

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended December 31, 2022

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, 2022, the NBI High Yield Bond Fund's Investor Series units returned -11.17% compared to -11.73% 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 rose by 12.43% over the period, from \$856.52 million as at December 31, 2021 to \$963.01 million as at December 31, 2022.

The increase stemmed mainly from a rebalancing of the managed solutions and investments in the Fund by other NBI Funds.

2022 was the second-worst return year in high yield history, with the market retracing over 11%. The year began with a 4.3% market yield, before quickly climbing and ultimately doubling throughout the year.

While the war in Ukraine had an impact on global markets and economies, inflation prints and Fed policy decisions alternated dominating market sentiment and driving volatility higher and markets lower. Similarly in uncharted territory, the high-yield market is in a position of strength this late in the cycle. Fundamentals, which peaked in late 2021, remain solid by most measurements, as companies have smartly paid down debt and refinanced at historically low levels.

Entering 2022 the Fund was positioned slightly defensive and overweight in communications and consumer non-cyclical sectors and underweight finance. The Fund was also over 0.8 years short in rate duration, as the portfolio manager believed investors were not being compensated for extending out curves.

While we have moved closer to market-like in yield and spread throughout the year, most of our risk-taking has occurred in defensive sectors, moving down to the capital structure as historic relationships between secured and unsecured bonds widened.

In this context, the Fund outperformed slightly its benchmark for the period. Security selection in defensive sectors such as cable satellite and healthcare benefitted relative performance, as did our security selection in leisure.

Valuations are fair in the short term and attractive for long-term investors who can withstand continued volatility in 2023. With the material repricing that has occurred across fixed-income markets, the increased starting yield of 9% compensates investors for inevitable volatility as the Fed continues to try to tame inflation amidst rising geopolitical tensions. Additionally, on a default-adjusted basis, spreads near 500 bps are fair given the prevailing expectations of a year-end 2023 default rate of 3-4%.

Recent Developments

Amidst the second-worst return year on record, high-yield yields more than doubled, increasing 4.66%, while spreads widened 161 bps and are nearing 500 bps. As evidenced by the move in yields and spreads, the majority of 2022 pain was rated driven, and the high-yield market proved relatively resilient throughout the year, outperforming higher-quality fixed income and equities.

High-yield issuer fundamentals peaked in late 2021, and although they normalized in 2022, they remain solid, and the asset class is entering 2023 from a position of strength. Despite the wave of rising stars, BBs still account for more than 50% of the market and the default rate has been below 1% for 16 consecutive months.

The technical backdrop is positive; muted new issuance and rising stars outpacing fallen angels should keep supply tight while the 'renters' of high yield, who left the asset class in 2022, can only increase their allocation, and thus increase demand. Valuations are attractive in a vacuum. The high-yield market is pricing in a default rate of approximately 4%, which is at the high end of our base case expectations.

Finally, the high-yield market has never experienced back-to-back negative returns years. In fact, in five of the six years following a negative return year, the high-yield market generated a positive double-digit return. Cognizant of the macroeconomic headwinds and heightened geopolitical concerns entering 2023, we believe this is an attractive entry point for long-term investors

On April 30, 2022, the Fund's independent review committee (the "IRC") was reduced to three members when Robert Martin resigned as IRC member. On May 1, 2022, the Fund's IRC was increased to four members when Line Deslandes was appointed as IRC member. However, on September 30, 2022, the Fund's IRC was reduced to three members when Line Deslandes resigned as IRC member.

On May 20, 2022, NBI discontinued the purchase offering of deferred sales charge and low sales charge purchase options for all new investments, including purchases made through systematic plans in all Canadian jurisdictions. Investors who purchased units under these sales charge options will continue to be subject to the redemption fee schedules under which they were purchased.

On or about October 1, 2022, the management fees and maximum annual trailing commissions for the Investor Series, Advisor Series and Series T5 of the Fund were reduced. The management fees were reduced to 1.50% and its maximum annual trailing commissions were reduced to 0.50%.

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, 2022
Total brokerage fees	107,464.47
Brokerage fees paid to National Bank Financial	107,464.47

Holdings

As at December 31, 2022, National Bank Investments Inc. held 1,008.05 Fund securities for a value of \$7,420.13, which represented close to 0.0008% 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.

As at December 31, 2022, National Bank Trust Inc. held 1.03 Fund securities for a value of \$6.47, which represented close to 0.0000% of the net asset value of the Fund at that date. Transactions between National Bank Trust 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.

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. As the Fund invests in underlying funds, the fees and expenses payable in connection with the management of the underlying funds are in addition to those payable by the Fund. However, the Fund manager makes sure that the Fund does not pay any management (or operating) fees that, to a reasonable person, would duplicate a fee payable by the underlying fund for the same service.

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. Under the *Distribution* heading, expenses include the broker's compensation consisting of the maximum annual trailer fees and sales commissions paid to brokers. Under the *Other* heading, the fees relate mainly to investment management, investment advisory services, general administration and profit. 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	1.50%	33.33%	66.67%
Advisor Series and Series T5*			
Front-end load**	1.50%	33.33%	66.67%
Back-end load - 1 to 6 years	1.50%	16.67%	83.33%
Low load - 1 to 3 years	1.50%	16.67%	83.33%
Low load - 4 years and more	1.50%	33.33%	66.67%
Series F and Series F5	0.80%	—	100.00%
Series N and Series NR***	0.25%	—	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.

^(**) Rate applicable for all investments, including Advisor Series existing before May 14, 2015, systematic investment programs, reinvested distributions and switches.

^(***) 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.

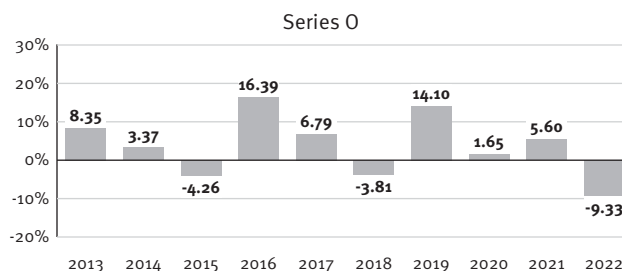
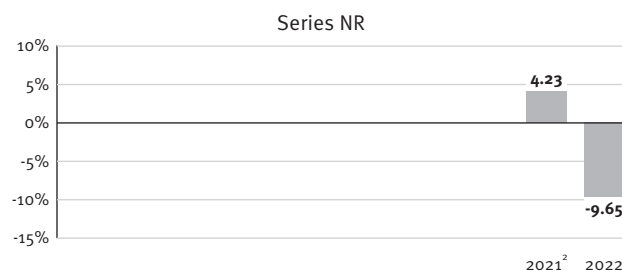
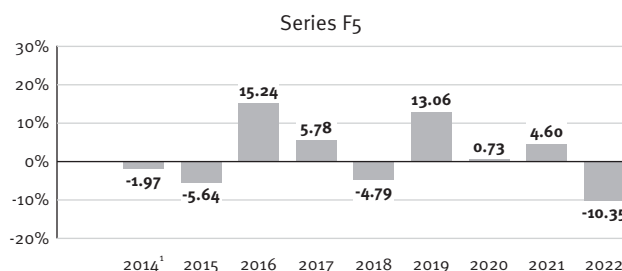
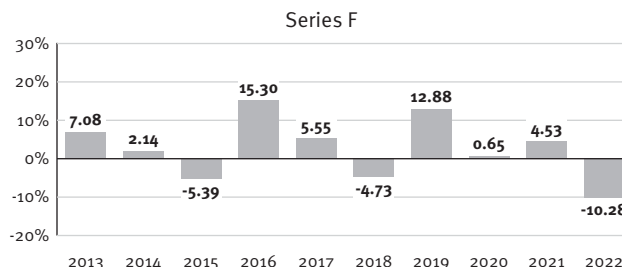
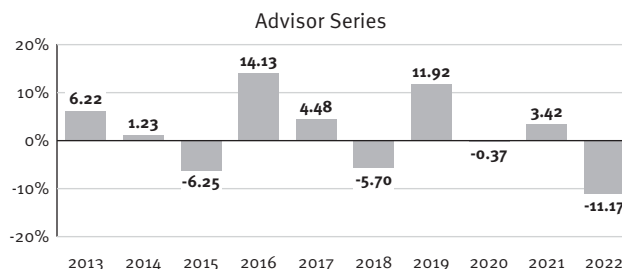
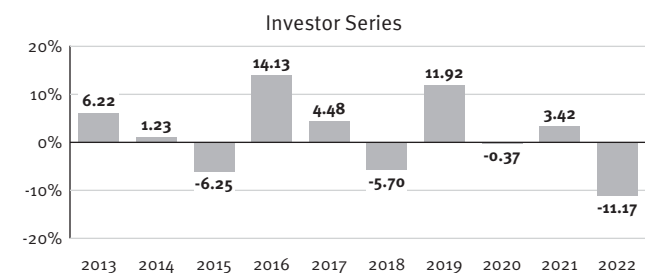
^(****) There are no management fees paid by the Fund with respect to the Series O. Instead, Series O securityholders pay a negotiated administration fee directly to National Bank Investments.

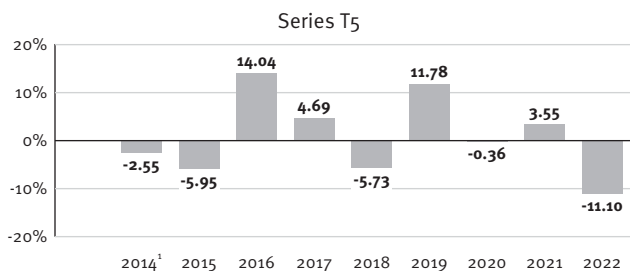
Past Performance

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, in the case of the Annual management report of fund performance, or by June 30, in the case of the Interim management report of fund performance.





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

²⁾ Returns for the period from March 10, 2021 (commencement of operations) to December 31, 2021.

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, 2022, 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 Series¹	(11.17)%	(2.91)%	(0.69)%	1.51%	–
Benchmark	(11.73)%	(0.96)%	1.29%	3.58%	–
Advisor Series²	(11.17)%	(2.91)%	(0.69)%	1.51%	–
Benchmark	(11.73)%	(0.96)%	1.29%	3.58%	–
Series F³	(10.28)%	(1.90)%	0.30%	2.49%	–
Benchmark	(11.73)%	(0.96)%	1.29%	3.58%	–
Series F5⁴	(10.35)%	(1.88)%	0.33%	–	1.60%
Benchmark	(11.73)%	(0.96)%	1.29%	–	2.88%
Series N⁵	(9.74)%	–	–	–	(3.28)%
Benchmark	(11.73)%	–	–	–	(7.44)%
Series NR⁵	(9.65)%	–	–	–	(3.27)%
Benchmark	(11.73)%	–	–	–	(7.44)%
Series O⁶	(9.33)%	(0.90)%	1.33%	3.60%	–
Benchmark	(11.73)%	(0.96)%	1.29%	3.58%	–
Series T5⁴	(11.10)%	(2.84)%	(0.68)%	–	0.65%
Benchmark	(11.73)%	(0.96)%	1.29%	–	2.88%

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: March 10, 2021

⁶Commencement of operations: May 4, 2006

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 US High Yield Constrained Index**, hedged in CAD, is composed of U.S. dollar-denominated, high yield corporate bonds that have at least \$250 million of outstanding face value, have an original maturity date of at least 18 months; and have at least one year to maturity. The Index contains all securities in the ICE BofA US High Yield Index but caps issuer exposure at 2%. Index constituents are capitalization-weighted, based on their current amount outstanding, provided the total allocation to an individual issuer does not exceed 2%.

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

⁽¹⁾ The Advisor Series was created on February 8, 2002.

Net Assets per Unit ⁽¹⁾		Commencement of operations: December 19, 2001				
Accounting Period Ended	2022 December 31	2021 December 31	2020 December 31	2019 December 31	2018 December 31	
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	6.92	6.98	7.32	6.86	7.66	
Increase (Decrease) from Operations (\$)						
Total revenue	0.37	0.35	0.37	0.48	0.53	
Total expenses	(0.08)	(0.09)	(0.10)	(0.15)	(0.15)	
Realized gains (losses)	0.10	1.68	(1.20)	(0.12)	(0.23)	
Unrealized gains (losses)	(1.25)	(1.75)	0.87	0.68	(0.51)	
Total Increase (Decrease) from Operations (\$) ⁽²⁾	(0.86)	0.19	(0.06)	0.89	(0.36)	
Distributions (\$)						
From net investment income (excluding dividends)	0.31	0.30	0.30	0.34	0.38	
From dividends	—	—	—	—	—	
From capital gains	—	—	—	—	—	
Return of capital	—	—	—	—	—	
Total Annual Distributions (\$) ⁽³⁾	0.31	0.30	0.30	0.34	0.38	
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	5.84	6.92	6.98	7.32	6.86	

Ratios and Supplemental Data

Accounting Period Ended	2022 December 31	2021 December 31	2020 December 31	2019 December 31	2018 December 31
Total net asset value (ooo's of \$) ⁽⁵⁾	18,222	43,185	173,677	226,550	338,518
Number of units outstanding ⁽⁵⁾	3,119,809	6,240,444	24,898,517	30,966,525	49,321,753
Management expense ratio (%) ⁽⁶⁾	1.99	1.98	2.01	2.06	2.06
Management expense ratio before waivers or absorptions (%)	2.69	2.54	2.58	2.07	2.07
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	0.02	—	—
Portfolio turnover rate (%) ⁽⁸⁾	6.23	21.68	165.46	42.54	69.04
Net asset value per unit (\$)	5.84	6.92	6.98	7.32	6.86

Series F

Net Assets per Unit⁽¹⁾ Commencement of operations: April 16, 2008

Accounting Period Ended	2022 December 31	2021 December 31	2020 December 31	2019 December 31	2018 December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	8.42	8.58	8.99	8.43	9.39
Increase (Decrease) from Operations (\$)					
Total revenue	0.43	0.46	0.46	0.59	0.66
Total expenses	(0.02)	(0.02)	(0.02)	(0.09)	(0.09)
Realized gains (losses)	0.19	2.79	(0.05)	(0.10)	(0.26)
Unrealized gains (losses)	(1.35)	(2.70)	0.99	0.69	(0.55)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	(0.75)	0.53	1.38	1.09	(0.24)
Distributions (\$)					
From net investment income (excluding dividends)	0.38	0.54	0.44	0.50	0.54
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.38	0.54	0.44	0.50	0.54
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	7.18	8.42	8.58	8.99	8.43

Ratios and Supplemental Data

Accounting Period Ended	2022 December 31	2021 December 31	2020 December 31	2019 December 31	2018 December 31
Total net asset value (ooo's of \$) ⁽⁵⁾	13,068	6,715	44,975	9,921	11,004
Number of units outstanding ⁽⁵⁾	1,819,588	797,453	5,243,963	1,103,782	1,305,805
Management expense ratio (%) ⁽⁶⁾	0.97	0.92	0.92	1.10	1.10
Management expense ratio before waivers or absorptions (%)	1.68	1.50	1.51	1.13	1.17
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	0.02	—	—
Portfolio turnover rate (%) ⁽⁸⁾	6.23	21.68	165.46	42.54	69.04
Net asset value per unit (\$)	7.18	8.42	8.58	8.99	8.43

Series F5

Net Assets per Unit⁽⁴⁾

Commencement of operations: May 21, 2014

Accounting Period Ended	2022	2021	2020	2019	2018
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown⁽⁴⁾	7.78	7.90	8.29	7.76	8.66
Increase (Decrease) from Operations (\$)					
Total revenue	0.41	0.45	0.35	0.54	0.60
Total expenses	(0.02)	(0.02)	(0.02)	(0.08)	(0.09)
Realized gains (losses)	0.14	0.80	(0.30)	(0.06)	(0.28)
Unrealized gains (losses)	(1.31)	(0.88)	0.81	0.58	(0.63)
Total Increase (Decrease) from Operations (\$)⁽²⁾	(0.78)	0.35	0.84	0.98	(0.40)
Distributions (\$)					
From net investment income (excluding dividends)	0.39	0.42	0.32	0.47	0.50
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	0.04	0.06	0.10	—	—
Total Annual Distributions (\$)⁽³⁾	0.43	0.48	0.42	0.47	0.50
Net Assets, End of Accounting Period Shown (\$)⁽⁴⁾	6.56	7.78	7.90	8.29	7.76

Ratios and Supplemental Data

Accounting Period Ended	2022	2021	2020	2019	2018
	December 31	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	11	12	12	1	1
Number of units outstanding ⁽⁵⁾	1,648	1,550	1,460	146	138
Management expense ratio (%) ⁽⁶⁾	0.94	0.93	0.90	1.00	1.03
Management expense ratio before waivers or absorptions (%)	1.63	1.48	1.79	1.61	1.82
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	0.02	—	—
Portfolio turnover rate (%) ⁽⁸⁾	6.23	21.68	165.46	42.54	69.04
Net asset value per unit (\$)	6.56	7.78	7.90	8.29	7.76

Series N

Net Assets per Unit⁽⁴⁾

Commencement of operations: March 10, 2021

Accounting Period Ended	2022	2021
	December 31	December 31
Net Assets, Beginning of Accounting Period Shown⁽⁴⁾	9.92	10.00
Increase (Decrease) from Operations (\$)		
Total revenue	0.51	0.50
Total expenses	0.03	0.01
Realized gains (losses)	0.12	0.09
Unrealized gains (losses)	(1.27)	(0.17)
Total Increase (Decrease) from Operations (\$)⁽²⁾	(0.61)	0.43
Distributions (\$)		
From net investment income (excluding dividends)	0.52	0.51
From dividends	—	—
From capital gains	—	—
Return of capital	—	—
Total Annual Distributions (\$)⁽³⁾	0.52	0.51
Net Assets, End of Accounting Period Shown (\$)⁽⁴⁾	8.44	9.92

Ratios and Supplemental Data

Accounting Period Ended	2022	2021
	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	269,137	130,014
Number of units outstanding ⁽⁵⁾	31,888,447	13,110,056
Management expense ratio (%) ⁽⁶⁾	0.35	0.59
Management expense ratio before waivers or absorptions (%)	1.04	1.14
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	6.23	21.68
Net asset value per unit (\$)	8.44	9.92

Series NR

Net Assets per Unit⁽⁴⁾

Commencement of operations: March 10, 2021

Accounting Period Ended	2022	2021
	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	9.86	10.00
Increase (Decrease) from Operations (\$)		
Total revenue	0.51	0.50
Total expenses	0.03	0.01
Realized gains (losses)	0.14	0.09
Unrealized gains (losses)	(1.38)	(0.17)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	(0.70)	0.43
Distributions (\$)		
From net investment income (excluding dividends)	0.50	0.51
From dividends	—	—
From capital gains	—	—
Return of capital	0.04	0.05
Total Annual Distributions (\$) ⁽³⁾	0.54	0.56
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	8.38	9.86

Ratios and Supplemental Data

Accounting Period Ended	2022	2021
	December 31	December 31
Total net asset value (ooo's of \$) ⁽⁵⁾	3,957	2,426
Number of units outstanding ⁽⁵⁾	472,246	245,943
Management expense ratio (%) ⁽⁶⁾	0.34	0.60
Management expense ratio before waivers or absorptions (%)	1.03	1.15
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	6.23	21.68
Net asset value per unit (\$)	8.38	9.86

Series O

Net Assets per Unit⁽⁴⁾

Commencement of operations: May 4, 2006

Accounting Period Ended	2022	2021	2020	2019	2018
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	7.41	7.46	7.85	7.35	8.19
Increase (Decrease) from Operations (\$)					
Total revenue	0.39	0.45	0.41	0.51	0.57
Total expenses	0.04	0.05	0.04	—	—
Realized gains (losses)	0.12	0.65	(1.50)	(0.05)	(0.28)
Unrealized gains (losses)	(1.21)	(0.73)	0.97	0.53	(0.61)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	(0.66)	0.42	(0.08)	0.99	(0.32)
Distributions (\$)					
From net investment income (excluding dividends)	0.42	0.46	0.49	0.51	0.55
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.42	0.46	0.49	0.51	0.55
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	6.30	7.41	7.46	7.85	7.35

Ratios and Supplemental Data

Accounting Period Ended	2022	2021	2020	2019	2018
	December 31	December 31	December 31	December 31	December 31
Total net asset value (ooo's of \$) ⁽⁵⁾	269,821	226,929	156,513	264,850	203,664
Number of units outstanding ⁽⁵⁾	42,861,098	30,621,363	20,969,844	33,722,358	27,699,299
Management expense ratio (%) ⁽⁶⁾	0.03	0.02	0.01	0.02	0.03
Management expense ratio before waivers or absorptions (%)	0.72	0.57	0.01	0.02	0.03
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	0.57	—	—
Portfolio turnover rate (%) ⁽⁸⁾	6.23	21.68	165.46	42.54	69.04
Net asset value per unit (\$)	6.30	7.41	7.46	7.85	7.35

Series T5

Net Assets per Unit⁽¹⁾

Commencement of operations: May 21, 2014

Accounting Period Ended	2022	2021	2020	2019	2018
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown⁽⁴⁾	8.01	8.21	8.72	8.18	9.14
Increase (Decrease) from Operations (\$)					
Total revenue	0.25	0.46	0.44	0.57	0.63
Total expenses	(0.10)	(0.11)	(0.12)	(0.18)	(0.18)
Realized gains (losses)	0.01	0.95	(1.43)	(0.08)	(0.29)
Unrealized gains (losses)	(1.82)	(1.00)	1.05	0.64	(0.66)
Total Increase (Decrease) from Operations (\$)⁽²⁾	(1.66)	0.30	(0.06)	0.95	(0.50)
Distributions (\$)					
From net investment income (excluding dividends)	0.25	0.35	0.34	0.40	0.44
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	0.15	0.14	0.11	0.01	0.02
Total Annual Distributions (\$)⁽³⁾	0.40	0.49	0.45	0.41	0.46
Net Assets, End of Accounting Period Shown (\$)⁽⁴⁾	6.73	8.01	8.21	8.72	8.18

Ratios and Supplemental Data

Accounting Period Ended	2022	2021	2020	2019	2018
	December 31	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	1	60	75	80	75
Number of units outstanding ⁽⁵⁾	157	7,433	9,138	9,130	9,124
Management expense ratio (%) ⁽⁶⁾	2.02	1.99	2.01	2.04	2.04
Management expense ratio before waivers or absorptions (%)	2.71	2.54	2.59	2.05	2.05
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	0.02	—	—
Portfolio turnover rate (%) ⁽⁸⁾	6.23	21.68	165.46	42.54	69.04
Net asset value per unit (\$)	6.73	8.01	8.21	8.72	8.18

Series PW*

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

Net Assets per Unit⁽¹⁾

Commencement of operations: March 12, 2021

Accounting Period Ended	2022	2021
	December 31	December 31
Net Assets, Beginning of Accounting Period Shown⁽⁴⁾	9.97	10.00
Increase (Decrease) from Operations (\$)		
Total revenue	0.52	0.48
Total expenses	0.03	0.01
Realized gains (losses)	0.17	0.01
Unrealized gains (losses)	(1.65)	(0.12)
Total Increase (Decrease) from Operations (\$)⁽²⁾	(0.93)	0.38
Distributions (\$)		
From net investment income (excluding dividends)	0.56	0.47
From dividends	—	—
From capital gains	—	—
Return of capital	—	—
Total Annual Distributions (\$)⁽³⁾	0.56	0.47
Net Assets, End of Accounting Period Shown (\$)⁽⁴⁾	8.45	9.97

Ratios and Supplemental Data

Accounting Period Ended	2022	2021
	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	350,756	396,724
Number of units outstanding ⁽⁵⁾	41,495,085	39,779,788
Management expense ratio (%) ⁽⁶⁾	0.32	0.54
Management expense ratio before waivers or absorptions (%)	1.01	1.09
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	6.23	21.68
Net asset value per unit (\$)	8.45	9.97

Series PWO*

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

Net Assets per Unit⁽¹⁾

Commencement of operations: March 12, 2021

Accounting Period Ended	2022	2021
	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	9.97	10.00
Increase (Decrease) from Operations (\$)		
Total revenue	0.52	0.48
Total expenses	0.05	0.03
Realized gains (losses)	0.18	0.01
Unrealized gains (losses)	(1.67)	(0.11)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	(0.92)	0.41
Distributions (\$)		
From net investment income (excluding dividends)	0.59	0.49
From dividends	—	—
From capital gains	—	—
Return of capital	—	—
Total Annual Distributions (\$) ⁽³⁾	0.59	0.49
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	8.44	9.97

Ratios and Supplemental Data

Accounting Period Ended	2022	2021
	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	35,936	47,505
Number of units outstanding ⁽⁵⁾	4,258,330	4,765,748
Management expense ratio (%) ⁽⁶⁾	0.07	0.30
Management expense ratio before waivers or absorptions (%)	0.76	0.85
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	6.23	21.68
Net asset value per unit (\$)	8.44	9.97

Private Series*

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

Net Assets per Unit⁽¹⁾

Commencement of operations: March 12, 2021

Accounting Period Ended	2022	2021
	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	9.96	10.00
Increase (Decrease) from Operations (\$)		
Total revenue	0.52	0.48
Total expenses	0.01	(0.01)
Realized gains (losses)	0.19	0.01
Unrealized gains (losses)	(1.76)	(0.14)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	(1.04)	0.34
Distributions (\$)		
From net investment income (excluding dividends)	0.54	0.46
From dividends	—	—
From capital gains	—	—
Return of capital	—	—
Total Annual Distributions (\$) ⁽³⁾	0.54	0.46
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	8.44	9.96

Ratios and Supplemental Data

Accounting Period Ended	2022	2021
	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	2,105	2,946
Number of units outstanding ⁽⁵⁾	249,417	295,662
Management expense ratio (%) ⁽⁶⁾	0.57	0.79
Management expense ratio before waivers or absorptions (%)	1.26	1.34
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	6.23	21.68
Net asset value per unit (\$)	8.44	9.96

- ⁽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, 2022

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 \$963,013,328

Term Allocation

	% of Net Asset Value
Under one year	2.9
From 1 year to 5 years	47.1
From 5 years to 10 years	48.9
More than 10 years	1.1

Credit Quality

	% of Net Asset Value
AAA	1.6
BBB	6.1
BB	42.4
B	39.8
CCC	6.8
CC	1.8
C	0.4
D	0.1
Not rated	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 website at www.nbinvestments.ca.

If this investment Fund invests in other investment funds, please consult the prospectus and other information about the underlying investment funds on the website indicated above or on SEDAR's website at www.sedar.com.