NBI Exchange-Traded Funds

Interim Management Report of Fund Performance

For the period ended June 30, 2026

NATIONAL BANK INVESTMENTS

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NBI Sustainable Canadian Equity 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, 2026, the NBI Sustainable Canadian Equity ETF's units returned 8.15% compared to 11.16% for the ETF's benchmark, the S&P/TSX Composite 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 dropped by 0.71% over the period, from $2.429 billion as at December 31, 2025 to $2.412 billion as at June 30, 2026.

The first few months of 2026 saw a continuation of last year's commodity rally as the Materials and Energy sectors contributed a majority of the TSX's return in January and February. Similarly, the market's ruthless parsing of perceived AI winners and losers became more widespread as most technology and business services stocks traded lower. With the outbreak of the war in Iran on February 28th, the market saw an inflection point that drove up energy prices and stocks while sending most other industries lower. Notably, gold's reputation as a safe haven during times of geopolitical turmoil was put into question as the commodity and its producers sold off during the month. All together, the quarter finished in positive territory although March marked the first negative month for the Canadian stock market since April 2025.

Following the inflection point that started with the outbreak of the war in Iran, the Canadian market continued its steady rise upward during the quarter but saw changing trends in sector performance. Specifically, resource companies significantly underperformed and Q2 marked the first time in 18 months that either the Materials or Energy sectors were negative over a quarterly period. Strong performers in Industrials and Financials led the way with the banks in particular reaching all-time high valuations despite rising loan delinquencies and slowing GDP growth. From a broader perspective, geopolitical and economic uncertainty has not abated the longer-term strength of the TSX, which reached a 4-year annualized return of 20% for the first time in almost 20 years. The strongest performing sectors were Financials (25. 6%) and Health Care (13. 9%), with Materials (-11. 5%) and Communication Services (-10. 0%) the biggest laggards.

In this context, the Fund underperformed its benchmark.

Among the leading contributors to performance over the half-year were Toromont Industries and National Bank of Canada.

Toromont Industries sells, rents and services Caterpillar construction equipment and power systems in eastern Canada. The company benefits from their operational strength and strong and expansive network of dealerships. Although increased competition and improved equipment availability has been a headwind for the company's core business lines, Toromont has seen an uptick in demand within its higher margin mining segment. Furthermore, the company is poised to benefit from longer-term economic tailwinds including datacenter and energy storage build-outs as well as government led infrastructure projects in northern Canada.

National Bank of Canada provides a full array of banking services, including retail, corporate and investment banking. The Bank, through its subsidiaries, is involved in securities brokerage, insurance and wealth management, as well as mutual fund and retirement plan management. The company has a strong presence in Quebec and an experienced management team that has shown a consistent track record of earnings growth over time. Canadian banks have seen strong performance in 2026, with all 6 main companies up >20% during the quarter. As the largest of the Canadian oligopolies, the big banks operate in friendly yet competitive market that balances significant regulatory and structural barriers to entry while ensuring they all need to continually innovate in order to protect and gain market share. Although the personal and commercial banking divisions of these institutions have seen decent growth (mid-single digits), much of the strength in their financial results has come from wealth management and capital markets. Wealth management within the banks has seen significant AUM growth both as a result of industry consolidation well as the strength of equity market results over the last few years. As these revenue tailwinds coincide with management teams looking to streamline processes and operations (potentially with AI), the banks have seen significant ROE improvements across the sector. Within this context, National Bank's growing wealth management and ETF business and their leading capital markets division have been significant growth drivers in recent months.

Significant detractors since the beginning of the year were Constellation Software and CGI Inc. Constellation Software is a Canadian diversified software company. Founded by Mark Leonard in 1995 and public since 2006, the company offers software and systems that are narrowly focused on solving a problem for a specific market or industry and are typically core to an end customer's operations, making them utility-like and difficult to displace. These underlying businesses, known as vertical market software companies (VMS) are typically fairly small given their narrow focus and CSU's edge is their ability to acquire many of these companies, integrate them into them overall business, and operate them perpetually. Examples of VMS include software solutions for library management, running a marina or shipyard, or information flows in a healthcare setting. The culture of CSU is not simply about acquisitions but about the right acquisitions: profitable, growing businesses with diversified customer bases and sticky revenue (in other words, software that is integrated into customer workflows). Once acquired, the operating mentality is to own forever. One could describe it as a private equity firm without the looming deadline of forced monetization. During the quarter, the company held their first quarterly earnings call in almost under a decade and the first under CEO Mark Miller. During the call, the company highlighted solid organic growth and strong capital deployment despite the volatile environment for technology companies globally. Increased pressure on public company valuations also led the company to the first investment of their new Permanent, Engaged, Minority (PEM) program, which company founder Mark Leonard played a key role in developing. As part of PEM, Constellation Software spent the last 12 months acquiring 12. 7% of the public shares of US travel software company Sabre Corp. Although different than their traditionally smaller private acquisitions, CSU will have a board seat at Sabre and look to work with the existing management team to unlock long term value at the business. More broadly, CSU has not seen any material disruption or displacement from AI within its portfolio companies and has continued to work on developing internal AI tools where appropriate within its operating groups. One recent example is the Stella AI agent announced by portfolio company Constellation HomeBuilder Systems which provides clients with visibility into market trends backed by both proprietary and third party data. CGI provides information technology services including business consulting, system integration, IT outsourcing, application, business process, and infrastructure services. The company serves the health care, life science, insurance, manufacturing, oil and gas, and communication sectors worldwide. CGI differentiates itself from its peers with a strong focus on a decentralized model and strong local presence in the markets in which they operate. Furthermore, the critical services they provide to clients have allowed them to generate strong and consistent free cash flow in different economic environments. The company's share price has continued to underperform related to negative sentiment surrounding AI. Despite this, the company has continued to see strong revenue growth, record new bookings, and high retention on existing contracts. For CGI, a significant portion of its contracts are structured as fixed-price or outcome-based engagements rather than traditional time-and-materials billing. Under this model, value is tied to delivering defined results rather than billing hours worked. As a result, if AI-driven efficiencies reduce the level of effort required to deliver a solution, CGI is able to retain the productivity benefit. In other words, the economics of automation and AI adoption can accrue to CGI rather than being passed through directly to clients in the form of lower billable hours. Furthermore, the company's proprietary IP program (21% of revenue) provides clients with a full service solution of software and consultation that is highly specialized to their end clients, many of which are in regulation-heavy industries such as government, financial services, and healthcare.

Recent Developments

The Fund's strategy remains unchanged – the portfolio manager strive to continuously look for opportunities to improve both the quality and valuation of the portfolio, with a strong focus on downside protection, and dividend growth.

During the period the portfolio manager did not exit any positions and they initiated a position in Sun Life Financial and in Toronto Dominion Bank.

Investors in the Fund's strategy have the benefit of an investment team with a solid long-term track record of performance, with a focus on capital preservation. The Fund's commitment remains to investing in high-quality companies with a demonstrated ability to compound intrinsic value over time, with the portfolio continuing to trade at an attractive discount to intrinsic value.

Stantec, a global leader in sustainable design and engineering, released its 19th annual Sustainability Report, showcasing how sustainability is integrated into the Company's strategy, growth, and operations. The report details Stantec's sustainability practices, contributions, and accomplishments for the year ending December 31, 2025.

The firm's 2025 sustainability milestones include:

C$5. 5 billion in revenue from work that supports the United Nations' core Sustainable Development Goals, representing 68 percent of total gross revenue. This reflects steady growth since the Company began tracking this work in 2019, when it represented 43 percent of total gross revenue.

Global operational carbon neutrality achieved for the fourth consecutive year, with continued progress toward net zero emissions under Canada's Net Zero Challenge, an effort to help the country move toward a cleaner economy

Recognition by the Carbon Disclosure Project, earning an A- score for the eighth straight year for demonstrating consistent climate action (Source: Stantec, April 21, 2026)

Stantec continues to demonstrate its commitment to sustainability initiatives both in its revenue generating operations as well as its corporate initiatives.

The fund aims to maintain a lower level of carbon emissions relative to its benchmark.

The Fund has adhered to its ESG strategy as disclosed in the prospectus. During the period, there were no material divestments of portfolio securities as a result of the Fund's ESG strategy or applicable sustainable exclusions.

On April 30, 2026, Norman Turnbull resigned as member and President of the ETF's independent review committee (the "IRC"). On May 1, 2026, Yanic Chagnon was appointed IRC member and Marie Desroches was appointed as President of the IRC.

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 Investments Inc. to serve as portfolio manager for the ETF.

Agent for securities lending transactions

NTC acts as the agent for securities lending transactions on behalf of the ETF in administering securities lending transactions entered into by the ETF. NTC is an affiliate of the 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, 2026
Total brokerage fees	$116,913.60
Brokerage fees paid to National Bank Financial	$6,566.13

Holdings

As at June 30, 2026, 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 Secure Portfolio	0.23
NBI Conservative Portfolio	2.04
NBI Moderate Portfolio	3.58
NBI Balanced Portfolio	7.81
NBI Growth Portfolio	4.05
NBI Equity Portfolio	3.09
NBI Sustainable Secure Portfolio	0.01
NBI Sustainable Conservative Portfolio	0.07
NBI Sustainable Moderate Portfolio	0.12
NBI Sustainable Balanced Portfolio	0.19
NBI Sustainable Growth Portfolio	0.08
NBI Sustainable Equity Portfolio	0.16
NBI Sustainable Canadian Equity Fund	78.58

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 Investments Inc.

Independent Review Committee Approvals and Recommendations

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

a) purchasing or selling government or other debt securities on the secondary market from related brokers that are main brokers in the Canadian debt securities market;
b) purchasing on the secondary market securities of a related issuer that are not traded on an exchange;
c) purchasing on the primary market non-exchange-related issuer debt securities having maturities of 365 days or more, other than asset-backed commercial paper.

The manager has implemented policies and procedures to ensure that the conditions that apply to each of the transactions identified above are met. The applicable standing instructions require that these transactions be carried out in accordance with the manager's policies. Notably, these instructions require that investment decisions pertaining to such related-party transactions must be made free from any influence from an entity related to the manager and without taking into account any consideration relevant to an entity related to the manager. Moreover, investment decisions must represent the business judgment of the portfolio manager, uninfluenced by considerations other than the interests of the ETF, and must achieve a fair and reasonable result for the ETF.

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.

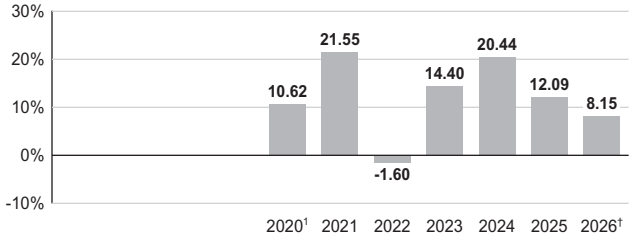
The ETF pays an annual management fee of 0.60% to the ETF manager for its management services. The fees are calculated based on a percentage of the ETF's daily net asset value before applicable taxes and are paid on a monthly basis. The management fees primarily covers investment management and general 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.



[(†)] *Returns for the period from March 4, 2020 (commencement of operations) to December 31, 2020.*

[(†)] *Returns for the period from January 1, 2026 to June 30, 2026.*

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: March 4, 2020

Accounting Period Ended	2026 June 30	2025 December 31	2024 December 31	2023 December 31	2022 December 31	2021 December 31
Net Assets, Beginning of Accounting Period Shown [2]	48.25	43.43	36.44	32.24	33.06	27.50
Increase (Decrease) from Operations ($)						
Total revenue	0.54	0.90	0.79	0.73	0.65	0.67
Total expenses	(0.17)	(0.32)	(0.26)	(0.24)	(0.22)	(0.22)
Realized gains (losses)	2.78	3.30	1.32	0.22	(0.63)	0.23
Unrealized gains (losses)	0.69	1.35	5.50	3.71	0.19	4.43
Total Increase (Decrease) from Operations [3]	3.84	5.23	7.35	4.42	(0.01)	5.11
Distributions ($)						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	0.32	0.41	0.43	0.42	0.29	0.35
From capital gains	—	1.99	0.30	—	—	0.17
Return of capital	—	—	—	—	—	—
Total Annual Distributions [4]	0.32	2.40	0.73	0.42	0.29	0.52
Net Assets, End of Accounting Period Shown [2]	51.84	48.25	43.43	36.44	32.24	33.06

Ratios and Supplemental Data

Accounting Period Ended	2026 June 30	2025 December 31	2024 December 31	2023 December 31	2022 December 31	2021 December 31
Total net asset value (000's of $) [5]	2,411,989	2,429,260	2,175,649	1,807,576	1,358,917	355,447
Number of units outstanding [5]	46,525,000	50,350,000	50,100,000	49,600,000	42,150,000	10,750,000
Management expense ratio (%) [6]	0.69	0.69	0.64	0.69	0.69	0.69
Management expense ratio before waivers or absorptions (%)	0.69	0.69	0.64	0.69	0.69	0.69
Trading expense ratio (%) [7]	0.01	0.01	0.01	—	—	—
Portfolio turnover rate (%) [8]	9.05	12.37	8.25	11.40	7.32	6.61
Net asset value per unit ($)	51.84	48.25	43.43	36.44	32.24	33.06
Closing market price [9]	51.85	48.29	43.45	36.44	32.23	33.08

[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, 2026

Portfolio Top Holdings

	% of Net Asset Value
Royal Bank of Canada	6.6
Bank of Montreal	5.4
National Bank of Canada	5.2
Canadian National Railway Co.	5.1
Intact Financial Corp.	4.9
Canadian Pacific Kansas City	4.5
Loblaw Companies Ltd.	4.4
Quebecor Inc., Class B	4.4
Restaurant Brands International Inc.	4.4
Toromont Industries Ltd.	4.4
RB Global Inc.	4.1
Waste Connections Inc.	4.1
Metro Inc.	4.0
iA Financial Corp Inc.	3.4
CCL Industries Inc., Class B	3.3
Toronto-Dominion Bank	3.2
Constellation Software Inc.	3.2
Empire Company Ltd., Class A	3.2
Sun Life Financial Inc.	3.2
CGI Group Inc., Class A	2.8
TMX Group Ltd.	2.7
Dollarama Inc.	2.4
Stantec Inc.	2.2
Rogers Communications Inc., Class B	2.1
Cash, Money Market and Other Net Assets	0.5
	93.7

Net asset value $2,411,989,415

Asset Mix

	% of Net Asset Value
Canadian Equity	99.5
Cash, Money Market and Other Net Assets	0.5

Sector Allocation

	% of Net Asset Value
Financials	36.1
Industrials	26.2
Consumer Staples	11.6
Communication Services	8.0
Information Technology	7.4
Consumer Discretionary	6.9
Materials	3.3
Cash, Money Market and Other Net Assets	0.5

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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