

Annual Management Report of Fund Performance

For the period ended December 31, 2019

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended December 31, 2019

Diversified Fund

NBI Jarislowsky Fraser Select Balanced 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 Jarislowsky Fraser Select Balanced Fund's investment objective is to achieve moderate capital growth. The Fund invests, directly or indirectly, in a diversified portfolio comprised mainly of Canadian fixed income and equity securities.

The portfolio manager analyses equity securities such as common and preferred shares and selects mainly high quality equities of Canadian issuers. The Fund may also invest in investment-grade fixed income securities denominated in Canadian or foreign currency and invests mainly in corporate and government bonds. The Fund may also invest in convertible bonds. The Fund may invest approximately 30% of its net assets in equity or fixed income securities of foreign issuers.

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, 2019, the NBI Jarislowsky Fraser Select Balanced Fund's Advisor Series units returned 14.11% compared to 16.39% for the Fund's blended benchmark. The broad-based indices, the Morningstar Canada Liquid Bond Index (CAD) and the Morningstar Canada Large-Mid Index (CAD), returned 7.53% and 22.74% respectively. Unlike the indices, 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 2.56% over the period, from \$144.82 million as at December 31, 2018 to \$148.53 million as at December 31, 2019.

Looking back in 2019, the year started under a dark cloud and much volatility, with fears that interest rates had risen too far, too fast, and number of risks needing to be addressed politically, including U.S.-China trade tensions, the United States-Mexico-Canada Agreement ("USMCA") and Brexit, among others. The year finished with movement on all three fronts, as well as lower interest rates in most of the world's major economies, which provided the stimulus for financial markets to generate strong returns for the fourth quarter and for 2019 as a whole.

Encouraged by the three Fed rate cuts and a strong domestic economy, 2019 was a strong year for the U.S. equity market. All sectors performed well as the worst performance was in the Energy sector which nevertheless gained 11.8%. The Information Technology and the Telecommunication Services sectors were the big winners this year as they gained 50.3% and 32.7% respectively. The S&P500, which gained 31.5% (USD) and slightly over 25% (CAD) throughout the year, reached several all-time highs during the year, the last of which was on December 27th, boosted by growing optimism over an initial U.S.-China trade deal.

Much like markets further west, 2019 was a good year for international markets where all sectors had a positive performance, and the worst performance came from the Energy sector gaining 8.6%. Businesses represented in the MSCI EAFE index also recorded outstanding results in 2019. Like the rest of the world's markets, the Information Technology sector was the main contributor to the index performance, gaining 38.1%. Italy was the best performer of the index, gaining 33.8% throughout the year, and Hong Kong underperformed, gaining 13% despite being the best performing index in December by gaining over 7% thanks to an upbeat mood on the trade front.

Along with most of the rest of the world, the Canadian equity market performed very well in 2019. The S&P/TSX index, which gained 22.8% throughout the year, reached several all-time highs during the period, lastly on December 20th, boosted by upbeat economic data from China amid growing optimism over an initial U.S.-China trade deal. The index was mainly driven by the Information Technology sector increasing by 64.1% and Utilities names gaining 37.5%. The only detractors this year was the Health Care sector losing 10.9% thanks to the unimpressive performance of names in the cannabis sector.

It is under these circumstances that the U.S. Federal Reserve (the "Fed") orchestrated a 180-degree policy shift from projecting two rate hikes in 2019, to rather opt for three rate cuts; in July, September and October, much to the delight of both equities and bond investors. As justification, the Fed acknowledged the global headwinds that have plagued the marketplace – namely lingering anxieties on the US-China trade front that have clouded the global economic backdrop and threatened to spillover to the U.S. economy. After the Fed took some additional insurance in October by lowering its lending rate to a target range of 1.50% to 1.75%, it indicated that it would pause rate cuts for the foreseeable future. Since then, Fed officials have publicly characterized the U.S. economy as strong, led by solid consumer spending but threatened by exogenous factors such as global weakness, the U.S.-China tariff war and uncertainties associated with Brexit. Easy monetary policy was also mirrored by a majority of central banks around the world, except by the Bank of Canada which kept its key rate unchanged at 1.75% throughout the year.

During the period, the U.S. and Canadian yield curve inverted in March for the first time since 2007, reaching its most prominent inversion in August before returning to its usual self towards the end of the year. The U.S. 10-year bond yields ended the year down 77 bps after reaching a bottom of 1.46% in September, while Canadian 10 years lost just 27, with its lowest point of 1.09% achieved in August.

In this environment, the overall Canadian bond universe index ended 2019 with a return of 6.87%. With interest rates lower on the year, all sectors posted gains for the period. However, provincial and municipal bonds were still among the best performers, as were longer-term issues.

Within credit assets, high yield bonds (lower than BBB-rated) outperformed investment grade corporate bonds, returning about 10.4% all in, compared to 8.1% for all Canadian corporate bonds. Sector-wise, the Energy and Infrastructure sectors led the other sectors, gaining respectively 11.2% and 11.4% whereas securitized assets and the Financial sector underperformed, gaining, however, 4.7% and 5.2%.

Given these circumstances, the Fund managed to post positive returns but lagged its benchmark. The Fund's international equity segment outperformed its relative benchmark, mainly due to strong performance from ASML Holdings and AXA. Strong performance from the Fund's Financial positions including Industrial Alliance, Brookfield Asset Management and Intact Financial also contributed to performance over the period. Conversely, Walgreens and SNC-Lavalin were the main detractors to performance. In the fixed income component of the portfolio, the overweight exposure to corporate bonds and selection in the Infrastructure and Industrials sectors added value as well as that advocated in the provincial bonds. The overweight exposure to the Financial sector and better-quality issuers detracted some value, however.

The Fund remains overweight in foreign equities, neutral in Canadian equities, and underweight in bonds. The allocation to international developed markets, as well as the strong excess returns generated in that portfolio was particularly notable over both Q4 and the full year. Over the full year, as often happens in periods of very strong equity returns, below benchmark performance in both the Canadian and U.S. equity sections led to overall performance at or around the benchmark level.

Recent Developments

During the year, the portfolio manager liquidated positions in Great-West Lifeco, Keyera Corp., Canadian Tire Corp., ARC Resources, Noble Energy, Walgreens, Davita Inc., Comcast Corp., Siemens and Bayer. The sale of Keyera and ARC Resources was due in large part to his skepticism about their abilities to generate value going forward at current commodity prices. He sold Canadian Tire, in part due to macro expectations as the company is largely a discretionary retailer. That downside risk is amplified by its growing credit card portfolio, and high leverage. Other risks continue to mount, including e-commerce competition, branded sporting goods moving to direct-to-consumer, direct competition at opening price point sporting goods, and leverage is elevated. Valuation appears inexpensive relative to the market; however, he believes that risk is elevated and doesn't see acceptable returns going forward. In counterpart, he initiated new positions in Altus Group, WSP Global, Premium Brands, Winpak Ltd., Colgate-Palmolive, Mastercard Inc., Boston Scientific, UnitedHealth Group and Atlas Copco.

In the longer term, his expectations continue to be limited by the secular headwinds. Developed economies are heavily indebted, have underinvested in productive capacity, and are facing demographic headwinds due to an aging population base. In sum, the long-term trend rate of economic growth will continue to be modest even without the added uncertainty from protracted trade wars and Brexit negotiations. Central bank intervention will continue to be needed in the absence of truly significant fiscal policy stimulus. In this context, the portfolio manager expects more uncertainty in the increasingly multi-polar geopolitical world which would only be magnified by a potential second term for President Trump. His re-election would allow him to put his "America First" trade and foreign relations policies into overdrive.

On April 30, 2019, the Fund's independent review committee (the "IRC") was reduced to three members when André Godbout resigned as an IRC member. On May 22, 2019, the Fund's IRC was increased to five members when Norman Turnbull and Robert Martin were appointed 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:

Fund Manager

The Fund is managed by National Bank Investments Inc. ("NBI"), which is a wholly-owned subsidiary of the Bank. Therefore, NBI 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 Fund reimbursed NBI for operating expenses, at cost, incurred in administering the Fund, including trustee, recordkeeping, custodial, legal, audit, investor servicing, and securityholder reporting fees.

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

Distribution and Dealer Compensation

Fund securities are offered by National Bank Direct Brokerage (a division of National Bank Financial Inc., an indirect wholly owned subsidiary of the Bank), CABN Investments (a division of NBII), National Bank Financial Inc. and other affiliated entities. Each month, brokers receive a 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, 2019
Total brokerage fees	19,476.84
Brokerage fees paid to National Bank Financial	1,286.23

Independent Review Committee Approvals and Recommendations

The Fund followed the standing instructions of its Independent Review Committee with respect to one or more of the following transactions:

- Purchasing or holding the securities of a related issuer, in particular, those of National Bank of Canada;
- Investing in the securities of an issuer when an entity related to the manager acts as an underwriter for the placement or at any time during the 60-day period after the end of the placement;
- Purchasing or selling securities to another investment fund managed by the manager or a company in the same group;
- Purchasing or selling debt securities on the secondary market, through related brokers that are main brokers in the Canadian debt securities market (in accordance with an exemption received from the Canadian Securities Administrators);
- Entering into foreign exchange transactions (including both spot transactions and forward transactions) with National Bank of Canada.

The manager has implemented policies and procedures to make sure that the conditions applicable to each of the above transactions are met. The applicable standing instructions require that these transactions be carried out in accordance with NBI policies, which specify, in particular, that investment decisions pertaining to these related party transactions must be made free from any influence by an entity related to NBI and without taking into account any consideration relevant to an entity related to NBI. Furthermore, the investment decisions must represent the business judgment of the securities advisor, uninfluenced by considerations other than the best interest of the Fund and must achieve a fair and reasonable result for the Fund.

Registered Plan Trust Services

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

Administrative and Operating Services

The provision of certain services was delegated by the Fund manager, NBI, 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 [†]
Advisor Series and Series T5*			
Front-end load	1.70%	58.82%	41.18%
Low load - 1 to 3 years	1.70%	29.41%	70.59%
Low load - 4 years and more	1.70%	58.82%	41.18%
Series E	0.70%	-	100.00%
Series F and Series F5	0.70%	-	100.00%

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

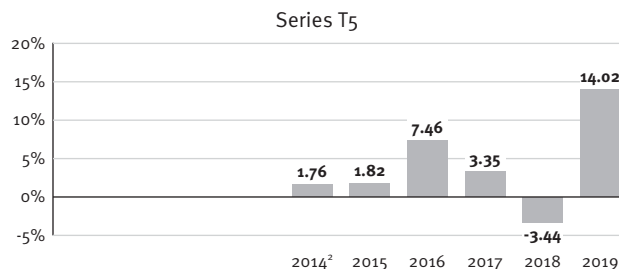
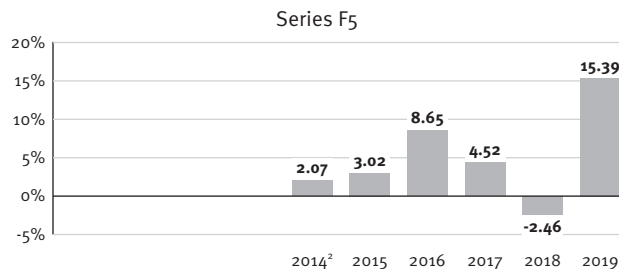
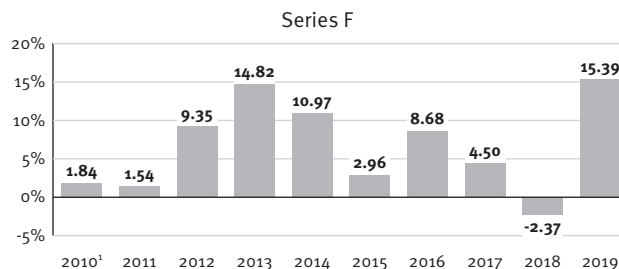
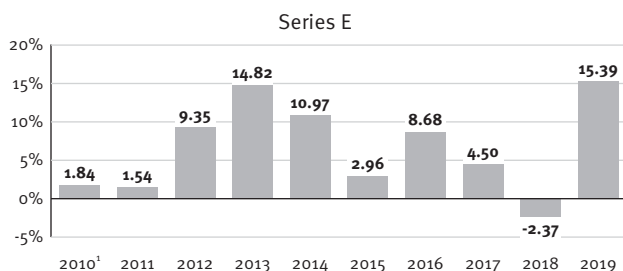
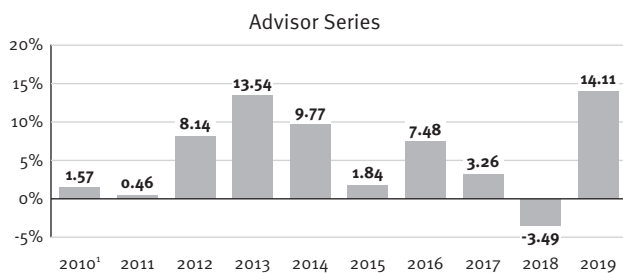
^(*) Excluding sales commissions paid on the Advisor Series and Series T5 with the low sales charge option, which are not included in the management fees.

Past Performance

The performance of each series of the Fund presented below are calculated as of December 31 of each year. They assume 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 the 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 of October 7, 2010 (commencement of operations) to December 31, 2010.

⁽²⁾ Returns for the period of September 30, 2014 (commencement of operations) to December 31, 2014.

Annual Compounded Performance

The following table shows the Fund's annual compound returns for each series in existence greater than one year and for each of the periods ended on December 31, 2019, compared with the following benchmarks:

The blended benchmark (the "Benchmark") is composed of:

- Morningstar Canada Liquid Bond Index (CAD) (40%)
- Morningstar Canada Large-Mid Index (CAD) (35%)
- Morningstar Developed Markets Large-Mid Cap Index (CAD) (25%)

The broad-based indices are as follows:

- Broad-based index 1: Morningstar Canada Liquid Bond Index (CAD)
- Broad-based index 2: Morningstar Canada Large-Mid Index (CAD)

NBI Jarislowsky Fraser Select Balanced Fund

	1 year	3 years	5 years	10 years	Since inception
Advisor Series¹	14.11%	4.38%	4.48%	–	5.99%
Benchmark	16.39%	7.10%	6.67%	–	7.65%
Broad-based index 1	7.53%	3.81%	3.42%	–	4.20%
Broad-based index 2	22.74%	7.14%	6.37%	–	6.97%
Series E¹	15.39%	5.59%	5.67%	–	7.18%
Benchmark	16.39%	7.10%	6.67%	–	7.65%
Broad-based index 1	7.53%	3.81%	3.42%	–	4.20%
Broad-based index 2	22.74%	7.14%	6.37%	–	6.97%
Series F¹	15.39%	5.59%	5.67%	–	7.18%
Benchmark	16.39%	7.10%	6.67%	–	7.65%
Broad-based index 1	7.53%	3.81%	3.42%	–	4.20%
Broad-based index 2	22.74%	7.14%	6.37%	–	6.97%
Series F5²	15.39%	5.56%	5.66%	–	5.79%
Benchmark	16.39%	7.10%	6.67%	–	7.03%
Broad-based index 1	7.53%	3.81%	3.42%	–	3.92%
Broad-based index 2	22.74%	7.14%	6.37%	–	6.06%
Series T5²	14.02%	4.40%	4.48%	–	4.60%
Benchmark	16.39%	7.10%	6.67%	–	7.03%
Broad-based index 1	7.53%	3.81%	3.42%	–	3.92%
Broad-based index 2	22.74%	7.14%	6.37%	–	6.06%

¹Commencement of operations: October 7, 2010

²Commencement of operations: September 30, 2014

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 Descriptions

The **Morningstar Canada Liquid Bond Index** offers diversified exposure to federal debt securities guaranteed by the federal government, to provincial debt securities guaranteed by the provincial government and to corporate debt securities denominated in Canadian dollars in order to maintain liquidity. Small issuances, issuances with limited terms and issuances with credit ratings lower than those of investment-grade securities are excluded from the index.

The **Morningstar Canada Large-Mid Index** measures the performance of Canadian stock exchanges by targeting 90% of shares, based on their order of importance in terms of market capitalization.

The **Morningstar Developed Markets Large-Mid Cap Index** is a subset of large- and mid-cap stocks included in the Morningstar Developed Markets Index, a broad-based index that represents 97% of the market capitalization of developed markets.

The blended benchmark was modified to better reflect the categories of assets in which the Fund invests. The information related to the previous blended benchmark is presented below.

The previous blended benchmark was composed of:

- FTSE Canada Universe Bond Index (CAD) (40%)
- S&P/TSX Capped Composite Index (CAD) (35%)
- MSCI World Index (CAD) (25%)

The previous broad-based indices were as follows:

- Broad-based index 1: FTSE Canada Universe Bond Index (CAD)
- Broad-based index 2: S&P/TSX Capped Composite Index (CAD)

NBI Jarislowsky Fraser Select Balanced Fund

	1 year	3 years	5 years	10 years	Since inception
Advisor Series¹	14.11%	4.38%	4.48%	–	5.99%
Benchmark	16.06%	6.76%	6.46%	–	7.70%
Broad-based index 1	6.87%	3.57%	3.18%	–	3.95%
Broad-based index 2	22.88%	6.89%	6.28%	–	6.76%
Series E¹	15.39%	5.59%	5.67%	–	7.18%
Benchmark	16.06%	6.76%	6.46%	–	7.70%
Broad-based index 1	6.87%	3.57%	3.18%	–	3.95%
Broad-based index 2	22.88%	6.89%	6.28%	–	6.76%
Series F¹	15.39%	5.59%	5.67%	–	7.18%
Benchmark	16.06%	6.76%	6.46%	–	7.70%
Broad-based index 1	6.87%	3.57%	3.18%	–	3.95%
Broad-based index 2	22.88%	6.89%	6.28%	–	6.76%
Series F5²	15.39%	5.56%	5.66%	–	5.79%
Benchmark	16.06%	6.76%	6.46%	–	6.86%
Broad-based index 1	6.87%	3.57%	3.18%	–	3.73%
Broad-based index 2	22.88%	6.89%	6.28%	–	5.96%
Series T5²	14.02%	4.40%	4.48%	–	4.60%
Benchmark	16.06%	6.76%	6.46%	–	6.86%
Broad-based index 1	6.87%	3.57%	3.18%	–	3.95%
Broad-based index 2	22.88%	6.89%	6.28%	–	6.76%

¹Commencement of operations: October 7, 2010

²Commencement of operations: September 30, 2014

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.

Advisor Series

Net Assets per Unit⁽¹⁾ Commencement of operations: October 7, 2010

Accounting Period Ended	2019 December 31	2018 December 31	2017 December 31	2016 December 31	2015 December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	13.07	13.97	13.60	12.76	12.87
Increase (Decrease) from Operations (\$)					
Total revenue	0.37	0.35	0.35	0.37	0.40
Total expenses	(0.29)	(0.27)	(0.28)	(0.26)	(0.27)
Realized gains (losses)	0.20	0.96	(0.28)	0.08	0.28
Unrealized gains (losses)	1.56	(1.48)	0.65	0.77	(0.25)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	1.84	(0.44)	0.44	0.96	0.16
Distributions (\$)					
From net investment income (excluding dividends)	—	—	—	—	—
From dividends	0.08	0.08	0.07	0.11	0.13
From capital gains	—	0.34	—	—	0.22
Return of capital	—	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.08	0.42	0.07	0.11	0.35
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	14.82	13.07	13.97	13.60	12.76

Ratios and Supplemental Data

Accounting Period Ended	2019 December 31	2018 December 31	2017 December 31	2016 December 31	2015 December 31
Total net asset value (000's of \$) ⁽⁵⁾	69,709	65,532	91,440	88,811	79,485
Number of units outstanding ⁽⁵⁾	4,703,465	5,016,194	6,545,870	6,532,368	6,228,773
Management expense ratio (%) ⁽⁶⁾	1.99	1.96	2.01	2.00	2.02
Management expense ratio before waivers or absorptions (%)	2.00	1.97	2.02	2.01	2.02
Trading expense ratio (%) ⁽⁷⁾	0.01	0.02	0.01	0.01	0.03
Portfolio turnover rate (%) ⁽⁸⁾	30.90	37.81	25.51	18.73	17.04
Net asset value per unit (\$)	14.82	13.06	13.97	13.60	12.76

Series F/E

Net Assets per Unit⁽¹⁾ Commencement of operations: October 7, 2010

Accounting Period Ended	2019 December 31	2018 December 31	2017 December 31	2016 December 31	2015 December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	13.31	14.24	13.85	12.99	13.09
Increase (Decrease) from Operations (\$)					
Total revenue	0.37	0.36	0.35	0.38	0.41
Total expenses	(0.13)	(0.12)	(0.13)	(0.12)	(0.12)
Realized gains (losses)	0.20	0.96	(0.29)	0.09	0.28
Unrealized gains (losses)	1.65	(1.48)	0.67	0.84	(0.28)
Total Increase (Decrease) from Operations (\$) ⁽²⁾	2.09	(0.28)	0.60	1.19	0.29
Distributions (\$)					
From net investment income (excluding dividends)	—	—	—	0.07	0.01
From dividends	0.25	0.24	0.23	0.17	0.26
From capital gains	—	0.34	—	—	0.23
Return of capital	—	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.25	0.58	0.23	0.24	0.50
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	15.09	13.31	14.24	13.85	12.99

Ratios and Supplemental Data

Accounting Period Ended	2019 December 31	2018 December 31	2017 December 31	2016 December 31	2015 December 31
Total net asset value (000's of \$) ⁽⁵⁾	69,642	70,932	93,980	85,099	58,466
Number of units outstanding ⁽⁵⁾	4,613,109	5,330,028	6,601,430	6,143,582	4,502,692
Management expense ratio (%) ⁽⁶⁾	0.86	0.84	0.89	0.87	0.90
Management expense ratio before waivers or absorptions (%)	0.87	0.85	0.90	0.87	0.90
Trading expense ratio (%) ⁽⁷⁾	0.01	0.02	0.01	0.01	0.03
Portfolio turnover rate (%) ⁽⁸⁾	30.90	37.81	25.51	18.73	17.04
Net asset value per unit (\$)	15.10	13.31	14.24	13.85	12.98

Series F5

Net Assets per Unit⁽¹⁾

Commencement of operations: September 30, 2014

Accounting Period Ended	2019	2018	2017	2016	2015
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ^(a)	9.14	10.10	10.16	9.84	10.07
Increase (Decrease) from Operations (\$)					
Total revenue	0.25	0.25	0.25	0.28	0.30
Total expenses	(0.09)	(0.08)	(0.09)	(0.09)	(0.09)
Realized gains (losses)	0.14	0.64	(0.22)	0.07	0.16
Unrealized gains (losses)	1.08	(1.03)	0.50	0.84	(0.41)
Total Increase (Decrease) from Operations (\$) ^(a)	1.38	(0.22)	0.44	1.10	(0.04)
Distributions (\$)					
From net investment income (excluding dividends)	—	—	—	0.05	0.01
From dividends	0.16	0.16	0.15	0.11	0.17
From capital gains	—	0.21	—	—	0.04
Return of capital	0.29	0.34	0.36	0.33	0.33
Total Annual Distributions (\$) ⁽³⁾	0.45	0.71	0.51	0.49	0.55
Net Assets, End of Accounting Period Shown (\$) ^(a)	10.07	9.14	10.10	10.16	9.84

Ratios and Supplemental Data

Accounting Period Ended	2019	2018	2017	2016	2015
	December 31	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	5,666	5,365	5,792	2,570	401
Number of units outstanding ⁽⁵⁾	562,556	586,679	573,743	252,914	40,809
Management expense ratio (%) ⁽⁶⁾	0.88	0.85	0.89	0.88	0.90
Management expense ratio before waivers or absorptions (%)	0.89	0.86	0.90	0.88	0.90
Trading expense ratio (%) ⁽⁷⁾	0.01	0.02	0.01	0.01	0.03
Portfolio turnover rate (%) ⁽⁸⁾	30.90	37.81	25.51	18.73	17.04
Net asset value per unit (\$)	10.07	9.14	10.10	10.16	9.83

Series T5

Net Assets per Unit⁽¹⁾

Commencement of operations: September 30, 2014

Accounting Period Ended	2019	2018	2017	2016	2015
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ^(a)	8.60	9.63	9.80	9.59	10.04
Increase (Decrease) from Operations (\$)					
Total revenue	0.24	0.24	0.24	0.27	0.31
Total expenses	(0.18)	(0.18)	(0.19)	(0.19)	(0.21)
Realized gains (losses)	0.13	0.64	(0.21)	0.06	0.23
Unrealized gains (losses)	0.98	(1.00)	0.61	0.64	(0.44)
Total Increase (Decrease) from Operations (\$) ^(a)	1.17	(0.30)	0.45	0.78	(0.11)
Distributions (\$)					
From net investment income (excluding dividends)	—	—	—	—	—
From dividends	0.05	0.05	0.02	0.08	0.09
From capital gains	—	0.23	—	—	0.14
Return of capital	0.38	0.43	0.47	0.40	0.41
Total Annual Distributions (\$) ⁽³⁾	0.43	0.71	0.49	0.48	0.64
Net Assets, End of Accounting Period Shown (\$) ^(a)	9.36	8.60	9.63	9.80	9.59

Ratios and Supplemental Data

Accounting Period Ended	2019	2018	2017	2016	2015
	December 31	December 31	December 31	December 31	December 31
Total net asset value (000's of \$) ⁽⁵⁾	3,510	2,996	3,798	248	172
Number of units outstanding ⁽⁵⁾	374,825	348,427	394,366	25,338	17,933
Management expense ratio (%) ⁽⁶⁾	1.97	1.96	2.00	1.99	2.06
Management expense ratio before waivers or absorptions (%)	1.99	1.98	2.01	1.99	2.06
Trading expense ratio (%) ⁽⁷⁾	0.01	0.02	0.01	0.01	0.03
Portfolio turnover rate (%) ⁽⁸⁾	30.90	37.81	25.51	18.73	17.04
Net asset value per unit (\$)	9.36	8.60	9.63	9.80	9.59

- ⁽¹⁾ This information is derived from the Fund's Annual Audited Financial Statements. The net assets per unit presented in the financial statements might differ from the net asset value calculated for fund pricing purposes. The differences are explained in the notes to the financial statements.
- ⁽²⁾ Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase or decrease from operations is based on the average number of units outstanding over the accounting period. For the Advisor Series and Series T5, the detailed calculation of the total Increase (Decrease) from Operations as at December 31, 2015 has been adjusted to reflect the proper allocation between the following items: Total revenue, Total expenses, Realized gain (losses) and/or Unrealized gain (losses). It is a non-material correction related to a programming error in the ratio calculation.
- ⁽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. 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.
- ⁽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, 2019

Portfolio Top Holdings

	% of Net Asset Value
Province of Ontario, 2.90%, due June 2, 2028	2.8
Toronto-Dominion Bank	2.6
Enbridge Inc.	2.3
Microsoft Corp.	2.3
Brookfield Asset Management Inc., Class A	2.2
Canadian National Railway Co.	2.2
Royal Bank of Canada	2.1
Bank of Nova Scotia	1.9
Manulife Financial Corp.	1.9
Cash, Money Market and Other Net Assets	1.9
Alimentation Couche-Tard Inc., Class B	1.8
Berkshire Hathaway Inc., Class B	1.7
Alphabet Inc., Class A	1.6
Royal Bank of Canada, 2.03%, due March 15, 2021	1.5
CGI Group Inc., Class A	1.5
Nutrien Ltd.	1.5
Open Text Corp.	1.5
Thomson Reuters Corp.	1.5
ASML Holding N.V.	1.4
Canadian Imperial Bank of Commerce, 2.90%, due September 14, 2021	1.4
Canadian Natural Resources Ltd.	1.4
Verisk Analytics Inc.	1.4
IQVIA Holdings Inc.	1.3
Intact Financial Corp.	1.2
Tencent Holdings Ltd., ADR	1.2
	44.1

Net asset value \$148,526,423

Asset Mix

	% of Net Asset Value
Canadian Equity	36.0
US Equity	18.7
Corporate Bonds	16.7
Provincial Bonds	10.6
International Equity	8.9
Federal Bonds	4.8
US Bonds	1.5
Foreign Bonds	0.6
Municipal Bonds	0.3
Cash, Money Market and Other Net Assets	1.9

Sector Allocation

	% of Net Asset Value
Bonds	34.7
Financials	17.7
Industrials	9.0
Information Technology	7.5
Consumer Staples	7.3
Energy	5.9
Health Care	5.6
Consumer Discretionary	4.5
Communication Services	3.2
Materials	2.7
Cash, Money Market and Other Net Assets	1.9

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

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



Open architecture.
Endless opportunities.

