

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended December 31, 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.

This annual management report of fund performance contains financial highlights, but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-888-270-3941 or 514-871-2082, by writing to us at National Bank Investments Advisory Service, 500, Place d'Armes, 12th floor, Montreal, Quebec, H2Y 2W3, by visiting our website at www.nbinvestments.ca, by visiting SEDAR's website at www.sedar.com, or by contacting your advisor. You may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Investment Objective and Strategies

The NBI Global Tactical Bond Fund's investment objective is to generate income and capital growth while focusing on capital preservation. To do this, the Fund invests directly, or indirectly through investments in securities of other mutual funds or through the use of derivatives, in a diverse portfolio mainly composed of bonds and other foreign fixed income securities with various maturities and credit ratings.

The portfolio manager employs various active investment strategies, such as securities selection and asset allocation based on countries, duration, yield curve, currencies and sectors in order to achieve the Fund's investment objective. These strategies are implemented using a disciplined approach within a robust risk management framework.

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, 2020, the NBI Global Tactical Bond Fund's Investor Series (formerly the Advisor Series) units returned 5.39% compared to 5.33% 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 rose by 7.31% over the period, from \$805.80 million as at December 31, 2019 to \$864.71 million as at December 31, 2020.

2020 was a year unlike any other, complete with wildfires, hurricanes and widespread social unrest. A new U.S. president was elected, and the UK took its final steps to leave the European Union officially. But what defined the year was undoubtedly the coronavirus pandemic, which almost overnight changed how we lived our daily lives. Furthermore, its impact on global markets and economies cannot be understated; the pandemic gave us a stock market crash, record-setting highs and everything in between. What will 2021 bring? Only time will tell, but there seems to be a general sense of optimism around a post-vaccine recovery.

In the U.S., the year began with President Trump's impeachment trial and the discovery of the novel coronavirus and concluded with a vaccine for COVID-19. We witnessed an ongoing trade war between China and the U.S. and countrywide protests over police department reform. Amy Coney Barret was confirmed to the Supreme Court following Ruth Bader Ginsburg's death, and Joe Biden won the U.S. presidential election. Over the period markets hit record lows and highs. The Federal Reserve (the "Fed") took unprecedented action to support the economy in response to the coronavirus pandemic. Following the massive stimulus measures, the Fed held interest rates steady for the remainder of the year. The U.S. dollar ended the year down.

In this context, developed fixed income markets performed positively over the period. Among developed markets, Europe saw Britain's exit from the European Union and the coronavirus's rapid spread throughout the region. The proliferation of the virus resulted in nationwide lockdowns and travel bans in several European countries. The European Central Bank (ECB) introduced a bond-buying program at the pandemic's onset to pacify fears and support the economy. The program continued throughout the year and was expanded by 500 million euros in December. The ECB held interest rates steady throughout the period. The Bank of Japan also kept rates steady during the period and followed the U.S. and other central banks' lead by expanding its purchases of stocks and bonds to boost its economy. For their part, emerging markets outperformed for most of 2020 following a rocky first quarter. Emerging market countries experienced significant surges in COVID-19 cases, with India and Brazil reporting the highest numbers of infections and deaths. In China, where the coronavirus originated, a strict countrywide lockdown followed by robust manufacturing sector activity led to a rapid economic recovery.

Under these circumstances, the Fund outperformed its benchmark for the period. Most notably, having used March and April's market turmoil to accumulate a large overweight in investment grade credit assets, was lucrative as credit spreads tightened afterwards. As the economic outlook improved, the Fund moved down the quality spectrum to invest in a diversified basket of high yield corporate issuers. The decision to heavily overweight investment grade corporate bonds and take a significantly high yield credit position was the primary driver of attribution in 2020. In the currency space, solid performance from a basket of high yield emerging market currencies versus the dollar made a sizable positive contribution to relative returns. Conversely, currency positioning in the developed markets space negatively impacted performance over the period. Rates positioning made a positive material contribution on the year as an underweight to U.S. rates and overweights to Australian and New Zealand rates all performed well.

Recent Developments

As we close the book on 2020 and turn towards 2021, the global economy is finding its footing. While the virus continues to spread rapidly across the United States and Europe rings in the New Year with a return to lockdowns, the end of the pandemic is in sight with the rollout of multiple vaccines across the globe. Asian economies, which have done a more effective job of containing the virus, are being pulled higher by the Chinese economy's solid performance. Unencumbered by rolling lockdowns, these economies can reap the full benefit of loose global financial conditions and counter-cyclical fiscal policy. Economic activity in the U.S. and Europe will likely remain disrupted in the first quarter of 2021 from the pandemic disruptions and a fiscal pothole from the temporary interruption of economic stimulus. Entering the spring months, however, the portfolio manager believes a vigorous rebound should take hold. In the UK, after much negotiation, the terms of Brexit have largely been finalized. Addressing the uncertainty around the UK's future status should provide a tailwind for the British and European economies, in his view. Still, the practical impact of the separation remains to be seen.

In the United States, economic activity remains heavily distorted by the ongoing spread of COVID-19 and a patchwork of local and regional mitigation efforts. Unfortunately, this state-by-state approach has proven as ineffective in arresting the spread of the virus as it has been in preventing economic damage. The recently passed fiscal stimulus will provide considerable support to national disposable income and should prevent consumption from dropping dramatically in the early months of 2021. This stimulus, combined with ongoing monetary policy support, should provide a "bridge" to the second quarter when rising vaccination rates will see the economy reopen organically. He expects a robust rebound in growth starting this spring to drive 2021 growth well above potential. The level of national GDP is likely to remain somewhat below its pre-COVID peak until next year. With inflation low and few signs of underlying pressure on wages, the Federal Reserve will almost surely maintain its current accommodative stance for the foreseeable future. This accommodation and waning safe-haven demands should impart steady downward pressure on the dollar over the medium-term.

In Europe, the near-term outlook is discouraging on the back of strict lockdowns across the continent. These measures will help reduce the impact on stretched hospital systems at the cost of hobbling first quarter economic performance. While the details are different and the magnitude more pronounced, Europe is likely to follow an economic trajectory similar to that of the U.S. Given generous wage replacement programs in place, a vigorous rebound in consumer spending should drive growth in the spring and early summer. Unfortunately, even this robust rebound is unlikely to see aggregate economic activity exceed its pre-COVID peak before 2022. With the terms of the UK/Europe divorce mostly finalized, the coming months will see growing pains on both sides of the Channel as the UK and European businesses adjust to the “new normal”. The medium-term impact of Brexit is difficult to determine but the proximate costs of dismantling established trading relationships will be significant.

In Asia, economic activity continues to rebound smartly as the region reaps the rewards of its well-executed COVID response. Solid Chinese growth has driven the recovery in local trading partners, leading to general outperformance of Asian economies. Looking forward, while economic momentum has begun to wane with the Chinese credit impulse peaking and the yuan strengthening, we expect growth to remain solid over the coming months. However, this strength will depend on a smooth transition to internal consumption as a driver of activity. Inflation in China and the region-at-large remains well-contained, with few, if any, signs of sustainable upward pressure on prices. These inflation dynamics combined with weakening (although still solid) leading indicators of activity, offer a limited scope for further policy normalization from the People’s Bank of China.

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. On July 1, 2020, the Fund’s IRC was increased to four members when Marie Desroches 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, 2020
Total brokerage fees	46,592.00
Brokerage fees paid to National Bank Financial	-

Holdings

As at December 31, 2020, National Bank Investments Inc. held 609.19 Fund securities for a value of \$6,988.63, 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 December 31, 2020, National Bank Trust Inc. held 1.10 Fund securities for a value of \$10.82, 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 ¹
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%

⁽¹⁾ Includes all costs related to management, investment advisory services, general administration and profit.

⁽²⁾ 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.

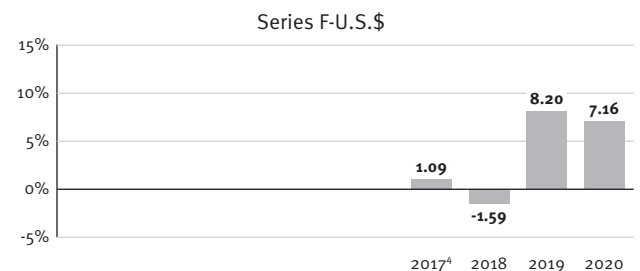
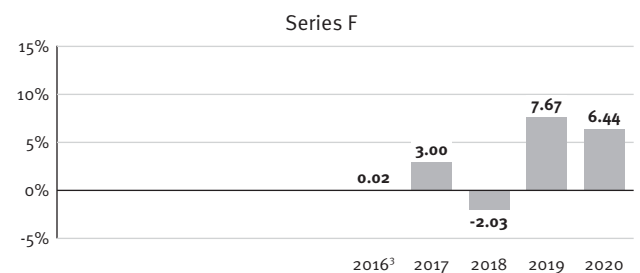
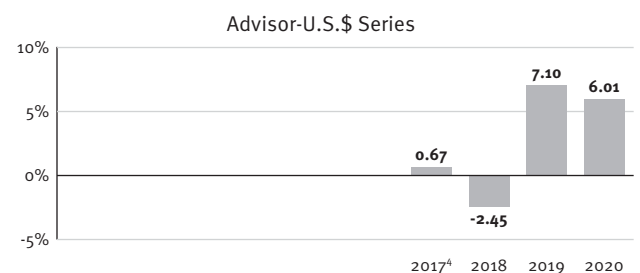
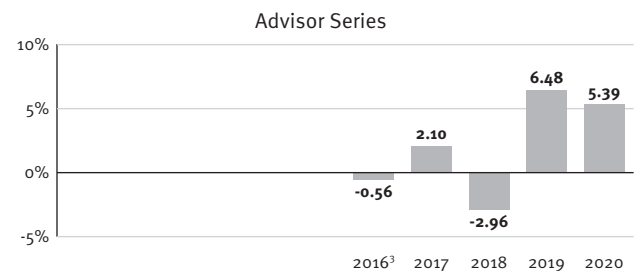
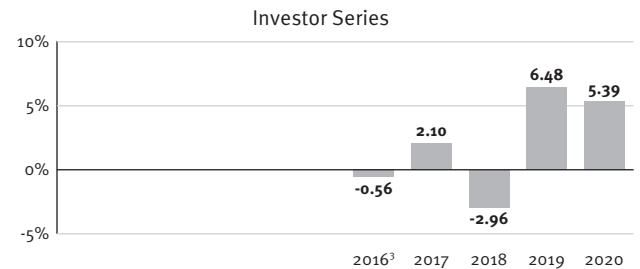
⁽³⁾ There are no management fees paid by the Fund with respect to the Series O. Instead, Series O securityholders pay a negotiated administration fee directly to National Bank Investments.

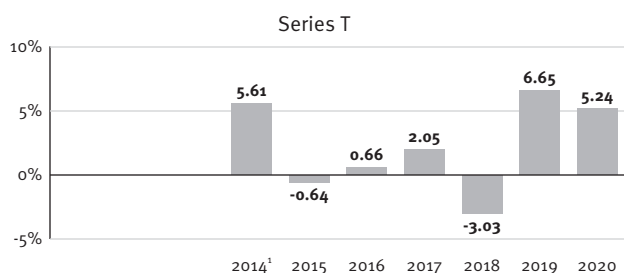
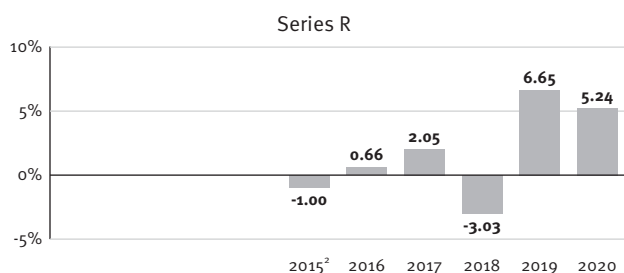
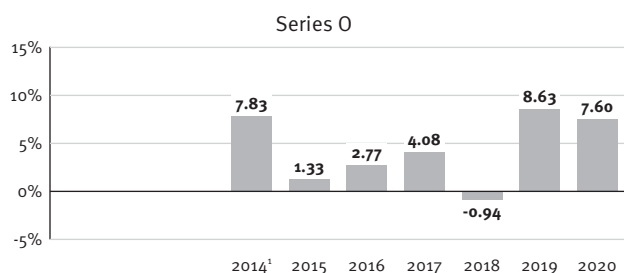
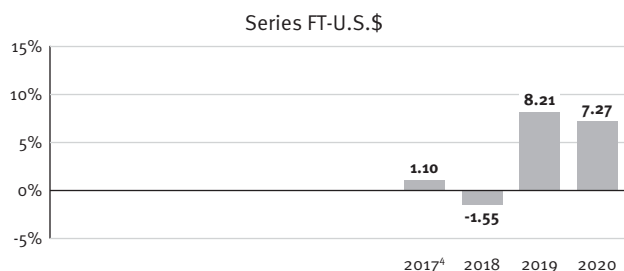
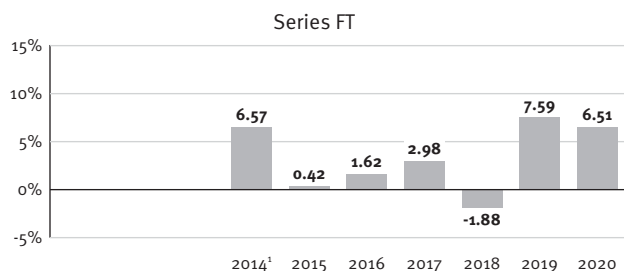
Past Performance

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.





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

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

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

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

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, 2020, compared with the following benchmark:

- Bloomberg Barclays Global Aggregate Bond Index (CAD Hedged)

NBI Global Tactical Bond Fund

	1 year	3 years	5 years	10 years	Since inception
Investor Series¹	5.39%	2.88%	—	—	2.20%
Benchmark	5.33%	4.57%	—	—	4.11%
Advisor Series¹	5.39%	2.88%	—	—	2.20%
Benchmark	5.33%	4.57%	—	—	4.11%
Advisor-U.S.\$ Series²	6.01%	3.46%	—	—	3.05%
Benchmark	5.33%	4.57%	—	—	5.02%
Series F¹	6.44%	3.94%	—	—	3.21%
Benchmark	5.33%	4.57%	—	—	4.11%
Series F-U.S.\$²	7.16%	4.50%	—	—	4.02%
Benchmark	5.33%	4.57%	—	—	5.02%
Series FT³	6.51%	3.98%	3.31%	—	3.36%
Benchmark	5.33%	4.57%	4.00%	—	4.99%
Series FT-U.S.\$²	7.27%	4.55%	—	—	4.07%
Benchmark	5.33%	4.57%	—	—	5.02%
Series O³	7.60%	5.01%	4.37%	—	4.43%
Benchmark	5.33%	4.57%	4.00%	—	4.99%
Series O-U.S.\$²	8.25%	5.65%	—	—	5.07%
Benchmark	5.33%	4.57%	—	—	5.02%
Series R⁴	5.24%	2.86%	2.26%	—	1.98%
Benchmark	5.33%	4.57%	4.00%	—	3.96%
Series T³	5.24%	2.86%	2.26%	—	2.31%
Benchmark	5.33%	4.57%	4.00%	—	4.99%
Series T-U.S.\$²	6.23%	3.51%	—	—	3.05%
Benchmark	5.33%	4.57%	—	—	5.02%

¹Commencement of operations: May 24, 2016

²Commencement of operations: May 19, 2017

³Commencement of operations: January 8, 2014

⁴Commencement of operations: October 30, 2015

A discussion of the Fund's relative performance in comparison to the index (or indices) can be found in the *Results of Operations* Section of this report.

Index Description

The **Bloomberg Barclays Global Aggregate Bond Index**, hedged in CAD, is a market capitalization weighted index which is designed to measure the broad global markets for corporate, government, governmental agency, supranational, mortgage-backed and asset backed fixed income securities.

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⁽¹⁾

Commencement of operations: May 24, 2016

Accounting Period Ended	2020	2019	2018	2017	2016
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	10.19	9.61	10.07	9.94	10.00
Increase (Decrease) from Operations (\$)					
Total revenue	0.25	0.24	0.32	0.37	0.15
Total expenses	(0.22)	(0.21)	(0.20)	(0.21)	(0.12)
Realized gains (losses)	0.32	0.39	(0.37)	(0.31)	0.09
Unrealized gains (losses)	0.17	0.25	(0.08)	0.22	(0.47)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.52	0.67	(0.33)	0.07	(0.35)
Distributions (\$)					
From net investment income (excluding dividends)	0.04	0.04	0.14	0.11	—
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	0.02	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.06	0.04	0.14	0.11	—
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	10.71	10.19	9.61	10.07	9.94

Ratios and Supplemental Data

Accounting Period Ended	2020	2019	2018	2017	2016
	December 31	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	19,744	25,132	32,793	53,339	3,088
Number of units outstanding ⁽⁵⁾	1,844,534	2,466,993	3,412,615	5,313,109	310,578
Management expense ratio (%) ⁽⁶⁾	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 (%) ⁽⁷⁾	0.01	0.01	—	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	125.61	184.94	214.80	150.66	163.43
Net asset value per unit (\$)	10.70	10.19	9.61	10.04	9.94

Advisor-U.S.\$ Series*

⁽⁷⁾ 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⁽¹⁾

Commencement of operations: May 19, 2017

Accounting Period Ended	2020	2019	2018	2017
	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	12.90	13.17	12.61	13.52
Increase (Decrease) from Operations (\$)				
Total revenue	0.37	0.11	0.36	0.34
Total expenses	(0.27)	(0.26)	(0.25)	(0.16)
Realized gains (losses)	(0.35)	0.66	0.39	(0.16)
Unrealized gains (losses)	0.22	(6.42)	0.31	(2.17)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	(0.03)	(5.91)	0.81	(2.15)
Distributions (\$)				
From net investment income (excluding dividends)	0.07	0.05	0.14	0.09
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	0.03	0.47	—	—
Total Annual Distributions (\$) ⁽³⁾	0.10	0.52	0.14	0.09
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	13.31	12.90	13.17	12.61

Ratios and Supplemental Data

Accounting Period Ended	2020	2019	2018	2017
	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	32	79	1,111	21
Number of units outstanding ⁽⁵⁾	2,420	6,144	84,381	1,699
Management expense ratio (%) ⁽⁶⁾	2.07	2.07	2.07	2.05
Management expense ratio before waivers or absorptions (%)	2.16	2.16	2.19	2.37
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	—	0.01
Portfolio turnover rate (%) ⁽⁸⁾	125.61	184.94	214.80	150.66
Net asset value per unit (\$)	13.31	12.90	13.17	12.58

Series F

Net Assets per Unit⁽¹⁾

Commencement of operations: May 24, 2016

Accounting Period Ended	2020	2019	2018	2017	2016
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	10.26	9.66	10.09	9.98	10.00
Increase (Decrease) from Operations (\$)					
Total revenue	0.25	0.24	0.30	0.35	0.16
Total expenses	(0.11)	(0.10)	(0.10)	(0.11)	(0.07)
Realized gains (losses)	0.42	0.39	(0.41)	0.08	0.22
Unrealized gains (losses)	0.13	0.22	(0.01)	0.02	(0.60)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.69	0.75	(0.22)	0.34	0.29
Distributions (\$)					
From net investment income (excluding dividends)	0.14	0.14	0.21	0.22	0.01
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.14	0.14	0.21	0.22	0.01
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	10.78	10.26	9.66	10.09	9.98

Ratios and Supplemental Data

Accounting Period Ended	2020	2019	2018	2017	2016
	December 31	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	33,861	27,946	32,402	24,695	16,850
Number of units outstanding ⁽⁵⁾	3,141,075	2,724,061	3,352,872	2,452,832	1,687,523
Management expense ratio (%) ⁽⁶⁾	1.12	0.98	1.04	1.07	1.14
Management expense ratio before waivers or absorptions (%)	1.17	1.02	1.07	1.10	1.17
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	—	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	125.61	184.94	214.80	150.66	163.43
Net asset value per unit (\$)	10.78	10.26	9.66	10.07	9.99

Series F-U.S.\$*

⁽¹⁾ 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⁽¹⁾

Commencement of operations: May 19, 2017

Accounting Period Ended	2020	2019	2018	2017
	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	13.36	13.13	12.57	13.52
Increase (Decrease) from Operations (\$)				
Total revenue	0.31	0.33	0.40	0.28
Total expenses	(0.14)	(0.13)	(0.13)	(0.08)
Realized gains (losses)	(0.02)	0.36	0.05	(1.00)
Unrealized gains (losses)	0.73	(0.20)	0.62	0.06
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.88	0.36	0.94	(0.74)
Distributions (\$)				
From net investment income (excluding dividends)	0.16	0.17	0.26	0.17
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.16	0.17	0.26	0.17
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	13.87	13.36	13.13	12.57

Ratios and Supplemental Data

Accounting Period Ended	2020	2019	2018	2017
	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	6,737	6,698	3,564	2,588
Number of units outstanding ⁽⁵⁾	485,804	501,571	271,312	206,380
Management expense ratio (%) ⁽⁶⁾	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 (%) ⁽⁷⁾	0.01	0.01	—	0.01
Portfolio turnover rate (%) ⁽⁸⁾	125.61	184.94	214.80	150.66
Net asset value per unit (\$)	13.87	13.36	13.13	12.54

Series FT*

⁽¹⁾ 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⁽¹⁾ Commencement of operations: January 8, 2014

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	9.16	8.85	9.43	9.50	9.72
Increase (Decrease) from Operations (\$)					
Total revenue	0.22	0.22	0.31	0.33	0.15
Total expenses	(0.09)	(0.09)	(0.09)	(0.10)	(0.10)
Realized gains (losses)	0.34	0.37	(0.33)	0.12	0.73
Unrealized gains (losses)	0.11	0.17	(0.12)	(0.04)	(0.60)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.58	0.67	(0.23)	0.31	0.18
Distributions (\$)					
From net investment income (excluding dividends)	0.13	0.12	0.21	0.21	0.02
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	0.24	0.23	0.17	0.17	0.37
Total Annual Distributions (\$) ⁽³⁾	0.37	0.35	0.38	0.38	0.39
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	9.37	9.16	8.85	9.43	9.50

Ratios and Supplemental Data

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Total net asset value (000's of \$) ⁽⁵⁾	59,011	55,850	55,834	120,834	151,003
Number of units outstanding ⁽⁵⁾	6,297,968	6,099,874	6,311,139	12,849,964	15,897,009
Management expense ratio (%) ⁽⁶⁾	1.02	1.02	1.04	1.07	1.04
Management expense ratio before waivers or absorptions (%)	1.05	1.04	1.07	1.10	1.11
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	—	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	125.61	184.94	214.80	150.66	163.43
Net asset value per unit (\$)	9.37	9.16	8.85	9.40	9.50

Series FT-U.S.\$*

⁽¹⁾ 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⁽¹⁾ Commencement of operations: May 19, 2017

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	12.85	12.99	12.56	13.52
Increase (Decrease) from Operations (\$)				
Total revenue	0.32	0.32	0.41	0.28
Total expenses	(0.12)	(0.15)	(0.13)	(0.09)
Realized gains (losses)	0.03	0.37	0.04	(1.21)
Unrealized gains (losses)	0.49	(0.16)	0.36	0.15
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.72	0.38	0.68	(0.87)
Distributions (\$)				
From net investment income (excluding dividends)	0.21	0.17	0.27	0.09
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	0.31	0.35	0.13	0.01
Total Annual Distributions (\$) ⁽³⁾	0.52	0.52	0.40	0.10
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	13.00	12.85	12.99	12.56

Ratios and Supplemental Data

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31
Total net asset value (000's of \$) ⁽⁵⁾	3,515	3,631	3,921	6,234
Number of units outstanding ⁽⁵⁾	270,429	282,691	301,900	497,439
Management expense ratio (%) ⁽⁶⁾	0.91	1.14	1.07	1.14
Management expense ratio before waivers or absorptions (%)	0.96	1.18	1.12	1.19
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	—	0.01
Portfolio turnover rate (%) ⁽⁸⁾	125.61	184.94	214.80	150.66
Net asset value per unit (\$)	13.00	12.84	12.99	12.53

Series O

Net Assets per Unit⁽¹⁾

Commencement of operations: January 8, 2014

Accounting Period Ended	2020	2019	2018	2017	2016
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	9.48	9.07	9.57	9.58	9.70
Increase (Decrease) from Operations (\$)					
Total revenue	0.23	0.23	0.27	0.33	0.16
Total expenses	—	—	—	—	—
Realized gains (losses)	0.37	0.38	(0.40)	0.07	0.62
Unrealized gains (losses)	0.08	0.15	0.02	—	(0.61)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.68	0.76	(0.11)	0.40	0.17
Distributions (\$)					
From net investment income (excluding dividends)	0.23	0.22	0.26	0.30	0.03
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	0.16	0.15	0.12	0.13	0.36
Total Annual Distributions (\$) ⁽³⁾	0.39	0.37	0.38	0.43	0.39
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	9.80	9.48	9.07	9.57	9.58

Ratios and Supplemental Data

Accounting Period Ended	2020	2019	2018	2017	2016
	December 31	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	634,446	534,563	438,898	205,025	182,020
Number of units outstanding ⁽⁵⁾	64,719,056	56,384,789	48,402,424	21,488,271	19,006,046
Management expense ratio (%) ⁽⁶⁾	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 (%) ⁽⁷⁾	0.01	0.01	—	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	125.61	184.94	214.80	150.66	163.43
Net asset value per unit (\$)	9.80	9.48	9.07	9.54	9.58

Series O-U.S.\$*

⁽⁷⁾ 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⁽¹⁾

Commencement of operations: May 19, 2017

Accounting Period Ended	2020	2019	2018	2017
	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	12.92	12.91	12.58	13.52
Increase (Decrease) from Operations (\$)				
Total revenue	0.32	0.32	0.40	0.28
Total expenses	—	—	—	—
Realized gains (losses)	0.01	0.37	0.08	(0.67)
Unrealized gains (losses)	0.45	(0.18)	0.49	(2.55)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.78	0.51	0.97	(2.94)
Distributions (\$)				
From net investment income (excluding dividends)	0.33	0.31	0.33	0.21
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	0.20	0.21	0.29	—
Total Annual Distributions (\$) ⁽³⁾	0.53	0.52	0.62	0.21
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	13.19	12.92	12.91	12.58

Ratios and Supplemental Data

Accounting Period Ended	2020	2019	2018	2017
	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	2	2	2	2
Number of units outstanding ⁽⁵⁾	154	148	142	136
Management expense ratio (%) ⁽⁶⁾	—	—	—	0.02
Management expense ratio before waivers or absorptions (%)	0.25	0.21	0.28	0.02
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	—	0.01
Portfolio turnover rate (%) ⁽⁸⁾	125.61	184.94	214.80	150.66
Net asset value per unit (\$)	13.19	12.92	12.91	12.54

Series R / T*

^(*) 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⁽¹⁾ Commencement of operations: January 8, 2014

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	8.34	8.13	8.76	9.06	9.37
Increase (Decrease) from Operations (\$)					
Total revenue	0.20	0.20	0.28	0.31	0.15
Total expenses	(0.18)	(0.16)	(0.17)	(0.18)	(0.19)
Realized gains (losses)	0.26	0.34	(0.31)	0.17	0.66
Unrealized gains (losses)	0.16	0.19	(0.08)	(0.08)	(0.57)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.44	0.57	(0.28)	0.22	0.05
Distributions (\$)					
From net investment income (excluding dividends)	0.02	0.04	0.13	0.11	—
From dividends	—	—	—	—	—
From capital gains	—	—	—	0.14	—
Return of capital	0.31	0.29	0.22	0.25	0.37
Total Annual Distributions (\$) ⁽³⁾	0.33	0.33	0.35	0.50	0.37
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	8.44	8.34	8.13	8.76	9.06

Ratios and Supplemental Data

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Total net asset value (000's of \$) ⁽⁵⁾	106,566	151,092	224,212	396,414	686,014
Number of units outstanding ⁽⁵⁾	12,635,148	18,122,607	27,566,230	45,358,493	75,721,766
Management expense ratio (%) ⁽⁶⁾	2.20	1.98	2.08	2.02	2.05
Management expense ratio before waivers or absorptions (%)	2.23	2.01	2.11	2.05	2.08
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	—	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	125.61	184.94	214.80	150.66	163.43
Net asset value per unit (\$)	8.43	8.34	8.13	8.74	9.06

Series T-U.S.\$*

^(*) 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⁽¹⁾ Commencement of operations: May 19, 2017

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	12.58	12.84	12.55	13.52
Increase (Decrease) from Operations (\$)				
Total revenue	0.31	0.31	0.46	0.28
Total expenses	(0.25)	(0.27)	(0.25)	(0.16)
Realized gains (losses)	0.06	0.37	(0.21)	(1.01)
Unrealized gains (losses)	0.47	(0.18)	0.50	0.04
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.59	0.23	0.50	(0.85)
Distributions (\$)				
From net investment income (excluding dividends)	0.05	0.05	0.22	0.09
From dividends	—	—	—	—
From capital gains	—	—	—	—
Return of capital	0.35	0.46	0.17	0.02
Total Annual Distributions (\$) ⁽³⁾	0.40	0.51	0.39	0.11
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	12.69	12.58	12.84	12.55

Ratios and Supplemental Data

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31
Total net asset value (000's of \$) ⁽⁵⁾	784	799	1,018	2,781
Number of units outstanding ⁽⁵⁾	61,808	63,527	79,244	222,137
Management expense ratio (%) ⁽⁶⁾	1.95	2.11	2.04	2.07
Management expense ratio before waivers or absorptions (%)	2.00	2.14	2.07	2.14
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	—	0.01
Portfolio turnover rate (%) ⁽⁸⁾	125.61	184.94	214.80	150.66
Net asset value per unit (\$)	12.69	12.57	12.84	12.52

Private Series*

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

Net Assets per Unit⁽¹⁾ Commencement of operations: December 1, 2015

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	10.36	9.76	10.16	10.06	9.89
Increase (Decrease) from Operations (\$)					
Total revenue	0.25	0.25	0.35	0.36	0.22
Total expenses	(0.09)	(0.08)	(0.08)	(0.08)	(0.09)
Realized gains (losses)	0.39	0.41	(0.22)	—	0.29
Unrealized gains (losses)	0.15	0.18	(0.35)	0.10	(0.54)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.70	0.76	(0.30)	0.38	(0.12)
Distributions (\$)					
From net investment income (excluding dividends)	0.17	0.16	0.22	0.25	0.02
From dividends	—	—	—	—	—
From capital gains	—	—	—	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.17	0.16	0.22	0.25	0.02
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	10.89	10.36	9.76	10.16	10.06

Ratios and Supplemental Data

Accounting Period Ended	2020 December 31	2019 December 31	2018 December 31	2017 December 31	2016 December 31
Total net asset value (000's of \$) ⁽⁵⁾	5	5	5	20,426	13,162
Number of units outstanding ⁽⁵⁾	491	489	488	2,015,175	1,308,126
Management expense ratio (%) ⁽⁶⁾	0.81	0.80	0.80	0.80	0.85
Management expense ratio before waivers or absorptions (%)	0.91	0.88	0.80	0.80	0.85
Trading expense ratio (%) ⁽⁷⁾	0.01	0.01	—	0.01	0.01
Portfolio turnover rate (%) ⁽⁸⁾	125.61	184.94	214.80	150.66	163.43
Net asset value per unit (\$)	10.88	10.36	9.76	10.14	10.06

⁽⁴⁾ This information is derived from the Fund's Annual Audited Financial Statements. The net assets per unit presented in the financial statements might differ from the net asset value calculated for fund pricing purposes. The differences are explained in the notes to the financial statements.

⁽²⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase or decrease from operations is based on the average number of units outstanding over the accounting period.

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

⁽⁴⁾ The net assets are calculated in accordance with IFRS.

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

⁽⁶⁾ Management expense ratio is based on total expenses including sales taxes for the accounting period indicated (excluding commission, other portfolio transaction costs and withholding taxes) and is expressed as an annualized percentage of daily average net value during the accounting period.

⁽⁷⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the accounting period. The trading expense ratio includes, if necessary, the trading expenses from its underlying funds, as described in Article 15.2 of Regulation 81-106.

⁽⁸⁾ The Fund's portfolio turnover rate indicates how actively the Fund portfolio's manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the accounting period. The higher a Fund's portfolio turnover rate in an accounting period, the greater the trading costs payable by the Fund in the accounting period, and the greater the chance of an investor receiving taxable capital gains in the accounting period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

Summary of Investment Portfolio

As of December 31, 2020

Portfolio Top Holdings

	% of Net Asset Value
Cash, Money Market and Other Net Assets	5.8
Bundesrepublik Deutschland Bundesanleihe, 4.75%, due July 4, 2028	2.4
Government of the United States, 1.13%, due February 28, 2027	2.4
Government of Japan, 0.70%, due December 20, 2048	2.4
Australia Government Bond, 1.75%, due June 21, 2051	2.1
Government of Japan, 0.10%, due March 10, 2028	2.1
Government of France, 0.70%, due July 25, 2030	1.9
Government of the United States, 1.50%, due February 15, 2030	1.9
Singapore Government Bond, 2.63%, due May 1, 2028	1.7
Government of the United States, 1.13%, due February 28, 2025	1.6
Italy Buoni Poliennali Del Tesoro, 1.65%, due December 1, 2030	1.5
Russian Federal Bond - OFZ, 7.65%, due April 10, 2030	1.5
Mexican Bonos, 7.75%, due May 29, 2031	1.4
Korea Treasury Bond, 2.38%, due December 10, 2028	1.3
Government of the United Kingdom, 3.25%, due January 22, 2044	1.2
Government of Spain, 0.60%, due October 31, 2029	1.1
UMBS TBA 15YR, 2.50%, due January 15, 2051	1.0
UMBS TBA 30YR, 2.00%, due January 15, 2051	1.0
Government of the United States, 0.13%, due May 15, 2023	0.9
Lloyds Bank Corporate Markets PLC, 2.38%, due April 9, 2026	0.9
Barclays Bank PLC, Floating, due April 2, 2024	0.8
BP Capital Markets PLC, 2.82%, due April 7, 2032	0.8
Republic of South Africa Government Bond, 8.00%, due January 31, 2030	0.8
Shell International Finance BV, 1.88%, due April 7, 2032	0.8
Government of the United States, 3.38%, due November 15, 2048	0.7
	40.0

Net asset value \$864,705,173

Asset Mix

	% of Net Asset Value
Foreign Bonds	52.4
US Bonds	27.5
Asset Backed Securities	12.7
Mortgage Backed Securities	0.9
Federal Bonds	0.7
Derivative Products	(1.0)
Cash, Money Market and Other Net Assets	6.8

Term Allocation

	% of Net Asset Value
Under one year	5.5
From 1 year to 5 years	16.8
From 5 years to 10 years	45.0
More than 10 years	32.7

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.