years	10 years	Since inception
Investor Series⁴	(0.37)%	1.69%	4.63%	3.92%	-
Benchmark	4.66%	4.72%	7.51%	6.40%	-
Advisor Series²	(0.37)%	1.69%	4.63%	3.92%	-
Benchmark	4.66%	4.72%	7.51%	6.40%	-
Series F³	0.65%	2.68%	5.67%	4.88%	-
Benchmark	4.66%	4.72%	7.51%	6.40%	-
Series F5⁴	0.73%	2.73%	5.74%	-	3.08%
Benchmark	4.66%	4.72%	7.51%	-	5.15%
Series O⁵	1.65%	3.72%	6.76%	6.03%	-
Benchmark	4.66%	4.72%	7.51%	6.40%	-
Series R⁶	(0.38)%	1.63%	4.61%	-	3.53%
Benchmark	4.66%	4.72%	7.51%	-	6.43%
Series T5⁴	(0.36)%	1.64%	4.62%	-	2.12%
Benchmark	4.66%	4.72%	7.51%	-	5.15%



⁴Commencement of operations: December 19, 2001

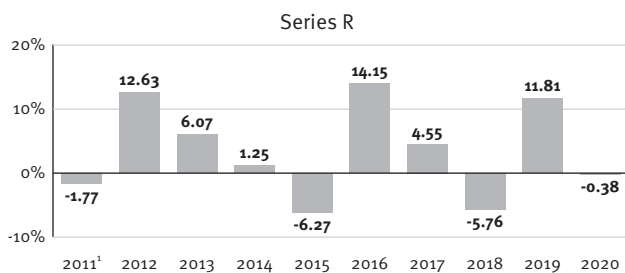
²Commencement of operations: February 8, 2002

³Commencement of operations: April 16, 2008

⁴Commencement of operations: May 21, 2014

⁵Commencement of operations: May 4, 2006

⁶Commencement of operations: May 27, 2011



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 **ICE BofA BB-B US High Yield Constrained Index**, hedged in CAD, is the portion of the ICE BofA US High Yield Constrained Index in bonds rated between BB1 and B3 inclusive.

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:

- Merrill Lynch High Yield BB-B U.S. Cash Pay Only Index (CAD hedged) (85%)
- Merrill Lynch High Yield C U.S. Cash Pay Only Index (CAD hedged) (15%)

The previous broad-based index was the Bloomberg Barclays U.S. Corporate High Yield Bond Index (CAD Hedged).

NBI High Yield Bond Fund

	1 year	3 years	5 years	10 years	Since inception
Investor Series¹	(0.37)%	1.69%	4.63%	3.92%	–
Benchmark	5.35%	4.54%	7.23%	6.21%	–
Broad-based index	7.11%	6.24%	8.59%	6.80%	–
Advisor Series²	(0.37)%	1.69%	4.63%	3.92%	–
Benchmark	5.35%	4.54%	7.23%	6.21%	–
Broad-based index	7.11%	6.24%	8.59%	6.80%	–
Series F³	0.65%	2.68%	5.67%	4.88%	–
Benchmark	5.35%	4.54%	7.23%	6.21%	–
Broad-based index	7.11%	6.24%	8.59%	6.80%	–
Series F5⁴	0.73%	2.73%	5.74%	–	3.08%
Benchmark	5.35%	4.54%	7.23%	–	5.18%
Broad-based index	7.11%	6.24%	8.59%	–	6.80%
Series O⁵	1.65%	3.72%	6.76%	6.03%	–
Benchmark	5.35%	4.54%	7.23%	6.21%	–
Broad-based index	7.11%	6.24%	8.59%	6.80%	–
Series R⁶	(0.38)%	1.63%	4.61%	–	3.53%
Benchmark	5.35%	4.54%	7.23%	–	6.28%
Broad-based index	7.11%	6.24%	8.59%	–	6.90%
Series T5⁴	(0.36)%	1.64%	4.62%	–	2.12%
Benchmark	5.35%	4.54%	7.23%	–	5.18%
Broad-based index	7.11%	6.24%	8.59%	–	6.80%

¹Commencement of operations: December 19, 2001

²Commencement of operations: February 8, 2002

³Commencement of operations: April 16, 2008

⁴Commencement of operations: May 21, 2014

⁵Commencement of operations: May 4, 2006

⁶Commencement of operations: May 27, 2011

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.

Investor / Advisor* Series

^(*) The Advisor Series was created on February 8, 2002.

Net Assets per Unit ⁽¹⁾		Commencement of operations: December 19, 2001				
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⁾	7.32	6.86	7.66	7.67	7.04	
Increase (Decrease) from Operations (\$)						
Total revenue	0.37	0.48	0.53	0.50	0.48	
Total expenses	(0.10)	(0.15)	(0.15)	(0.16)	(0.15)	
Realized gains (losses)	(1.20)	(0.12)	(0.23)	0.72	0.26	
Unrealized gains (losses)	0.87	0.68	(0.51)	(0.69)	0.38	
Total Increase (Decrease) from Operations (\$) ⁽²⁾	(0.06)	0.89	(0.36)	0.37	0.97	
Distributions (\$)						
From net investment income (excluding dividends)	0.30	0.34	0.38	0.35	0.34	
From dividends	—	—	—	—	—	
From capital gains	—	—	—	—	—	
Return of capital	—	—	—	—	—	
Total Annual Distributions (\$) ⁽³⁾	0.30	0.34	0.38	0.35	0.34	
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	6.98	7.32	6.86	7.66	7.67	

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⁾	173,677	226,550	338,518	593,449	995,922
Number of units outstanding ⁽⁵⁾	24,898,517	30,966,525	49,321,753	77,426,798	129,898,538
Management expense ratio (%) ⁽⁶⁾	2.01	2.06	2.06	2.06	2.07
Management expense ratio before waivers or absorptions (%)	2.58	2.07	2.07	2.07	2.07
Trading expense ratio (%) ⁽⁷⁾	0.02	—	—	—	—
Portfolio turnover rate (%) ⁽⁸⁾	165.46	42.54	69.04	81.88	67.43
Net asset value per unit (\$)	6.98	7.32	6.86	7.66	7.67

Series F

Net Assets per Unit ⁽¹⁾		Commencement of operations: April 16, 2008				
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⁾	8.99	8.43	9.39	9.37	8.60	
Increase (Decrease) from Operations (\$)						
Total revenue	0.46	0.59	0.66	0.62	0.59	
Total expenses	(0.02)	(0.09)	(0.09)	(0.10)	(0.10)	
Realized gains (losses)	(0.05)	(0.10)	(0.26)	0.74	0.33	
Unrealized gains (losses)	0.99	0.69	(0.55)	(0.82)	0.37	
Total Increase (Decrease) from Operations (\$) ⁽²⁾	1.38	1.09	(0.24)	0.44	1.19	
Distributions (\$)						
From net investment income (excluding dividends)	0.44	0.50	0.54	0.49	0.51	
From dividends	—	—	—	—	—	
From capital gains	—	—	—	—	—	
Return of capital	—	—	—	—	—	
Total Annual Distributions (\$) ⁽³⁾	0.44	0.50	0.54	0.49	0.51	
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	8.58	8.99	8.43	9.39	9.37	

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⁾	44,975	9,921	11,004	22,670	10,297
Number of units outstanding ⁽⁵⁾	5,243,963	1,103,782	1,305,805	2,413,613	1,099,309
Management expense ratio (%) ⁽⁶⁾	0.92	1.10	1.10	1.10	1.11
Management expense ratio before waivers or absorptions (%)	1.51	1.13	1.17	1.15	1.14
Trading expense ratio (%) ⁽⁷⁾	0.02	—	—	—	—
Portfolio turnover rate (%) ⁽⁸⁾	165.46	42.54	69.04	81.88	67.43
Net asset value per unit (\$)	8.58	8.99	8.43	9.39	9.37

Series F5

Net Assets per Unit⁽¹⁾

Commencement of operations: May 21, 2014

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)	8.29	7.76	8.66	8.65	7.93
Increase (Decrease) from Operations (\$)					
Total revenue	0.35	0.54	0.60	0.57	0.55
Total expenses	(0.02)	(0.08)	(0.09)	(0.09)	(0.09)
Realized gains (losses)	(0.30)	(0.06)	(0.28)	0.78	0.29
Unrealized gains (losses)	0.81	0.58	(0.63)	(0.78)	0.42
Total Increase (Decrease) from Operations (\$) ^(a)	0.84	0.98	(0.40)	0.48	1.17
Distributions (\$)					
From net investment income (excluding dividends)	0.32	0.47	0.50	0.48	0.46
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	0.10	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.42	0.47	0.50	0.48	0.46
Net Assets, End of Accounting Period Shown (\$) ^(a)	7.90	8.29	7.76	8.66	8.65

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⁾	12	1	1	1	1
Number of units outstanding ⁽⁵⁾	1,460	146	138	130	123
Management expense ratio (%) ⁽⁶⁾	0.90	1.00	1.03	0.99	1.10
Management expense ratio before waivers or absorptions (%)	1.79	1.61	1.82	2.02	2.52
Trading expense ratio (%) ⁽⁷⁾	0.02	—	—	—	—
Portfolio turnover rate (%) ⁽⁸⁾	165.46	42.54	69.04	81.88	67.43
Net asset value per unit (\$)	7.90	8.29	7.76	8.66	8.65

Series O

Net Assets per Unit⁽¹⁾

Commencement of operations: May 4, 2006

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)	7.85	7.35	8.19	8.14	7.49
Increase (Decrease) from Operations (\$)					
Total revenue	0.41	0.51	0.57	0.54	0.51
Total expenses	0.04	—	—	—	—
Realized gains (losses)	(1.50)	(0.05)	(0.28)	0.85	0.27
Unrealized gains (losses)	0.97	0.53	(0.61)	(0.91)	0.37
Total Increase (Decrease) from Operations (\$) ^(a)	(0.08)	0.99	(0.32)	0.48	1.15
Distributions (\$)					
From net investment income (excluding dividends)	0.49	0.51	0.55	0.49	0.53
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.49	0.51	0.55	0.49	0.53
Net Assets, End of Accounting Period Shown (\$) ^(a)	7.46	7.85	7.35	8.19	8.14

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⁾	156,513	264,850	203,664	140,094	49,780
Number of units outstanding ⁽⁵⁾	20,969,844	33,722,358	27,699,299	17,104,301	6,114,859
Management expense ratio (%) ⁽⁶⁾	0.01	0.02	0.03	0.02	0.03
Management expense ratio before waivers or absorptions (%)	0.01	0.02	0.03	0.02	0.03
Trading expense ratio (%) ⁽⁷⁾	0.57	—	—	—	—
Portfolio turnover rate (%) ⁽⁸⁾	165.46	42.54	69.04	81.88	67.43
Net asset value per unit (\$)	7.46	7.85	7.35	8.19	8.14

Series R

Net Assets per Unit⁽¹⁾

Commencement of operations: May 27, 2011

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 ⁽⁴⁾	8.88	8.37	9.36	9.42	8.67
Increase (Decrease) from Operations (\$)					
Total revenue	0.45	0.58	0.65	0.61	0.59
Total expenses	(0.12)	(0.18)	(0.19)	(0.20)	(0.18)
Realized gains (losses)	(1.49)	(0.21)	(0.28)	0.85	0.33
Unrealized gains (losses)	1.03	1.06	(0.62)	(0.81)	0.42
Total Increase (Decrease) from Operations (\$) ⁽²⁾	(0.13)	1.25	(0.44)	0.45	1.16
Distributions (\$)					
From net investment income (excluding dividends)	0.37	0.46	0.47	0.43	0.43
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	0.09	—	0.01	0.05	0.02
Total Annual Distributions (\$) ⁽³⁾	0.46	0.46	0.48	0.48	0.45
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	8.36	8.88	8.37	9.36	9.42

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⁾	933	1,506	3,396	6,152	8,571
Number of units outstanding ⁽⁵⁾	111,659	169,617	405,590	657,269	910,096
Management expense ratio (%) ⁽⁶⁾	2.02	2.07	2.07	2.07	2.07
Management expense ratio before waivers or absorptions (%)	2.59	2.07	2.07	2.07	2.07
Trading expense ratio (%) ⁽⁷⁾	0.02	—	—	—	—
Portfolio turnover rate (%) ⁽⁸⁾	165.46	42.54	69.04	81.88	67.43
Net asset value per unit (\$)	8.36	8.88	8.37	9.36	9.42

Series T5

Net Assets per Unit⁽¹⁾

Commencement of operations: May 21, 2014

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 ⁽⁴⁾	8.72	8.18	9.14	9.18	8.45
Increase (Decrease) from Operations (\$)					
Total revenue	0.44	0.57	0.63	0.60	0.58
Total expenses	(0.12)	(0.18)	(0.18)	(0.19)	(0.18)
Realized gains (losses)	(1.43)	(0.08)	(0.29)	0.82	0.30
Unrealized gains (losses)	1.05	0.64	(0.66)	(0.81)	0.46
Total Increase (Decrease) from Operations (\$) ⁽²⁾	(0.06)	0.95	(0.50)	0.42	1.16
Distributions (\$)					
From net investment income (excluding dividends)	0.34	0.40	0.44	0.41	0.40
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	0.11	0.01	0.02	0.05	0.02
Total Annual Distributions (\$) ⁽³⁾	0.45	0.41	0.46	0.46	0.42
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	8.21	8.72	8.18	9.14	9.18

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⁾	75	80	75	83	84
Number of units outstanding ⁽⁵⁾	9,138	9,130	9,124	9,118	9,112
Management expense ratio (%) ⁽⁶⁾	2.01	2.04	2.04	2.04	2.08
Management expense ratio before waivers or absorptions (%)	2.59	2.05	2.05	2.05	2.10
Trading expense ratio (%) ⁽⁷⁾	0.02	—	—	—	—
Portfolio turnover rate (%) ⁽⁸⁾	165.46	42.54	69.04	81.88	67.43
Net asset value per unit (\$)	8.21	8.72	8.18	9.14	9.18

- ⁽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
NBI High Yield Bond ETF	99.9
iHeartMedia Inc., warrants due May 1, 2039	0.2
Cash, Money Market and Other Net Assets	(0.1)
	100.0

Net asset value \$376,185,671

Term Allocation

	% of Net Asset Value
Less than 1 year	—
1 to 5 years	31.6
5 to 10 years	63.7
Over 10 years	4.7

Credit Quality

	% of Net Asset Value
AAA	—
BBB	2.3
BB	50.5
B	34.1
CCC	13.0
CC	—
C	—
D	—
Not rated	0.1

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.