

Semi-Annual Management Report of Fund Performance

ATBIS U.S. Equity Pool

As at June 30, 2020

This semi-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 semi-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 our website at www.atb.com/wealth or on 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 U.S. Equity Income Pool ("the Pool") objective is to seek to achieve long-term capital growth primarily by investing, or gaining exposure to, equity securities of issuers in the United States.

To achieve the Pool's objectives, the Pool advisor will allocate the Pool's exposure to U.S. 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 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 \$59 million as at June 30, 2020, from \$49 million at the end of 2019. The change in asset value was due to a combination of net inflows and negative investment returns.

Year to date, the Pool's Series O units returned -1.49%, underperforming the blended benchmark return of 1.33%. 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:

US Equities were off to a good start for the year, hitting all time highs in February until the market was hit with the uncertain economic impacts of the COVID-19 pandemic and subsequent government mandated shutdowns. This led to the unemployment rate spiking to 13% from a record low of 3.5% in just three months, which is the highest rate since the great depression. As a result, the federal government announced a number of programs including interest free loans to businesses, as well as a wage subsidy in addition to unemployment insurance benefits for those affected. As quickly as the pandemic hit markets, the recovery in the US market, particularly in technology stocks was quick as well. By the end of the period, the S&P 500 had recovered to levels that were consistent with the beginning of the year.

The Federal Reserve lowered its interest rate target twice during the period, both times in March resulting in the upper bound to drop from 1.25% to 0.25%. This was done in conjunction with a significant expansion in the Fed's bond buying program to support liquidity and offer stability to capital markets. Normally interest rate cuts are done in 25 basis point increments, and are staggered over a number of months as deemed necessary to help stabilize growth. The Fed's quick actions were justified with how quickly the COVID-19 pandemic brought the U.S. and global economies to a halt.

Measured in Canadian dollars, the US large-cap stocks that represent about 78% of the portfolio had a gross return of about 1.05% for the period

The US small and mid-cap stocks that represent about 22% of the portfolio were also negatively impacted by the COVID-19 pandemic, and did not recover as well compared to their large cap counterparts. The US small-cap and mid-cap holdings lost about 14%, and 9% in CAD terms, respectively.

Changes

During the period, a position in the BMO S&P 500 Index ETF was added and comprised 4.3% of the Pool at the end of the period. The iShares Core S&P Small Cap Index ETF was divested during the period, and reinvested into the BMO S&P US MidCap and BMO US Small Cap Index ETFs. These comprised 7.4% and 14.1% of the portfolio, respectively, at the end of the period.

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, has had a material impact on all equity and fixed income portfolios during the first half of 2020, and is expected to continue to do so for some time. We continue to monitor developments in equity and fixed income markets generally, and particularly in connection with the Pool. While it is still too early to predict the full 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 continue to be affected to some degree in the near term.

On July 7, 2020, ATB Investment Management Inc. ("ATBIM" or the "Manager") announced changes to the individual principally responsible for the portfolio management of the ATBIS Pools managed by ATBIM. Effective immediately, Elizabeth Lunney, Managing Director, Portfolio Management with the Manager, has been appointed as lead portfolio advisor to the Pool. She is responsible—with her team—for providing or arranging for the provision of portfolio management services, including appointing sub-advisors.

There are no other developments or changes to report at this time related to the investment objectives, investment strategies or management of any of the ATB Funds, 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 \$12,978.

As of June 30, 2020, ATB Investment Management Inc. has absorbed \$73,804 of operating expenses in the Pool.

ATB Investment Management Inc. is the sole investor in Series A of the Pool. As at June 30, 2020, ATBIM held 536 redeemable units, valued at \$6,819 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.

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 six months ended June 30, 2020 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 U.S. Equity Pool - Series A					
PERIOD	2020	2019	2018	2017	2016
Net assets, beginning of period¹	\$13.05	\$10.96	\$11.24	\$10.42	\$10.00
Increase (decrease) from operations;					
Total revenue	0.07	0.19	0.12	0.21	0.09
Total expenses	(0.12)	(0.24)	(0.29)	(0.29)	(0.03)
Net investment income (loss)	(0.05)	(0.05)	(0.17)	(0.08)	0.06
Realized gains (losses) for the period	(0.22)	0.37	0.25	0.08	0.10
Unrealized gains (losses) for the period	(0.05)	1.88	0.98	0.53	0.45
Net gain (loss) on investment for the period	(0.27)	2.25	1.23	0.61	0.55
Total increase (decrease) from operations²	(0.32)	2.20	1.06	0.53	0.61
Distributions;					
From income (excluding dividends)	-	-	-	-	(0.09)
From dividends	-	-	-	-	-
From net investment income	-	-	-	-	(0.09)
From capital gains	-	(0.11)	(0.48)	-	(0.10)
Return of capital	-	-	-	-	-
Total annual distributions³	-	(0.11)	(0.48)	-	(0.19)
Net assets, end of period⁴	\$12.73	\$13.05	\$10.96	\$11.24	\$10.42

(1) This information is derived from the Pool's audited annual financial statements as at December 31 of the years shown, except 2020, which is derived from the Pool's unaudited interim financial statements for the six months ended June 30, 2020.

(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	2020	2019	2018	2017	2016
Total net asset value (000's) ⁴	\$7	\$7	\$6	\$21	\$5
Number of units outstanding ⁴	536	536	531	1,868	509
Management expense ratio ⁵	1.95%	1.96%	2.48%	2.72%	1.10%
Management expense ratio before waivers or absorptions	2.65%	2.67%	3.08%	3.51%	67.76%
Trading expense ratio ⁶	0.03%	0.02%	0.02%	0.03%	0.15%
Portfolio turnover rate ⁷	33.10%	25.80%	13.71%	8.79%	0.47%
Net asset value per unit	\$12.73	\$13.05	\$10.96	\$11.24	\$10.42

(4) This information is provided at June 30, 2020 and 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 portfolio 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 U.S. Equity Pool - Series O					
PERIOD	2020	2019	2018	2017	2016
Net assets, beginning of period¹	\$13.77	\$11.44	\$11.45	\$10.45	\$10.00
Increase (decrease) from operations;					
Total revenue	0.08	0.20	0.20	0.21	0.19
Total expenses	-	(0.01)	-	(0.01)	-
Net investment income (loss)	0.08	0.19	0.20	0.20	0.19
Realized gains (losses) for the period	(0.25)	0.39	0.41	0.08	0.23
Unrealized gains (losses) for the period	0.10	1.98	(0.26)	1.00	0.16
Net gain (loss) on investment for the period	(0.15)	2.37	0.15	1.08	0.39
Total increase (decrease) from operations²	(0.07)	2.56	0.35	1.28	0.58
Distributions;					
From income (excluding dividends)	-	(0.13)	(0.24)	(0.15)	(0.08)
From dividends	-	-	-	-	-
From net investment income	-	(0.13)	(0.24)	(0.15)	(0.08)
From capital gains	-	(0.11)	(0.23)	-	(0.10)
Return of capital	-	-	-	-	-
Total annual distributions³	-	(0.24)	(0.47)	(0.15)	(0.18)
Net assets, end of period⁴	\$13.56	\$13.77	\$11.44	\$11.45	\$10.45

- (1) This information is derived from the Pool's audited annual financial statements as at December 31 of the years shown, except 2020, which is derived from the Pool's unaudited interim financial statements for the six months ended June 30, 2020.
- (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	2020	2019	2018	2017	2016
Total net asset value (000's) ⁴	\$50,547	\$43,734	\$33,641	\$22,822	\$1,912
Number of units outstanding ⁴	3,727,757	3,177,139	2,940,411	1,992,902	182,862
Management expense ratio ⁵	0.03%	0.04%	0.04%	0.07%	0.10%
Management expense ratio before waivers or absorptions	0.31%	0.31%	0.37%	0.82%	23.10%
Trading expense ratio ⁶	0.03%	0.02%	0.02%	0.03%	0.15%
Portfolio turnover rate ⁷	33.10%	25.80%	13.71%	8.79%	0.47%
Net asset value per unit	\$13.56	\$13.77	\$11.44	\$11.45	\$10.45

- (4) This information is provided at June 30, 2020 and 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 portfolio 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 U.S. Equity Pool - Series F1					
PERIOD	2020	2019	2018	2017	2016
Net assets, beginning of period¹	\$13.76	\$11.43	\$11.38	\$10.43	\$10.00
Increase (decrease) from operations;					
Total revenue	0.08	0.20	0.22	0.24	0.09
Total expenses	(0.05)	(0.10)	(0.10)	(0.09)	(0.02)
Net investment income (loss)	0.03	0.10	0.12	0.15	0.07
Realized gains (losses) for the period	(0.25)	0.38	0.44	0.09	0.10
Unrealized gains (losses) for the period	0.56	2.11	(0.65)	0.80	0.45
Net gain (loss) on investment for the period	0.31	2.49	(0.21)	0.89	0.55
Total increase (decrease) from operations²	0.34	2.59	(0.09)	1.04	0.62
Distributions;					
From income (excluding dividends)	-	(0.03)	(0.13)	(0.08)	(0.09)
From dividends	-	-	-	-	-
From net investment income	-	(0.03)	(0.13)	(0.08)	(0.09)
From capital gains	-	(0.10)	(0.18)	-	(0.10)
Return of capital	-	-	-	-	-
Total annual distributions³	-	(0.13)	(0.31)	(0.08)	(0.19)
Net assets, end of period⁴	\$13.52	\$13.76	\$11.43	\$11.38	\$10.43

- (1) This information is derived from the Pool's audited annual financial statements as at December 31 of the years shown, except 2020, which is derived from the Pool's unaudited interim financial statements for the six months ended June 30, 2020.
- (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	2020	2019	2018	2017	2016
Total net asset value (000's) ⁴	\$8,280	\$5,724	\$4,841	\$2,088	\$5
Number of units outstanding ⁴	612,227	416,046	423,481	183,519	509
Management expense ratio ⁵	0.81%	0.80%	0.83%	0.85%	0.74%
Management expense ratio before waivers or absorptions	1.14%	1.10%	1.19%	1.52%	67.40%
Trading expense ratio ⁶	0.03%	0.02%	0.02%	0.03%	0.15%
Portfolio turnover rate ⁷	33.10%	25.80%	13.71%	8.79%	0.47%
Net asset value per unit	\$13.52	\$13.76	\$11.43	\$11.38	\$10.43

- (4) This information is provided at June 30, 2020 and 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 portfolio 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 period ended June 30, 2020, the Pool paid ATB Investment Management Inc. management fees of \$26,001. 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 six months ended June 30, 2020 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.

*For the period January 1, 2020 to June 30, 2020

Summary of Investment Pool

As at June 30, 2020

ATBIS US Equity Pool	% Weight	Top 25 Holdings	% Weight
Equities	97.1%	BlackRock CDN US Equity Index Fund Cl. D	24.4%
Communication Services	8.3%	Mawer U.S. Equity Fund Series O	21.6%
Consumer Discretionary	8.9%	BMO S&P US Small Cap Index ETF	14.1%
Consumer Staples	5.6%	BMO S&P US Mid Cap Index ETF	7.4%
Energy	1.3%	BMO S&P 500 Index ETF	4.3%
Financials	14.7%	Cash and Cash Equivalent	1.7%
Health Care	13.6%	Microsoft Corporation	1.2%
Industrials	13.1%	Alphabet Inc. Cl. C	1.2%
Info Technology	22.4%	Marsh & McLennan Companies, Inc.	1.2%
Materials	5.0%	Visa Inc. Cl. A	1.1%
Real Estate	2.7%	Verisk Analytics, Inc. Cl. A	1.1%
Utilities	1.5%	The Procter & Gamble Company	0.8%
Private Equity	0.0%	Amazon.com, Inc.	0.8%
Fixed Income	0.0%	Ansys Inc.	0.7%
Cash & Other	2.9%	Becton, Dickinson and Company	0.7%
Total	100.0%	Comcast Corporation Cl. A	0.7%
ATBIS US Equity Pool	% Weight	AMETEK, Inc.	0.7%
Equities		Johnson & Johnson	0.7%
US	97.1%	Verizon Communications Inc.	0.6%
Cash & Other	2.9%	AptarGroup, Inc.	0.6%
Total	100.0%	Intercontinental Exchange, Inc.	0.6%
		CME Group Inc. Cl. A	0.6%
		S&P Global, Inc.	0.6%
		Waters Corporation	0.5%
		MasterCard Incorporated Cl. A	0.5%

Total Fund Net Asset Value \$ 58,833,815

The Summary of Investment schedule provides a snapshot of the investment portfolio by security type, industry and geographical location. The information is presented on a look-through basis for any investments in underlying funds.

The summary of investment portfolio may change due to ongoing portfolio transactions in the investment fund. The most recent annual or semi-annual reports are available at no cost by calling 1-888-ATB-FUND, by e-mailing atbimservice@atb.com or by visiting our website at www.atb.com/wealth. 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.

ATB Investment Management Inc.
Suite 2100, 10020 100 Street NW
Edmonton Alberta
T5J 0N3
1-888-ATB-FUND
atbimservice@atb.com
www.atb.com/wealth
