

## **INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE**

For the period ended June 30, 2020

Short Term and Income Fund

### **NBI Global Tactical 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.

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This interim management report of fund performance contains financial highlights, but does not contain the complete interim financial statements of the investment fund. You can get a copy of the interim 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.sedar.com](http://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

### Results of Operations

For the six-month period ended June 30, 2020, the NBI Global Tactical Bond Fund's Investor Series (formerly the Advisor Series) units returned 2.37% compared to 3.75% for the Fund's benchmark, the Bloomberg Barclays Global Aggregate Bond Index (CAD Hedged). Unlike the benchmark, the Fund's performance is calculated after fees and expenses. Please see the *Past Performance* section for the returns of all of the Fund's series, which may vary mainly because of fees and expenses.

Certain series of the Fund, as applicable, may make distributions at a rate determined by the manager. This rate may change from time to time. If the aggregate amount of distributions in such series exceeds the portion of net income and net realized capital gains allocated to such series, the excess will constitute a return of capital. The manager does not believe that the return of capital distributions made by such series of the Fund have a meaningful impact on the Fund's ability to implement its investment strategy or to fulfill its investment objective.

The Fund's net asset value dropped by 0.56% over the period, from \$805.80 million as at December 31, 2019 to \$801.25 million as at June 30, 2020.

Global markets have been dramatically impacted by the effects of COVID-19 on economic and social trends over the semester. The dramatic increase in cases and deaths that were the hallmark of the pandemic caused shutdowns and an extreme drop in global economic growth. This drop in growth was met with unprecedented stimulus from governments and central banks to sustain liquidity in capital markets and to support those who were the most impacted by the economic shutdowns.

Into the month of March, bond markets globally struggled with liquidity as even the most liquid of asset classes were not left unscathed as the pandemic spread and commodity prices collapsed. By the end of March and into April, however, the actions taken by central banks and governments gave investors some level of comfort and bond markets around the world began to thaw.

Into the second quarter, as the virus numbers began to wane and global restrictions eased, corporate bonds began to outperform as the market began to expect the beginning of a recovery. Valuations have rebounded from the depths of March but have still not fully recovered from the impact of the virus.

In this context, the Fund lagged its benchmark for the semester despite having a low volatility stance and a substantial turnaround in positioning during the month of March. As the volatility of March increased, and global central banks and governments began to implement their policy responses, and pandemic curves began to flatten, the portfolio manager utilized some of the prevailing liquidity remaining in the portfolio to increase the allocation to the corporate bond market, both in the U.S., as well as abroad. During the month of March, liquid emerging market securities and U.S. agency mortgage-backed securities were sold to purchase an overweight to corporate bonds, with a focus on the new issue market, where bond yields were substantially higher than in the secondary market. Also, the Fund increased its weighting in European peripheral countries as additional support from the ECB and the European Council provided more flexibility in the bonds that the ECB purchased. These actions had a strong positive impact into the Fund's performance in the second quarter of the year.

In this context, the underweight position in U.S. bonds, and its overweight positioning in Emerging Markets and inflation-linked notes detracted some value. The overweight to corporate bonds and positioning in securitized products, which provided most of the rebound in the second quarter of the year, however, helped to offset this impact.

### Recent Developments

The path of the coronavirus pandemic is central to the global economic outlook. As we enter the third quarter, some national economies are turning the corner. In Asia, COVID-19 has largely been brought under control and regional policymakers have shifted focus from triage to recovery. Unfortunately, the global backdrop is far from supportive. The United States and Latin America remain deep in the throes of crisis. The prompt policy response of central bankers has restored order to financial markets and government transfers have blunted the negative shock to household incomes. Still, the prospect of a return to pre-pandemic levels of economic output seems remote. The outlook for these regions has been further complicated by inconsistent and disorganized management of the pandemic by elected officials. The outbreak of COVID-19 in southern and western parts of the United States vividly illustrates the dangers of an aggressive reopening. In Europe, an assertive approach to virus containment has left the region in a decent position to rebound economically as local lockdowns continue to lift.

Currently, from a sector standpoint, the Fund's largest overweight is in corporate bonds, both investment grade and high yield as the technical support from central banks remains in place. The Fund is also overweight securitized products, primarily asset-backed and commercial mortgage-backed securities. Offsetting these sectors overweights, the Fund is underweight both developed market sovereign debt and emerging markets. The Fund is currently underweight duration with the largest country duration underweights in the U.S., Germany and China, and the largest country duration overweights in Australia, the European periphery (Cyprus, Greece, Portugal and Spain) and Singapore. Within currencies, in developed markets, the portfolio is underweight the U.S. dollar on weakening valuation and technical, overweight Japanese Yen as a hedge against potential risk, Norwegian Kroner and Swedish Kronor versus the Euro, and New Zealand Dollar against the Australian Dollar. In emerging currencies, the portfolio is overweight the Russian Ruble, Indian Rupee and Mexican Peso.

On April 30, 2020, the Fund's independent review committee (the "IRC") was reduced to three members when Jacques Valotaire and Jean-François Bernier resigned as IRC members.

### 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 June 30, 2020
<b>Total brokerage fees</b>	31,754.00
<b>Brokerage fees paid to National Bank Financial</b>	-

#### Holdings

As at June 30, 2020, National Bank Investments Inc. held 600.68 Fund securities for a value of \$6,950.96, which represented close to 0.0007% 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 June 30, 2020, National Bank Trust Inc. held 1.08 Fund securities for a value of \$10.41, which represented close to 0.0000% of the net asset value of the Fund at that date. Transactions between National Bank Trust Inc. and the Fund were carried out in the normal course of business and at the Fund's net asset value as at the transaction date.

#### Registered Plan Trust Services

NTC receives a fixed amount per registered account for services provided as trustee for registered plans.

#### Administrative and Operating Services

The provision of certain services was delegated by the Fund Manager, NBII, to National Bank Trust Inc. ("NBT"), a wholly-owned indirect subsidiary of the Bank. These include accounting, reporting and portfolio valuation services. The fees incurred for these services are paid to NBT by the Fund manager.

#### Management Fees

The Fund pays annual management fees to the Fund manager for its management services. The fees are calculated based on a percentage of the Fund's daily net asset value before applicable taxes and are paid on a monthly basis. A portion of the management fees paid by the Fund covers maximum annual trailer fees and sales commissions paid to brokers. The remainder of the management fees primarily covers investment management and general administration services. The breakdown of major services provided in consideration of the management fees, expressed as an approximate percentage of the management fees is as follows:

Series	Management Fees	Distribution	Others <sup>†</sup>
Investor Series and Series R	1.70%	44.12%	55.88%
Advisor Series, Advisor-U.S.\$ Series, Series T and Series T-U.S.\$*			
Front-end load	1.70%	44.12%	55.88%
Back-end load - 1 to 6 years	1.70%	14.71%	85.29%
Back-end load - 7 years and more	1.70%	44.12%	55.88%
Low load - 1 to 3 years	1.70%	14.71%	85.29%
Low load - 4 years and more	1.70%	44.12%	55.88%
Series F, Series F-U.S.\$, Series FT and Series FT-U.S.\$	0.84%	—	100.00%
Series O and Series O-U.S.\$	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, Advisor-U.S.\$ Series, Series T and Series T-U.S.\$ with low sales charges option and deferred sales charge option, which are not paid for out of the management fees.

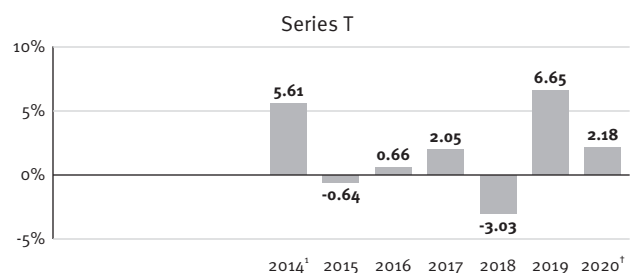
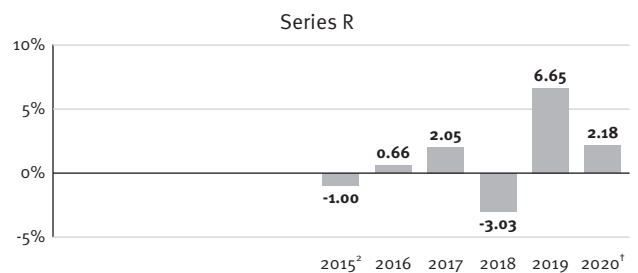
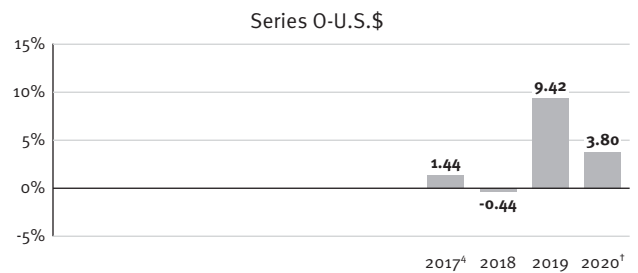
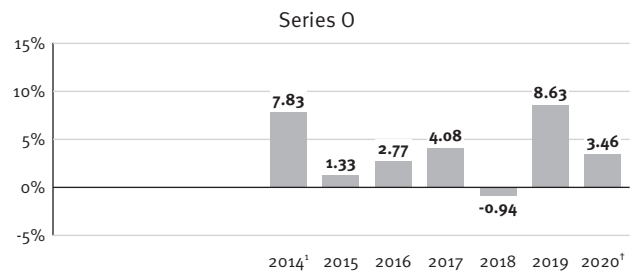
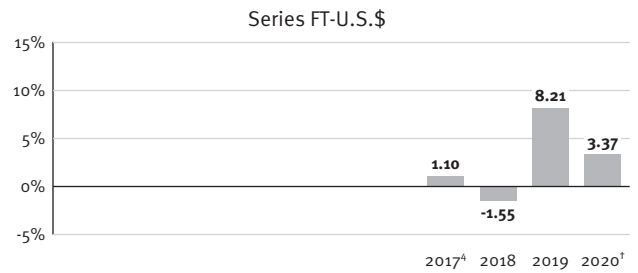
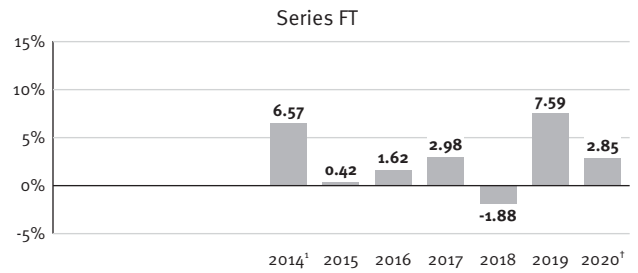
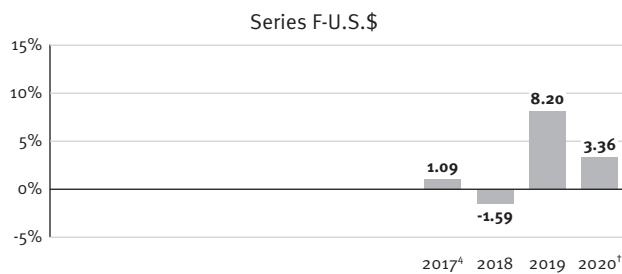
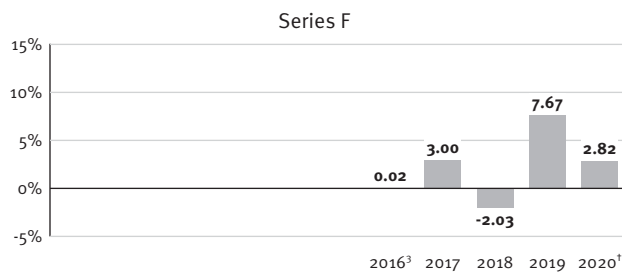
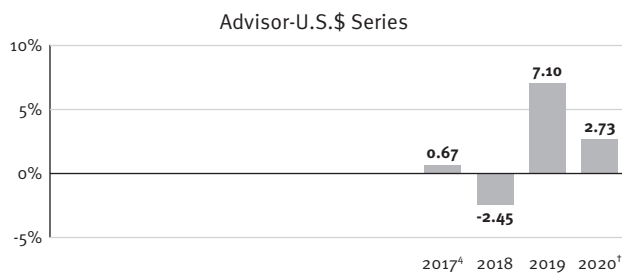
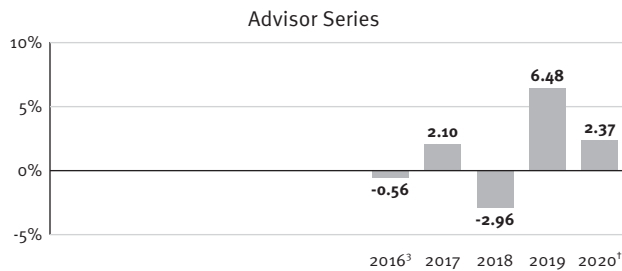
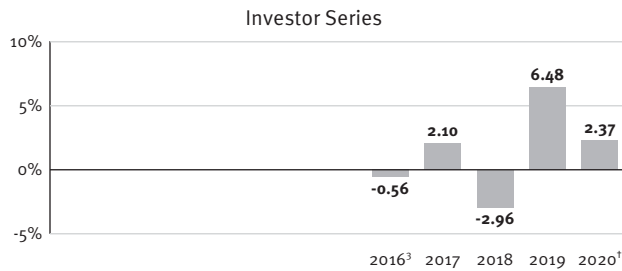
<sup>(\*\*)</sup> There are no management fees paid by the Fund with respect to the Series O. Instead, Series O securityholders pay a negotiated administration fee directly to National Bank Investments.

#### Past Performance

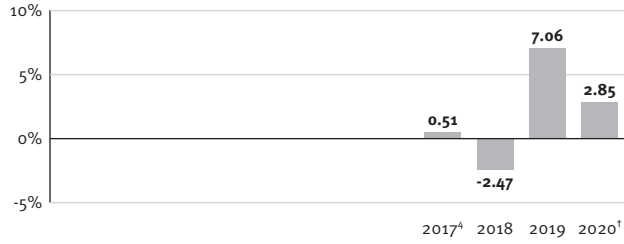
The performance of each series of the Fund is presented below and calculated as at December 31 of each year. It assumes that all distributions made in the periods shown were reinvested in additional securities and does not take into account sales, redemption charges, distributions, or optional charges that would have reduced returns. Past performance of a series of a Fund does not necessarily indicate how it will perform in the future.

## Annual Returns

The bar charts indicate the performance for each the Fund's series in existence greater than one year during the years shown, and illustrate how the performance has changed from year to year. They show, in percentage terms, how much an investment made on January 1 (or made commencing from the start of the series) would have grown or decreased by December 31 of that year, or by June 30, as applicable.



Series T-U.S.\$



<sup>(1)</sup> Returns for the period from January 8, 2014 (commencement of operations) to December 31, 2014.

<sup>(2)</sup> Returns for the period from October 30, 2015 (commencement of operations) to December 31, 2015.

<sup>(3)</sup> Returns for the period from May 24, 2016 (commencement of operations) to December 31, 2016.

<sup>(4)</sup> Returns for the period from May 19, 2017 (commencement of operations) to December 31, 2017.

<sup>(5)</sup> Returns for the period from January 1, 2020 to June 30, 2020.

## 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

Net Assets per Unit<sup>(1)</sup> Commencement of operations: May 24, 2016

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31	2016 December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(4)</sup>	10.19	9.61	10.07	9.94	10.00
<b>Increase (Decrease) from Operations (\$)</b>					
Total revenue	0.12	0.24	0.32	0.37	0.15
Total expenses	(0.11)	(0.21)	(0.20)	(0.21)	(0.12)
Realized gains (losses)	(0.14)	0.39	(0.37)	(0.31)	0.09
Unrealized gains (losses)	0.34	0.25	(0.08)	0.22	(0.47)
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(2)</sup>	0.21	0.67	(0.33)	0.07	(0.35)
<b>Distributions (\$)</b>					
From net investment income (excluding dividends)	0.02	0.04	0.14	0.11	—
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	0.02	—	—	—	—
<b>Total Annual Distributions (\$)</b> <sup>(3)</sup>	0.04	0.04	0.14	0.11	—
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(4)</sup>	10.41	10.19	9.61	10.07	9.94

### Ratios and Supplemental Data

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Total net asset value (000's of \$) <sup>(5)</sup>	21,629	25,132	32,793	53,339	3,088
Number of units outstanding <sup>(5)</sup>	2,078,202	2,466,993	3,412,615	5,313,109	310,578
Management expense ratio (%) <sup>(6)</sup>	2.07	2.06	2.06	2.06	2.07
Management expense ratio before waivers or absorptions (%)	2.08	2.07	2.07	2.08	2.22
Trading expense ratio (%) <sup>(7)</sup>	0.02	0.01	—	0.01	0.01
Portfolio turnover rate (%) <sup>(8)</sup>	81.70	184.94	214.80	150.66	163.43
Net asset value per unit (\$)	10.41	10.19	9.61	10.04	9.94

### Advisor-U.S.\$ Series\*

<sup>(\*)</sup> Please note that the data presented below is in CAD although this Series is available only under the USD purchase option.

Net Assets per Unit<sup>(1)</sup> Commencement of operations: May 19, 2017

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(4)</sup>	12.90	13.17	12.61	13.52
<b>Increase (Decrease) from Operations (\$)</b>				
Total revenue	0.26	0.11	0.36	0.34
Total expenses	(0.14)	(0.26)	(0.25)	(0.16)
Realized gains (losses)	(0.27)	0.66	0.39	(0.16)
Unrealized gains (losses)	0.33	(6.42)	0.31	(2.17)
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(2)</sup>	0.18	(5.91)	0.81	(2.15)
<b>Distributions (\$)</b>				
From net investment income (excluding dividends)	0.06	0.05	0.14	0.09
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	0.03	0.47	—	—
<b>Total Annual Distributions (\$)</b> <sup>(3)</sup>	0.09	0.52	0.14	0.09
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(4)</sup>	13.76	12.90	13.17	12.61

### Ratios and Supplemental Data

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31
Total net asset value (000's of \$) <sup>(5)</sup>	571	79	1,111	21
Number of units outstanding <sup>(5)</sup>	41,514	6,144	84,381	1,699
Management expense ratio (%) <sup>(6)</sup>	2.07	2.07	2.07	2.05
Management expense ratio before waivers or absorptions (%)	2.14	2.16	2.19	2.37
Trading expense ratio (%) <sup>(7)</sup>	0.02	0.01	—	0.01
Portfolio turnover rate (%) <sup>(8)</sup>	81.70	184.94	214.80	150.66
Net asset value per unit (\$)	13.76	12.90	13.17	12.58

## Series F

Net Assets per Unit<sup>(1)</sup>

Commencement of operations: May 24, 2016

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31	2016 December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(4)</sup>	10.26	9.66	10.09	9.98	10.00
<b>Increase (Decrease) from Operations (\$)</b>					
Total revenue	0.12	0.24	0.30	0.35	0.16
Total expenses	(0.06)	(0.10)	(0.10)	(0.11)	(0.07)
Realized gains (losses)	(0.13)	0.39	(0.41)	0.08	0.22
Unrealized gains (losses)	0.38	0.22	(0.01)	0.02	(0.60)
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(2)</sup>	0.31	0.75	(0.22)	0.34	0.29
<b>Distributions (\$)</b>					
From net investment income (excluding dividends)	0.07	0.14	0.21	0.22	0.01
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
<b>Total Annual Distributions (\$)</b> <sup>(3)</sup>	0.07	0.14	0.21	0.22	0.01
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(4)</sup>	10.48	10.26	9.66	10.09	9.98

### Ratios and Supplemental Data

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Total net asset value (000's of \$) <sup>(5)</sup>	29,908	27,946	32,402	24,695	16,850
Number of units outstanding <sup>(5)</sup>	2,854,085	2,724,061	3,352,872	2,452,832	1,687,523
Management expense ratio (%) <sup>(6)</sup>	1.18	0.98	1.04	1.07	1.14
Management expense ratio before waivers or absorptions (%)	1.23	1.02	1.07	1.10	1.17
Trading expense ratio (%) <sup>(7)</sup>	0.02	0.01	—	0.01	0.01
Portfolio turnover rate (%) <sup>(8)</sup>	81.70	184.94	214.80	150.66	163.43
Net asset value per unit (\$)	10.48	10.26	9.66	10.07	9.99

## Series F-U.S.\$\*

<sup>(\*)</sup> Please note that the data presented below is in CAD although this Series is available only under the USD purchase option.

Net Assets per Unit<sup>(1)</sup>

Commencement of operations: May 19, 2017

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(4)</sup>	13.36	13.13	12.57	13.52
<b>Increase (Decrease) from Operations (\$)</b>				
Total revenue	0.16	0.33	0.40	0.28
Total expenses	(0.07)	(0.13)	(0.13)	(0.08)
Realized gains (losses)	0.22	0.36	0.05	(1.00)
Unrealized gains (losses)	0.78	(0.20)	0.62	0.06
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(2)</sup>	1.09	0.36	0.94	(0.74)
<b>Distributions (\$)</b>				
From net investment income (excluding dividends)	0.09	0.17	0.26	0.17
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	—	—	—	—
<b>Total Annual Distributions (\$)</b> <sup>(3)</sup>	0.09	0.17	0.26	0.17
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(4)</sup>	14.33	13.36	13.13	12.57

### Ratios and Supplemental Data

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31
Total net asset value (000's of \$) <sup>(5)</sup>	11,855	6,698	3,564	2,588
Number of units outstanding <sup>(5)</sup>	827,203	501,571	271,312	206,380
Management expense ratio (%) <sup>(6)</sup>	1.06	1.09	1.10	1.14
Management expense ratio before waivers or absorptions (%)	1.17	1.19	1.19	1.24
Trading expense ratio (%) <sup>(7)</sup>	0.02	0.01	—	0.01
Portfolio turnover rate (%) <sup>(8)</sup>	81.70	184.94	214.80	150.66
Net asset value per unit (\$)	14.33	13.36	13.13	12.54

## Series FT\*

<sup>(1)</sup> Please note that the data presented below is in CAD although this Series is also available under the USD purchase option.

Net Assets per Unit<sup>(1)</sup> Commencement of operations: January 8, 2014

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31	2016 December 31	2015 December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(4)</sup>	9.16	8.85	9.43	9.50	9.72	10.10
<b>Increase (Decrease) from Operations (\$)</b>						
Total revenue	0.11	0.22	0.31	0.33	0.15	0.31
Total expenses	(0.05)	(0.09)	(0.09)	(0.10)	(0.10)	(0.11)
Realized gains (losses)	(0.11)	0.37	(0.33)	0.12	0.73	(1.08)
Unrealized gains (losses)	0.30	0.17	(0.12)	(0.04)	(0.60)	0.80
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(2)</sup>	0.25	0.67	(0.23)	0.31	0.18	(0.08)
<b>Distributions (\$)</b>						
From net investment income (excluding dividends)	0.06	0.12	0.21	0.21	0.02	0.18
From dividends	—	—	—	—	—	—
From capital gains	—	—	—	—	—	—
Return of capital	0.12	0.23	0.17	0.17	0.37	0.24
<b>Total Annual Distributions (\$)</b> <sup>(3)</sup>	0.18	0.35	0.38	0.38	0.39	0.42
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(4)</sup>	9.23	9.16	8.85	9.43	9.50	9.72

### Ratios and Supplemental Data

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31	2016 December 31	2015 December 31
Total net asset value (000's of \$) <sup>(5)</sup>	60,456	55,850	55,834	120,834	151,003	154,252
Number of units outstanding <sup>(5)</sup>	6,549,312	6,099,874	6,311,139	12,849,964	15,897,009	15,858,572
Management expense ratio (%) <sup>(6)</sup>	1.01	1.02	1.04	1.07	1.04	1.05
Management expense ratio before waivers or absorptions (%)	1.04	1.04	1.07	1.10	1.11	1.11
Trading expense ratio (%) <sup>(7)</sup>	0.02	0.01	—	0.01	0.01	0.01
Portfolio turnover rate (%) <sup>(8)</sup>	81.70	184.94	214.80	150.66	163.43	180.21
Net asset value per unit (\$)	9.23	9.16	8.85	9.40	9.50	9.73

## Series FT-U.S.\$\*

<sup>(1)</sup> Please note that the data presented below is in CAD although this Series is available only under the USD purchase option.

Net Assets per Unit<sup>(1)</sup> Commencement of operations: May 19, 2017

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(4)</sup>	12.85	12.99	12.56	13.52
<b>Increase (Decrease) from Operations (\$)</b>				
Total revenue	0.16	0.32	0.41	0.28
Total expenses	(0.05)	(0.15)	(0.13)	(0.09)
Realized gains (losses)	0.26	0.37	0.04	(1.21)
Unrealized gains (losses)	0.68	(0.16)	0.36	0.15
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(2)</sup>	1.05	0.38	0.68	(0.87)
<b>Distributions (\$)</b>				
From net investment income (excluding dividends)	0.10	0.17	0.27	0.09
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	0.16	0.35	0.13	0.01
<b>Total Annual Distributions (\$)</b> <sup>(3)</sup>	0.26	0.52	0.40	0.10
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(4)</sup>	13.62	12.85	12.99	12.56

### Ratios and Supplemental Data

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31
Total net asset value (000's of \$) <sup>(5)</sup>	3,697	3,631	3,921	6,234
Number of units outstanding <sup>(5)</sup>	271,437	282,691	301,900	497,439
Management expense ratio (%) <sup>(6)</sup>	0.83	1.14	1.07	1.14
Management expense ratio before waivers or absorptions (%)	0.88	1.18	1.12	1.19
Trading expense ratio (%) <sup>(7)</sup>	0.02	0.01	—	0.01
Portfolio turnover rate (%) <sup>(8)</sup>	81.70	184.94	214.80	150.66
Net asset value per unit (\$)	13.62	12.84	12.99	12.53



## Series O

Net Assets per Unit<sup>(1)</sup>

Commencement of operations: January 8, 2014

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31	2016 December 31	2015 December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(4)</sup>	9.48	9.07	9.57	9.58	9.70	10.00
<b>Increase (Decrease) from Operations (\$)</b>						
Total revenue	0.11	0.23	0.27	0.33	0.16	0.31
Total expenses	—	—	—	—	—	—
Realized gains (losses)	(0.14)	0.38	(0.40)	0.07	0.62	(1.41)
Unrealized gains (losses)	0.32	0.15	0.02	—	(0.61)	1.21
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(2)</sup>	0.29	0.76	(0.11)	0.40	0.17	0.11
<b>Distributions (\$)</b>						
From net investment income (excluding dividends)	0.09	0.22	0.26	0.30	0.03	0.25
From dividends	—	—	—	—	—	—
From capital gains	—	—	—	—	—	—
Return of capital	0.10	0.15	0.12	0.13	0.36	0.19
<b>Total Annual Distributions (\$)</b> <sup>(3)</sup>	0.19	0.37	0.38	0.43	0.39	0.44
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(4)</sup>	9.61	9.48	9.07	9.57	9.58	9.70

### Ratios and Supplemental Data

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31	2016 December 31	2015 December 31
Total net asset value (000's of \$) <sup>(5)</sup>	542,162	534,563	438,898	205,025	182,020	131,479
Number of units outstanding <sup>(5)</sup>	56,439,539	56,384,789	48,402,424	21,488,271	19,006,046	13,549,321
Management expense ratio (%) <sup>(6)</sup>	0.02	0.02	0.02	0.02	0.02	0.01
Management expense ratio before waivers or absorptions (%)	0.02	0.02	0.02	0.02	0.02	0.01
Trading expense ratio (%) <sup>(7)</sup>	0.02	0.01	—	0.01	0.01	0.01
Portfolio turnover rate (%) <sup>(8)</sup>	81.70	184.94	214.80	150.66	163.43	180.21
Net asset value per unit (\$)	9.61	9.48	9.07	9.54	9.58	9.70

## Series O-U.S.\$\*

<sup>(1)</sup> Please note that the data presented below is in CAD although this Series is available only under the USD purchase option.

Net Assets per Unit<sup>(1)</sup>

Commencement of operations: May 19, 2017

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(4)</sup>	12.92	12.91	12.58	13.52
<b>Increase (Decrease) from Operations (\$)</b>				
Total revenue	0.16	0.32	0.40	0.28
Total expenses	—	—	—	—
Realized gains (losses)	0.25	0.37	0.08	(0.67)
Unrealized gains (losses)	0.69	(0.18)	0.49	(2.55)
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(2)</sup>	1.10	0.51	0.97	(2.94)
<b>Distributions (\$)</b>				
From net investment income (excluding dividends)	0.13	0.31	0.33	0.21
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	0.14	0.21	0.29	—
<b>Total Annual Distributions (\$)</b> <sup>(3)</sup>	0.27	0.52	0.62	0.21
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(4)</sup>	13.75	12.92	12.91	12.58

### Ratios and Supplemental Data

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31
Total net asset value (000's of \$) <sup>(5)</sup>	2	2	2	2
Number of units outstanding <sup>(5)</sup>	151	148	142	136
Management expense ratio (%) <sup>(6)</sup>	—	—	—	0.02
Management expense ratio before waivers or absorptions (%)	0.26	0.21	0.28	0.02
Trading expense ratio (%) <sup>(7)</sup>	0.02	0.01	—	0.01
Portfolio turnover rate (%) <sup>(8)</sup>	81.70	184.94	214.80	150.66
Net asset value per unit (\$)	13.75	12.92	12.91	12.54

## Series R / T\*

<sup>(1)</sup> Please note that the data presented below is in CAD although the Series T is also available under the USD purchase option. The Series R was created on October 30, 2015.

Net Assets per Unit<sup>(1)</sup> Commencement of operations: January 8, 2014

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31	2016 December 31	2015 December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(a)</sup>	8.34	8.13	8.76	9.06	9.37	9.82
<b>Increase (Decrease) from Operations (\$)</b>						
Total revenue	0.10	0.20	0.28	0.31	0.15	0.29
Total expenses	(0.09)	(0.16)	(0.17)	(0.18)	(0.19)	(0.20)
Realized gains (losses)	(0.10)	0.34	(0.31)	0.17	0.66	(1.01)
Unrealized gains (losses)	0.28	0.19	(0.08)	(0.08)	(0.57)	0.83
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(a)</sup>	0.19	0.57	(0.28)	0.22	0.05	(0.09)
<b>Distributions (\$)</b>						
From net investment income (excluding dividends)	0.01	0.04	0.13	0.11	—	0.09
From dividends	—	—	—	—	—	—
From capital gains	—	—	—	0.14	—	—
Return of capital	0.16	0.29	0.22	0.25	0.37	0.30
<b>Total Annual Distributions (\$)</b> <sup>(a)</sup>	0.17	0.33	0.35	0.50	0.37	0.39
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(a)</sup>	8.35	8.34	8.13	8.76	9.06	9.37

### Ratios and Supplemental Data

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31	2016 December 31	2015 December 31
Total net asset value (ooo's of \$) <sup>(5)</sup>	130,112	151,092	224,212	396,414	686,014	543,573
Number of units outstanding <sup>(5)</sup>	15,575,687	18,122,607	27,566,230	45,358,493	75,721,766	57,988,373
Management expense ratio (%) <sup>(6)</sup>	2.29	1.98	2.08	2.02	2.05	2.05
Management expense ratio before waivers or absorptions (%)	2.32	2.01	2.11	2.05	2.08	2.05
Trading expense ratio (%) <sup>(7)</sup>	0.02	0.01	—	0.01	0.01	0.01
Portfolio turnover rate (%) <sup>(8)</sup>	81.70	184.94	214.80	150.66	163.43	180.21
Net asset value per unit (\$)	8.35	8.34	8.13	8.74	9.06	9.37

## Series T-U.S.\$\*

<sup>(1)</sup> Please note that the data presented below is in CAD although this Series is available only under the USD purchase option.

Net Assets per Unit<sup>(1)</sup> Commencement of operations: May 19, 2017

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(a)</sup>	12.58	12.84	12.55	13.52
<b>Increase (Decrease) from Operations (\$)</b>				
Total revenue	0.15	0.31	0.46	0.28
Total expenses	(0.12)	(0.27)	(0.25)	(0.16)
Realized gains (losses)	0.28	0.37	(0.21)	(1.01)
Unrealized gains (losses)	0.64	(0.18)	0.50	0.04
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(a)</sup>	0.95	0.23	0.50	(0.85)
<b>Distributions (\$)</b>				
From net investment income (excluding dividends)	0.03	0.05	0.22	0.09
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	0.18	0.46	0.17	0.02
<b>Total Annual Distributions (\$)</b> <sup>(a)</sup>	0.21	0.51	0.39	0.11
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(a)</sup>	13.31	12.58	12.84	12.55

### Ratios and Supplemental Data

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31
Total net asset value (ooo's of \$) <sup>(5)</sup>	855	799	1,018	2,781
Number of units outstanding <sup>(5)</sup>	64,219	63,527	79,244	222,137
Management expense ratio (%) <sup>(6)</sup>	1.90	2.11	2.04	2.07
Management expense ratio before waivers or absorptions (%)	1.95	2.14	2.07	2.14
Trading expense ratio (%) <sup>(7)</sup>	0.02	0.01	—	0.01
Portfolio turnover rate (%) <sup>(8)</sup>	81.70	184.94	214.80	150.66
Net asset value per unit (\$)	13.31	12.57	12.84	12.52

## Private Series\*

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

Net Assets per Unit<sup>(1)</sup> Commencement of operations: December 1, 2015

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31	2016 December 31	2015 December 31
<b>Net Assets, Beginning of Accounting Period Shown</b> <sup>(4)</sup>	10.36	9.76	10.16	10.06	9.89	10.00
<b>Increase (Decrease) from Operations (\$)</b>						
Total revenue	0.12	0.25	0.35	0.36	0.22	0.04
Total expenses	(0.04)	(0.08)	(0.08)	(0.08)	(0.09)	(0.01)
Realized gains (losses)	(0.13)	0.41	(0.22)	—	0.29	(0.53)
Unrealized gains (losses)	0.36	0.18	(0.35)	0.10	(0.54)	0.41
<b>Total Increase (Decrease) from Operations (\$)</b> <sup>(2)</sup>	0.31	0.76	(0.30)	0.38	(0.12)	(0.09)
<b>Distributions (\$)</b>						
From net investment income (excluding dividends)	0.09	0.16	0.22	0.25	0.02	0.02
From dividends	—	—	—	—	—	—
From capital gains	—	—	—	—	—	—
Return of capital	—	—	—	—	—	—
<b>Total Annual Distributions (\$)</b> <sup>(3)</sup>	0.09	0.16	0.22	0.25	0.02	0.02
<b>Net Assets, End of Accounting Period Shown (\$)</b> <sup>(4)</sup>	10.58	10.36	9.76	10.16	10.06	9.89

## Ratios and Supplemental Data

Accounting Period Ended	2020 June 30	2019 December 31	2018 December 31	2017 December 31	2016 December 31	2015 December 31
Total net asset value (000's of \$) <sup>(5)</sup>	5	5	5	20,426	13,162	1
Number of units outstanding <sup>(5)</sup>	490	489	488	2,015,175	1,308,126	100
Management expense ratio (%) <sup>(6)</sup>	0.81	0.80	0.80	0.80	0.85	0.65
Management expense ratio before waivers or absorptions (%)	0.92	0.88	0.80	0.80	0.85	25.16
Trading expense ratio (%) <sup>(7)</sup>	0.02	0.01	—	0.01	0.01	0.01
Portfolio turnover rate (%) <sup>(8)</sup>	81.70	184.94	214.80	150.66	163.43	180.21
Net asset value per unit (\$)	10.58	10.36	9.76	10.14	10.06	9.90

<sup>(4)</sup> This information is derived from the Fund's Annual Audited Financial Statements and Interim Unaudited 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 before waivers or absorptions as at December 31, 2015 has been adjusted for the Private Series to reflect an adequate annualization. The ratio changed from 0.82 to 25.16.

<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. Since calculating an average daily allocation of the trading expenses would take considerable effort, an average monthly allocation has been used instead for the accounting periods prior to 2016.

<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 June 30, 2020

### Portfolio Top Holdings

	% of Net Asset Value
Cash, Money Market and Other Net Assets	4.5
Government of Japan, 0.10%, due March 10, 2028	2.3
Government of Japan, 0.70%, due December 20, 2048	2.2
Singapore Government Bond, 2.63%, due May 1, 2028	1.9
Government of the United States, 1.13%, due February 28, 2025	1.4
Korea Treasury Bond, 2.38%, due December 10, 2028	1.4
Government of the United Kingdom, 3.25%, due January 22, 2044	1.2
Republic of Portugal, 3.88%, due February 15, 2030	1.2
Government of Spain, 0.60%, due October 31, 2029	1.1
Government of Canada, 3.50%, due December 1, 2045	1.1
Lloyds Bank Corporate Markets PLC, 2.38%, due April 9, 2026	1.0
Bank of America Corp., Floating, due March 20, 2051	0.9
Barclays Bank PLC, Floating, due April 2, 2024	0.8
BP Capital Markets PLC, 2.82%, due April 7, 2032	0.8
PepsiCo. Inc., 0.50%, due May 6, 2028	0.8
Shell International Finance BV, 1.88%, due April 7, 2032	0.8
Tricon American Homes 2016-SFR1 Trust, 2.59%, due November 17, 2033	0.8
BP Capital Markets PLC, Floating, due December 31, 2099	0.7
Government of Japan, 0.70%, due June 20, 2048	0.7
Starwood Waypoint Homes Trust, 2.19%, due January 22, 2035	0.7
Anheuser-Busch InBev Worldwide Inc., 3.50%, due June 1, 2030	0.6
Government of Spain, 2.90%, due October 31, 2046	0.6
Hellenic Republic Government Bond, 2.00%, due April 22, 2027	0.6
Kingdom of Norway, 1.75%, due March 13, 2025	0.6
Walt Disney Co./The, 4.70%, due March 23, 2050	0.6
	29.3

Net asset value ..... \$801,252,346

### Asset Mix

	% of Net Asset Value
Foreign Bonds	48.1
US Bonds	29.4
Asset Backed Securities	14.5
Mortgage Backed Securities	2.1
Federal Bonds	1.1
Derivative Products	0.3
Canadian Corporate Bonds	0.3
Cash, Money Market and Other Net Assets	4.2

### Term Allocation

	% of Net Asset Value
Under one year	3.5
From 1 year to 5 years	18.7
From 5 years to 10 years	41.7
More than 10 years	36.1

The above table shows the top 25 positions held by the Fund. In the case of a Fund with fewer than 25 positions, all positions are indicated.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment Fund. A quarterly update is available. Please consult our Web site at [www.nbinvestments.ca](http://www.nbinvestments.ca).