Interim Management Report of Fund Performance

For the period ended June 30, 2024

NATIONAL BANK INVESTMENTS

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended June 30, 2024

NBI Exchange-Traded Funds

NBI Global Real Assets Income ETF

Notes on forward-looking statements

This report may contain forward-looking statements concerning the ETF, 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 interim management report of fund performance contains financial highlights, but does not contain the complete interim financial statements of the ETF. You can get a copy of the interim financial statements of the ETF at your request, and at no cost, by calling 1-866-603-3601, by emailing us at investments@nbc.ca, 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 ETF's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Results of Operations

For the six-month period ended June 30, 2024, the NBI Global Real Assets Income ETF's units returned 4.58% compared to 7.97% for the ETF's benchmark, the S&P Global Infrastructure Index. Unlike the benchmark, the ETF's performance is calculated after fees and expenses. Please see the *Past Performance* section for the ETF's returns, which may vary mainly because of fees and expenses.

The ETF's net asset value rose by 6.29% over the period, from $1.088 billion as at December 31, 2023, to $1.156 billion as at June 30, 2024.

Infrastructure equities advanced over the opening half of 2024 with the S&P Global Infrastructure Index (net return CAD) marking a 7.4% climb. Relative to broader global equities, the group continued to lag as investors remained hyper focused on a narrow portion of the market, generally eschewing segments like infrastructure that have been relatively disadvantaged in a higher interest rate environment due to their more capital-intensive nature and longer-term, contractual cash-flows. In spite of lower returns year-to-date, infrastructure has provided periods of outperformance versus broader equities in 2024 including stronger upside in March and May, to go along with superior downside protection during the April market selloff. Infrastructure stands to benefit from less restrictive central bank policies. However, this catalyst has proven elusive as the U.S. Federal Reserve has been patient in cutting interest rates causing market expectations to be continually reset. While several other central banks have already cut rates in 2024, the overall trend toward aggressive loosening policy persists.

Performance across underlying infrastructure sectors has varied significantly. Select areas with the strongest inflation hedging characteristics, such as waste and midstream energy, continue to receive investor support and have provided strong results thus far. Other segments, like electric utilities, have bounced back from poor performance in 2023 as attractive valuations and defensive characteristics have proven more appealing. Higher rates remain an overhang for infrastructure overall, but especially for cell tower companies which have prolonged their struggles as they tend to have relatively higher interest rate sensitivity. Geopolitical risks have also impacted various infrastructure sectors like airports and toll roads with elections in France, the United Kingdom, and Mexico elevating political risk and weighing on impacted stocks.

In this context, the Fund underperformed its benchmark.

Contributors to relative performance over the period included the airport and waste sectors. Electric utilities were the largest detractor followed by technology infrastructure.

Airports were the largest contributor over the first half of the year with the portfolio's relative underweight providing the bulk of the outperformance in the sector which has lagged infrastructure more broadly. The group represents the largest underweight in the portfolio due to its larger concentration in the benchmark and due to the management team finding more attractive opportunities in out-of-index areas. Furthermore, passenger volumes, especially for business and long-haul travel, have generally experienced a slow recovery from the pandemic and political risk has produced greater volatility in some names more recently.

Out-of-index exposure to waste has also been supportive of relative performance. Investors have generally favoured these companies given they have some of the strongest mechanisms in the infrastructure space to efficiently pass through higher prices on to customers. Companies in the sector also exhibit defensiveness, given the essential services they provide, in addition to cyclicality from exposure to increasing consumer activity. Positions in North American waste companies Republic Services and Waste Management have performed particularly well, providing the largest relative lifts in the sector.

Electric utilities detracted with a lack of exposure to Constellation Energy Corporation, a large U.S. producer of carbon-free energy, supplying much of the sector's relative shortfall. The stock has advanced strongly due to surging demand for clean energy, and specifically nuclear energy, driven by the ongoing buildout of data centres for artificial intelligence-related purposes. The investment team has historically been cautious about investing in Constellation, as they consider the company an independent power producer. These types of companies typically lack long-term power purchase agreements and therefore tend to exhibit greater volatility given their exposure to merchant power prices. The investment team instead prefers more regulated businesses or those with long-term contracts as they generally exhibit less commodity price sensitivity and lower relative volatility.

Out-of-benchmark exposure to technology infrastructure, and specifically U.S. cellular tower companies within the sector, detracted from relative outperformance. Towers continue to suffer from negative sentiment stemming from higher interest rates while delays in rate cuts by the Federal Reserve have prolonged share price weakness. The investment team has been positioned with a tactical underweight to cell tower names but has retained exposure as long-term secular growth themes remain intact, valuations appear quite attractive, and a Fed pivot will likely prove supportive for the group. Despite their exclusion from the index, the team continues to view the cell tower companies in technology infrastructure as core infrastructure investments and remains committed to the group over the long-term based on fundamentals and the likelihood that the segment will perform well in the event of slowing economic growth or falling interest rates.

Recent Developments

Sector allocation changes were relatively modest over the period. Toll roads were the largest adjustment in the portfolio as the management team reduced exposure to France on elevated political risk and to Australia on less attractive valuations. Pipelines were the most significant increase as the management team continues to favour the inflation hedging characteristics of the group and also its ability to capitalize on strong global demand trends as energy infrastructure companies are poised to benefit from escalating challenges with regard to global energy supply. Electric transmission and electric utilities also increased as we observe substantial future load growth and need for transmission due to mounting energy needs from data centres, manufacturing, and near shoring/onshoring trends. Additions were primarily funded by trims to water utilities, which lack exposure to power demand themes.

Waste now occupies the largest overweight positioning in the portfolio as the index lacks representation. Companies in the sector have shown good expense control and have strong fundamentals to go along with some of the strongest mechanisms to pass through inflation impacts relatively quickly in the infrastructure space. The next largest overweight relative to the benchmark continued to be within the technology infrastructure area, primarily cellular tower companies and data centres in the U.S. and overseas. We have maintained lower exposure to cell towers over the past two years given the sector's higher sensitivity to rising interest rates, which results from their steady growth and the long duration contracts that govern most of the cash-flows of the companies. However, rate headwinds could shift to tailwinds later this year resulting in potential additions to the space. On the other hand, data centres have enjoyed very strong growth stemming from their importance in the growth of AI, and the team has been positioned with greater exposure to the group as a result. Airports remain the largest underweight in the portfolio as political risk has heightened volatility in some regions, the group represents a larger concentration in the index, and the management team has found more attractive opportunities in out-of-index areas.

Overall, the U.S. remains an overweight in the portfolio and continues to hover above its historical average allocation. China and Mexico are positioned with the largest underweights with economic uncertainty and governance issues preventing greater exposure in the former, while airport companies in the latter appear less attractive given elevated political risk and the liquidity of the stocks given said political risk.

The pivot toward lower rates by several developed market central banks, including the Bank of Canada, European Central Bank, and Sweden's Riksbank, along with the potential for easing by other major central banks, could benefit infrastructure stocks. Furthermore, we continue to believe the defensiveness of the asset class could again find favour with investors moving forward in the face of heightened geopolitical risks and global economic uncertainty, as we continue to witness the impacts of tighter monetary policy. We remain more constructive on defensive areas within infrastructure but also continue to highlight sectors with stronger growth outlooks such as midstream and waste. In addition, the team remains broadly focused on companies with stronger balance sheets, while avoiding those dependent on capital-intensive growth and those with a need to refinance debt in the near-term. Geopolitical risk is likely to remain elevated due to ongoing and emerging conflicts. However, some investment opportunities outside of North America have become more attractive as many risks are better understood. Although our focus remains on underlying company fundamentals, the return profiles of countries, sectors and individual companies will likely also continue to be heavily impacted by the ever-evolving geopolitical risks, inflationary forces and recession fears, at least in the short-term. Therefore, as we look ahead, the strategy's sector and country positioning relative to the benchmark may become increasingly impactful, while individual stock selection within each group is always of utmost importance. As always, we will continue to own companies where we have the highest conviction and where we still see substantial certainty in terms of their cash-flow visibility.

Related Party Transactions

National Bank Investments Inc. (the "manager") is the manager and promoter of the ETF. Accordingly, it is entitled to receive, in exchange for the services that it provides to the ETF, management fees paid to it by the ETF (see "Management Fees" below).

From time to time, the manager may, on behalf of the ETF, carry out transactions or sign agreements to involve certain persons or companies related to it, to the extent that these transactions or agreements are, in its opinion, in the interest of the ETF. The description of the transactions or agreements between the ETF and a related party is provided in this section.

Members of the manager's group may earn fees or spreads in connection with services provided to, or transactions with, the NBI ETF, including in connection with brokerage and derivatives transactions.

Trustee

The manager has retained the services of Natcan Trust Company to serve as trustee for the ETF and has retained the services of National Bank Trust to serve as portfolio manager.

Designated Broker

The manager has signed an agreement with National Bank Financial Inc. ("NBF"), a company affiliated with NBI, under which NBF will serve as a designated broker for the ETF. The designated broker agreement signed with NBF is in keeping with market conditions.

Brokerage Fees

The ETF may pay broker's commissions at market rates to a corporation affiliated with National Bank Investments Inc. The brokerage fees paid by the ETF for the period are as follows:

	Period ended June 30, 2024
Total brokerage fees	627,085.77
Brokerage fees paid to National Bank Financial	-

Holdings

As at June 30, 2024, ownership of the redeemable units outstanding of the ETF was held by the following NBI Funds as indicated below:

NBI Funds	**Ownership of the redeemable units outstanding of the ETF %**
NBI Presumed Sound Investments Fund	0.5500
NBI Global Real Assets Income Fund	5.2900
NBI Non-Traditional Capital Appreciation Private Portfolio	58.2300

Transactions between the NBI Funds and the ETF were carried out in the normal course of business. The portfolio manager for these Funds is National Bank Trust Inc.

As at June 30, 2024, the NBI Real Assets Master Pooled Fund held approximately 34.44% ownership of the redeemable units outstanding of the ETF. Transactions between the NBI Real Assets Master Pooled Fund and the ETF were carried out in the normal course of business. The portfolio manager for this Fund is National Bank Trust Inc.

Management Fees

The management fee is payable to the ETF manager in consideration of the services that the manager provides to the ETF in its capacity as manager, such as managing the day-to-day business and affairs of the ETF.

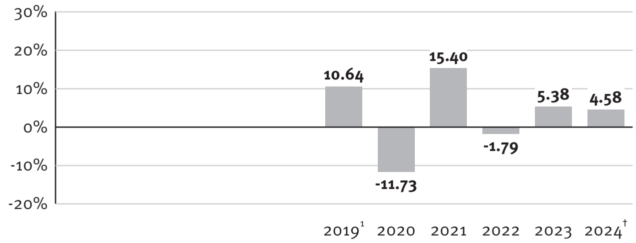
The ETF pays an annual management fee of 0.80% to the ETF manager for its management services. The fees are calculated based on a percentage of the ETF's daily net asset value before applicable taxes and are paid on a monthly basis. The management fees primarily covers investment management and general administration services.

Past Performance

The performance of the ETF, presented below and calculated as at December 31 of each year, is based on the net asset value of the ETF. It assumes that all distributions made in the periods shown were reinvested in additional units of the ETF. These returns do not take into account sales, redemption charges, distributions, or optional charges that would have reduced returns. Past performance of an ETF does not necessarily indicate how it will perform in the future.

Year-by-Year Returns

The bar chart indicates the performance of the ETF for each of the years shown and illustrates how the performance has changed from year to year. It shows, in percentage terms, how much an investment made on January 1 (or made commencing from the start of the ETF) 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 February 8, 2019 (commencement of operations) to December 31, 2019.

(†) Returns for the period from January 1, 2024 to June 30, 2024.

Financial Highlights

The following tables show selected key financial information about the ETF and are intended to help you understand the ETF's financial performance for the accounting periods shown.

Net Assets per Unit[1] Commencement of operations: February 8, 2019

Accounting Period Ended	2024 June 30	2023 December 31	2022 December 31	2021 December 31	2020 December 31	2019 December 31
Net Assets, Beginning of Accounting Period Shown [2]	19.18	19.03	20.22	18.33	21.61	25.00
Increase (Decrease) from Operations ($)						
Total revenue	0.39	0.66	1.04	1.00	1.02	1.24
Total expenses	(0.10)	(0.18)	(0.20)	(0.20)	(0.36)	(0.43)
Realized gains (losses)	0.06	0.38	0.41	0.61	(2.40)	0.47
Unrealized gains (losses)	0.54	(0.21)	(1.66)	1.37	(0.68)	0.85
Total Increase (Decrease) from Operations [3]	0.89	0.65	(0.41)	2.78	(2.42)	2.13
Distributions ($)						
From net investment income (excluding dividends)	0.21	0.41	0.74	0.78	0.55	0.46
From dividends	0.04	0.09	0.07	0.11	0.11	0.06
From capital gains	—	0.46	—	—	—	0.21
Return of capital	—	—	—	—	0.02	—
Total Annual Distributions [4]	0.25	0.96	0.81	0.89	0.68	0.73
Net Assets, End of Accounting Period Shown [2]	19.80	19.18	19.03	20.22	18.33	21.61

Ratios and Supplemental Data

Accounting Period Ended	2024 June 30	2023 December 31	2022 December 31	2021 December 31	2020 December 31	2019 December 31
Total net asset value (000's of $) [5]	1,156,443	1,087,985	45,674	55,808	55,728	56,192
Number of units outstanding [5]	58,400,000	56,720,000	2,400,000	2,760,000	3,040,000	2,600,000
Management expense ratio (%) [6]	0.90	0.93	1.04	1.04	1.03	1.03
Management expense ratio before waivers or absorptions (%)	0.90	0.93	1.04	1.04	1.03	1.03
Trading expense ratio (%) [7]	0.12	0.44	0.20	0.15	0.31	0.54
Portfolio turnover rate (%) [8]	96.71	210.40	33.30	54.02	134.39	81.62
Net asset value per unit ($)	19.80	19.18	19.03	20.22	18.33	21.61
Closing market price [9]	19.80	19.15	19.06	20.22	18.35	21.50

[1] This information is derived from the ETF's Annual Audited Financial Statements and Interim Unaudited Financial Statements. The net assets per unit presented in the financial statements might differ from the net asset value calculated for ETF pricing purposes. The differences are explained in the notes to the financial statements.

[2] The net assets are calculated in accordance with IFRS.

[3] 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.

[4] Distributions were paid in cash or reinvested in additional units of the ETF, or both.

[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. Data for periods prior to 2023 have been restated.

[8] The ETF's portfolio turnover rate indicates how actively the ETF portfolio's manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all of the securities in its portfolio once in the course of the accounting period. The higher an ETF's portfolio turnover rate in an accounting period, the greater the trading costs payable by the ETF 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 an ETF.

[9] Closing market price on the last trading day of the year as reported on the TSX.

Summary of Investment Portfolio

As of June 30, 2024

Portfolio Top Holdings

	% of Net Asset Value
NextEra Energy Inc.	7.2
Aena SA	5.4
Southern Co.	5.0
Transurban Group	4.4
Enbridge Inc.	4.3
Cheniere Energy Inc.	4.2
Oneok Inc.	3.9
Xcel Energy Inc.	3.8
Williams Companies Inc.	2.7
Auckland International Airport Ltd.	2.5
Cash, Money Market and Other Net Assets	2.5
Flughafen Zuerich AG	2.1
Groupe Eurotunnel SA	1.7
Pembina Pipeline Corporation	1.7
Targa Resources Corp.	1.7
Kinder Morgan Inc./Delaware	1.6
Japan Airport Terminal Co. Ltd.	1.5
PG&E Corp.	1.5
Republic Services Inc.	1.4
CMS Energy Corp.	1.3
Exelon Corp.	1.3
Iberdrola SA	1.3
E.ON AG	1.2
National Grid PLC, ADR	1.2
TC Energy Corp.	1.1
	66.5

Net asset value	$1,156,442,794

Regional Allocation

	% of Net Asset Value
United States	47.6
Canada	9.2
Spain	8.6
Australia	6.4
France	5.4
Italy	3.0
New Zealand	3.0
Japan	2.8
United Kingdom	2.7
Germany	2.4
Mexico	2.4
Switzerland	2.0
Hong Kong	0.7
Singapore	0.5
Philippines	0.3
Belgium	0.2
Jersey	0.2
Greece	0.1
Cash, Money Market and Other Net Assets	2.5

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

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

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