

# INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended June 30, 2022

NBI Portfolio

## **NBI Balanced 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.

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This interim management report of fund performance contains financial highlights, but does not contain the complete interim financial statements of the investment fund. You can get a copy of the interim 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](http://www.nbinvestments.ca), by visiting SEDAR's website at [www.sedar.com](http://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

### Results of Operations

For the six-month period ended June 30, 2022, the NBI Balanced Portfolio's Investor Series units returned -15.63% compared to -13.99% for the Fund's blended benchmark. The broad-based indices, the Morningstar® Canada Liquid Bond Index (CAD), the Morningstar® Canada Large-Mid Index (CAD) and the Morningstar® U.S. Large Cap Index (CAD), returned -11.57%, -9.77% and -20.13% 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 dropped by 15.04% over the period, from \$5.392 billion as at December 31, 2021 to \$4.581 billion as at June 30, 2022.

The decline stemmed mainly from net redemptions by unitholders of the Fund and market fluctuations.

The first half of 2022 has been particularly challenging for markets. Faced with steadily accelerating inflation, North American central banks put forward a series of significant key rate hikes and even contemplated bringing their monetary policy into restrictive territory. In addition, the emergence and escalation of the conflict in Ukraine, as well as a marked slowdown in the Chinese economy caused by strict containment measures, added to the turmoil. Against this backdrop, investors' risk appetite weakened significantly during the period.

As a result, U.S. equities posted their worst first half of the year since 1970, undergoing a correction typically seen in times of recession (-20.0% for the S&P 500 after 6 months in 2022). Abroad, significant losses were also observed as a strong U.S. dollar and greater recession risks weighed on EAFE stocks (-19.3% for the MSCI EAFE in US\$) and emerging markets (-17.5% for the MSCI Emerging Markets in US\$). In Canada, a high exposure to the natural resources sector helped limit losses relative to its peers (-9.9% for the S&P/TSX), although this was still the worst first six months since 2001 for the broad-based index. In terms of equity factors, the higher growth segments, consisting mostly of technology stocks, suffered the most during the period while the value style and higher dividend payers fared better. Larger-cap stocks also outperformed smaller-cap stocks, during the semester.

On the fixed income front, bonds were not spared, despite heightened risk aversion, as the sharp rise in interest rates led to unusually high losses in this asset class. Aside from cash, virtually all segments of the fixed income market posted losses over the period, and this was particularly pronounced for longer-term issues and lower-quality credit asset classes.

In Canada, the FTSE Canada Universe Bond Index ended the period in negative territory, with federal bonds outperforming provincial, municipal and corporate bonds. Within corporate bonds, higher quality AAA/AA-rated issuers outpaced those rated A to BBB. On a sector basis, asset-backed securities and Financials outperformed while Infrastructure and Energy lagged.

For their part, Canadian preferred shares had a tough volatile semester, an environment not seen since the first quarter of 2020. Rising rates and redemptions of preferred shares were not enough to compensate for the deterioration of the credit environment, particularly for hybrids and Limited Resource Capital Notes (LRCN). Outflows from this asset class by investors also exacerbated the weakness seen during the second quarter. In this context, floating rate perpetuals were the best performers in the first half of the year, along with fixed-reset issues with high reset level and/or a floor. However, fixed rate perpetuals underperformed with longer term interest rates increasing.

On the commodity front, oil was the big winner during this tumultuous period (+43.1% for WTI), supported by resilient demand and, more importantly, major disruptions stemming from the Russian invasion of Ukraine. Meanwhile, gold prices evolved without a clear direction (-0.9%) as a strong U.S. dollar and rising interest rates prevented it from benefiting from its safe-haven qualities in the context of high geopolitical tensions. Finally, this backdrop caused great volatility for the Canadian dollar, which nevertheless ended the first six months of 2022 slightly weaker (-3.0% for the CADUSD).

Under these circumstances, the Fund underperformed its combined benchmark for the period. The NBI Sustainable Canadian Equity ETF was the largest contributor to the Fund's performance. Conversely, security selection in the NBI Canadian Equity Fund and the NBI Canadian Equity Growth Fund detracted the most, as did the overweight exposure to the NBI SmartData U.S. Equity Fund.

### Recent Developments

Overall, the portfolio manager expects the high volatility environment to persist until inflation begins its descent later this year. As such, economic growth is expected to slow significantly to below its long-term average, but still remain positive. The sustained rise in the cost of living is expected to put downward pressure on consumer spending, but excess savings and a strong labour market should limit the economic damage. Ultimately, a modest deceleration in price pressures should begin in the fall, although inflation is expected to remain well above central bank targets. Accordingly, the portfolio manager expects the Bank of Canada and the Federal Reserve to bring their benchmark rates to the edge of restrictive territory in the second half of 2022. Yet, the uncertainty surrounding his base case scenario increased further at the end of the quarter, as significantly higher-than-expected inflation followed by a strong response from the Fed implies greater recessionary risks.

Under these circumstances, the portfolio manager has adopted a prudent asset allocation through a neutral weighting in equities. He also holds an overweight in cash to ensure an adequate level of portfolio volatility in these uncertain times. In return, he prefers remaining underweight bonds, although an allocation to the asset class was increased in June to take advantage of substantially higher yields offered by the asset class.

Geographically, the portfolio manager continues to favour the Canadian market, which is trading at particularly attractive valuation levels despite outperforming its peers in 2022. In the U.S., higher growth exposure, greater downside risks to earnings expectations, and a negative momentum signal have led the manager to reduce his allocation to U.S. equities compared to the target. However, increasingly accommodative policies in China could allow the world's second-largest economy to rebound from its lows in the second half of the year. This potential divergence with the rest of the world would not be a first and will be a trend to watch closely. Finally, he remains less optimistic for the EAFE region, where the risks of recession are much more material.

On April 30, 2022, the Fund's independent review committee (the "IRC") was reduced to three members when Robert Martin resigned as IRC member. On May 1, 2022, the Fund's IRC was increased to four members when Line Deslandes 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.

### Agent for securities lending transactions

NTC acts as the agent for securities lending transactions acts on behalf of the Fund in administering securities lending transactions entered into by the Fund. NTC is an affiliate of the Manager.

### Fund Manager

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

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

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

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

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

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

### 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

NBII acts as principal distributor for the Fund. In this capacity, NBII buys, sells and swaps securities through Bank branches and the National Bank Investments Advisory Service in Canadian provinces and territories, and through external registered representatives. Fund securities are also offered by National Bank Financial Inc. (including its division National Bank Direct Brokerage), CABN Investments (a division of NBII) and other affiliated entities. Brokers may receive, depending on the distributed series, a monthly commission representing a percentage of the average daily value of the securities held by their clients.

### Brokerage Fees

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

	Period ended June 30, 2022
Total brokerage fees	63,125.00
Brokerage fees paid to National Bank Financial	63,125.00

### Holdings

As at June 30, 2022, National Bank Investments Inc. held 103.05 Fund securities for a value of \$992.38, which represented close to 0.0000% of the net asset value of the Fund at that date. Transactions between National Bank Investments Inc. and the Fund were carried out in the normal course of business and at the Fund’s net asset value as at the transaction date.

### Registered Plan Trust Services

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

### Administrative and Operating Services

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

## Management Fees

The Fund pays annual management fees to the Fund manager for its management services. The fees are calculated based on a percentage of the Fund's daily net asset value before applicable taxes and are paid on a monthly basis. A portion of the management fees paid by the Fund covers maximum annual trailer fees and sales commissions paid to brokers. The remainder of the management fees primarily covers investment management and general administration services. The breakdown of major services provided in consideration of the management fees, expressed as an approximate percentage of the management fees is as follows:

Series	Management Fees	Distribution	Others <sup>†</sup>
Investor Series and Series R	1.75%	45.71%	54.29%
Investor-2 Series and Series R-2	1.50%	50.00%	50.00%
Advisor-2 Series*			
Front-end load**	1.50%	50.00%	50.00%
Back-end load - 1 to 6 years	1.50%	16.67%	83.33%
Low load - 1 to 3 years	1.50%	16.67%	83.33%
Low load - 4 years and more	1.50%	50.00%	50.00%
Series F	1.15%	—	100.00%
Series F-2	0.75%	—	100.00%
Series O	N/A***	—	100.00%

<sup>(†)</sup> Includes all costs related to management, investment advisory services, general administration and profit.

<sup>(\*)</sup> Excluding sales commissions paid on the Advisor Series with the low sales charge option and deferred sales charge option, which are not paid for out of the management fees.

<sup>(\*\*)</sup> Rate applicable for all investments, systematic investment programs, reinvested distributions and switches.

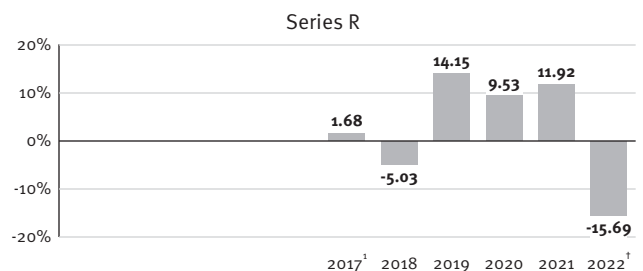
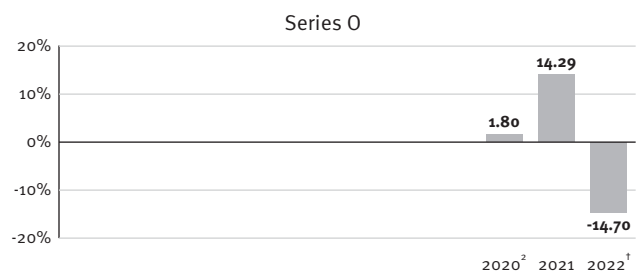
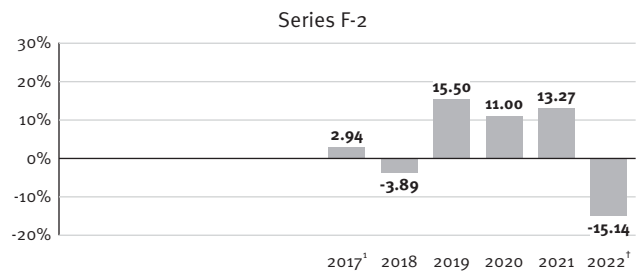
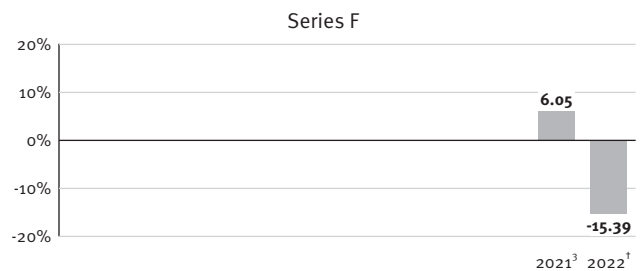
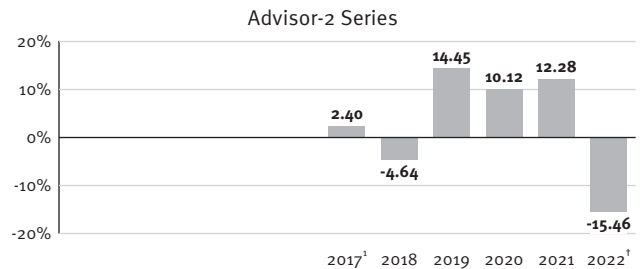
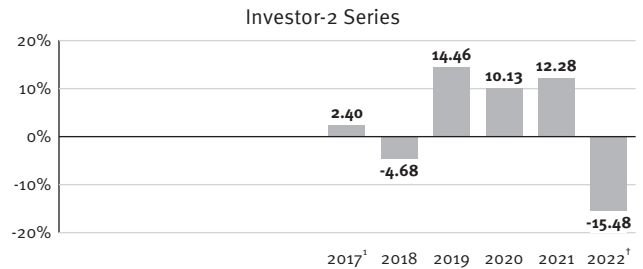
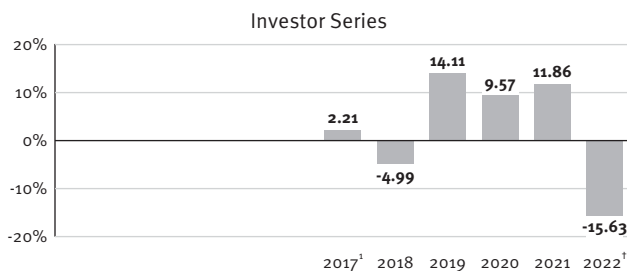
<sup>(\*\*\*)</sup> There are no management fees paid by the Fund with respect to the Series O. Instead, Series O securityholders pay a negotiated administration fee directly to National Bank Investments.

## Past Performance

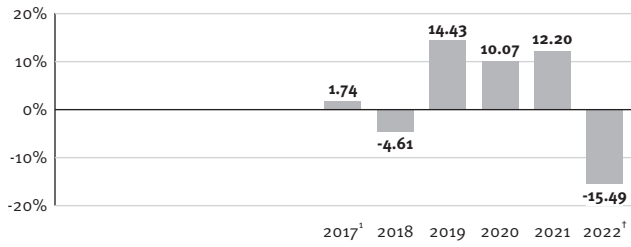
The performance of each series of the Fund is presented below and calculated as at December 31 of each year. It assumes that all distributions made in the periods shown were reinvested in additional securities and does not take into account sales, redemption charges, distributions, or optional charges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

## Annual Returns

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



Series R-2



<sup>1</sup> Returns for the period from May 19, 2017 (commencement of operations) to December 31, 2017.

<sup>2</sup> Returns for the period from December 3, 2020 (commencement of operations) to December 31, 2020.

<sup>3</sup> Returns for the period from June 22, 2021 (commencement of operations) to December 31, 2021.

<sup>4</sup> Returns for the period from January 1, 2022 to June 30, 2022.

## Financial Highlights

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

### Investor Series

Net Assets per Unit <sup>(1)</sup>		Commencement of operations: May 19, 2017				
Accounting Period Ended	2022 June 30	2021 December 31	2020 December 31	2019 December 31	2018 December 31	2017 December 31
<b>Net Assets, Beginning of Accounting Period Shown<sup>(4)</sup></b>	13.22	12.14	11.08	9.71	10.22	10.00
<b>Increase (Decrease) from Operations (\$)</b>						
Total revenue	0.10	0.22	0.21	0.23	0.19	0.12
Total expenses	(0.13)	(0.27)	(0.23)	(0.22)	(0.22)	(0.13)
Realized gains (losses)	0.13	0.73	0.28	0.14	0.04	0.05
Unrealized gains (losses)	(2.15)	0.82	0.84	1.18	(0.67)	0.49
<b>Total Increase (Decrease) from Operations (\$)<sup>(2)</sup></b>	(2.05)	1.50	1.10	1.33	(0.66)	0.53
<b>Distributions (\$)</b>						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	—	—	—	—	—
From capital gains	—	0.34	—	—	—	—
Return of capital	—	—	—	—	—	—
<b>Total Annual Distributions (\$)<sup>(3)</sup></b>	—	0.34	—	—	—	—
<b>Net Assets, End of Accounting Period Shown (\$)<sup>(4)</sup></b>	11.17	13.22	12.14	11.08	9.71	10.22

### Ratios and Supplemental Data

Accounting Period Ended	2022 June 30	2021 December 31	2020 December 31	2019 December 31	2018 December 31	2017 December 31
Total net asset value (000's of \$) <sup>(5)</sup>	4,212,946	4,989,131	3,131,886	2,518,366	1,781,234	702,857
Number of units outstanding <sup>(6)</sup>	377,206,330	376,919,118	258,006,496	227,324,003	183,495,820	68,751,949
Management expense ratio (%) <sup>(4)</sup>	2.23	2.23	2.22	2.22	2.22	2.22
Management expense ratio before waivers or absorptions (%)	2.35	2.34	2.31	2.30	2.30	2.29
Trading expense ratio (%) <sup>(7)</sup>	0.07	0.07	0.06	0.05	0.05	0.08
Portfolio turnover rate (%) <sup>(8)</sup>	8.81	11.54	15.90	15.35	32.53	4.74
Net asset value per unit (\$)	11.17	13.24	12.14	11.08	9.71	10.22

### Investor-2 Series

Net Assets per Unit <sup>(1)</sup>		Commencement of operations: May 19, 2017				
Accounting Period Ended	2022 June 30	2021 December 31	2020 December 31	2019 December 31	2018 December 31	2017 December 31
<b>Net Assets, Beginning of Accounting Period Shown<sup>(4)</sup></b>	13.43	12.29	11.16	9.75	10.24	10.00
<b>Increase (Decrease) from Operations (\$)</b>						
Total revenue	0.10	0.21	0.20	0.21	0.17	0.09
Total expenses	(0.11)	(0.23)	(0.19)	(0.20)	(0.19)	(0.11)
Realized gains (losses)	0.13	0.69	0.26	0.13	0.05	0.01
Unrealized gains (losses)	(2.17)	0.86	0.78	1.33	(0.46)	0.23
<b>Total Increase (Decrease) from Operations (\$)<sup>(2)</sup></b>	(2.05)	1.53	1.05	1.47	(0.43)	0.22
<b>Distributions (\$)</b>						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	0.01	—	—	—	—
From capital gains	—	0.35	—	—	0.01	—
Return of capital	—	—	—	—	—	—
<b>Total Annual Distributions (\$)<sup>(3)</sup></b>	—	0.36	—	—	0.01	—
<b>Net Assets, End of Accounting Period Shown (\$)<sup>(4)</sup></b>	11.36	13.43	12.29	11.16	9.75	10.24

### Ratios and Supplemental Data

Accounting Period Ended	2022 June 30	2021 December 31	2020 December 31	2019 December 31	2018 December 31	2017 December 31
Total net asset value (000's of \$) <sup>(5)</sup>	36,672	64,590	64,674	68,643	74,855	97,164
Number of units outstanding <sup>(6)</sup>	3,227,718	4,805,886	5,263,031	6,148,271	7,676,615	9,486,407
Management expense ratio (%) <sup>(4)</sup>	1.86	1.83	1.76	1.90	1.85	1.87
Management expense ratio before waivers or absorptions (%)	1.89	1.85	1.76	1.90	1.85	1.87
Trading expense ratio (%) <sup>(7)</sup>	0.07	0.07	0.06	0.05	0.05	0.09
Portfolio turnover rate (%) <sup>(8)</sup>	8.81	11.54	15.90	15.35	32.53	4.74
Net asset value per unit (\$)	11.36	13.44	12.29	11.16	9.75	10.24

## Advisor-2 Series

Net Assets per Unit<sup>(4)</sup>

Commencement of operations: May 19, 2017

Accounting Period Ended	2022 June 30	2021 December 31	2020 December 31	2019 December 31	2018 December 31	2017 December 31
<b>Net Assets, Beginning of Accounting Period Shown<sup>(4)</sup></b>	13.44	12.30	11.17	9.76	10.24	10.00
<b>Increase (Decrease) from Operations (\$)</b>						
Total revenue	0.10	0.21	0.20	0.21	0.17	0.09
Total expenses	(0.11)	(0.23)	(0.19)	(0.20)	(0.19)	(0.11)
Realized gains (losses)	0.13	0.67	0.25	0.12	0.05	0.01
Unrealized gains (losses)	(2.20)	0.89	0.75	1.34	(0.43)	0.23
<b>Total Increase (Decrease) from Operations (\$)<sup>(4)</sup></b>	(2.08)	1.54	1.01	1.47	(0.40)	0.22
<b>Distributions (\$)</b>						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	0.01	—	—	—	—
From capital gains	—	0.35	—	—	—	—
Return of capital	—	—	—	—	—	—
<b>Total Annual Distributions (\$)<sup>(3)</sup></b>	—	0.36	—	—	—	—
<b>Net Assets, End of Accounting Period Shown (\$)<sup>(4)</sup></b>	11.37	13.44	12.30	11.17	9.76	10.24

### Ratios and Supplemental Data

Accounting Period Ended	2022 June 30	2021 December 31	2020 December 31	2019 December 31	2018 December 31	2017 December 31
Total net asset value (ooo's of \$) <sup>(5)</sup>	2,566	3,429	3,693	4,138	4,665	6,663
Number of units outstanding <sup>(5)</sup>	225,710	254,931	300,242	370,365	478,081	650,486
Management expense ratio (%) <sup>(6)</sup>	1.87	1.85	1.77	1.90	1.85	1.87
Management expense ratio before waivers or absorptions (%)	1.90	1.87	1.77	1.90	1.85	1.87
Trading expense ratio (%) <sup>(7)</sup>	0.07	0.07	0.06	0.05	0.05	0.09
Portfolio turnover rate (%) <sup>(8)</sup>	8.81	11.54	15.90	15.35	32.53	4.74
Net asset value per unit (\$)	11.37	13.45	12.30	11.17	9.76	10.24

## Series F

Net Assets per Unit<sup>(4)</sup>

Commencement of operations: May 19, 2017

Accounting Period Ended	2022 June 30	2021 December 31	2020 December 31	2019 December 31	2018 December 31	2017 December 31
<b>Net Assets, Beginning of Accounting Period Shown<sup>(4)</sup></b>	13.65	12.41	11.18	9.68	10.29	10.00
<b>Increase (Decrease) from Operations (\$)</b>						
Total revenue	0.11	0.22	0.20	0.21	0.18	0.09
Total expenses	(0.06)	(0.12)	(0.10)	(0.10)	(0.10)	(0.06)
Realized gains (losses)	0.13	0.71	0.26	0.12	0.05	0.01
Unrealized gains (losses)	(2.23)	0.85	0.83	1.34	(0.52)	0.25
<b>Total Increase (Decrease) from Operations (\$)<sup>(4)</sup></b>	(2.05)	1.66	1.19	1.57	(0.39)	0.29
<b>Distributions (\$)</b>						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	0.04	—	—	—	—
From capital gains	—	0.35	—	—	0.21	—
Return of capital	—	—	—	—	—	—
<b>Total Annual Distributions (\$)<sup>(3)</sup></b>	—	0.39	—	—	0.21	—
<b>Net Assets, End of Accounting Period Shown (\$)<sup>(4)</sup></b>	11.60	13.65	12.41	11.18	9.68	10.29

### Ratios and Supplemental Data

Accounting Period Ended	2022 June 30	2021 December 31	2020 December 31	2019 December 31	2018 December 31	2017 December 31
Total net asset value (ooo's of \$) <sup>(5)</sup>	375	474	474	482	543	640
Number of units outstanding <sup>(5)</sup>	32,344	34,672	38,220	43,096	56,035	62,189
Management expense ratio (%) <sup>(6)</sup>	1.01	1.00	0.96	1.02	1.00	1.01
Management expense ratio before waivers or absorptions (%)	1.07	1.05	0.98	1.04	1.02	1.04
Trading expense ratio (%) <sup>(7)</sup>	0.07	0.07	0.06	0.05	0.05	0.09
Portfolio turnover rate (%) <sup>(8)</sup>	8.81	11.54	15.90	15.35	32.53	4.74
Net asset value per unit (\$)	11.60	13.67	12.41	11.18	9.68	10.29

## Series F-2

Net Assets per Unit<sup>(4)</sup>

Commencement of operations: June 22, 2021

Accounting Period Ended	2022	2021
	June 30	December 31
<b>Net Assets, Beginning of Accounting Period Shown<sup>(4)</sup></b>	10.32	10.00
<b>Increase (Decrease) from Operations (\$)</b>		
Total revenue	0.11	0.22
Total expenses	(0.06)	(0.08)
Realized gains (losses)	0.10	0.83
Unrealized gains (losses)	(1.85)	(0.30)
<b>Total Increase (Decrease) from Operations (\$)<sup>(2)</sup></b>	(1.70)	0.67
<b>Distributions (\$)</b>		
From net investment income (excluding dividends)	—	—
From dividends	—	0.02
From capital gains	—	0.25
Return of capital	—	—
<b>Total Annual Distributions (\$)<sup>(3)</sup></b>	—	0.27
<b>Net Assets, End of Accounting Period Shown (\$)<sup>(4)</sup></b>	8.74	10.32

### Ratios and Supplemental Data

Accounting Period Ended	2022	2021
	June 30	December 31
Total net asset value (000's of \$) <sup>(5)</sup>	49,802	6,914
Number of units outstanding <sup>(3)</sup>	5,695,409	669,374
Management expense ratio (%) <sup>(6)</sup>	1.55	1.55
Management expense ratio before waivers or absorptions (%)	1.62	1.67
Trading expense ratio (%) <sup>(7)</sup>	0.07	0.07
Portfolio turnover rate (%) <sup>(8)</sup>	8.81	11.54
Net asset value per unit (\$)	8.74	10.33

## Series O

Net Assets per Unit<sup>(4)</sup>

Commencement of operations: December 3, 2020

Accounting Period Ended	2022	2021	2020
	June 30	December 31	December 31
<b>Net Assets, Beginning of Accounting Period Shown<sup>(4)</sup></b>	11.28	10.18	10.00
<b>Increase (Decrease) from Operations (\$)</b>			
Total revenue	0.09	0.20	0.22
Total expenses	—	—	—
Realized gains (losses)	0.11	0.70	0.24
Unrealized gains (losses)	(1.85)	0.71	(0.28)
<b>Total Increase (Decrease) from Operations (\$)<sup>(2)</sup></b>	(1.65)	1.61	0.18
<b>Distributions (\$)</b>			
From net investment income (excluding dividends)	—	—	—
From dividends	—	0.05	—
From capital gains	—	0.29	—
Return of capital	—	—	—
<b>Total Annual Distributions (\$)<sup>(3)</sup></b>	—	0.34	—
<b>Net Assets, End of Accounting Period Shown (\$)<sup>(4)</sup></b>	9.63	11.28	10.18

### Ratios and Supplemental Data

Accounting Period Ended	2022	2021	2020
	June 30	December 31	December 31
Total net asset value (000's of \$) <sup>(5)</sup>	263,264	307,625	6,400
Number of units outstanding <sup>(3)</sup>	27,350,307	27,257,656	628,687
Management expense ratio (%) <sup>(6)</sup>	0.07	0.06	0.05
Management expense ratio before waivers or absorptions (%)	0.10	0.08	0.06
Trading expense ratio (%) <sup>(7)</sup>	0.07	0.07	0.07
Portfolio turnover rate (%) <sup>(8)</sup>	8.81	11.54	15.90
Net asset value per unit (\$)	9.63	11.29	10.18



## Series R

Net Assets per Unit<sup>(4)</sup>

Commencement of operations: May 19, 2017

Accounting Period Ended	2022 June 30	2021 December 31	2020 December 31	2019 December 31	2018 December 31	2017 December 31
<b>Net Assets, Beginning of Accounting Period Shown<sup>(4)</sup></b>	10.54	10.14	9.75	8.95	9.92	10.00
<b>Increase (Decrease) from Operations (\$)</b>						
Total revenue	0.08	0.18	0.17	0.20	0.18	0.11
Total expenses	(0.10)	(0.22)	(0.20)	(0.20)	(0.20)	(0.13)
Realized gains (losses)	0.10	0.58	0.23	0.12	0.04	0.04
Unrealized gains (losses)	(1.68)	0.69	0.68	1.10	(0.62)	0.46
<b>Total Increase (Decrease) from Operations (\$)<sup>(2)</sup></b>	(1.60)	1.23	0.88	1.22	(0.60)	0.48
<b>Distributions (\$)</b>						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	—	—	—	—	—
From capital gains	—	0.27	—	—	—	—
Return of capital	0.26	0.51	0.49	0.45	0.50	0.29
<b>Total Annual Distributions (\$)<sup>(3)</sup></b>	0.26	0.78	0.49	0.45	0.50	0.29
<b>Net Assets, End of Accounting Period Shown (\$)<sup>(4)</sup></b>	8.65	10.54	10.14	9.75	8.95	9.92

### Ratios and Supplemental Data

Accounting Period Ended	2022 June 30	2021 December 31	2020 December 31	2019 December 31	2018 December 31	2017 December 31
Total net asset value (ooo's of \$) <sup>(5)</sup>	12,694	15,087	11,013	10,476	8,068	3,918
Number of units outstanding <sup>(5)</sup>	1,466,799	1,430,400	1,085,718	1,074,508	901,401	394,763
Management expense ratio (%) <sup>(6)</sup>	2.23	2.22	2.21	2.23	2.22	2.22
Management expense ratio before waivers or absorptions (%)	2.38	2.36	2.31	2.32	2.32	2.29
Trading expense ratio (%) <sup>(7)</sup>	0.07	0.07	0.06	0.05	0.05	0.08
Portfolio turnover rate (%) <sup>(8)</sup>	8.81	11.54	15.90	15.35	32.53	4.74
Net asset value per unit (\$)	8.65	10.55	10.14	9.75	8.95	9.92

## Series R-2

Net Assets per Unit<sup>(4)</sup>

Commencement of operations: May 19, 2017

Accounting Period Ended	2022 June 30	2021 December 31	2020 December 31	2019 December 31	2018 December 31	2017 December 31
<b>Net Assets, Beginning of Accounting Period Shown<sup>(4)</sup></b>	10.71	10.29	9.84	9.00	9.95	10.00
<b>Increase (Decrease) from Operations (\$)</b>						
Total revenue	0.08	0.17	0.16	0.19	0.16	0.09
Total expenses	(0.09)	(0.19)	(0.17)	(0.18)	(0.18)	(0.11)
Realized gains (losses)	0.10	0.55	0.21	0.11	0.05	0.01
Unrealized gains (losses)	(1.76)	0.72	0.57	1.21	(0.44)	0.19
<b>Total Increase (Decrease) from Operations (\$)<sup>(2)</sup></b>	(1.67)	1.25	0.77	1.33	(0.41)	0.18
<b>Distributions (\$)</b>						
From net investment income (excluding dividends)	—	—	—	—	—	—
From dividends	—	0.01	—	—	—	—
From capital gains	—	0.28	—	—	0.01	—
Return of capital	0.27	0.51	0.49	0.45	0.50	0.28
<b>Total Annual Distributions (\$)<sup>(3)</sup></b>	0.27	0.80	0.49	0.45	0.51	0.28
<b>Net Assets, End of Accounting Period Shown (\$)<sup>(4)</sup></b>	8.81	10.71	10.29	9.84	9.00	9.95

### Ratios and Supplemental Data

Accounting Period Ended	2022 June 30	2021 December 31	2020 December 31	2019 December 31	2018 December 31	2017 December 31
Total net asset value (ooo's of \$) <sup>(5)</sup>	2,382	4,520	4,937	6,350	6,958	8,899
Number of units outstanding <sup>(5)</sup>	270,254	421,637	480,020	645,120	772,651	894,068
Management expense ratio (%) <sup>(6)</sup>	1.88	1.86	1.83	1.88	1.86	1.87
Management expense ratio before waivers or absorptions (%)	1.91	1.88	1.83	1.88	1.86	1.87
Trading expense ratio (%) <sup>(7)</sup>	0.07	0.07	0.06	0.05	0.05	0.09
Portfolio turnover rate (%) <sup>(8)</sup>	8.81	11.54	15.90	15.35	32.53	4.74
Net asset value per unit (\$)	8.81	10.72	10.29	9.84	9.01	9.95

- <sup>(1)</sup> This information is derived from the Fund'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 fund pricing purposes. The differences are explained in the notes to the financial statements.
- <sup>(2)</sup> 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.
- <sup>(3)</sup> Distributions were paid in cash or reinvested in additional units of the Fund, or both.
- <sup>(4)</sup> The net assets are calculated in accordance with IFRS.
- <sup>(5)</sup> This information is provided as at the last day of the accounting period shown.
- <sup>(6)</sup> 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.
- <sup>(7)</sup> 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.
- <sup>(8)</sup> 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 June 30, 2022

### Portfolio Top Holdings

	% of Net Asset Value
NBI Bond Fund, Series O	9.9
NBI Tactical Asset Allocation Fund	9.8
NBI Global Equity Fund, Series O	7.6
NBI SmartData U.S. Equity Fund, Series O	7.4
NBI Corporate Bond Fund, Series O	6.8
NBI SmartData International Equity Fund, Series O	6.7
NBI U.S. Equity Private Portfolio, Series O	6.0
NBI Diversified Emerging Markets Equity Fund, Series O	5.4
NBI Canadian Equity Fund	4.9
NBI Canadian Equity Growth Fund, Series O	4.9
NBI Unconstrained Fixed Income Fund, Series O	4.5
NBI Global Tactical Bond Fund, Series O US	4.5
NBI Sustainable Canadian Equity ETF	4.1
NBI Canadian All Cap Equity Fund, Series O	3.7
Purpose Structured Equity Yield Portfolio II	3.5
NBI Small Cap Fund, Series O	2.7
NBI Sustainable Global Equity ETF	2.5
NBI Preferred Equity Fund, Series O	1.9
NBI Active International Equity ETF	1.8
NBI Sustainable Canadian Bond ETF	1.0
NBI High Yield Bond Fund, Series O	0.5
Cash, Money Market and Other Net Assets	(0.1)
	100.0

Net asset value ..... \$4,580,701,104

### Asset Mix

	% of Net Asset Value
US Equity	21.6
Exchange Traded Funds	17.7
International Equity	15.2
Canadian Equity	14.4
Corporate Bonds	9.5
Global Equity Funds	3.5
Federal Bonds	3.1
Provincial Bonds	2.7
Foreign Bonds	2.6
Preferred Shares	1.8
US Bonds	1.2
Municipal Bonds	0.8
Mortgage Backed Securities	0.7
Asset Backed Securities	0.5
Derivative Products	(0.1)
Cash, Money Market and Other Net Assets	4.8

### Sector Allocation

	% of Net Asset Value
Bonds	19.6
Exchange Traded Funds	17.7
Financials	9.5
Information Technology	9.2
Industrials	7.6
Consumer Discretionary	5.9
Health Care	5.5
Consumer Staples	4.5
Mutual Funds	3.5
Communication Services	3.0
Energy	2.8
Materials	2.8
Real Estate	1.5
Utilities	0.9
Mortgage Backed Securities	0.7
Asset Backed Securities	0.5
Derivative Products	(1.7)
Cash, Money Market and Other Net Assets	6.5

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](http://www.nbinvestments.ca).