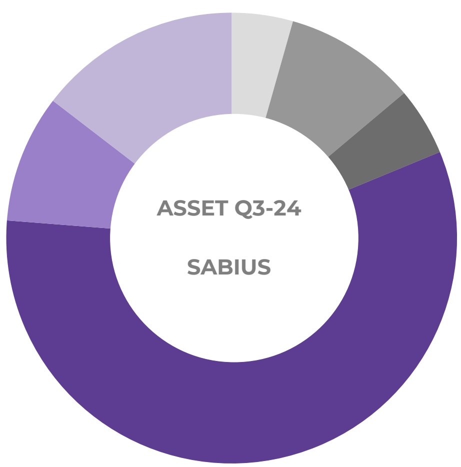
SABIUS INSTITUTIONAL PRIVATE MANDATE – 3rd QUARTER 2024 REPORT

PERFORMANCE

Performance	Q3-24	2024	2023
Sabius[1]	**0.4 %**	**12.6 %**	**21,7 %**
Morningstar Category[2]	4.9 %	10.1 %	7,4 %
Morningstar Bench. Index[3]	5.2 %	11.7 %	11,6 %

Allocation by Asset Class

AS OF SEPTEMBER 30st , 2024



Fixed Income **18.7 %**
- Cash & Short Term Liquidity **4.4 %**
- Fixed Income **9.5 %**
- Capital Protected Notes **4.9 %**

Equity **57.6 %**

Alternatives (Institutional mandates) **9.3 %**

Alternatives (Structured Notes) **14.6 %**

The Sabius Private Institutional mandate experienced its first quarter of underperformance since its inception this quarter, with a return of +0.4%, compared to +5.2% for the benchmark. Despite this, after 6 consecutive quarters of outperformance, the fund maintains a performance superior to that of its benchmark since the beginning of the year and since its inception.

While the performance of the portfolio's publicly traded securities had significantly outperformed global equity indices in previous quarters, our securities posted a slightly negative return of -0.5% (modestly positive excluding currency). This therefore largely explains the underperformance of the quarter; we will go into more detail on page 4.

Performance	Q3-24	2024
S&P Canada Aggregate Bond TR	4.3 %	4.1 %
S&P/TSX Composite Index TR	10.5 %	17.2 %
S&P 500 TR USD	5.9 %	22.1 %
MSCI World ex USA LCL TR	2.1 %	12.7 %
MSCI ACWI TR USD	6.7 %	19.1%
USD/CAD	-1.2 %	2.1 %

Fixed income securities strongly supported Sabius during the quarter, adding approximately 0.7% to the overall performance of the fund. This is explained by the realization of a less restrictive monetary policy in both Canada and the United States.

Private asset institutional mandates were "flat" for the quarter, despite a modest contribution of 0.35% from structured notes (excluding the currency effect).

Our exposure to foreign currencies, mainly the US dollar, has a negative impact on the fund's performance to the tune of -0.7% of the overall performance of the fund. While the US dollar has appreciated since the beginning of the year, the prospect of lower interest rates in the United States certainly contributed to the currency depreciating during the quarter. We continue to not hedge our US dollar exposure; we have a neutral view on the US dollar. We believe that the Bank of Canada will have to maintain a less restrictive monetary policy than that of the United States.

QUARTERLY COMMENTARY

Market Review

Most asset classes posted gains in the 3rd quarter of 2024. Equities faced significantly higher volatility than in the first six months of the year. Several lagging market segments managed to catch up during the quarter, including Canadian equities and more defensive sectors. Bonds also performed particularly well during the quarter. This positive performance is all the more remarkable given that major events shook the financial markets.In July, the Bank of Japan (BOJ) raised rates and announced a gradual reduction in its quantitative easing program. For decades, Japanese investors and hedge funds have borrowed (an estimated $4 trillion) in low-yielding currencies like the yen to invest in higher-yielding assets like US equities. There were therefore hasty capital movements to unwind these leveraged transactions which were now at risk of being less profitable. While we are not immune to further short-term shocks, the Japanese currency, at historically low levels, could support the performance of the Japanese stock market in the medium term.In September, China surprised markets with aggressive new monetary and fiscal stimulus measures to boost its economic growth. This news was greeted positively by the markets.

Economic Review

Inflation appears to be under control (for now, as long as there is no escalation of a tariff war) which has allowed the US Federal Reserve to cut its key rate for the first time since 2020. This decision marks the beginning of a trajectory towards a less restrictive monetary policy. Other central banks also cut their rates during the quarter, including the Bank of Canada and the ECB.

The economic outlook remains fragile. Weakness in construction and manufacturing, combined with the possibility of further increases in unemployment, could lead to a slowdown in consumer spending, which is the backbone of economic growth.

Investment Outlook

Investors should expect continued equity volatility for the remainder of 2024 and early 2025 as central banks seek to stabilize rates at neutral or potentially lower levels if the economy weakens. That said, bonds should play a diversifying role should the situation deteriorate, now that inflation is no longer an issue.

Although overall, the outcome of the US election is unlikely to have a major impact on equity markets, it is possible that US news will contribute to market volatility during the next quarter. Everything points to a tight and uncertain race.

In this context, a balanced approach between equities and bonds within the framework of tactical asset allocation remains justified. A shift to a more defensive position could be considered depending on economic developments in the coming months. Geographically, an overweight in US equities, particularly towards smaller capitalization stocks, could reflect confidence in the resilience of the US market.

INSTITUTIONAL MANDATES

The fund currently has 9.3% of its capital invested in institutional mandates. This proportion is expected to increase significantly in the coming quarters.

Multi-Year Deployment

The gradual deployment of capital in a private equity fund, spread over several years, is a deliberate and rigorous investment strategy. Once the fund selection process is completed within Sabius, we commit capital to managers who then take the time to meticulously identify and evaluate the most promising investment opportunities. Each transaction, complex by nature, requires careful negotiation that can take several months.

This staggered deployment over several years offers a twofold advantage: it avoids the "vintage" risk, i.e., concentrating investments in a specific period, and promotes optimal risk diversification. By spreading investments over time, the fund can seize the best opportunities over the years, thus optimizing returns for its investors.

This strategy aligns with the typical lifespan of a closed-end fund, usually 10 years. During this period, the fund actively supports the development of portfolio companies before initiating the realization (or exit) phase in the final years of the fund, where the majority of gains are typically realized (J-curve performance).

Sabius has currently invested 9.3% of its capital in private assets but has already committed nearly 25.9% of the fund to managers.

Asset Class	Current	Committed
Agriculture	3.3	3.3
Private Equity	1.9	8.9
Carbon Credit	0.9	8.9
Infrastructure	0.8	2.4
Real Estate	2.4	2.4
Total	**9.3**	**25.9**

Activities During the Quarter

This quarter was marked by the receipt of a first capital call in Insight Partners' Fund 13. This closed-end fund will be deployed over the next 3 to 4 years. With 25 years of experience, Insight Partners invests in software companies at all stages of maturity (from seed to growth) and has generated a net IRR of over 24% for its shareholders. Our discussions with them revealed their optimism about the potential of this vintage, which promises to be promising after a significant correction in valuations in the post-pandemic industry.

Furthermore, although there was no revaluation of our position in Overbay's artificial intelligence fund this quarter, we learned that OpenAI has concluded a new round of financing, bringing its valuation to more than $150 billion (compared to $27 billion in January 2023). Antropic is also in discussions to raise a new round of financing at $40 billion (compared to $4.1 billion in May 2023). Finally, the fund took two new positions in two promising companies: Magic AI and World Labs, founded by Fei-Fei Li, a visionary pioneer in AI.

Also, we are currently in the final stages of our due diligence for two new investments in private mandates, which we should be able to announce to you next quarter.

PUBLICLY TRADED EQUITY

The 3rd quarter is the first quarter of underperformance for Sabius' equity block. This underperformance is explained in part by a market rotation towards stocks that had underperformed in recent quarters. We took advantage of the decline in several stocks to increase our equity position. We increased our equity weighting from 53.1% to 60.1%.

Stock Selection Analysis

Despite underperforming the benchmark this quarter, some stocks contributed positively to the fund's return. Fluence Energy Inc. stood out with 31% growth (contributing 25 basis points (bps)) while Mercadolibre Inc. rose 24.9% (contributing 18 bps). Finally, Tencent Holdings Limited confirmed the renewed dynamism of Chinese technology stocks with a 17% performance (contributing 17 bps).On the detractors' side, Alphabet Inc. weighed heavily on the portfolio's performance with an 8.7% decline (negative contribution of -34 bps). Samsung Electronics Company Ltd. also fell 24.5% (contributing -23.8 bps). This underperformance is part of a broader correction for artificial intelligence-related stocks. This intra-quarter correction is not unusual after the significant gains recorded by this sector in previous quarters.

Sector Exposure Analysis

Our 8.7% underweight in the three best-performing sectors of the quarter, namely utilities, real estate and financial services, which posted an average return of 15%, impacted the fund's performance relative to the index. This strong sector performance is likely linked to falling interest rates, which generally favors these sectors.

In addition, our overweight in the technology sector, the second-worst performing sector of the quarter, also affected the portfolio's return. It is important to note that this sector had outperformed in the previous six quarters.

The absence of energy stocks proved beneficial, as this sector was the worst performing of the quarter and of 2024. Finally, our recent pivot towards smaller capitalization companies and industrial companies has not yet borne fruit. However, we consider this diversification to be a potentially beneficial strategy over the long term.

Currency Effect Analysis

Although our unhedged exposure to the US dollar has had a positive effect on the fund's performance since the beginning of the year, it had a detrimental effect in the 3rd quarter. Indeed, the fund lost 0.7% during the quarter due to the US dollar, of which only 0.5% was related to publicly traded equity securities denominated in US currency. The start of the easing of US monetary policies, geopolitical tensions (particularly with China) and the unwinding of the Japanese "carry trade" are all reasons that explain the poor quarter for the US dollar. However, the US dollar remains a safe haven and the US economy is performing relatively well, which reinforces our decision to maintain unhedged exposure to the US dollar.

PUBLICLY TRADED EQUITY (SEPTEMBER 30th 2024)

Sector Breakdown

	Sector	Q2 (%)	Q3 (%)	Index ACWI (%)	Diff. (%)
Cyclical	Basic Materials	0.0	0.0	4.1	-4.1
	Consumer Cyclical	25.5	22.1	10.3	+11.8
	Financial Services	5.3	7.9	15.5	-7,6
	Real Estate	0.0	0.0	2.1	-2,1
Sensitive	Communication Services	16.6	15.7	8.0	+7.7
	Energy	0.0	0.0	4.5	-4.5
	Industrials	8.8	12.8	10.4	+2.4
	Technology	28.6	27.6	25.3	+2.3
Defensive	Consumer Defensive	0.0	0.0	6.4	-6.4
	Healthcare	11.1	9.9	10.9	-1.0
	Utilities	1.6	4.1	2.6	+1,5

Geographic Breakdown

Region	Q2 (%)	Q3 (%)
Americas	65.5	67,9
Larger Europe	16.0	16,8
Larger Asia	18.5	15,3

Financial Indicators

Ratio/ Growth of	Q2	Q3
Price/Earning	24.4x	21.4x
Forward P/E	?	
LT Earnings	17.8 %	17.1 %
Revenues	10.0 %	10.7 %
Free Cash Flow	8.2 %	10.9 %
ROIC	16.6 %	16.3 %
Debt/Capital	30.1 %	28.9 %

Capitalisation Breakdown

Size	Q2 (%)	Q3 (%)
Giant	42.8	44.9
Large	6.3	7.4
Mid	1.8	0.6
Small	2.6	3.8
Micro	1.3	1.8
% Equity	**53.1**	**57.6**
Avg. Cap.	**562 G $**	**522 G $**

Equity Portfolio Breakdown

AS OF SEPTEMBER 30th 2024

TOP HOLDINGS	
TSMC	6,8 %
Alphabet Inc.	5,3 %
Amazon.com, Inc.	5,2 %
Microsoft Corporation	3,8 %
Louis Vuitton Moet Hennessy	3,7 %
Schneider Electric SE	3,1 %
Visa Inc.	2,8 %
Broadcom Inc.	2,7 %
Danaher Corp.	2,4 %
Thermo Fisher Scientific Inc.	2,0 %
Tencent Holdings Limited	1,8 %
Goldman Sachs	1,8 %
Mercadolibre Inc.	1,6 %
Fluence Energy	1,6 %
Samsung Electronics	1,5 %
Novo Nordisk A/S	1,4 %
Applied Materials	1,3 %
Siemens AG	1,3 %
Bloom Energy	1,0 %
Terex Corp	0,8 %
Altus Power Inc.	0,8 %
Onto Innovation	0,7 %
MDU Ressources Group	0,7 %
nVent Electric PLC	0,6%

MEGATRENDS

Here are some future investment megatrends that are shaping the world and offering potential long-term opportunities for our funds:

MEGATREND	DESCRIPTION	OPPORTUNITIES	CURRENT EXPOSURE
Artificial Intelligence (AI) and Automation	AI is rapidly transforming industries and creating new business models.	New computing needed (Datacenter + Energy), AI-powered software, robotics, autonomous vehicles, and companies leveraging AI for efficiency and innovation.	Datacenter & LLM : Alphabet, Amazon, Microsoft, Broadcom. Private : OpenAI, Antropic, etc. Semiconductors : Applied Materials, Samsung, TSMC, Onto Innovation
Clean Energy and the Electrification of everything	The transition to a low-carbon economy is accelerating, driven by climate concerns and technological advances.	Renewable energy sources, energy storage, smart grids, and sustainable infrastructure	Renewable energy & Electification : Altus Power, Bloom Energy, Fluence Energy, Everus, nVent Electric, Schneider Electric, Siemens, Terex Private : Brookfield Infrastructure, Carbon credit
Digital Transformation and Connectivity	The digitization of businesses and societies is continuing, with increasing technology	Cloud computing, data analytics, artificial intelligence, the Internet of Things (IoT), e-commerce, fintech.	Cloud : Alphabet, Amazon, Microsoft, Broadcom Fintech : Visa, Tencent eCommerce : Amazon, Mercadolibre, Tencent Private : CBRE US Logistics, Insight Partners
Demographics and Social Change	Aging populations, shifting demographics, rapid urbanization, and changing consumer preferences are reshaping markets.	Healthcare, senior care, education, and products catering to evolving lifestyles.	Healthcare : Novo Nordisk, Danaher, Thermo Fisher
Emerging Markets and Global Wealth	The rise of emerging economies and growing middle classes are creating new consumer markets and investment destinations.	Exposure to these markets and sectors like e-commerce, fintech, and infrastructure can benefit	eCommerce : Amazon, Mercadolibre, Tencent Luxury : LVMH
Biotechnology and Healthcare Innovation	Advances in biotechnology, genomics are leading to breakthroughs in healthcare, agriculture and personalized medicine	Pharmaceuticals, medical devices, and companies at the forefront of medical research	Healthcare : Novo Nordisk, Danaher, Thermo Fisher Private : TPG Life Sciences

TRANSACTIONS

Here is a summary of the major transactions carried out during the quarter

SECURITY	TRANSACTION	JUSTIFICATION
Altus Power Inc. Bloom Energy Fluence Energy Inc. Terex Corp MDU Ressources nVent Electric PLC	New Purchase	These companies are well-positioned to capitalize on the rising demand for clean energy solutions, driven by trends such as electrification, AI, data centers, and the reshoring of manufacturing in the U.S. The global emphasis on transitioning to cleaner energy sources, further fueled by climate change concerns and government incentives, creates a favorable environment for these companies. This shift towards sustainable energy could lead to substantial growth in their revenues and consequently, their stock prices. We have initiated a small initial position, with the anticipation that the easing of monetary policy will further enhance the attractiveness of these investments.
Goldman Sachs	New Purchase	Following a period of low activity in mergers and acquisitions (particularly due to an uncertain regulatory climate) and a limited number of IPOs, Goldman Sachs could benefit from an increase in activity in the coming quarters.
Applied Materials Onto Innovation	New Purchase	During the quarter, technology stocks, particularly those of chip equipment manufacturers like Applied Materials and Onto Innovations, underperformed due to fears of an AI bubble. We took this opportunity to initiate a position in these two companies, whose shares are currently trading at price-to-earnings ratios that we consider very attractive. Furthermore, we anticipate a rebound in the semiconductor industry in 2024-2025, driven by new generations of chips and High Bandwidth Memory (HBM), which should benefit both of these companies.
LVMH	Increase	Despite short-term economic uncertainties, LVMH's strong brand portfolio, global reach, and resilient demand for luxury goods position it for long-term growth, making it an attractive investment for those with a long-term horizon.
Alphabet, Inc. Amazon.com, inc.	Increase	Following a correction in the technology sector during the quarter, shares of Amazon and Alphabet fell rapidly by nearly 20% from their peak. We took this opportunity to increase our long-term position in these quality companies, convinced of their long-term growth potential.
Estee Lauder Tesla Alibaba	Complete Sell	Given the fragility of consumption in China and the lack of visibility on the short-term outlook, we are opting for a risk management strategy.

DETAILED POSTIONS—PUBLICLY TRADED-EQUITY

SECURITY	DESCRIPTION
Alphabet Inc.	Alphabet is one of the largest advertisers in the world (Google, YouTube) and dominates 80% of the global online search market. Through its Android operating system, it collects revenue from the sale of applications and mobile transactions (Google Pay). Alphabet's TPUs, processors specifically designed for AI, give the company a significant competitive advantage in the development and deployment of advanced AI models, fueling innovation in various fields such as research, healthcare, and productivity.
Altus Power Inc.	Altus Power is a developer, owner, and operator of large-scale solar, energy storage, and EV charging systems that serve commercial, industrial, and community solar customers. Its key Blackstone and CBRE relationships lower their customer acquisition cost, enable scalable financing access and enable positive EBITDA generation.
Amazon.com, Inc.	Amazon is the largest player in e-commerce and cloud services. It is on track to become a major player in advertising as well. As a hyperscaler with massive infrastructure and a strategic partnership with Anthropic, Amazon is ideally positioned to become a major player in the AI field, developing and deploying advanced AI models at scale.
Applied Materials	Applied Materials, a dominant player in the semiconductor equipment oligopoly, holds a competitive advantage due to its leadership in key chip manufacturing steps like deposition, etch, and advanced packaging, positioning it to benefit from the industry's growth driven by advanced packaging and GAA (Gate-All-Around) technologies.
Bloom Energy	Bloom Energy is a differentiated pure-play hydrogen equipment manufacturer, well-positioned to capitalize on the rapidly expanding hydrogen market. The company's solid oxide fuel cells are gaining traction in various end markets, including marine, data centers, and stationary power. With legislative tailwinds and a strong partnership with Quanta Computer (for datacenter), Bloom Energy is poised for significant growth in the clean energy sector.
Broadcom	Broadcom produces a large number of high-tech products for high-end telephones and for data centers that could benefit from significant investments to support the new needs of the AI revolution.
Danaher	Danaher is well-positioned for growth due to its strategic focus on the life science and diagnostic tools markets, which have high barriers to entry and recurring revenue streams. Through the years, the company has generated a lot of value by acquiring companies and integrating them into its Danaher Business System (DBS), focused on continuous improvement and innovation, further strengthening its long-term prospects.

DETAILED POSTIONS—PUBLICLY TRADED-EQUITY

SECURITY	DESCRIPTION
Fluence Energy Inc.	Fluence Energy is well-positioned for growth due to robust demand for energy storage, favorable legislation, and an improved supply chain. The company's digital offerings and asset-lite manufacturing approach further strengthen its position in the market.
Goldman Sachs	Goldman Sachs is well-positioned for growth due to an expected increase in investment banking activity, particularly in M&A, and its strong position in banking, markets, and private markets.
LVMH Moët Hennessy Louis Vuitton	LVMH is a global producer and distributor of luxury goods. It operates six segments: fashion and leather goods, watches and jewelry, wines and spirits, perfumes and cosmetics, selective retailing (Sephora and DTS Duty Free in airports), and other (e.g., publishing). The best-known brands include Louis Vuitton, Bulgari, Fendi, Givenchy, Tag Heuer, Hennessy, Moët & Chandon, Glenmorangie and Sephora.
MDU Ressources	We want to initiate a position in the expected spin-off of Everus in late 2024, which has a record backlog, strong cash flow, and is poised to benefit from infrastructure spending, presents a compelling investment opportunity in high-growth industries like data centers, high-tech manufacturing, and renewables.
Mercadolibre Inc.	MercadoLibre is well-positioned for significant growth due to increasing e-commerce and digital payment adoption in Latin America. The company's comprehensive ecosystem, including marketplace, payments, lending, shipping, and advertising, creates a strong competitive advantage, ensuring long-term value for investors.
Microsoft	Microsoft is an early leader in AI and remains well-positioned for public cloud growth. It has a wide economic moat due to high switching costs and a network effect, and we expect the company to continue to generate strong revenue growth with improving margins.
Novo Nordisk A/S	Novo Nordisk is a wide-moat company with a dominant position in the growing diabetes and obesity treatment markets, with the global GLP-1 market in diabetes and obesity expected to approach $200 billion by 2031. The company's innovative GLP-1 therapies, including Ozempic and Wegovy, are poised for continued growth, supported by strong clinical data and with over 650 million adults worldwide classified as obese.
nVent Electric PLC	nVent's leadership in connection and protection solutions, coupled with its strategic focus on high-growth verticals like data solutions and renewable energy, positions it for substantial growth in the expanding electrification market.

DETAILED POSTIONS—PUBLICLY TRADED-EQUITY

SECURITY	DESCRIPTION
Onto Innovation	Onto Innovation, a small but key player in the semiconductor equipment industry, is well-positioned for substantial growth due to its strong focus on the rapidly expanding Gate-All-Around (GAA) transistor architecture and advanced packaging technologies, which are expected to drive significant industry expansion in the coming years.
Samsung Electronics	Samsung Electronics, a leading provider of high-bandwidth memory (HBM) technology, is well-positioned to capitalize on the growing demand for AI-powered applications. As AI models become increasingly complex, the need for faster and more efficient memory solutions like HBM becomes paramount. Samsung's expertise in semiconductor manufacturing, combined with its focus on HBM innovation, positions it as a key player in the AI supply chain, ensuring continued growth and profitability in the expanding AI market.
Schneider Electric	Schneider Electric is well positioned across the value chain to take advantage of long-term growth in data centers, automation, smart grid (IoT) and the electrification of fossil process.
Siemens AG	Siemens AG, a global technology powerhouse, is well-positioned for growth due to its focus on digitalization, automation, and sustainable solutions. The company's diverse portfolio, strong innovation track record, and significant investments in key growth areas offer investors attractive long-term potential. At the time of purchase the stock was particularly cheap compared to the market.
TSMC	TSMC, the world's leading semiconductor foundry, dominates the market with over 50% of global chip production. Its unmatched technological lead, particularly with the production of the world's most advanced 3nm chips, gives it a crucial strategic position in the semiconductor industry, fueling technological innovation in many sectors such as artificial intelligence, data centers, and mobile devices.
Tencent Holdings Limited	Tencent is the world's largest video game provider. Tencent also runs China's largest social media super app (WeChat) used for chatting, shopping, watching videos, playing games, ordering food and cabs, etc. Tencent also has a global investment arm with stakes in companies such as Meituan, JD, DiDi, Snap, PDD, Kuaishou, Epic Games, etc.

DETAILED POSTIONS—PUBLICLY TRADED-EQUITY

SECURITY	DESCRIPTION
Terex Corp	Terex presents a compelling investment opportunity due to robust demand for its aerial work platforms and telehandlers, outpacing the broader construction equipment market. This, combined with its strong financial position and the tailwind of necessary US grid investment, positions the company for growth.
Thermo Fisher Scientific Inc.	Thermo Fisher Scientific sells scientific instruments and laboratory equipment for health research and analysis. The company's strategic acquisitions, focus on high-growth areas like clinical trials, and efficient operations support its ability to deliver consistent returns for investors.
Visa Inc.	Visa, as the undisputed global leader in payment processing, benefits from a sustainable competitive advantage due to its extensive and difficult-to-replicate network. This allows Visa to capitalize on the continued growth of electronic transactions and the increasing adoption of digital payments worldwide, while adapting to the constant evolution of the payment industry.

DETAILED POSTIONS—STRUCTURED NOTES

NOTES	CODE	DESCRIPTION
Accelerator Note linked to a basket of US Stocks	RBC4042	Note providing a conditional participation of 6x the return of the index of a basket of US stocks (Microsoft, Intel, Texas Instruments, Ford, TMSC, Apple, Nvidia, Qualcomm) over a 5-year period. Performance is capped at 104% (15.33% annualized).
Accelerator Note linked to a Biotech index (XBI)	RBC4043	Note providing conditional participation of 6x the performance of the U.S. Biotechnology Index (XBI) over a 5-year period. Performance is capped at 94% (14.17% annualized).
Autocall Note linked to Canadian Banks	JHN16560	Conditional autocallable income (16% per year) if a basket of Canadian bank stocks is above its initial threshold at the semi-annual evaluation.
Accelerator Note linked to a Semiconductor index (SMH)	SSP3831	Note providing conditional participation of 10x the performance of the Semiconductor Index (SHM) over a 5-year period. Performance is capped at 75% (11.84% annualized).
Accelerator Note linked to a basket of Tech Stocks	JHN2962	100% principal protected note providing a contingent interest of 1x the return of the basket of technology stocks (AMD, ASML, Intel, Nvidia) over a 7-year period. Performance is capped at 173% (15.43% annualized).
Callable Income Note linked to Moderna	JHN16669	Note distributing a monthly contingent coupon (18.93% annually) if Moderna stock is above -30% of its initial threshold. Automatic redemption after 1 year if Moderna is above 105%.
Principal Protected Note (PPN) linked to Canadian Banks	JHN2939	100% principal protected note that can provide a contingent coupon payment of 9% per year held if the Canadian Banks AR 40 Index is higher than the initial level at purchase.
Autocall Note linked to Canadian Utilities	SSP4755	Conditional autocallable income (17% per year) if a basket of Canadian utility stocks remains above its initial threshold at the annual evaluation.
Accelerator Note linked to a Regeneron & Biogen	RBC9600	Note providing a conditional participation of 10 times the return of the least performing stock between Regeneron and Biogen at the end of a 5-year period. The performance is capped at 115% (16.54% annualized)

DETAILED POSTIONS—INSTITUTIONAL MANDATES

MANDATE	DESCRIPTION
Insight Partners (Private Equity)	Insight Partners XIII Growth Buyout Fund is one of the world's largest private equity investors (10th largest in 2022), specializing in growth software companies since 1995. It invests at all stages of company development as a controlling or minority shareholder. This flexible approach gives it a comparative advantage over its competitors. Since 2007, all of Insight Partners' funds have been top quartile in the industry with an average IRR of 25% and have grown their fund size from $1.2 billion to $17 billion.
TPG Life Sciences (Private Equity)	TPG is a renowned firm with over 30 years of existence and 135 billion under management. We believe the timing is favorable to invest in a fund dedicated to life sciences given all the recent technological advancements (mRNA, CRISPR, cellular and genetic therapies) that could mark the onset of a golden age for the industry. TPG adopts an intriguing approach with this fund, allowing for diversification across modalities, stages of company development, funding rounds, and therapeutic areas.
Brookfield Infrastructure (Infrastructure)	Brookfield Infrastructure Fund V is a $25 billion opportunistic infrastructure fund managed by Brookfield Asset Management, one of the world's largest asset allocators ($800 billion under management). Brookfield invests in the infrastructure of tomorrow with investments in renewable energy, data infrastructure networks and transportation networks.
Fiera Comox (Farmland)	Fiera Comox is a Montreal-based firm founded by Antoine Bisson Mclernon (formerly at PSP where he managed one of the world's largest agricultural portfolios). The fund has a diversified approach both geographically (focus on developed countries) and in crop types. It is an open-end fund.
CBRE US Logistics (Real Estate)	CBRE U.S. Logistics Partners (USLP) is an open-end fund focused on real estate investments in the U.S. logistics sector (e.g., distribution centers for online retail). CBRE Group is the world's largest commercial real estate investment and services company (based on 2020 revenues).
Inlandsis (Carbon Credit)	Inlandsis Fund II finances greenhouse gas (GHG) emission reduction projects in North America. It receives government-issued carbon credits as reimbursement and then resells these credits to companies that need to reduce their carbon footprint or choose to do so voluntarily. This innovative fund targets a GHG reduction impact of 24 MtCO2e (equivalent to 28% of Quebec's total emissions in a calendar year).
Alphafixe (Green Bonds)	This institutional green bond mandate is managed by Alphafixe (winner of the Canadian ESG Championship). Green bonds allow for the financing of a low-carbon economy without sacrificing returns.
Overbay Technology Leaders IV LP (Private Equity–AI)	This investment fund focuses exclusively on the artificial intelligence (AI) sector. To date, 60% of its assets have been invested in six leading companies in this field, including OpenAI and Anthropic. These investments have been made at advantageous valuations, which are often significantly lower than current market estimates.

MORNINGSTAR'S "LOW CARBON" DESIGNATION

We are particularly proud of the acknowledgment we received during this quarter. The independent organization Morningstar has granted us the "Low Carbon" designation. This acknowledgment is given to portfolios demonstrating low carbon risk, which measures the threats businesses face due to the shift towards a low-carbon economy, and also a low exposure to fossil fuels. This designation is an indicator that the businesses held in a portfolio are generally in alignment with the transition towards an economy with reduced carbon emissions.

"Sabius Private Institutional Mandate has several promising attributes that may appeal to sustainability-focused investors. Currently, the fund's involvement in fossil fuels is negligible, and compares favorably with 15.94% for its average peer."

- Morningstar

Responsible Investment

Although this recognition is appreciated, it doesn't come as a surprise. Sabius was designed as a vehicle for responsible investment. The fund has positioned ethical considerations at the heart of its investment strategy.

For the selection of publicly traded securities, we follow the investment principles of the Norwegian sovereign fund, which has been a pioneer in globally responsible investments. We apply the same principles of exclusion from investing in sectors considered problematic for a sustainable economy. Excluded sectors range from producers of weapons, tobacco, coal (or companies that rely on coal), as well as companies that demonstrate reprehensible behaviors (such as corruption, human rights violations, severe environmental impact, etc.). We also made a conscious decision to refrain from investing in oil companies.

In addition to these exclusions, as long as the returns are promising, we expect to have a positive impact with our investments. We have invested in a green bond institutional fund that finances the decarbonization activities of the economy. This mandate is managed by the Montreal firm AlphaFixe, which won the first Canadian ESG (Environment-Social-Governance) Championship in 2022.

We have also invested along with leading players in responsible investment in Quebec (Fondaction, HEC Montreal, the Lucie and André Chagnon Foundation) in the Inlandsis fund, one of the largest funds financing greenhouse gas reduction projects in Canada. The fund finances various types of projects, including the reduction of methane emissions in agricultural environments and in abandoned coal mines, and generates a return through the carbon credits released by the supported projects. Inlandsis estimates that the projects funded by the fund will reduce greenhouse gas emissions by 24 million tons over the life of the fund, equivalent to a quarter of Quebec's annual emissions.

NOTES

Note 1 (page 1): Our performance is calculated and verified by Purpose Investments. These results are then compiled by an independent firm, Morningstar, which aggregates all of the industry's mutual funds, classifies them into categories of funds it deems similar, and assigns them a benchmark it deems appropriate.

Note 2 (page 1): Our Morningstar category is called "Tactical Balanced Fund" and currently includes 309 Canadian mutual funds.

Note 3 (page 1): Our benchmark is called the "Morningstar Canadian Neutral Global Target Allocation CAD" and is composed as follows: Money Market (5.79%), Canadian Bonds (22.21%), Global Bonds ex-Canada (21.12%), Canadian Equities (12.36%), U.S. Equities (22.73%), Developed Markets ex-North America (13.26%), Emerging Markets Equities (2.53%).

Note 4 (multiples instances): The data about index performance were retrieved from Morningstar Direct. All Rights Reserved

Note 5 (multiples instances): Data sourced from the software TrueQuant, a financial data software owned and operated by Purpose Investments.

Note : Morningstar defines market capitalization categories based on the total market value of a company's outstanding shares relative to other companies within its style zone (e.g., U.S., Europe, Asia). These categories include: Giant-cap (the top 40% of total market capitalization), Large-cap (the next 30%), Mid-cap (the next 20%), Small-cap (the next 7%), and Micro-cap (the smallest 3%)

DISCLAIMERS

National Bank Financial Wealth Management is a trade name used by National Bank Financial Inc. (NBF.) NBF Inc. is an indirectly wholly-owned subsidiary of National Bank of Canada. The National Bank of Canada is a publicly traded company listed on the Toronto Stock Exchange (TSX: NA). The information herein has been obtained from sources we believe to be reliable, but is not guaranteed by us and may be incomplete. The views expressed are based on our analysis and interpretation of this information and should not be construed as a solicitation to offer to buy or sell the securities mentioned herein. The Firm may act as a financial advisor, tax agent, or underwriter for some of the companies mentioned herein and may receive compensation for its services. The Firm and/or its officers, directors, representatives, associates may hold the securities mentioned herein and may execute purchases and/or sales of these securities from time to time in the market or otherwise. The Firm is a member of the "Canadian Investor Protection Fund (CIPF).“

The opinions expressed herein do not necessarily reflect those of National Bank Financial. The particulars contained herein were obtained from sources we believe to be reliable, but are not guaranteed by us and may be incomplete. The opinions expressed consider a number of factors including our analysis and interpretation of these particulars, such as historical data, and are not to be construed as a solicitation or offer to buy or sell the securities mentioned herein. Unit values and returns will fluctuate and past performance is not necessarily indicative of future performance. Important information regarding a fund may be found in the prospectus. The investor should read it before investing.

Purpose Investments Inc. is the Manager of the Fund(s) discussed herein. Purpose is responsible for oversight of the fund and its sub-adviser mentioned here. Views and opinions discussed by the sub-adviser are not necessarily shared or endorsed by Purpose, but the Fund(s) discussed shall always be subject to Purpose’s oversight.

The information is not investment advice, nor is it tailored to the needs or circumstances of any investor. Information contained in this document is believed to be accurate and reliable, however, we cannot guarantee that it is complete or current at all times. The information provided is subject to change without notice.

Certain statements on this site may be forward-looking. Forward-looking statements (“FLS”) are statements that are predictive in nature, depend on or refer to future events or conditions, or that include words such as “may,” “will,” “should,” “could,” “expect,” “anticipate,” intend,” “plan,” “believe,” “estimate” or other similar expressions. Statements that look forward in time or include anything other than historical information are subject to risks and uncertainties, and actual results, actions or events could differ materially from those set forth in the FLS. FLS are not guarantees of future performance and are by their nature based on numerous assumptions. Although the FLS contained in this document are based upon what Purpose believes to be reasonable assumptions, Purpose cannot assure that actual results will be consistent with these FLS. The reader is cautioned to consider the FLS carefully and not to place undue reliance on the FLS. Unless required by applicable law, it is not undertaken, and specifically disclaimed, that there is any intention or obligation to update or revise FLS, whether as a result of new information, future events or otherwise.

Commissions, trailing commissions, management fees and expenses all may be associated with investment fund investments. The offering memorandum contains important detailed information about the investment fund. Please read the offering memorandum before investing. There is no assurance that any fund will achieve its investment objective, and its net asset value, yield, and investment return will fluctuate from time to time with market conditions. Investment funds are not guaranteed, their values change frequently, and past performance may not be repeated.

The indicated rate of return is the historical annual compounded total return including changes in share/unit value and reinvestment of all distributions and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns.