

# ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended December 31, 2023

Short Term and Income Fund  
**NBI Preferred Equity 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.

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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](http://www.nbinvestments.ca), by visiting SEDAR+'s website at [www.sedarplus.ca](http://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 Preferred Equity Income Fund's investment objective is to generate high dividend income while focusing on capital preservation. This Fund invests directly, or through investments in securities of other mutual funds, in a portfolio mainly composed of preferred shares of Canadian companies and other income generating Canadian equities.

The portfolio manager conducts fundamental research, but will also consider quantitative and technical factors. The portfolio securities selection is based on knowledge of the company, its industry and its growth prospects. An extensive credit analysis for each security and an assessment of the risk profiles, the relative performance and the general conditions are completed in order to confirm the selection and the relative weight of each portfolio security. It is expected that investments in foreign securities will not exceed approximately 10% of the Fund's assets.

### Risks

The Fund's risk level was modified from "low to medium" to "medium" during the year. This change aims to more accurately reflect the Fund's actual risk level.

### Results of Operations

For the twelve-month period ended December 31, 2023, the NBI Preferred Equity Income Fund's Investor Series units returned 4.75% compared to 5.90% for the Fund's benchmark, the S&P/TSX Preferred Share 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.

The Fund's net asset value dropped by 14.71% over the period, from \$592.67 million as at December 31, 2022 to \$505.47 million as at December 31, 2023.

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

It was a strong start to the year for Canadian preferred shares. All structures rebounded significantly after experiencing tax-loss selling pressure in December of 2022. The combination of wide spreads, solid credit profiles, and increasing coupons should continue to attract interest from investors.

The rally was short-lived. As economic data kept coming in stronger throughout February with no signs of inflation abating, bond yields kept moving higher and Canadian Preferred Shares weakened. Counterintuitively, higher rates are hurting preferred share valuations as credit spreads widened, anticipating a deeper recession because of a more restrictive monetary policy.

Selling pressure continued in the third quarter. The demand environment seemed to soften even further as capital outflows accelerated. With very thin liquidity during the summer months, this selling had a significant impact on asset valuations and continued to push credit spreads higher.

Finally, preferred shares came back with a vengeance in November and December posting back-to-back positive results, increasing over 10% from the end of October as measured by the S&P Preferred Share Total Return Index. This was mainly due to the changing expectations for the path forward in terms of monetary policy and the subsequent decline in interest rates.

In this context, the Fund underperformed during the period. The underperformance resulted mainly from our overweight positioning in Fixed Perpetuals which were the worst performing structure for the year.

### Recent Developments

Exposure to Fixed Perpetuals and Floaters decreased while the exposure to Fixed Resets was increased. This was a result of opportunistic transactions during the year. We see better opportunities in Fixed Resets which in our opinion do not currently reflect the benefit of higher interest rates.

Following the sharp selloff, the outlook for preferred share returns has improved. As macroeconomic risk dissipates (geopolitical conflicts, supply chain issues, inflation) the portfolio manager believes preferred shares offer attractive risk/reward potential at these levels. However, the portfolio manager is looking for the balance in supply and demand of preferred shares to improve before we become more constructive on the asset class.

We remain comfortable holding an overweight in fixed-rate perpetuals as their fundamentals are strong. We think that holding a diversified mix of fixed-rate perpetuals and fixed-resets is essential while navigating an unpredictable interest rate environment.

Holdings of fixed-resets act as a natural hedge against fixed-rate perpetuals since they tend to outperform in a rising rate environment, while the latter should stand out when rates fall. With 5-year interest rates at their highest level since 2011, we need to start being cautious about pricing in too many interest rate hikes. Our approach to investing will continue to be based on 3 key pillars: quality, balance, and relative valuation.

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.

#### 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
<b>Total brokerage fees</b>	232,198.68
<b>Brokerage fees paid to National Bank Financial</b>	-

#### Holdings

As at December 31, 2023, National Bank Investments Inc. held 172.09 Fund securities for a value of \$1,566.00, which represented close to 0.0003% 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, 2023, Intact Insurance Company held 24,396,937.27 Fund securities for a value of \$222,012,129.13, which represented close to 43.9154% of the net asset value of the Fund at that date. Transactions between Intact Insurance Company 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 <sup>†</sup>
Investor Series	1.25%	60.00%	40.00%
Advisor Series*			
Front-end load**	1.25%	60.00%	40.00%
Back-end load - 1 to 6 years	1.25%	20.00%	80.00%
Low load - 1 to 3 years	1.25%	20.00%	80.00%
Low load - 4 years and more	1.25%	60.00%	40.00%
Series F	0.50%	—	100.00%
Series O	N/A***	—	100.00%

<sup>(†)</sup> Includes all costs related to management, investment advisory services, general administration and profit.

<sup>(\*)</sup> Excluding sales commissions paid on the Advisor Series with the low sales charge option and deferred sales charge option, which are not paid for out of the management fees.

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

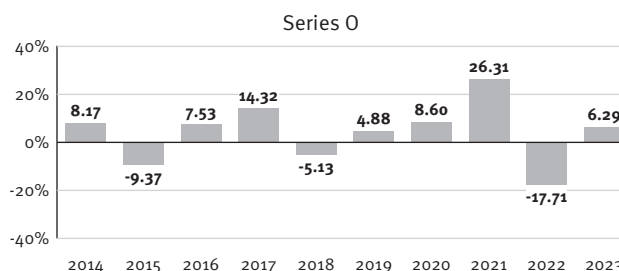
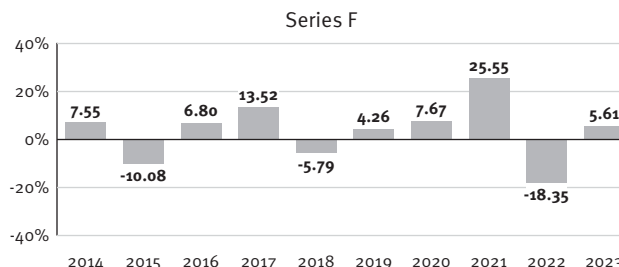
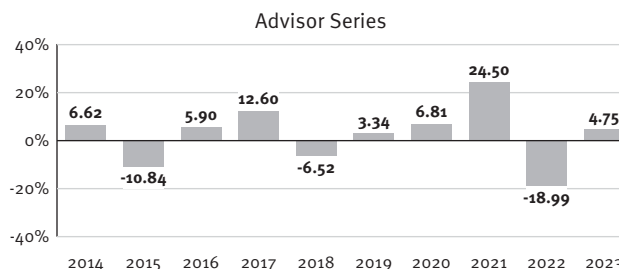
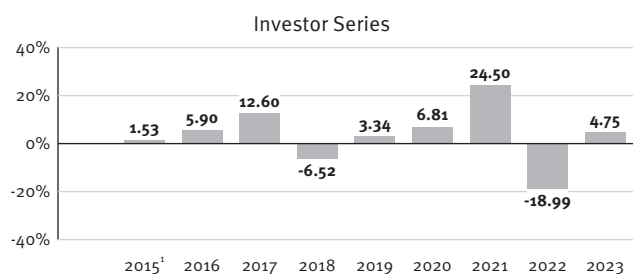
<sup>(\*\*\*)</sup> The Series O is only available to selected investors that have been approved and have entered into an O Series units account agreement with National Bank Investments Inc. The criteria for approval may include the size of the investment, the expected level of account activity and the 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.



<sup>(†)</sup> Returns for the period from October 30, 2015 (commencement of operations) to December 31, 2015.

## Annual Compounded Performance

The following table shows the Fund's annual compound returns for each series in existence greater than one year and for each of the periods ended on December 31, 2023, compared with the following benchmark:

- S&P/TSX Preferred Share Index (CAD)

### NBI Preferred Equity Income Fund

	1 year	3 years	5 years	10 years	Since inception
<b>Investor Series<sup>1</sup></b>	4.75%	1.85%	3.12%	—	3.45%
Benchmark	5.90%	1.17%	2.61%	—	3.19%
<b>Advisor Series<sup>2</sup></b>	4.75%	1.85%	3.12%	2.14%	—
Benchmark	5.90%	1.17%	2.61%	1.46%	—
<b>Series F<sup>3</sup></b>	5.61%	2.68%	3.98%	2.99%	—
Benchmark	5.90%	1.17%	2.61%	1.46%	—
<b>Series O<sup>2</sup></b>	6.29%	3.38%	4.70%	3.70%	—
Benchmark	5.90%	1.17%	2.61%	1.46%	—

<sup>1</sup>Commencement of operations: October 30, 2015

<sup>2</sup>Commencement of operations: November 22, 2007

<sup>3</sup>Commencement of operations: May 16, 2008

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 **S&P/TSX Preferred Share Index** is a subset of the S&P/TSX Index and reflects the preferred share price fluctuations of a group of companies listed on the Toronto Stock Exchange and weighted by market capitalization.

## 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

<sup>(1)</sup> The Investor Series was created on October 30, 2015.

Net Assets per Unit<sup>(1)</sup> Commencement of operations: November 22, 2007

Accounting Period Ended	2023	2022	2021	2020	2019
	December 31	December 31	December 31	December 31	December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(4)</sup>	8.92	11.40	9.42	9.20	9.23
<b>Increase (Decrease) from Operations (\$)</b>					
Total revenue	0.58	0.51	0.49	0.50	0.49
Total expenses	(0.14)	(0.16)	(0.18)	(0.14)	(0.15)
Realized gains (losses)	(0.16)	0.19	0.21	(0.16)	(0.22)
Unrealized gains (losses)	0.11	(2.69)	1.70	0.28	0.18
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(2)</sup>	0.39	(2.15)	2.22	0.48	0.30
<b>Distributions (\$)</b>					
From net investment income (excluding dividends)	—	—	—	—	—
From dividends	0.43	0.35	0.30	0.35	0.34
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
<b>Total Annual Distributions (\$)</b> <sup>(3)</sup>	0.43	0.35	0.30	0.35	0.34
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(4)</sup>	8.89	8.92	11.40	9.42	9.20

#### 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 (ooo's of \$) <sup>(5)</sup>	96,791	118,072	163,117	120,221	128,362
Number of units outstanding <sup>(5)</sup>	10,890,094	13,249,998	14,305,974	12,757,321	13,953,751
Management expense ratio (%) <sup>(6)</sup>	1.54	1.54	1.54	1.55	1.55
Management expense ratio before waivers or absorptions (%)	1.54	1.54	1.54	1.55	1.55
Trading expense ratio (%) <sup>(7)</sup>	0.04	0.06	0.07	0.10	0.12
Portfolio turnover rate (%) <sup>(8)</sup>	7.46	30.98	18.83	24.28	43.72
Net asset value per unit (\$)	8.89	8.91	11.40	9.42	9.20

### Series F

Net Assets per Unit<sup>(1)</sup> Commencement of operations: May 16, 2008

Accounting Period Ended	2023	2022	2021	2020	2019
	December 31	December 31	December 31	December 31	December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(4)</sup>	9.25	11.83	9.77	9.52	9.54
<b>Increase (Decrease) from Operations (\$)</b>					
Total revenue	0.60	0.53	0.51	0.52	0.51
Total expenses	(0.07)	(0.08)	(0.09)	(0.07)	(0.08)
Realized gains (losses)	(0.16)	0.20	0.22	(0.15)	(0.23)
Unrealized gains (losses)	0.17	(2.80)	1.78	0.64	0.16
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(2)</sup>	0.54	(2.15)	2.42	0.94	0.36
<b>Distributions (\$)</b>					
From net investment income (excluding dividends)	—	—	—	—	—
From dividends	0.53	0.46	0.40	0.41	0.42
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
<b>Total Annual Distributions (\$)</b> <sup>(3)</sup>	0.53	0.46	0.40	0.41	0.42
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(4)</sup>	9.21	9.25	11.83	9.77	9.52

#### 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 (ooo's of \$) <sup>(5)</sup>	186,670	265,775	396,857	286,393	215,738
Number of units outstanding <sup>(5)</sup>	20,267,209	28,751,469	33,543,113	29,301,697	22,670,073
Management expense ratio (%) <sup>(6)</sup>	0.71	0.71	0.72	0.72	0.71
Management expense ratio before waivers or absorptions (%)	0.71	0.71	0.72	0.72	0.71
Trading expense ratio (%) <sup>(7)</sup>	0.04	0.06	0.07	0.10	0.12
Portfolio turnover rate (%) <sup>(8)</sup>	7.46	30.98	18.83	24.28	43.72
Net asset value per unit (\$)	9.21	9.24	11.83	9.77	9.52

## Series O

Net Assets per Unit<sup>(4)</sup>

Commencement of operations: November 22, 2007

Accounting Period Ended	2023 December 31	2022 December 31	2021 December 31	2020 December 31	2019 December 31
<b>Net Assets, Beginning of Accounting Period Shown<sup>(4)</sup></b>	9.11	11.64	9.61	9.36	9.37
<b>Increase (Decrease) from Operations (\$)</b>					
Total revenue	0.59	0.52	0.50	0.51	0.50
Total expenses	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Realized gains (losses)	(0.16)	0.19	0.23	(0.16)	(0.23)
Unrealized gains (losses)	0.13	(2.71)	1.61	0.43	0.26
<b>Total Increase (Decrease) from Operations (\$)<sup>(2)</sup></b>	0.55	(2.01)	2.33	0.77	0.52
<b>Distributions (\$)</b>					
From net investment income (excluding dividends)	—	—	—	—	—
From dividends	0.56	0.51	0.46	0.47	0.46
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
<b>Total Annual Distributions (\$)<sup>(3)</sup></b>	0.56	0.51	0.46	0.47	0.46
<b>Net Assets, End of Accounting Period Shown (\$)<sup>(4)</sup></b>	9.10	9.11	11.64	9.61	9.36

## Ratios and Supplemental Data

Accounting Period Ended	2023 December 31	2022 December 31	2021 December 31	2020 December 31	2019 December 31
Total net asset value (000's of \$) <sup>(5)</sup>	222,007	208,822	253,910	157,832	145,457
Number of units outstanding <sup>(5)</sup>	24,397,109	22,928,715	21,807,873	16,428,818	15,532,261
Management expense ratio (%) <sup>(6)</sup>	0.02	0.02	0.02	0.02	0.02
Management expense ratio before waivers or absorptions (%)	0.02	0.02	0.02	0.02	0.02
Trading expense ratio (%) <sup>(7)</sup>	0.04	0.06	0.07	0.10	0.12
Portfolio turnover rate (%) <sup>(8)</sup>	7.46	30.98	18.83	24.28	43.72
Net asset value per unit (\$)	9.10	9.11	11.64	9.61	9.36

<sup>(1)</sup> 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.

<sup>(2)</sup> 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.

<sup>(3)</sup> Distributions were paid in cash or reinvested in additional units of the Fund, or both.

<sup>(4)</sup> The net assets are calculated in accordance with IFRS.

<sup>(5)</sup> This information is provided as at the last day of the accounting period shown.

<sup>(6)</sup> 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.

<sup>(7)</sup> 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.

<sup>(8)</sup> 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
Cash, Money Market and Other Net Assets	2.5
Enbridge Inc., 4.96%, Series L	2.3
Brookfield Corp., 3.24%, Series 24	2.2
Power Financial Corp., 2.31%, Series P	2.1
Brookfield Corp., 3.85%, Series 26	2.0
TC Energy Corp., 3.76%, Series 9	1.9
Bank of Montreal, 3.62%, Series 29	1.8
Toronto-Dominion Bank, 3.75%, Series 5	1.8
Brookfield Corp., 4.61%, Series 28-A	1.8
Enbridge Inc., 4.00%, Series 3	1.8
Brookfield Renewable Energy Partners, 3.14%, Series 1	1.7
Toronto-Dominion Bank, 3.68%, Series 3	1.6
Power Financial Corp., 4.95%, Series K	1.6
Toronto-Dominion Bank, Floating, due December 31, 2099	1.5
Canadian Imperial Bank of Commerce, 3.90%, Series 39	1.4
Bank of Montreal, 4.00%, Series 27	1.4
Power Financial Corp., 4.22%, Series T	1.4
Power Financial Corp., 4.50%, Series 23	1.4
TC Energy Corp., 2.15%, Series 3	1.4
Brookfield Corp., 3.25%, Series 42	1.3
Canadian Utilities Ltd., 4.60%, Series 1	1.3
Fortis Inc., 3.91%, Series M	1.3
Royal Bank of Canada, 3.60%, Series BD	1.2
Enbridge Inc., 4.00%, Series R	1.2
Manulife Financial Corp., 3.80%, Series 19	1.2
	<u>41.1</u>

Net asset value ..... \$505,467,188

### Sector Allocation

	% of Net Asset Value
Financials	55.8
Energy	16.5
Utilities	12.4
Communication Services	6.4
Bonds	4.0
Real Estate	2.1
Consumer Staples	0.3
Cash, Money Market and Other Net Assets	2.5

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](http://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](http://www.sedarplus.ca).