

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended December 31, 2023

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.sedarplus.ca, 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 sub-advisor will apply a fundamental bottom-up investment process to achieve strong risk-adjusted returns based around a good diversification by sector, in-depth analysis of the company's strength, competitive position in the sector, management team, market trends and the return offered compared to risk and market conditions. The portfolio sub-advisor therefore looks for well-managed companies with a well-defined business vision and significant competitive advantages. The portfolio sub-advisor also integrates financially material environmental, social and governance factors as part of its investment process ("ESG Integration").

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, 2023, the NBI High Yield Bond Fund's Investor Series units returned 9.55% compared to 12.45% 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 7.20% over the period, from \$963.01 million as at December 31, 2022 to \$1.032 billion as at December 31, 2023.

Following the second-worst calendar year return, the high-yield market generated a 13.5% return. Although there has been an increase in distressed exchanges, there were fewer defaults than anticipated in 2023, with the default rate finishing the year at 2.1%. High yield fundamentals have held steady, with interest coverage still elevated compared to history and leverage has been stable. The mounting maturity wall proved benign in 2023, but will again be topical in 2024, despite the higher quality skew of near-term maturities.

Most tactical investors have been on the sidelines since interest rates began to increase, something to be cognizant of as cash yields potentially come down in 2024. If the theme for 2023 was 'yields look better than spreads', it is certainly still the theme entering 2024. Retail, Leisure, and Financial Services were the best-performing sectors in 2023, while Transportation, Banking, and Telecom lagged.

In this context, the Fund underperformed its benchmark for the period. Security selection in the Automotive, Chemicals, and Packaging as well as an underweight to Electric Utilities enhanced relative performance. Security selection in Leisure, Wirelines, Healthcare, and Aerospace/Defense detracted from performance during the year.

Recent Developments

Throughout the year, the portfolio managers increased its yield and spread relative to the benchmark, but stayed shorter in duration, in part due to the small allocation to loans of nearly 1%. From a sector standpoint, the Fund was predominantly overweight in defensive sectors, such as Cable Satellite and Consumer Products, but exposure to the Automotive sector increased on both an absolute and relative basis during the year. Financials and Utilities continued to be the two biggest underweights for the Fund.

Fundamentals have been resilient, with most of the market performing well, and should continue to be supportive as issuance is expected to remain low. Spreads are tight of their median trading level, pricing in a default rate just below 2%, the portfolio manager's forecast for the 2024 year-end default rate is 3%, which is also the long-term average and is above the current default rate of 2.1%.

A benign default environment is possible if US Treasury rates continue to trend lower and equity markets continue to climb higher. The lower yields and greater risk appetite should help alleviate 2024 defaults, as levered issuers with near-term maturities should find the capital markets more receptive to riskier paper. Given the favourable fundamental and technical backdrop, high yield will likely trade on macroeconomic news to begin 2024 rather than 4Q23 earnings or other fundamental reasons.

On May 1, 2023, the Fund's independent review committee (the "IRC") was increased to four members when Stéphanie Raymond-Bougie was appointed as IRC member.

Related Party Transactions

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

Trustee, Custodian, and Registrar

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

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

Agent for securities lending transactions

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

Fund Manager

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

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

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

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

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

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

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, 2023
Total brokerage fees	160,908.96
Brokerage fees paid to National Bank Financial	160,908.96

Holdings

As at December 31, 2023, National Bank Investments Inc. held 1,070.67 Fund securities for a value of \$8,224.98, 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.

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 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.

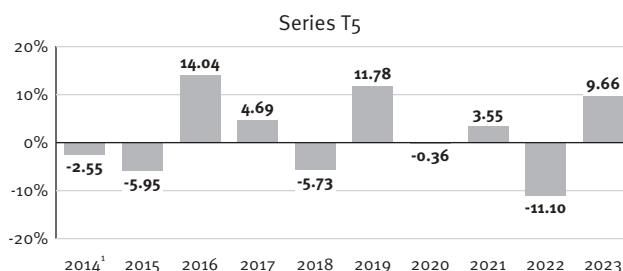
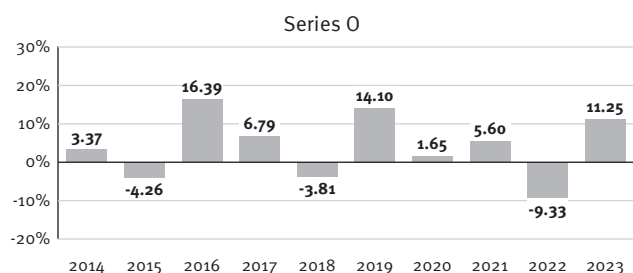
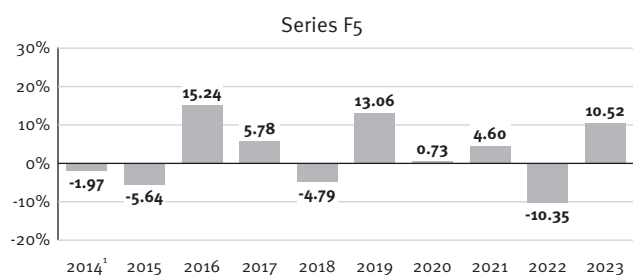
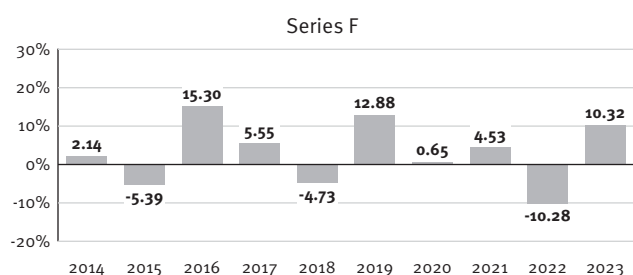
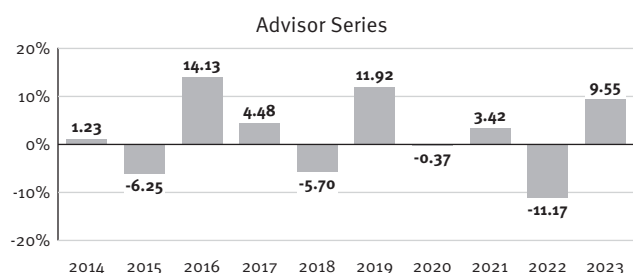
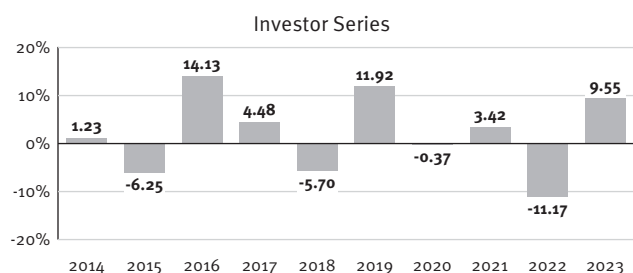
^(***) The Series O is only available to selected investors that have been approved and have entered into an O Series units account agreement with National Bank Investments Inc. The criteria for approval may include the size of the investment, the expected level of account activity and the investor's total investments with NBII. No management fees are charged to the Fund with respect to the O Series units. Management fees are negotiated with and paid directly by investors and are in addition to the fixed-rate administration fee. NBII does not pay any commissions or service fees to dealers who sell O Series units. There are no sales charges payable by investors who purchase O Series units.

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.

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, 2023, 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	9.55%	0.21%	2.33%	1.82%	-
Benchmark	12.45%	1.44%	4.35%	3.98%	-
Advisor Series²	9.55%	0.21%	2.33%	1.82%	-
Benchmark	12.45%	1.44%	4.35%	3.98%	-
Series F³	10.32%	1.14%	3.29%	2.79%	-
Benchmark	12.45%	1.44%	4.35%	3.98%	-
Series F5⁴	10.52%	1.20%	3.37%	-	2.49%
Benchmark	12.45%	1.44%	4.35%	-	3.90%
Series O⁵	11.25%	2.13%	4.32%	3.87%	-
Benchmark	12.45%	1.44%	4.35%	3.98%	-
Series T5⁴	9.66%	0.31%	2.37%	-	1.55%
Benchmark	12.45%	1.44%	4.35%	-	3.90%

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

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.

Accounting Period Ended	Commencement of operations: December 19, 2001				
	2023 December 31	2022 December 31	2021 December 31	2020 December 31	2019 December 31
Net Assets per Unit ⁽¹⁾					
Net Assets, Beginning of Accounting Period Shown⁽⁴⁾	5.84	6.92	6.98	7.32	6.86
Increase (Decrease) from Operations (\$)					
Total revenue	0.36	0.37	0.35	0.37	0.48
Total expenses	(0.06)	(0.08)	(0.09)	(0.10)	(0.15)
Realized gains (losses)	(0.15)	0.10	1.68	(1.20)	(0.12)
Unrealized gains (losses)	0.37	(1.25)	(1.75)	0.87	0.68
Total Increase (Decrease) from Operations (\$)⁽²⁾	0.52	(0.86)	0.19	(0.06)	0.89
Distributions (\$)					
From net investment income (excluding dividends)	0.30	0.31	0.30	0.30	0.34
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions (\$)⁽³⁾	0.30	0.31	0.30	0.30	0.34
Net Assets, End of Accounting Period Shown (\$)⁽⁴⁾	6.08	5.84	6.92	6.98	7.32

Ratios and Supplemental Data

Accounting Period Ended	Commencement of operations: December 19, 2001				
	2023 December 31	2022 December 31	2021 December 31	2020 December 31	2019 December 31
Total net asset value (000's of \$) ⁽⁵⁾	15,532	18,222	43,185	173,677	226,550
Number of units outstanding ⁽⁵⁾	2,555,502	3,119,809	6,240,444	24,898,517	30,966,525
Management expense ratio (%) ⁽⁶⁾	1.76	1.99	1.98	2.01	2.06
Management expense ratio before waivers or absorptions (%)	2.35	2.69	2.54	2.58	2.07
Trading expense ratio (%) ⁽⁷⁾	0.02	0.01	0.01	0.02	—
Portfolio turnover rate (%) ⁽⁸⁾	19.88	6.23	21.68	165.46	42.54
Net asset value per unit (\$)	6.08	5.84	6.92	6.98	7.32

Series F

Accounting Period Ended	Commencement of operations: April 16, 2008				
	2023 December 31	2022 December 31	2021 December 31	2020 December 31	2019 December 31
Net Assets per Unit ⁽¹⁾					
Net Assets, Beginning of Accounting Period Shown⁽⁴⁾	7.18	8.42	8.58	8.99	8.43
Increase (Decrease) from Operations (\$)					
Total revenue	0.44	0.43	0.46	0.46	0.59
Total expenses	(0.02)	(0.02)	(0.02)	(0.02)	(0.09)
Realized gains (losses)	(0.18)	0.19	2.79	(0.05)	(0.10)
Unrealized gains (losses)	0.47	(1.35)	(2.70)	0.99	0.69
Total Increase (Decrease) from Operations (\$)⁽²⁾	0.71	(0.75)	0.53	1.38	1.09
Distributions (\$)					
From net investment income (excluding dividends)	0.43	0.38	0.54	0.44	0.50
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions (\$)⁽³⁾	0.43	0.38	0.54	0.44	0.50
Net Assets, End of Accounting Period Shown (\$)⁽⁴⁾	7.47	7.18	8.42	8.58	8.99

Ratios and Supplemental Data

Accounting Period Ended	Commencement of operations: April 16, 2008				
	2023 December 31	2022 December 31	2021 December 31	2020 December 31	2019 December 31
Total net asset value (000's of \$) ⁽⁵⁾	11,757	13,068	6,715	44,975	9,921
Number of units outstanding ⁽⁵⁾	1,572,857	1,819,588	797,453	5,243,963	1,103,782
Management expense ratio (%) ⁽⁶⁾	0.97	0.97	0.92	0.92	1.10
Management expense ratio before waivers or absorptions (%)	1.58	1.68	1.50	1.51	1.13
Trading expense ratio (%) ⁽⁷⁾	0.02	0.01	0.01	0.02	—
Portfolio turnover rate (%) ⁽⁸⁾	19.88	6.23	21.68	165.46	42.54
Net asset value per unit (\$)	7.47	7.18	8.42	8.58	8.99

Series F5

Net Assets per Unit⁽⁴⁾

Commencement of operations: May 21, 2014

Accounting Period Ended	2023	2022	2021	2020	2019
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown⁽⁴⁾	6.56	7.78	7.90	8.29	7.76
Increase (Decrease) from Operations (\$)					
Total revenue	0.30	0.41	0.45	0.35	0.54
Total expenses	(0.02)	(0.02)	(0.02)	(0.02)	(0.08)
Realized gains (losses)	(0.10)	0.14	0.80	(0.30)	(0.06)
Unrealized gains (losses)	0.14	(1.31)	(0.88)	0.81	0.58
Total Increase (Decrease) from Operations (\$)⁽²⁾	0.32	(0.78)	0.35	0.84	0.98
Distributions (\$)					
From net investment income (excluding dividends)	0.28	0.39	0.42	0.32	0.47
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	0.04	0.04	0.06	0.10	—
Total Annual Distributions (\$)⁽³⁾	0.32	0.43	0.48	0.42	0.47
Net Assets, End of Accounting Period Shown (\$)⁽⁴⁾	6.90	6.56	7.78	7.90	8.29

Ratios and Supplemental Data

Accounting Period Ended	2023	2022	2021	2020	2019
	December 31	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	2	11	12	12	1
Number of units outstanding ⁽⁵⁾	348	1,648	1,550	1,460	146
Management expense ratio (%) ⁽⁶⁾	0.95	0.94	0.93	0.90	1.00
Management expense ratio before waivers or absorptions (%)	1.56	1.63	1.48	1.79	1.61
Trading expense ratio (%) ⁽⁷⁾	0.02	0.01	0.01	0.02	—
Portfolio turnover rate (%) ⁽⁸⁾	19.88	6.23	21.68	165.46	42.54
Net asset value per unit (\$)	6.90	6.56	7.78	7.90	8.29

Series O

Net Assets per Unit⁽⁴⁾

Commencement of operations: May 4, 2006

Accounting Period Ended	2023	2022	2021	2020	2019
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown⁽⁴⁾	6.30	7.41	7.46	7.85	7.35
Increase (Decrease) from Operations (\$)					
Total revenue	0.38	0.39	0.45	0.41	0.51
Total expenses	0.04	0.04	0.05	0.04	—
Realized gains (losses)	(0.18)	0.12	0.65	(1.50)	(0.05)
Unrealized gains (losses)	0.37	(1.21)	(0.73)	0.97	0.53
Total Increase (Decrease) from Operations (\$)⁽²⁾	0.61	(0.66)	0.42	(0.08)	0.99
Distributions (\$)					
From net investment income (excluding dividends)	0.43	0.42	0.46	0.49	0.51
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions (\$)⁽³⁾	0.43	0.42	0.46	0.49	0.51
Net Assets, End of Accounting Period Shown (\$)⁽⁴⁾	6.55	6.30	7.41	7.46	7.85

Ratios and Supplemental Data

Accounting Period Ended	2023	2022	2021	2020	2019
	December 31	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	413,180	269,821	226,929	156,513	264,850
Number of units outstanding ⁽⁵⁾	63,044,155	42,861,098	30,621,363	20,969,844	33,722,358
Management expense ratio (%) ⁽⁶⁾	0.02	0.03	0.02	0.01	0.02
Management expense ratio before waivers or absorptions (%)	0.60	0.72	0.57	0.01	0.02
Trading expense ratio (%) ⁽⁷⁾	0.02	0.01	0.01	0.57	—
Portfolio turnover rate (%) ⁽⁸⁾	19.88	6.23	21.68	165.46	42.54
Net asset value per unit (\$)	6.55	6.30	7.41	7.46	7.85

Series T5

Net Assets per Unit⁽⁴⁾

Commencement of operations: May 21, 2014

Accounting Period Ended	2023	2022	2021	2020	2019
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	6.73	8.01	8.21	8.72	8.18
Increase (Decrease) from Operations (\$)					
Total revenue	0.42	0.25	0.46	0.44	0.57
Total expenses	(0.06)	(0.10)	(0.11)	(0.12)	(0.18)
Realized gains (losses)	(0.17)	0.01	0.95	(1.43)	(0.08)
Unrealized gains (losses)	0.44	(1.82)	(1.00)	1.05	0.64
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.63	(1.66)	0.30	(0.06)	0.95
Distributions (\$)					
From net investment income (excluding dividends)	0.36	0.25	0.35	0.34	0.40
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	0.05	0.15	0.14	0.11	0.01
Total Annual Distributions (\$) ⁽³⁾	0.41	0.40	0.49	0.45	0.41
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	6.95	6.73	8.01	8.21	8.72

Ratios and Supplemental Data

Accounting Period Ended	2023	2022	2021	2020	2019
	December 31	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	1	1	60	75	80
Number of units outstanding ⁽⁵⁾	167	157	7,433	9,138	9,130
Management expense ratio (%) ⁽⁶⁾	1.63	2.02	1.99	2.01	2.04
Management expense ratio before waivers or absorptions (%)	2.37	2.71	2.54	2.59	2.05
Trading expense ratio (%) ⁽⁷⁾	0.02	0.01	0.01	0.02	—
Portfolio turnover rate (%) ⁽⁸⁾	19.88	6.23	21.68	165.46	42.54
Net asset value per unit (\$)	6.95	6.73	8.01	8.21	8.72

Series PW*

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

Net Assets per Unit⁽⁴⁾

Commencement of operations: March 12, 2021

Accounting Period Ended	2023	2022	2021
	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	8.45	9.97	10.00
Increase (Decrease) from Operations (\$)			
Total revenue	0.53	0.52	0.48
Total expenses	0.03	0.03	0.01
Realized gains (losses)	(0.23)	0.17	0.01
Unrealized gains (losses)	0.54	(1.65)	(0.12)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.87	(0.93)	0.38
Distributions (\$)			
From net investment income (excluding dividends)	0.55	0.56	0.47
From dividends	—	—	—
From capital gains	—	—	—
Return of capital	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.55	0.56	0.47
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	8.81	8.45	9.97

Ratios and Supplemental Data

Accounting Period Ended	2023	2022	2021
	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	543,340	350,756	396,724
Number of units outstanding ⁽⁵⁾	61,690,205	41,495,085	39,779,788
Management expense ratio (%) ⁽⁶⁾	0.33	0.32	0.54
Management expense ratio before waivers or absorptions (%)	0.91	1.01	1.09
Trading expense ratio (%) ⁽⁷⁾	0.02	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	19.88	6.23	21.68
Net asset value per unit (\$)	8.81	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	2023 December 31	2022 December 31	2021 December 31	
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	8.44	9.97	10.00	
Increase (Decrease) from Operations (\$)				
Total revenue	0.53	0.52	0.48	
Total expenses	0.05	0.05	0.03	
Realized gains (losses)	(0.22)	0.18	0.01	
Unrealized gains (losses)	0.50	(1.67)	(0.11)	
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.86	(0.92)	0.41	
Distributions (\$)				
From net investment income (excluding dividends)	0.57	0.59	0.49	
From dividends	—	—	—	
From capital gains	—	—	—	
Return of capital	—	—	—	
Total Annual Distributions (\$) ⁽³⁾	0.57	0.59	0.49	
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	8.79	8.44	9.97	

Ratios and Supplemental Data

Accounting Period Ended	2023 December 31	2022 December 31	2021 December 31	
Total net asset value (000's of \$) ⁽⁵⁾	48,530	35,936	47,505	
Number of units outstanding ⁽⁵⁾	5,520,290	4,258,330	4,765,748	
Management expense ratio (%) ⁽⁶⁾	0.07	0.07	0.30	
Management expense ratio before waivers or absorptions (%)	0.65	0.76	0.85	
Trading expense ratio (%) ⁽⁷⁾	0.02	0.01	0.01	
Portfolio turnover rate (%) ⁽⁸⁾	19.88	6.23	21.68	
Net asset value per unit (\$)	8.79	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	2023 December 31	2022 December 31	2021 December 31	
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	8.44	9.96	10.00	
Increase (Decrease) from Operations (\$)				
Total revenue	0.42	0.52	0.48	
Total expenses	0.01	0.01	(0.01)	
Realized gains (losses)	(0.22)	0.19	0.01	
Unrealized gains (losses)	0.42	(1.76)	(0.14)	
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.63	(1.04)	0.34	
Distributions (\$)				
From net investment income (excluding dividends)	0.41	0.54	0.46	
From dividends	—	—	—	
From capital gains	—	—	—	
Return of capital	—	—	—	
Total Annual Distributions (\$) ⁽³⁾	0.41	0.54	0.46	
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	8.92	8.44	9.96	

Ratios and Supplemental Data

Accounting Period Ended	2023 December 31	2022 December 31	2021 December 31	
Total net asset value (000's of \$) ⁽⁵⁾	1	2,105	2,946	
Number of units outstanding ⁽⁵⁾	117	249,417	295,662	
Management expense ratio (%) ⁽⁶⁾	0.58	0.57	0.79	
Management expense ratio before waivers or absorptions (%)	1.16	1.26	1.34	
Trading expense ratio (%) ⁽⁷⁾	0.02	0.01	0.01	
Portfolio turnover rate (%) ⁽⁸⁾	19.88	6.23	21.68	
Net asset value per unit (\$)	8.92	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. The management expense ratio includes, if necessary, the management expenses from its underlying funds, as described in Article 15.2 of Regulation 81-106.
- ⁽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, 2023

Portfolio Top Holdings

	% of Net Asset Value
NBI High Yield Bond ETF	98.8
Cash, Money Market and Other Net Assets	1.0
iHeartMedia Inc., warrants due May 1, 2039	0.2
	100.0

Net asset value \$1,032,343,133

Term Allocation

	% of Net Asset Value
Under one year	3.8
From 1 year to 5 years	58.9
From 5 years to 10 years	37.0
More than 10 years	0.3

Credit Quality

	% of Net Asset Value
AAA	1.1
AA	—
BBB	5.8
BB	37.4
B	39.3
CCC	12.7
CC	1.8
C	—
D	—
Not rated	1.9

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.sedarplus.ca.