

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended December 31, 2023

Global Equity Private Portfolio

NBI Non-Traditional Capital Appreciation Private Portfolio

Notes on forward-looking statements

This report may contain forward-looking statements concerning the Fund, its future performance, its strategies or prospects or about future events or circumstances. Such forward-looking statements include, among others, statements with respect to our beliefs, plans, expectations, estimates and intentions. The use of the expressions "foresee", "intend", "anticipate", "estimate", "assume", "believe" and "expect" and other similar terms and expressions indicate forward-looking statements.

By their very nature, forward-looking statements imply the use of assumptions and necessarily involve inherent risks and uncertainties. Consequently, there is a significant risk that the explicit or implicit forecasts contained in these forward-looking statements might not materialize or that they may not prove to be accurate in the future. A number of factors could cause future results, conditions or events to differ materially from the objectives, expectations, estimates or intentions expressed in such forward-looking statements. Such differences might be caused by several factors, including changes in Canadian and worldwide economic and financial conditions (in particular interest and exchange rates and the prices of other financial instruments), market trends, new regulatory provisions, competition, changes in technology and the potential impact of conflicts and other international events.

The foregoing list of factors is not exhaustive. Before making any investment decision, investors and others relying on our forward-looking statements should carefully consider the foregoing factors and other factors. We caution readers not to rely unduly on these forward-looking statements. We assume no obligation to update forward-looking statements in the light of new information, future events or other circumstances unless applicable legislation so provides.

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

Management Discussion of Fund Performance

Investment Objective and Strategies

The NBI Non-Traditional Capital Appreciation Private Portfolio's investment objective is to provide long-term capital appreciation. The Fund invests directly, or through investments in securities of other mutual funds, in a portfolio composed mainly of equity securities of companies located around the world selected using different nontraditional investment strategies.

The Fund's investment process is based on selecting mutual funds which offer exposure to different asset classes and combines non-traditional investment strategies to obtain low correlations with the main market indices. The portfolio manager selects mutual funds by applying risk management strategies, including quantitative strategies and option strategies.

Risks

The global investment risk of the Fund remains as described in the simplified prospectus or any amendments thereto and Fund Facts.

Results of Operations

For the twelve-month period ended December 31, 2023, the NBI Non-Traditional Capital Appreciation Private Portfolio's Series F units returned 5.78% compared to 11.95% for the Fund's blended benchmark. The broad-based index, the MSCI World Index (CAD), returned 20.47%. 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 117.90% over the period, from \$548.22 million as at December 31, 2022 to \$1.195 billion as at December 31, 2023.

The increase stemmed mainly from a rebalancing of the managed solutions offered by NBI.

Turbulence within U.S. regional banks, conflict in the Middle East, advances in artificial intelligence, record fluctuations in interest rates, hope for a soft landing; once again this year, the economic environment has not been kind to investors. Yet, with inflation slowing, the economy holding up, and the Federal Reserve opening the door to potential rate cuts, 2023 ended positively for most investors, with equities, bonds, and even cash posting appreciable gains over the period. Quite a contrast after a particularly trying 2022 on the markets.

Specifically, global equities appreciated strongly in 2023, outperforming traditional Canadian bonds, which nonetheless had a good year. In terms of leadership, 2023 belonged mainly to U.S. technology stocks, which rebounded strongly after a more difficult 2022. This largely explains the outperformance of the U.S. stock market over Canada and emerging markets.

On the fixed-income side, while long-term bonds dominated at the end of the year, it was high-yield bonds that ended 2023 with the best performance in the category against a generally positive backdrop for risky securities. Among commodities, oil prices fell over the period, while gold rebounded amid heightened geopolitical tensions. Finally, widespread market optimism resulted in a weaker U.S. dollar against a majority of currencies at year-end, including the Canadian dollar.

Over the period the Fund underperformed its benchmark. Main detractor came from the NBI SmartBeta Global Equity Fund's underperformance relative to its benchmark. The manager's underweight in the technology and consumer discretionary sectors in favor of consumer staples and utilities detracted value. Stock selection was also a detractor, particularly in communication services and consumer discretionary. From a geographical perspective, the fund's underweight in the US market impacted the fund during the year. The NBI SmartBeta Canadian Equity Fund also detracted value compared to its benchmark, the S&P/TSX. The fund's underweight to technology in favor of utilities was a significant detractor. Stock selection in technology, utilities, and consumer staples was also unsuccessful.

Recent Developments

During the period, the portfolio initiated a position in the NBI Global Real Assets Income Fund ETF. The portfolio is currently overweight Canadian and international equities and underweight US equities.

On the economic front, with inflation potentially in the Fed's comfort zone as early as in April, we can expect to see central banks gradually shift their rhetoric to pave the way for rate cuts in the second half of 2024 in the U.S., and probably even earlier in Canada. Quantifying the extent of the economic slowdown that will accompany this process is not obvious, but with the most restrictive monetary policy since the 1980s and three "no-fault" recession signals now triggered, the risks are on the downside. Moreover, with market sentiment in "extreme optimism" territory as quantified by the manager's model, it seems that the soft-landing scenario, while not impossible, is already widely discounted.

Against this backdrop, the manager continues to favor defensive positioning, with a preference for bond markets. In over 50 years, there has never been a bear market trough with a recession before the onset of the latter. In parallel, it is common to see bond yields fall significantly during (and sometimes slightly after) a major economic downturn.

Within bond markets, the manager sees this backdrop as continuing to militate in favor of a cautious positioning, with a slightly longer duration and a neutral allocation to corporate credit at most. On the equity markets, the environment looks more challenging for emerging markets and the Canadian stock market, compared to the U.S. and EAFE. From a macroeconomic point of view, the conditions for the U.S. stock market to outperform emerging markets are likely to remain in place for several months yet, with a strong greenback, slowing global growth and restrictive monetary policies. Finally, a deterioration in economic growth on our side of the border, which is likely to be more significant and imminent, poses a greater threat to a cyclical market such as the Canadian stock market than to the EAFE region, whose largest country is Japan, renowned for the defensive nature of its currency.

On March 31, 2023, the benchmark was modified to better reflect the categories of assets in which the Fund invests. The previous benchmark was the MSCI World Index (CAD).

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

Related Party Transactions

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

Trustee

National Bank Trust Inc. ("NBT"), a wholly-owned indirect subsidiary of the Bank, is the Fund's trustee. In this capacity, it is the legal owner of the Fund's investments.

Custodian and Registrar

Natcan Trust Company ("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.

Fund Manager

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

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

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

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

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

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

Portfolio Manager

The Manager has appointed National Bank Trust Inc. ("NBT"), an indirect wholly-owned subsidiary of the Bank, as the portfolio manager for the Fund. A flat fee is payable annually to NBT for its management services.

Distribution and Dealer Compensation

National Bank Financial Inc. ("NBF") acts as principal distributor for the Advisor Series, Series F, Series F5 or Series T5 of the Fund. NBF may receive, depending on the distributed series, a monthly commission representing a percentage of the average daily value of the securities held by its clients.

NBII acts as principal distributor for the Series N and Series NR of the Fund. Trailing commissions are covered by NBI Private Wealth Management's service fees, which are paid directly by investors.

Brokerage Fees

The Fund may pay broker's commissions at market rates to a corporation affiliated with NBII. The brokerage fees paid by the Fund for the period are as follows:

	Period ended December 31, 2023
Total brokerage fees	103,735.46
Brokerage fees paid to National Bank Financial	103,735.46

Registered Plan Trust Services

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

Administrative and Operating Services

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

Management Fees

The Fund pays annual management fees to the Fund manager for its management services. As the Fund invests in underlying funds, the fees and expenses payable in connection with the management of the underlying funds are in addition to those payable by the Fund. However, the Fund manager makes sure that the Fund does not pay any management (or operating) fees that, to a reasonable person, would duplicate a fee payable by the underlying fund for the same service.

The fees are calculated based on a percentage of the Fund's daily net asset value before applicable taxes and are paid on a monthly basis. Under the *Distribution* heading, expenses include the broker's compensation consisting of the maximum annual trailer fees and sales commissions paid to brokers. Under the *Other* heading, the fees relate mainly to investment management, investment advisory services, general administration and profit.

The management fees paid by the Fund only cover management of fund investments, i.e. the fees related to management of fund portfolios constituting the profiles of the NBI Private Wealth Management service ("PWM"). General administration services, trailer fees and sale commissions paid to brokers are covered by the PWM's service fees, which are paid directly by investors. 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 [†]
Series F	0.75%	—	100.00%
Series N and Series NR*	0.75%	—	100.00%

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

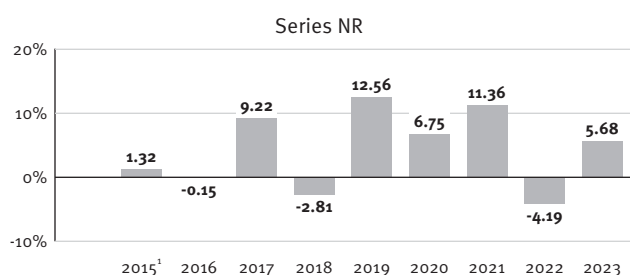
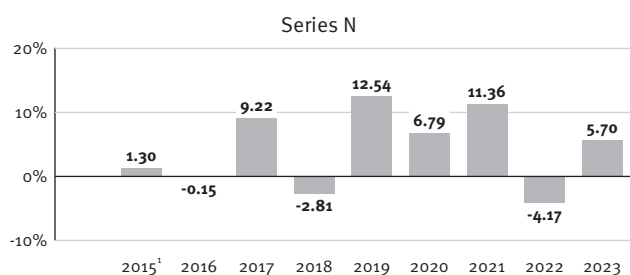
^(*) For Series N and NR, offered only to investors using the NBI Private Wealth Management service ("PWM"), management fees only cover management of fund investments, i.e. the fees related to management of fund portfolios constituting the PWM profiles. General administration services, trailer fees and sale commissions paid to brokers are covered by the PWM's service fees, which are paid directly by investors.

Past Performance

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

Annual Returns

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



⁽¹⁾ Returns for the period from October 28, 2015 (commencement of operations) to December 31, 2015.

⁽²⁾ Returns for the period from May 20, 2022 (commencement of operations) to December 31, 2022.

Annual Compounded Performance

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

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

- MSCI World Index (CAD) (50%)

The broad-based index is the MSCI World Index (CAD).

NBI Non-Traditional Capital Appreciation Private Portfolio

	1 year	3 years	5 years	10 years	Since inception
Series F¹	5.78%	–	–	–	6.67%
Benchmark	11.95%	–	–	–	15.36%
Broad-based index	20.47%	–	–	–	26.15%
Series N²	5.70%	4.09%	6.27%	–	4.70%
Benchmark	11.95%	7.99%	9.41%	–	8.24%
Broad-based index	20.47%	8.51%	12.01%	–	9.98%
Series NR²	5.68%	4.09%	6.26%	–	4.70%
Benchmark	11.95%	7.99%	9.41%	–	8.24%
Broad-based index	20.47%	8.51%	12.01%	–	9.98%

¹Commencement of operations: May 20, 2022

²Commencement of operations: October 28, 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 **MSCI World Index** is designed to measure global developed market equity performance and is made up of approximately 1,500 companies listed on stock exchanges in the 22 developed countries that make up the MSCI national indexes.

The **S&P Global Infrastructure Index** is designed to track 75 companies from around the world selected to represent the listed infrastructure industry.

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

The previous benchmark was the MSCI World Index (CAD).

NBI Non-Traditional Capital Appreciation Private Portfolio

	1 year	3 years	5 years	10 years	Since inception
Series F¹	5.78%	–	–	–	6.67%
Benchmark	20.47%	–	–	–	26.15%
Series N²	5.70%	4.09%	6.27%	–	4.70%
Benchmark	20.47%	8.51%	12.01%	–	9.98%
Series NR²	5.68%	4.09%	6.26%	–	4.70%
Benchmark	20.47%	8.51%	12.01%	–	9.98%

¹Commencement of operations: May 20, 2022

²Commencement of operations: October 28, 2015

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.

Series F

Net Assets per Unit⁽¹⁾

Commencement of operations: May 20, 2022

Accounting Period Ended	2023	2022
	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	10.21	10.00
Increase (Decrease) from Operations (\$)		
Total revenue	0.36	0.60
Total expenses	(0.07)	(0.06)
Realized gains (losses)	0.18	0.11
Unrealized gains (losses)	(0.02)	0.56
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.45	1.21
Distributions (\$)		
From net investment income (excluding dividends)	—	—
From dividends	0.31	0.28
From capital gains	0.20	—
Return of capital	—	—
Total Annual Distributions (\$) ⁽³⁾	0.51	0.28
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	10.29	10.21

Ratios and Supplemental Data

Accounting Period Ended	2023	2022
	December 31	December 31
Total net asset value (ooo's of \$) ⁽⁵⁾	7,566	6,338
Number of units outstanding ⁽⁵⁾	735,444	620,526
Management expense ratio (%) ⁽⁶⁾	0.94	1.06
Management expense ratio before waivers or absorptions (%)	1.29	1.06
Trading expense ratio (%) ⁽⁷⁾	0.22	0.07
Portfolio turnover rate (%) ⁽⁸⁾	55.93	7.38
Net asset value per unit (\$)	10.29	10.21

Series N / Private Series*

⁽¹⁾ Please note that the Private Series was created on November 28, 2016, and is offered by way of private placement.

Net Assets per Unit⁽¹⁾

Commencement of operations: October 28, 2015

Accounting Period Ended	2023	2022	2021	2020	2019
	December 31	December 31	December 31	December 31	December 31
Net Assets, Beginning of Accounting Period Shown ⁽⁴⁾	11.68	12.39	11.69	11.05	9.90
Increase (Decrease) from Operations (\$)					
Total revenue	0.45	0.29	0.31	0.23	0.23
Total expenses	(0.08)	(0.12)	(0.13)	(0.11)	(0.11)
Realized gains (losses)	0.25	0.06	0.84	—	(0.21)
Unrealized gains (losses)	0.14	(0.87)	0.32	0.62	1.31
Total Increase (Decrease) from Operations (\$) ⁽²⁾	0.76	(0.64)	1.34	0.74	1.22
Distributions (\$)					
From net investment income (excluding dividends)	—	—	—	—	—
From dividends	0.32	0.19	0.18	0.11	0.09
From capital gains	0.22	—	0.46	—	—
Return of capital	—	—	—	—	—
Total Annual Distributions (\$) ⁽³⁾	0.54	0.19	0.64	0.11	0.09
Net Assets, End of Accounting Period Shown (\$) ⁽⁴⁾	11.81	11.68	12.39	11.69	11.05

Ratios and Supplemental Data

Accounting Period Ended	2023	2022	2021	2020	2019
	December 31	December 31	December 31	December 31	December 31
Total net asset value (ooo's of \$) ⁽⁵⁾	1,176,062	536,536	639,099	497,266	428,432
Number of units outstanding ⁽⁵⁾	99,582,899	45,944,864	51,567,155	42,533,318	38,761,761
Management expense ratio (%) ⁽⁶⁾	0.95	1.07	1.06	1.06	1.10
Management expense ratio before waivers or absorptions (%)	1.30	1.07	1.06	1.06	1.10
Trading expense ratio (%) ⁽⁷⁾	0.22	0.07	0.05	0.06	0.09
Portfolio turnover rate (%) ⁽⁸⁾	55.93	7.38	—	1.44	28.20
Net asset value per unit (\$)	11.81	11.68	12.39	11.69	11.05

Series NR

Net Assets per Unit⁽⁴⁾

Commencement of operations: October 28, 2015

Accounting Period Ended	2023 December 31	2022 December 31	2021 December 31	2020 December 31	2019 December 31
Net Assets, Beginning of Accounting Period Shown⁽⁴⁾	8.38	9.35	9.22	9.15	8.56
Increase (Decrease) from Operations (\$)					
Total revenue	0.31	0.21	0.24	0.18	0.19
Total expenses	(0.06)	(0.09)	(0.10)	(0.09)	(0.09)
Realized gains (losses)	0.17	0.04	0.64	—	(0.17)
Unrealized gains (losses)	0.11	(0.65)	0.26	0.48	1.11
Total Increase (Decrease) from Operations (\$)⁽²⁾	0.53	(0.49)	1.04	0.57	1.04
Distributions (\$)					
From net investment income (excluding dividends)	—	—	—	—	—
From dividends	0.22	0.14	0.13	0.08	0.07
From capital gains	0.15	—	0.34	—	—
Return of capital	0.31	0.43	0.42	0.43	0.39
Total Annual Distributions (\$)⁽³⁾	0.68	0.57	0.89	0.51	0.46
Net Assets, End of Accounting Period Shown (\$)⁽⁴⁾	8.16	8.38	9.35	9.22	9.15

Ratios and Supplemental Data

Accounting Period Ended	2023 December 31	2022 December 31	2021 December 31	2020 December 31	2019 December 31
Total net asset value (000's of \$) ⁽⁵⁾	10,947	5,347	6,812	5,462	5,173
Number of units outstanding ⁽⁵⁾	1,341,093	638,092	728,408	592,472	565,502
Management expense ratio (%) ⁽⁶⁾	0.95	1.06	1.06	1.06	1.10
Management expense ratio before waivers or absorptions (%)	1.30	1.06	1.06	1.06	1.10
Trading expense ratio (%) ⁽⁷⁾	0.22	0.07	0.05	0.06	0.09
Portfolio turnover rate (%) ⁽⁸⁾	55.93	7.38	—	1.44	28.20
Net asset value per unit (\$)	8.16	8.38	9.35	9.22	9.15

⁽¹⁾ This information is derived from the Fund's Annual Audited Financial Statements. The net assets per unit presented in the financial statements might differ from the net asset value calculated for fund pricing purposes. The differences are explained in the notes to the financial statements.

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

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

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

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

⁽⁶⁾ Management expense ratio is based on total expenses including sales taxes for the accounting period indicated (excluding commission, other portfolio transaction costs and withholding taxes) and is expressed as an annualized percentage of daily average net value during the accounting period. The management expense ratio includes, if necessary, the management expenses from its underlying funds, as described in Article 15.2 of Regulation 81-106.

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

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

Summary of Investment Portfolio

As of December 31, 2023

Portfolio Top Holdings

	% of Net Asset Value
NBI Global Real Assets Income ETF	50.2
NBI SmartBeta Global Equity Fund, Series O	39.7
NBI SmartBeta Canadian Equity Fund, Series O	10.2
Cash, Money Market and Other Net Assets	(0.1)
	100.0

Net asset value \$1,194,575,081

Asset Mix

	% of Net Asset Value
Global Equity	81.9
Canadian Equity	16.5
Cash, Money Market and Other Net Assets	1.6

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

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

If this investment Fund invests in other investment funds, please consult the prospectus and other information about the underlying investment funds on the website indicated above or on SEDAR+'s website at www.sedarplus.ca.