

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended December 31, 2022

Short Term and Income Fund
NBI Floating Rate Income 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 Floating Rate Income Fund's investment objective is to generate income corresponding to current short-term bond yields while minimizing the effects of interest-rate fluctuations. The Fund invests, directly or indirectly, in a portfolio composed mainly of Canadian debt securities while using interest rate derivatives to minimize interest rate risk and deliver a floating rate of income.

The portfolio manager uses fundamental credit research to select companies that, based on its view of the industry and the company's growth prospects, seem to offer attractive risk-adjusted returns. It is expected that investments in foreign securities 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, 2022, the NBI Floating Rate Income Fund's Investor Series units returned -4.92% compared to 1.82% for the Fund's benchmark, the FTSE Canada 91 Day T-Bill 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 dropped by 29.59% over the period, from \$181.98 million as at December 31, 2021 to \$128.13 million as at December 31, 2022.

The decline stemmed mainly from redemptions by unitholders of the Fund and market fluctuations.

Risk assets were hit hard, and bond yields continued their upward movement in the first half of 2022 as markets adjusted to very hawkish central banks that needed to raise rates significantly to try to bring inflation back under control.

The third quarter saw global bond yields continue to increase significantly, especially at the front end of the curves as markets expected central banks would have to be even more aggressive to bring inflation back under control.

Global rates continued to generally increase during the fourth quarter especially at the front end of the curves as government bond markets once again maintained their belief that central banks had more work to do to bring inflation back under control.

The Bank of Canada increased its target for the overnight rate by 100 basis points to 4.25% over the last 3 months of the year, bringing cumulative rate hikes to 400 bps for the year. Bond yields moved in the same direction as the central bank, but the curve continued to invert. Two-year Canada bond yields jumped 26 basis points to 4.05%, but 30-year Canada bond yields increased only 19 bps to 3.28% as the long end is anticipating slower growth, lower inflation, and interest rate cuts.

The Canadian preferred shares market underperformed in 2022 and continued to be volatile. The negative flow of funds in the asset class was one of the main drivers of underperformance as did the widening of credit spreads across most issuers. The weak credit tone, particularly for LRCN and hybrids with spreads significantly, continued to be the main factor impacting the market.

In this context, the Fund underperformed its benchmark during the period. The very low duration kept between 0 and 2 years in the year did minimize capital loss due to rising rates as markets continued to price in the rate hike cycle. The fund also benefited from its high carry over the course of the period. Sectors such as energy and higher-yielding financial names provided the portfolio with an attractive break-even framework in this environment.

The allocation to preferred shares was overall negative in absolute terms during the year, which was the main drag on performance. During the period, the Fund benefited from interest rate swaps as yields rose sharply during throughout the year.

Recent Developments

Inflation will continue to be the key for the direction of bond yields and credit tone. The Bank of Canada and the Federal Reserve were very aggressive in hiking rates in 2022, but the Fund manager now expects this tightening cycle to end sometime during the first half of 2023. With the overnight rate in Canada at 4.25%, monetary policy is well into the restrictive territory and the portfolio manager expects it to hurt domestic demand throughout the year.

Inflation has moderated from the highs of last summer but remains well above 2%. Although the portfolio manager expects the Bank to stop hiking this year, he also believes they will have to keep rates elevated for a long period of time before underlying inflation falls back to target. In Canada, the market expects the first interest rate cut to happen before the end of 2023, whereas the portfolio manager expects sticky inflation driven by a tight labour market to make this a 2024 story.

The Canadian preferred shares asset class has underperformed most North American asset classes in 2022. Most of the recent underperformance was driven by negative flows as Hybrid and LRCN credit spreads and the 5-year Canada rate continued to be volatile in the fourth quarter but finished the quarter almost unchanged.

The average yield of the Canadian preferred shares is reaching attractive levels and has an important upside over the next few years in this higher 5-year rate environment which should help stabilize the flow of funds. Despite the expected volatility in 2023, the fund manager thinks the Canadian preferred shares valuation is already pricing worse than a modest recession.

The Canadian preferred shares market should deliver at least the average yield in 2023. However, the equity environment, the hybrid and LRCN tone, and the flow of funds should continue to be important drivers of daily volatility this year. In this environment, we think it is too late to favour defensive preferred shares, therefore the fund manager believes the fixed reset issues with low and mid reset levels should outperform.

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 for the Investor Series, Investor-2 Series, Advisor Series, Advisor-2 Series and Series T of the Fund were reduced to 1.05%. On the same date, the maximum annual trailing commissions of the Investor Series, Advisor Series, Advisor-2 Series and Series T 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	5,224.50
Brokerage fees paid to National Bank Financial	-

Holdings

As at December 31, 2022, National Bank Investments Inc. held 347.96 Fund securities for a value of \$3,217.36, which represented close to 0.0025% 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. 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	1.05%	47.62%	52.38%
Investor-2 Series	1.05%	47.62%	52.38%
Advisor Series and Series T*			
Front-end load**	1.05%	47.62%	52.38%
Back-end load - 1 to 6 years	1.05%	23.81%	76.19%
Low load - 1 to 3 years	1.05%	23.81%	76.19%
Low load - 4 years and more	1.05%	47.62%	52.38%
Advisor-2 Series*			
Front-end load***	1.05%	47.62%	58.33%
Back-end load - 1 to 6 years	1.05%	23.81%	76.19%
Low load - 1 to 3 years	1.05%	23.81%	76.19%
Low load - 4 years and more	1.05%	47.62%	58.33%
Series F and Series FT	0.55%	—	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, Advisor-2 Series and Series T 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.

^(***) Rate applicable for all investments, systematic investment programs, reinvested distributions and switches.

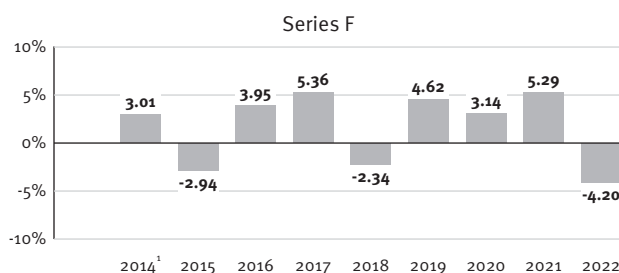
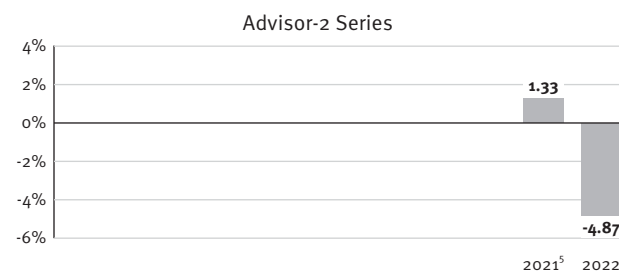
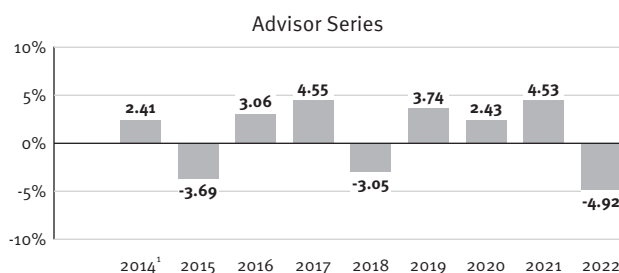
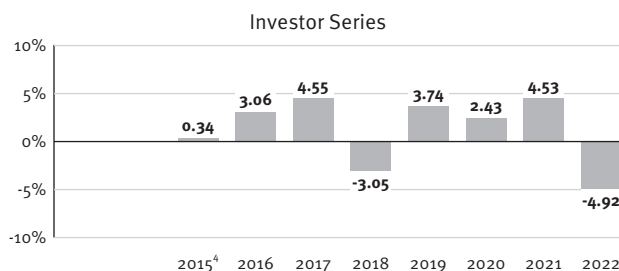
^(****) There are no management fees paid by the Fund with respect to the Series O. Instead, Series O securityholders pay a negotiated administration fee directly to National Bank Investments.

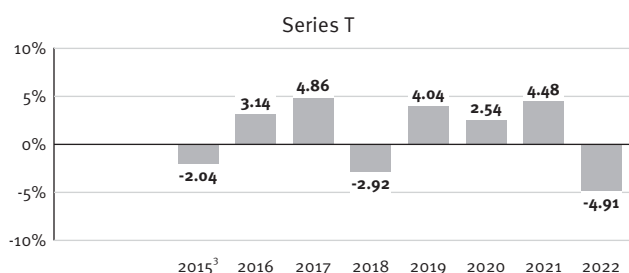
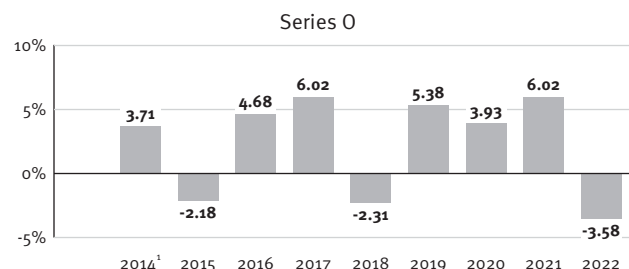
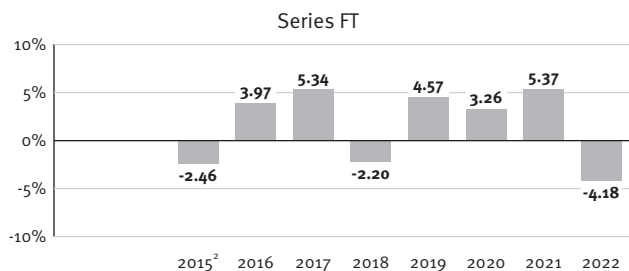
Past Performance

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 January 8, 2014 (commencement of operations) to December 31, 2014.

⁽²⁾ Returns for the period from May 21, 2015 (commencement of operations) to December 31, 2015.

⁽³⁾ Returns for the period from January 14, 2015 (commencement of operations) to December 31, 2015.

⁽⁴⁾ Returns for the period from October 30, 2015 (commencement of operations) to December 31, 2015.

⁽⁵⁾ Returns for the period from May 13, 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:

- FTSE Canada 91 Day T-Bill Index (CAD)

NBI Floating Rate Income Fund

	1 year	3 years	5 years	10 years	Since inception
Investor Series¹	(4.92)%	0.60%	0.47%	–	1.43%
Benchmark	1.82%	0.96%	1.17%	–	1.00%
Investor-2 Series²	(4.87)%	–	–	–	(2.22)%
Benchmark	1.82%	–	–	–	1.94%
Advisor Series³	(4.92)%	0.60%	0.47%	–	0.94%
Benchmark	1.82%	0.96%	1.17%	–	1.06%
Advisor-2 Series²	(4.87)%	–	–	–	(2.22)%
Benchmark	1.82%	–	–	–	1.94%
Series F³	(4.20)%	1.33%	1.23%	–	1.70%
Benchmark	1.82%	0.96%	1.17%	–	1.06%
Series FT⁴	(4.18)%	1.40%	1.29%	–	1.72%
Benchmark	1.82%	0.96%	1.17%	–	1.04%
Series O³	(3.58)%	2.04%	1.81%	–	2.34%
Benchmark	1.82%	0.96%	1.17%	–	1.06%
Series T⁵	(4.91)%	0.62%	0.57%	–	1.09%
Benchmark	1.82%	0.96%	1.17%	–	1.08%

¹Commencement of operations: October 30, 2015

²Commencement of operations: May 13, 2021

³Commencement of operations: January 8, 2014

⁴Commencement of operations: May 21, 2015

⁵Commencement of operations: January 14, 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 91 Day T-Bill Index** tracks the daily return on 91-day Canadian Treasury bills.

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 Investor Series was created on October 30, 2015.

Accounting Period Ended	Commencement of operations: January 8, 2014				
	2022 December 31	2021 December 31	2020 December 31	2019 December 31	2018 December 31
Net Assets per Unit ⁽¹⁾					
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	9.83	9.59	9.56	9.47	10.02
Increase (Decrease) from Operations (\$)					
Total revenue	0.39	0.07	0.20	0.39	0.36
Total expenses	(0.13)	(0.14)	(0.14)	(0.14)	(0.15)
Realized gains (losses)	(0.26)	0.21	(0.19)	0.09	(0.12)
Unrealized gains (losses)	(0.54)	0.53	0.28	0.02	(0.31)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	(0.54)	0.67	0.15	0.36	(0.22)
Distributions (\$)					
From net investment income (excluding dividends)	0.18	—	—	0.15	0.15
From dividends	0.07	0.02	0.08	0.11	0.10
From capital gains	—	—	—	—	—
Return of capital	0.01	0.17	0.11	—	—
Total Annual Distributions (\$) ⁽³⁾	0.26	0.19	0.19	0.26	0.25
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	9.08	9.83	9.59	9.56	9.47

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⁾	17,989	26,061	108,364	147,292	201,168
Number of units outstanding ⁽⁵⁾	1,980,678	2,650,757	11,296,547	15,400,375	21,240,663
Management expense ratio (%) ⁽⁶⁾	1.44	1.47	1.48	1.49	1.49
Management expense ratio before waivers or absorptions (%)	1.47	1.49	1.50	1.50	1.51
Trading expense ratio (%) ⁽⁷⁾	—	0.02	0.01	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	36.18	93.13	12.95	17.03	6.18
Net asset value per unit (\$)	9.08	9.83	9.59	9.56	9.47

Investor-2 / Advisor-2 Series

Net Assets per Unit⁽¹⁾ Commencement of operations: May 13, 2021

Accounting Period Ended	2022	2021
	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	10.11	10.00
Increase (Decrease) from Operations (\$)		
Total revenue	0.40	0.16
Total expenses	(0.14)	(0.10)
Realized gains (losses)	(0.26)	0.01
Unrealized gains (losses)	(0.57)	(0.04)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	(0.57)	0.03
Distributions (\$)		
From net investment income (excluding dividends)	0.19	—
From dividends	0.07	0.02
From capital gains	—	—
Return of capital	—	—
Total Annual Distributions (\$) ⁽³⁾	0.26	0.02
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	9.36	10.11

Ratios and Supplemental Data

Accounting Period Ended	2022	2021
	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	27,760	44,298
Number of units outstanding ⁽⁵⁾	2,966,943	4,381,500
Management expense ratio (%) ⁽⁶⁾	1.42	1.49
Management expense ratio before waivers or absorptions (%)	1.43	1.50
Trading expense ratio (%) ⁽⁷⁾	—	0.02
Portfolio turnover rate (%) ⁽⁸⁾	36.18	93.13
Net asset value per unit (\$)	9.36	10.11

Series F

Net Assets per Unit⁽⁴⁾

Commencement of operations: January 8, 2014

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⁾	10.29	9.83	9.71	9.61	10.13
Increase (Decrease) from Operations (\$)					
Total revenue	0.41	0.24	0.21	0.39	0.36
Total expenses	(0.07)	(0.08)	(0.07)	(0.07)	(0.07)
Realized gains (losses)	(0.27)	0.02	(0.17)	0.11	(0.12)
Unrealized gains (losses)	(0.52)	0.10	0.15	(0.01)	(0.40)
Total Increase (Decrease) from Operations (\$)⁽²⁾	(0.45)	0.28	0.12	0.42	(0.23)
Distributions (\$)					
From net investment income (excluding dividends)	0.26	—	—	0.23	0.21
From dividends	0.06	0.06	0.18	0.11	0.08
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions (\$)⁽³⁾	0.32	0.06	0.18	0.34	0.29
Net Assets, End of Accounting Period Shown⁽⁴⁾	9.54	10.29	9.83	9.71	9.61

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 (000's of \$) ⁽⁵⁾	47,626	71,516	5,117	10,259	20,160
Number of units outstanding ⁽⁵⁾	4,993,364	6,948,841	520,481	1,056,530	2,097,385
Management expense ratio (%) ⁽⁶⁾	0.74	0.75	0.76	0.71	0.71
Management expense ratio before waivers or absorptions (%)	0.78	0.79	0.79	0.74	0.75
Trading expense ratio (%) ⁽⁷⁾	—	0.02	0.01	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	36.18	93.13	12.95	17.03	6.18
Net asset value per unit (\$)	9.54	10.29	9.83	9.71	9.61

Series FT

Net Assets per Unit⁽⁴⁾

Commencement of operations: May 21, 2015

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⁾	9.80	9.50	9.41	9.60	10.06
Increase (Decrease) from Operations (\$)					
Total revenue	0.39	0.17	0.21	0.40	0.37
Total expenses	(0.06)	(0.06)	(0.06)	(0.06)	(0.07)
Realized gains (losses)	(0.29)	0.09	(0.20)	0.07	(0.13)
Unrealized gains (losses)	(0.45)	0.31	0.36	0.03	(1.17)
Total Increase (Decrease) from Operations (\$)⁽²⁾	(0.41)	0.51	0.31	0.44	(1.00)
Distributions (\$)					
From net investment income (excluding dividends)	0.25	—	—	0.33	0.16
From dividends	0.06	0.06	0.14	0.30	0.06
From capital gains	—	—	—	—	—
Return of capital	—	0.15	0.06	—	0.02
Total Annual Distributions (\$)⁽³⁾	0.31	0.21	0.20	0.63	0.24
Net Assets, End of Accounting Period Shown⁽⁴⁾	9.08	9.80	9.50	9.41	9.60

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 (000's of \$) ⁽⁵⁾	1	1	1	1	1
Number of units outstanding ⁽⁵⁾	125	121	119	116	109
Management expense ratio (%) ⁽⁶⁾	0.64	0.63	0.67	0.68	0.75
Management expense ratio before waivers or absorptions (%)	0.64	0.63	1.53	1.34	0.81
Trading expense ratio (%) ⁽⁷⁾	—	0.02	0.01	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	36.18	93.13	12.95	17.03	6.18
Net asset value per unit (\$)	9.08	9.80	9.50	9.41	9.61

Series O

Net Assets per Unit⁽⁴⁾

Commencement of operations: January 8, 2014

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⁾	10.10	9.76	9.65	9.53	10.06
Increase (Decrease) from Operations (\$)					
Total revenue	0.41	0.24	0.21	0.40	0.36
Total expenses	—	—	—	—	(0.07)
Realized gains (losses)	(0.29)	0.01	(0.20)	0.08	(0.12)
Unrealized gains (losses)	(0.50)	0.11	0.37	0.02	(0.40)
Total Increase (Decrease) from Operations (\$)⁽²⁾	(0.38)	0.36	0.38	0.50	(0.23)
Distributions (\$)					
From net investment income (excluding dividends)	0.33	—	—	0.29	0.21
From dividends	0.07	0.10	0.19	0.10	0.09
From capital gains	—	—	—	—	—
Return of capital	—	0.15	0.07	—	—
Total Annual Distributions (\$)⁽³⁾	0.40	0.25	0.26	0.39	0.30
Net Assets, End of Accounting Period Shown⁽⁴⁾	9.34	10.10	9.76	9.65	9.53

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⁾	34,314	39,555	2	2	2
Number of units outstanding ⁽⁵⁾	3,673,587	3,916,645	208	203	195
Management expense ratio (%) ⁽⁶⁾	0.02	0.02	—	—	0.68
Management expense ratio before waivers or absorptions (%)	0.02	0.02	0.48	0.37	1.15
Trading expense ratio (%) ⁽⁷⁾	—	0.02	0.01	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	36.18	93.13	12.95	17.03	6.18
Net asset value per unit (\$)	9.34	10.10	9.76	9.65	9.53

Series T

Net Assets per Unit⁽⁴⁾

Commencement of operations: January 14, 2015

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⁾	9.43	9.21	9.44	9.33	9.85
Increase (Decrease) from Operations (\$)					
Total revenue	0.38	0.23	0.20	0.51	0.35
Total expenses	(0.13)	(0.14)	(0.12)	(0.12)	(0.13)
Realized gains (losses)	(0.27)	0.01	(0.19)	0.05	(0.12)
Unrealized gains (losses)	(0.44)	0.11	0.35	0.25	(0.39)
Total Increase (Decrease) from Operations (\$)⁽²⁾	(0.46)	0.21	0.24	0.69	(0.29)
Distributions (\$)					
From net investment income (excluding dividends)	0.18	—	—	0.16	0.16
From dividends	0.06	0.04	0.40	0.10	0.08
From capital gains	—	—	—	—	—
Return of capital	0.01	0.15	0.06	—	—
Total Annual Distributions (\$)⁽³⁾	0.25	0.19	0.46	0.26	0.24
Net Assets, End of Accounting Period Shown⁽⁴⁾	8.72	9.43	9.21	9.44	9.33

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⁾	443	548	1	1	1
Number of units outstanding ⁽⁵⁾	50,777	58,101	119	113	110
Management expense ratio (%) ⁽⁶⁾	1.45	1.49	1.33	1.32	1.28
Management expense ratio before waivers or absorptions (%)	1.47	1.51	2.21	1.83	2.12
Trading expense ratio (%) ⁽⁷⁾	—	0.02	0.01	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	36.18	93.13	12.95	17.03	6.18
Net asset value per unit (\$)	8.72	9.43	9.21	9.44	9.33

- ⁽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
Cash, Money Market and Other Net Assets	8.1
Fédération des caisses Desjardins, Floating, due May 26, 2030	2.5
Toronto-Dominion Bank, 3.22%, due July 25, 2029	1.9
Rogers Communications Inc., 3.65%, due March 31, 2027	1.7
Bank of America Corp., Floating, due March 16, 2028	1.6
Canadian Imperial Bank of Commerce, Floating, due July 21, 2030	1.4
Royal Bank of Canada, Floating, due December 23, 2029	1.4
Wells Fargo & Co., 2.98%, due May 19, 2026	1.4
Wells Fargo & Co., 3.87%, due May 21, 2025	1.4
Canadian Imperial Bank of Commerce, 2.95%, due June 19, 2029	1.3
Wells Fargo & Co., Floating, due April 28, 2025	1.3
Toronto-Dominion Bank/The, 4.68%, due January 8, 2029	1.2
TransCanada Pipelines Ltd., 3.80%, due April 5, 2027	1.2
Bank of Montreal, 4.71%, due December 7, 2027	1.1
Sun Life Financial Inc., 2.58%, due May 10, 2032	0.9
Sun Life Financial Inc., Floating, due November 21, 2033	0.9
H&R Real Estate Investment Trust, 3.37%, due January 30, 2024	0.9
Inter Pipeline Ltd., 3.48%, due December 16, 2026	0.9
Manulife Financial Corp., 3.05%, due August 20, 2029	0.9
Bank of America Corp., Floating, due September 15, 2027	0.8
Bank of Montreal, 4.31%, due June 1, 2027	0.8
Ford Credit Canada Ltd., 3.50%, due November 30, 2023	0.8
CT Real Estate Investment Trust, 3.53%, due June 9, 2025	0.8
Enmax Corp., 3.81%, due December 5, 2024	0.8
Rogers Communications Inc., 5.00%, due December 17, 2081	0.8
	36.8

Net asset value \$128,132,678

Asset Mix

	% of Net Asset Value
Canadian Corporate Bonds	70.6
Preferred Shares	14.0
US Bonds	8.8
Asset Backed Securities	1.1
Derivative Products	3.6
Mortgage Backed Securities	0.4
Foreign Bonds	0.1
Cash, Money Market and Other Net Assets	1.4

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.