

Annual Management Report of Fund Performance

ATBIS International Equity Pool

As at December 31, 2019

This annual management report of fund performance contains financial highlights but does not contain the semi-annual or annual financial statements of the investment fund. You can get a copy of the annual financial statements upon request at no charge, by calling 1-888-ATB-FUND, by emailing us at atbimservice@atb.com, by contacting your dealer or by visiting SEDAR at www.sedar.com.

Security holders may also contact us using these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure records or quarterly Portfolio disclosure.

Management Discussion of Fund Performance

Investment Objectives and Strategies

The ATBIS International Equity Pool's ("the Pool") objective is to seek to achieve long-term capital growth primarily by investing in, or gaining exposure to, stocks and other equity securities of issuers outside Canada and the United States.

To achieve the Pool's objectives, the Pool advisor will allocate the Pool's exposure to international equity securities based upon its view of the market and the suitability of the investment for the Pool, and by taking into account factors such as geography, market sector, investment style, volatility, and market capitalization.

Risk

There were no significant changes to the investment objective and strategies that affected the Pool's overall level of risk during the reporting period. The risks of investing in the Pool and the suitability of the Pool for investors remain as discussed in the Simplified Prospectus.

Results from Operations

The Pool's net asset value increased to \$46 million as at December 31, 2019, from \$39 million at the end of 2018. The change in asset value was due to a combination of net inflows and investment returns.

Year to date, the Pool's Series O units returned 15.30% outperforming the blended benchmark return of 16.06%. The Pool's return is after the deduction of fees and expenses, while broad-based index and blended benchmark returns do not include any costs of investing. See the Financial Highlights section for the management expense ratios and the Past Performance section for the returns of any other series, which may vary because of differences in management fees and expenses.

The following provides an asset class specific commentary for the Pool, returns are inclusive of the Pool's pro-rata share, where applicable, of any investment in an underlying fund i.e. provided on a look-through basis:

Against the early-year political backdrop of a Brexit deadline that came and went, the UK economy was surprisingly robust. After Boris Johnson received a resounding majority in the December 2019 UK general election, Britain seems set to leave the European Union soon in the New Year.

In the four largest continental European economies, consumption growth – the single largest item in a country's national economy accounts – slowed virtually to zero in the second quarter of 2019. Consumption growth turned positive in the third quarter and the European economies seemed to grow in the fourth quarter, albeit modestly. Both the Bank of England (BOE) and the European Central Bank (ECB) kept their target short-term interest rates unchanged through the year. The ECB's main overnight rate has been close to zero since 2013 and officially at zero since 2016, so the scope for monetary policy to further stimulate the EU economies' growth is modest at best.

International stock prices rose throughout the first part of the year, largely or completely negating their declines of late 2018. Stock prices then advanced further through the rest of the year. These gains were reduced somewhat when expressed in Canadian dollars, as foreign currencies declined slightly against the Loonie. Measured in Canadian dollars, the conventional large-cap equities that represent all of the fund experienced a gross return of just over 15% during the year.

Changes

In May, of the 15% of the portfolio's weight that was represented by the QV International large-cap equity mandate, about two-thirds was moved into the BlackRock EAFE Equity Index pooled fund and the remaining third was placed into the Mawer International Equity mandate.

Recent Developments

The continued worldwide spread of novel coronavirus ("COVID-19") and its impact on international business operations, supply chains, travel, commodity prices, consumer confidence and business forecasts, and the associated impact on domestic and international equity markets and fixed income yields, is expected to have a material impact on all equity and fixed income portfolios during the first half of 2020, and potentially beyond. We continue to monitor developments in equity and fixed income markets generally, and particularly in connection with the Pool. While it is too early to predict the impact of COVID-19 related factors, during a time of increased uncertainty and volatility, we expect that the performance of all investment portfolios, including the Pool, will be affected in the near term.

As of May 15, 2019, QV Investors Inc. ("QV") ceased to act as sub-advisor to ATB Investment Management Inc. ("ATBIM") for the ATBIS U.S. Equity Pool and ATBIS International Equity Pool as well as for the foreign equity portion of Compass Conservative Portfolio, Compass Conservative Balanced Portfolio, Compass Balanced Portfolio, Compass Balanced Growth Portfolio, Compass Growth Portfolio, and Compass Maximum Growth Portfolio. Mawer Investment Management Ltd. continues to act as a sub-advisor to ATBIM in respect of the foreign equity component of the Compass Portfolios and were subject to an increase in allocation of some or all of the foreign equity assets previously managed by QV. Mawer was also appointed as a sub-advisor to ATBIM for the ATBIS Pools.

As of November 13, 2019, QV ceased to act as sub-advisor to ATBIM for the Compass Conservative Portfolio, Compass Conservative Balanced Portfolio, Compass Balanced Portfolio, Compass Balanced Growth Portfolio, Compass Growth Portfolio, Compass Maximum Growth Portfolio and the ATBIS Canadian Equity Pool. QV was replaced by Cidel Asset Management Inc. and Cardinal Capital Management Inc.

There are no other developments to report at this time related to the strategic positioning of the Pool, the manager, or to the policies of the IRC.

Related Party Transactions

The Pool is managed by ATB Investment Management Inc. ATB Investment Management Inc. is a wholly owned subsidiary of ATB Financial.

Throughout the period, the Pool used the services of ATB Financial and its subsidiaries for administration of the Pool. The total value of services rendered by ATB Financial, and its subsidiaries to the Pool, was \$25,844.

As of December 31, 2019, ATB Investment Management Inc. has absorbed \$121,152 of operating expenses in the Pool.

ATB Investment Management Inc. is the sole investor in Series A of the Pool. As at December 31, 2019, ATBIM held 617 redeemable units, valued at \$6,077 representing 0.01% of the total net asset value of the Pool.

ATB Investment Management Inc. has established an independent review committee ("IRC") which acts as an impartial and independent committee to review and provide recommendations or, if appropriate, approvals with respect to any conflict of interest matters. IRC oversight ensures that there are no conflicts of interest that would be harmful to unit holders.

Annual Management Report of Fund Performance
 ATBIS International Equity Pool (continued)

Financial Highlights

The following tables show selected key financial information about the Pool and are intended to help you understand the Pool's financial performance for the year ended December 31, 2019 and the fiscal years indicated. The information on the following tables is based on prescribed regulations and as a result, is not expected to reconcile because the increase (decrease) in net assets from operations is based on average units outstanding during the period and all other numbers are based on actual units outstanding at the relevant point in time.

ATBIS International Equity Pool - Series A

PERIOD	2019	2018	2017	2016
Net assets, beginning of period¹	\$8.80	\$10.91	\$9.38	\$10.00
Increase (decrease) from operations;				
Total revenue	0.28	0.20	0.29	0.14
Total expenses	(0.18)	(0.27)	(0.29)	(0.03)
Net investment income (loss)	0.10	(0.07)	-	0.11
Realized gains (losses) for the period	0.03	0.34	0.31	0.16
Unrealized gains (losses) for the period	1.03	0.01	0.43	(0.61)
Net gain (loss) on investment for the period	1.06	0.35	0.74	(0.45)
Total increase (decrease) from operations²	1.16	0.28	0.74	(0.34)
Distributions;				
From income (excluding dividends)	(0.11)	(0.09)	-	(0.12)
From dividends	-	-	-	-
From net investment income	(0.11)	(0.09)	-	(0.12)
From capital gains	-	(1.39)	(0.15)	(0.17)
Total annual distributions ³	(0.11)	(1.48)	(0.15)	(0.29)
Net assets, end of period⁴	9.85	8.80	10.91	9.38

(1) This information is derived from the Pool's audited annual financial statements as at December 31 of the years shown.

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

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

Ratios and Supplemental Data

PERIOD	2019	2018	2017	2016
Total net asset value (000's) ⁴	\$6	\$5	\$21	\$5
Number of units outstanding ⁴	617	610	1,906	515
Management expense ratio ⁵	1.97%	2.51%	2.73%	1.10%
Management expense ratio before waivers or absorptions	2.73%	3.12%	3.51%	71.26%
Trading expense ratio ⁶	0.15%	0.15%	0.18%	0.91%
Portfolio turnover rate ⁷	25.81%	21.92%	11.86%	4.54%
Net asset value per unit	\$9.85	\$8.80	\$10.91	\$9.38

(4) This information is provided at December 31 of prior years shown.

(5) The Management expense ratio (MER) is based on total expenses (excluding commissions and other Pool transaction costs), and the Pool's proportionate share of the MER, if applicable, of any underlying funds and exchange traded funds in which the Pool has invested, allocated to that series for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The Manager, at its sole discretion, waives management fees or absorbs expenses. Such waivers and absorptions can be terminated at any time. The MERs of the Pool are shown both with and without the waivers and absorptions.

(6) The trading expense ratio represents total commissions and other Pool transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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

Financial Highlights (continued)

ATBIS International Equity Pool - Series O				
PERIOD	2019	2018	2017	2016
Net assets, beginning of period¹	\$9.88	\$11.03	\$9.40	\$10.00
Increase (decrease) from operations;				
Total revenue	0.32	0.31	0.30	0.28
Total expenses	(0.01)	-	(0.01)	-
Net investment income (loss)	0.31	0.31	0.29	0.28
Realized gains (losses) for the period	0.04	0.48	0.30	0.39
Unrealized gains (losses) for the period	1.18	(1.32)	1.17	(0.18)
Net gain (loss) on investment for the period	1.22	(0.84)	1.47	0.21
Total increase (decrease) from operations²	1.53	(0.53)	1.76	0.49
Distributions;				
From income (excluding dividends)	(0.29)	(0.27)	(0.21)	(0.12)
From dividends	-	-	-	-
From net investment income	(0.29)	(0.27)	(0.21)	(0.12)
From capital gains	-	(0.48)	(0.17)	(0.17)
Total annual distributions ³	(0.29)	(0.75)	(0.38)	(0.29)
Net assets, end of period⁴	11.10	9.88	11.03	9.40

(1) This information is derived from the Pool's audited annual financial statements as at December 31 of the years shown.

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

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

Ratios and Supplemental Data

PERIOD	2019	2018	2017	2016
Total net asset value (000's) ⁴	\$41,526	\$32,122	\$22,079	\$1,908
Number of units outstanding ⁴	3,741,824	3,251,220	2,001,372	203,112
Management expense ratio ⁵	0.08%	0.06%	0.07%	0.10%
Management expense ratio before waivers or absorptions	0.36%	0.39%	0.82%	23.50%
Trading expense ratio ⁶	0.15%	0.15%	0.18%	0.91%
Portfolio turnover rate ⁷	25.81%	21.92%	11.86%	4.54%
Net asset value per unit	\$11.10	\$9.88	\$11.03	\$9.40

(4) This information is provided at December 31 of prior years shown.

(5) The Management expense ratio (MER) is based on total expenses (excluding commissions and other Pool transaction costs), and the Pool's proportionate share of the MER, if applicable, of any underlying funds and exchange traded funds in which the Pool has invested, allocated to that series for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The Manager, at its sole discretion, waives management fees or absorbs expenses. Such waivers and absorptions can be terminated at any time. The MERs of the Pool are shown both with and without the waivers and absorptions.

(6) The trading expense ratio represents total commissions and other Pool transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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

Financial Highlights (continued)

ATBIS International Equity Pool - Series F1				
PERIOD	2019	2018	2017	2016
Net assets, beginning of period¹	\$9.91	\$10.99	\$9.39	\$10.00
Increase (decrease) from operations;				
Total revenue	0.29	0.32	0.34	0.14
Total expenses	(0.09)	(0.09)	(0.09)	(0.02)
Net investment income (loss)	0.20	0.23	0.25	0.12
Realized gains (losses) for the period	0.01	0.50	0.36	0.17
Unrealized gains (losses) for the period	1.25	(1.53)	0.96	(0.62)
Net gain (loss) on investment for the period	1.26	(1.03)	1.32	(0.45)
Total increase (decrease) from operations²	1.46	(0.80)	1.57	(0.33)
Distributions;				
From income (excluding dividends)	(0.32)	(0.17)	(0.14)	(0.12)
From dividends	-	-	-	-
From net investment income	(0.32)	(0.17)	(0.14)	(0.12)
From capital gains	-	(0.42)	(0.15)	(0.17)
Total annual distributions ³	(0.32)	(0.59)	(0.29)	(0.29)
Net assets, end of period⁴	11.02	9.91	10.99	9.39

(1) This information is derived from the Pool's audited annual financial statements as at December 31 of the years shown.

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

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

Ratios and Supplemental Data

PERIOD	2019	2018	2017	2016
Total net asset value (000's) ⁴	\$4,821	\$6,421	\$3,201	\$5
Number of units outstanding ⁴	437,435	647,883	291,259	515
Management expense ratio ⁵	0.88%	0.85%	0.85%	0.76%
Management expense ratio before waivers or absorptions	1.18%	1.21%	1.48%	70.92%
Trading expense ratio ⁶	0.15%	0.15%	0.18%	0.91%
Portfolio turnover rate ⁷	25.81%	21.92%	11.86%	4.54%
Net asset value per unit	\$11.02	\$9.91	\$10.99	\$9.39

(4) This information is provided at December 31 of prior years shown.

(5) The Management expense ratio (MER) is based on total expenses (excluding commissions and other Pool transaction costs), and the Pool's proportionate share of the MER, if applicable, of any underlying funds and exchange traded funds in which the Pool has invested, allocated to that series for the stated period and is expressed as an annualized percentage of daily average net asset value during the period. The Manager, at its sole discretion, waives management fees or absorbs expenses. Such waivers and absorptions can be terminated at any time. The MERs of the Pool are shown both with and without the waivers and absorptions.

(6) The trading expense ratio represents total commissions and other Pool transaction costs expressed as an annualized percentage of daily average net asset value during the period.

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

Management Fees

ATB Investment Management Inc. receives management fees of 1.75% per annum for Series A and 0.75% per annum for Series F1, the management fees for Series A and Series F1 are calculated as a percentage of their net asset value as of the close of business on each business day. Management fees for Series O are payable directly to the Manager by Series O investors and not by the Pool.

For the year ended December 31, 2019, the Pool paid ATB Investment Management Inc. management fees of \$48,741. The Pool's management fees were used by ATB Investment Management Inc. to pay costs for managing the investment portfolio, to provide investment analysis and recommendations, to make investment decisions, to purchase and sell investments and to provide other services.

Past Performance

The performance information shown assumes all distributions made by the Pool were reinvested into additional units of the Pool. The performance information does not take into account sales, redemptions, distributions or other optional charges that would have reduced returns or performance. Past performance of the Pool does not necessarily indicate how it will perform in the future.

Year by Year Returns

The following information shows the Pool's performance for the year ended December 31, 2019 and for each of the previous years shown. The bar charts illustrate how the Pool's performance has changed from period to period and also indicates in percentage terms, how much an investment made on the first day of each financial period would have increased or decreased in value by the last day of each period.

Series A



Series O



Series F1



The inception date of Series A, O and F1 was September 22, 2016.

Annual Compound Returns

The table shows the annual compound returns for each Series of the Pool for each of the years ended December 31, as indicated, compared with the following benchmark:

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

100% MSCI EAFE Total Return Index (CDN\$)

For the year ended December 31	Past Year	Past 3 Years	Since Inception
Series A ¹	13.15%	7.96%	6.18%
Benchmark	16.06%	8.35%	8.22%
Series O ¹	15.30%	10.49%	8.56%
Benchmark	16.06%	8.35%	8.22%
Series F1 ¹	14.39%	9.55%	7.65%
Benchmark	16.06%	8.35%	8.22%

The returns of each series may vary because of differences in management fees and expenses. The Benchmark returns do not include costs of investing.

¹ Inception date September 22, 2016.

Index Descriptions

MSCI EAFE Total Return Index (CDN\$)

This index is a broad measure of the Canadian dollar performance of stocks from developed equity markets covering countries in Europe, Australasia and the Far East. This index gives investors a broad measure of the overall performance of international stock markets.

Annual Management Report of Fund Performance
 ATBIS International Equity Pool (continued)

Summary of Investment Pool

As at December 31, 2019

<i>ATBIS International Equity Pool</i>	<i>% Weight</i>
Equities	97.7%
Communication Services	3.6%
Consumer Discretionary	10.5%
Consumer Staples	12.3%
Energy	1.4%
Financials	18.7%
Health Care	8.3%
Industrials	20.3%
Info Technology	9.5%
Materials	11.0%
Real Estate	1.0%
Utilities	1.1%
Private Equity	0.0%
Fixed Income	0.0%
Cash & Other	2.3%
Total	100.0%

<i>ATBIS International Equity Pool</i>	<i>% Weight</i>
Equities	
US	4.2%
International	93.5%
Cash & Other	2.3%
Total	100.0%

<i>Top 25 Holdings</i>	<i>% Weight</i>
Mawer International Equity Fund	58.0%
BlackRock CDN MSCI EAFE Equity Index Fund	29.5%
Aon PLC Cl. A	0.6%
Cash and Cash Equivalent	0.6%
Air Liquide SA	0.4%
Intertek Group PLC	0.4%
RELX PLC	0.4%
LVMH Moet Hennessy Louis Vuitton SA	0.4%
ASSA ABLOY AB Series B	0.4%
Wolters Kluwer NV	0.4%
Tsuruha Holdings, Inc.	0.4%
Bunzl PLC	0.4%
InterContinental Hotels Group PLC	0.3%
FUCHS PETROLUB SE	0.3%
Roche Holding AG	0.3%
Taiwan Semiconductor Manufacturing Company, Ltd. ADR	0.3%
Novartis AG ADR	0.3%
Compass Group PLC	0.3%
Deutsche Boerse AG	0.3%
Sampo OYJ Series A	0.3%
Sika AG	0.3%
Croda International PLC	0.2%
Halma PLC	0.2%
Tencent Holdings Limited	0.2%
SAP SE	0.2%

Total Fund Net Asset Value \$ 46,353,045

The summary of investment Portfolio may change due to ongoing Portfolio transactions in the investment fund. The most recent annual reports are available at no cost by calling 1-888-ATB-FUND, by e-mailing atbimservice@atb.com. Prospectus and other information about underlying investment funds is available on the internet at www.sedar.com.

Caution Regarding Forward-Looking Statements

This report may include forward-looking statements about the Pool. These statements “Results from Operations” and “Recent Developments” may involve, but are not limited to, forward-looking statements about the Pool and may make references relating to strategy, risks, expected performance and condition. Forward-looking statements typically use words like “anticipate”, “believe”, “estimate”, “expect”, “intend”, “may”, “plan” or other similar expressions or future or conditional verbs such as “could”, “should”, “would” or “will.”

By their very nature, forward-looking statements require numerous assumptions and are subject to inherent risks and uncertainties, both general and specific, concerning future performance, strategies or prospects and possible future Pool action. A number of factors could cause actual future results, conditions, actions or events to differ materially from the current expectations, estimates, intentions or projections about future general economic, political and other relevant market factors in North America and internationally including, but not limited to, interest rates, foreign exchange rates, equity and capital markets, business competition, technological changes, catastrophic events and the general business economy. Such factors assume no changes to applicable tax, other laws, government regulation or legislation.

The Pool cautions readers that the aforementioned list is not exhaustive. Anyone reading and relying on forward-looking statements should carefully consider these and other factors that could potentially have an adverse affect on the Pool’s future results as there is a significant risk that forward-looking statements will not prove to be accurate.

Readers should not place undue reliance on forward-looking statements, as actual results may differ materially from plans, objectives, and expectations. The Pool does not undertake to update any forward-looking statement contained in this report.

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