

As at June 30, 2019

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 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 Compass Balanced Growth Portfolio ("the Portfolio") aims to provide investors with long-term capital appreciation by investing primarily in a balanced portfolio of fixed income and equity securities with a bias toward equities.

Under normal conditions, the Portfolio holds an asset-mix consisting of 23-33% fixed income, 14-24% Canadian equity, 18-28% US equity, 18-28% international and global equity, and 2-12% alternative investments, comprised of Real Estate Investment Trusts ("REITs") and Private Equity Investments. The investments held in the Portfolio are diversified by asset class and investment style to minimize volatility and maximize risk-adjusted long-term returns.

Risk

No major changes were made to the Portfolio's asset mix during the period. The mix is monitored on a regular basis and each asset class is generally kept to within 1% of its target allocation. The risks of investing in the Portfolio remain as outlined in the Prospectus.

Results from Operations

The Portfolio's net asset value increased to \$2.6 billion as at June 30, 2019, from \$2.3 billion 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 Portfolio's Series A units returned 9.33%, outperforming the broad-based index return of 6.52% and underperforming the blended benchmark return of 11.41%. The Portfolio'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 Portfolio, returns are inclusive of the Portfolios pro-rata share, where applicable, of any investment in an underlying fund i.e. provided on a look-through basis:

Fixed Income

The conventional bond component that represents about 4% of the portfolio experienced a gross return of about 6.5% for the first six months. The Bank of Canada held its short-term interest rate target constant at 1.75%. However, due largely to the belief that the American central bank (the Federal Reserve) would reduce its interest-rate target before the year is out, and that the Bank of Canada might follow, interest rates of longer-maturity bonds fell considerably and imparted a significant price gain to those bonds and also to the broad bond index.

The investment grade corporate bond component that represents about 7% of the portfolio didn't fully participate in the bond rally because it holds fewer long-maturity bonds. This component of the portfolio generated a gross return of 5% for the first half of the year.

The high-yield corporate bond component that represents about 13% of the portfolio experienced a 3.4% gross return in the first half of the year. This portion of the portfolio currently consists of higher-quality short-term bonds, and therefore its performance was barely affected by the long-bond rally.

The commercial mortgage component that represents about 4% of the portfolio also generated a gross return of 3.4% for the six months ending June 30, 2019. It has an attractive ongoing yield but its underlying mortgages are largely of shorter term, and so its performance was also barely influenced by the long-bond rally.

Real Estate Investment Trusts

REITs represent about 3% of the portfolio. Their prices rose sharply, particularly in the first quarter, and along with their dividend income their gross return in the first six months was just under 14%.

Equities

The conventional large-cap equities that together make up about 52% of the portfolio had an exceptionally strong first half, as they recovered from their late-2018 decline. For the period, Canadian stocks returns were about 14%, US stock returns were about 15% and overseas stock returns were about 10%.

Canadian, US and global small-cap stocks each represent about 5% of the portfolio. Canadian small-cap returns for the period were 14%, while US small-cap returns were 11% and global small-cap returns were 16%.

The portfolio's private equity holdings, at under 1% of portfolio weight, had a 3% return for the first half of the year.

Summary

The portfolio consists of just over 25% bonds and just under 75% equities. All the major asset classes exhibited above-average returns for the first half of the year and so the resulting portfolio return was also above average.

Changes

The QV Global large-cap equity mandate, which represented about 5% of the portfolio's weight, was moved to a nearly equal combination of the Mawer US Equity mandate and iShares Core MSCI EAFE exchange-traded fund.

The Portfolio continued to make investments in securities backed by commercial mortgages. As of June 30, 2019, these investments accounted for approximately 4% of portfolio weight.

Recent Developments

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. ATBIM continues to retain the services of QV to act as sub-advisor in respect of the active Canadian equity portfolio assets of the Compass Portfolios.

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

Related Party Transactions

The Portfolio is managed by ATB Investment Management Inc. ATB Investment Management Inc. is a wholly owned subsidiary of ATB Financial. Throughout the period, the Portfolio used the services of ATB Financial and its subsidiaries for administration of the Portfolio. The total value of services rendered by ATB Financial and its subsidiaries to the Portfolio, was \$42,580.

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 Portfolio and are intended to help you understand the Portfolio's financial performance for the six months ended June 30, 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.

Compass Balanced Growth Portfolio - Series A

PERIOD	2019	2018	2017	2016	2015	2014
Net assets, beginning of period¹	\$20.88	\$22.72	\$21.15	\$19.86	\$19.36	\$18.14
Increase (decrease) from operations;						
Total revenue	0.27	0.56	0.58	0.58	0.56	0.51
Total expenses	(0.20)	(0.42)	(0.40)	(0.37)	(0.37)	(0.35)
Net investment income (loss)	0.07	0.14	0.18	0.21	0.19	0.16
Realized gains (losses) for the period	0.10	0.88	0.58	0.45	0.58	0.86
Unrealized gains (losses) for the period	1.77	(2.04)	1.34	0.96	0.27	0.69
Net gain (loss) on investment for the period	1.87	(1.16)	1.92	1.41	0.85	1.55
Total increase (decrease) from operations²	1.94	(1.02)	2.10	1.62	1.04	1.71
Distributions;						
From income (excluding dividends)	-	(0.13)	(0.12)	(0.12)	(0.12)	(0.11)
From dividends	-	(0.08)	(0.07)	(0.07)	(0.07)	(0.05)
	-	(0.21)	(0.19)	(0.19)	(0.19)	(0.16)
From capital gains	-	(0.63)	(0.33)	(0.12)	(0.28)	(0.33)
Return of capital	-	-	-	-	(0.11)	(0.02)
Total annual distributions³	-	(0.84)	(0.52)	(0.31)	(0.58)	(0.51)
Net assets, end of period⁴	\$22.83	\$20.88	\$22.72	\$21.15	\$19.86	\$19.36

(1) This information is derived from the Portfolio's unaudited interim financial statements.

(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 Portfolio, or both.

Ratios and Supplemental Data

PERIOD	2019	2018	2017	2016	2015	2014
Total net asset value (000's) ⁴	\$1,162,960	\$1,060,635	\$1,085,482	\$1,016,329	\$912,057	\$815,133
Number of units outstanding ⁴	50,947,510	50,799,478	47,767,503	48,052,100	45,914,109	42,098,386
Management expense ratio ⁵	1.84%	1.84%	1.83%	1.83%	1.83%	1.84%
Management expense ratio before waivers or absorptions	1.84%	1.84%	1.83%	1.83%	1.83%	1.84%
Trading expense ratio ⁶	0.04%	0.05%	0.02%	0.02%	0.02%	0.02%
Portfolio turnover rate ⁷	15.25%	30.44%	12.33%	11.25%	36.38%	26.23%
Net asset value per unit	\$22.83	\$20.88	\$22.72	\$21.15	\$19.86	\$19.36

(4) This information is provided at June 30, 2019 and December 31 of prior years shown.

(5) The management expense ratio (MER) is based on total expenses (excluding commissions and other portfolio transaction costs), and the Portfolio's proportionate share of the MER, if applicable, of any underlying funds and exchange-traded funds in which the Portfolio has invested, allocated to that series for the stated period and is expressed as an annualized percentage of daily average net asset values 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 Portfolio are shown both with and without the waivers and absorptions.

(6) 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 period.

(7) The Portfolio's portfolio turnover rate indicates how actively the Portfolio's Portfolio Advisor manages its portfolio of investments. A portfolio turnover rate of 100% is equivalent to the Portfolio buying and selling all of the securities in its portfolio once in the course of the period. The higher a Portfolio's portfolio turnover rate in a period, the greater the trading costs payable by the fund 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 Portfolio.

Financial Highlights (continued)

Compass Balanced Growth Portfolio - Series O

PERIOD	2019	2018	2017	2016	2015	2014
Net assets, beginning of period¹	\$21.76	\$23.67	\$21.97	\$20.68	\$20.14	\$18.88
Increase (decrease) from operations;						
Total revenue	0.28	0.59	0.62	0.62	0.60	0.55
Total expenses	-	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Net investment income (loss)	0.28	0.58	0.61	0.61	0.59	0.54
Realized gains (losses) for the period	0.11	0.93	0.64	0.48	0.64	0.93
Unrealized gains (losses) for the period	1.85	(2.21)	1.37	1.07	0.19	0.69
Net gain (loss) on investment for the period	1.96	(1.28)	2.01	1.55	0.83	1.62
Total increase (decrease) from operations²	2.24	(0.70)	2.62	2.16	1.42	2.16
Distributions;						
From income (excluding dividends)	-	(0.39)	(0.37)	(0.34)	(0.36)	(0.33)
From dividends	-	(0.24)	(0.22)	(0.21)	(0.20)	(0.15)
	-	(0.63)	(0.59)	(0.55)	(0.56)	(0.48)
From capital gains	-	(0.64)	(0.33)	(0.23)	(0.29)	(0.42)
Return of capital	-	-	-	-	(0.11)	(0.02)
Total annual distributions³	-	(1.27)	(0.92)	(0.78)	(0.96)	(0.92)
Net assets, end of period⁴	\$24.00	\$21.76	\$23.67	\$21.97	\$20.68	\$20.14

(1) This information is derived from the Portfolio's unaudited interim financial statements.

(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 Portfolio, or both.

Ratios and Supplemental Data

PERIOD	2019	2018	2017	2016	2015	2014
Total net asset value (000's) ⁴	\$737,234	\$657,669	\$624,583	\$507,627	\$354,636	\$280,666
Number of units outstanding ⁴	30,714,504	30,223,705	26,388,114	23,105,155	17,146,329	13,937,850
Management expense ratio ⁵	0.05%	0.04%	0.03%	0.03%	0.03%	0.04%
Management expense ratio before waivers or absorptions	0.05%	0.04%	0.03%	0.03%	0.03%	0.04%
Trading expense ratio ⁶	0.04%	0.05%	0.02%	0.02%	0.02%	0.02%
Portfolio turnover rate ⁷	15.25%	30.44%	12.33%	11.25%	36.38%	26.23%
Net asset value per unit	\$24.00	\$21.76	\$23.67	\$21.97	\$20.68	\$20.14

(4) This information is provided at June 30, 2019 and December 31 of prior years shown.

(5) The management expense ratio (MER) is based on total expenses (excluding commissions and other portfolio transaction costs), and the Portfolio's proportionate share of the MER, if applicable, of any underlying funds and exchange-traded funds in which the Portfolio has invested, allocated to that series for the stated period and is expressed as an annualized percentage of daily average net asset values 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 Portfolio are shown both with and without the waivers and absorptions.

(6) 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 period.

(7) The Portfolio's portfolio turnover rate indicates how actively the Portfolio's Portfolio Advisor manages its portfolio of investments. A portfolio turnover rate of 100% is equivalent to the Portfolio buying and selling all of the securities in its portfolio once in the course of the period. The higher a Portfolio's portfolio turnover rate in a period, the greater the trading costs payable by the fund 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 Portfolio.

Financial Highlights (continued)

Compass Balanced Growth Portfolio - Series F1

PERIOD	2019	2018	2017	2016	2015	2014
Net assets, beginning of period¹	\$21.43	\$23.24	\$21.49	\$20.08	\$19.52	\$18.30
Increase (decrease) from operations;						
Total revenue	0.28	0.59	0.64	0.62	0.59	0.54
Total expenses	(0.09)	(0.18)	(0.18)	(0.16)	(0.16)	(0.15)
Net investment income (loss)	0.19	0.41	0.46	0.46	0.43	0.39
Realized gains (losses) for the period	0.11	0.91	0.69	0.46	0.61	0.89
Unrealized gains (losses) for the period	1.81	(2.28)	1.26	1.03	0.11	0.68
Net gain (loss) on investment for the period	1.92	(1.37)	1.95	1.49	0.72	1.57
Total increase (decrease) from operations²	2.11	(0.96)	2.41	1.95	1.15	1.96
Distributions;						
From income (excluding dividends)	-	(0.26)	(0.22)	(0.21)	(0.24)	(0.22)
From dividends	-	(0.16)	(0.13)	(0.13)	(0.14)	(0.11)
	-	(0.42)	(0.35)	(0.34)	(0.38)	(0.33)
From capital gains	-	(0.58)	(0.29)	(0.10)	(0.26)	(0.39)
Return of capital	-	-	-	-	(0.10)	(0.02)
Total annual distributions³	-	(1.00)	(0.64)	(0.44)	(0.74)	(0.74)
Net assets, end of period⁴	\$23.55	\$21.43	\$23.24	\$21.49	\$20.08	\$19.52

(1) This information is derived from the Portfolio's unaudited interim financial statements.

(3) 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.

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

Ratios and Supplemental Data

PERIOD	2019	2018	2017	2016	2015	2014
Total net asset value (000's) ⁴	\$653,458	\$575,438	\$462,413	\$270,712	\$180,265	\$132,265
Number of units outstanding ⁴	27,743,191	26,849,610	19,898,875	12,597,448	8,977,024	6,775,052
Management expense ratio ⁵	0.79%	0.79%	0.77%	0.78%	0.77%	0.79%
Management expense ratio before waivers or absorptions	0.79%	0.79%	0.77%	0.78%	0.77%	0.79%
Trading expense ratio ⁶	0.04%	0.05%	0.02%	0.02%	0.02%	0.02%
Portfolio turnover rate ⁷	15.25%	30.44%	12.33%	11.25%	36.38%	26.23%
Net asset value per unit	\$23.55	\$21.43	\$23.24	\$21.49	\$20.08	\$19.52

(4) This information is provided at June 30, 2019 and December 31 of prior years shown.

(5) The management expense ratio (MER) is based on total expenses (excluding commissions and other portfolio transaction costs), and the Portfolio's proportionate share of the MER, if applicable, of any underlying funds and exchange-traded funds in which the Portfolio has invested, allocated to that series for the stated period and is expressed as an annualized percentage of daily average net asset values 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 Portfolio are shown both with and without the waivers and absorptions.

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(7) The Portfolio's portfolio turnover rate indicates how actively the Portfolio's Portfolio Advisor manages its portfolio of investments. A portfolio turnover rate of 100% is equivalent to the Portfolio buying and selling all of the securities in its portfolio once in the course of the period. The higher a Portfolio's portfolio turnover rate in a period, the greater the trading costs payable by the fund 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 Portfolio.

Management Fees

ATB Investment Management Inc. receives management fees of 1.7% per annum for Series A and 0.7% 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 Portfolio.

For the year ended June 30, 2019, the Portfolio paid ATB Investment Management Inc. management fees of \$12,072,744. The Portfolio'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. Approximately 47% of total management fees were used to pay for sales and trailing commissions. The remaining 53% of management fees were used to pay for investment management.

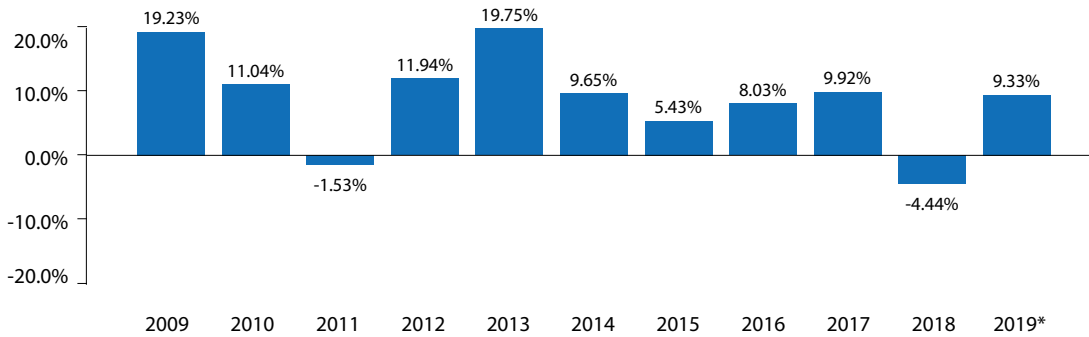
Past Performance

The performance information shown assumes all distributions made by the Portfolio were reinvested into additional units of the Portfolio. 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 Portfolio does not necessarily indicate how it will perform in the future.

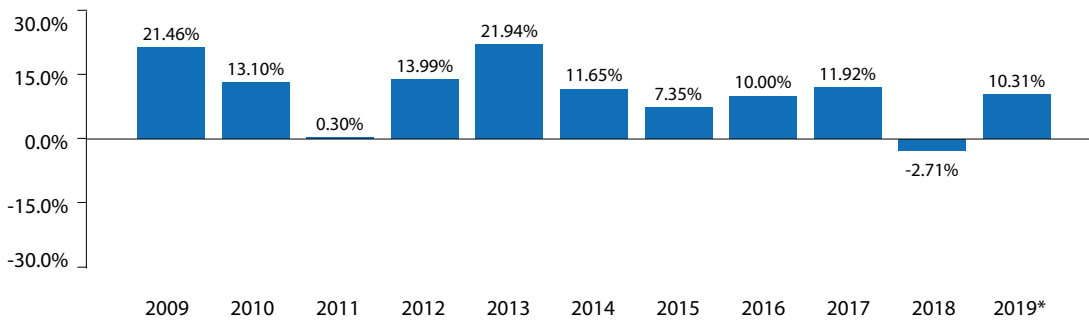
Year by Year Returns

The following information shows the Portfolio's performance for the six months ended June 30, 2019 and for each of the previous years shown. The bar charts illustrate how the Portfolio'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.

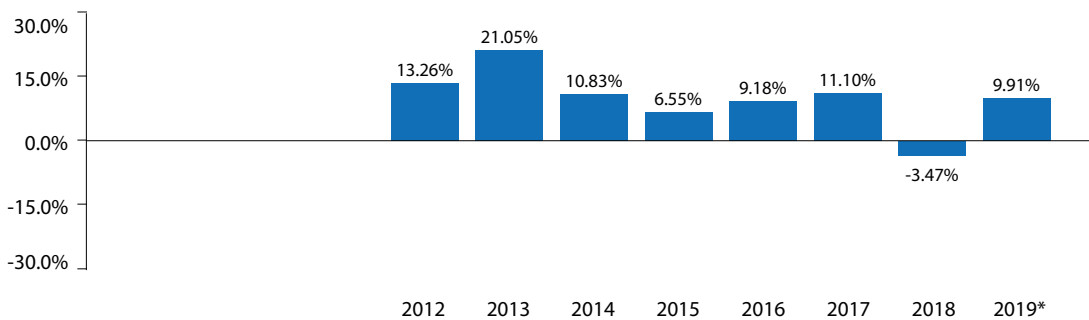
Series A



Series O



Series F1



The inception date of Series A and O was December 11, 2002. The inception date of Series F1 was October 31, 2011.

* For the period January 1, 2019 to June 30, 2019

Summary of Investment Portfolio

As at June 30, 2019

Compass Balanced Growth Portfolio	% Weight
Equities	70.2%
Communication Services	4.3%
Consumer Discretionary	5.5%
Consumer Staples	6.2%
Energy	4.2%
Financials	12.7%
Health Care	4.9%
Industrials	11.8%
Info Technology	8.4%
Materials	4.3%
Real Estate	4.3%
Utilities	2.8%
Private Equity	0.8%
Fixed Income	27.2%
Cash & Other	2.6%
Total	100.0%

Compass Balanced Growth Portfolio	% Weight
Equities	
Canada	24.5%
US	23.5%
International	22.2%
Fixed Income	
Govt Bonds	4.8%
Corp Bonds	18.9%
Mortg-Backed Securities	3.5%
Cash & Other	2.6%
Total	100.0%

Top 25 Holdings	% Weight
BlackRock CDN US Equity Index Fund	15.4%
Mawer International Equity Fund	9.8%
Mawer Global Small Cap Fund	6.0%
iShares Core S&P Small-Cap ETF	4.4%
Mawer Canadian Equity Fund	3.9%
BlackRock Canada Universe Bond Index Fund	3.5%
BlackRock CDN MSCI EAFE Equity Index Fund	3.4%
iShares Core MSCI EAFE ETF	2.5%
Mawer New Canada Fund	2.3%
BlackRock Canadian Equity Index Fund	1.8%
Bank of Montreal 2.20% Feb 01/24	1.3%
Cash and Cash Equivalent	1.0%
AT&T Inc. 3.62% Jun 12/24	0.9%
Royal Bank of Canada 2.11% Jun 27/22	0.8%
The Toronto-Dominion Bank 1.68% Jun 08/21	0.8%
Lloyds Bank PLC 2.57% Jul 11/23	0.8%
Canadian Commercial Mortgage Origination Trust 4 3.55% May 12/50	0.7%
Apple Inc. 2.51% Aug 19/24	0.7%
Canadian Commercial Mortgage Origination Trust 4 3.14% May 12/50	0.7%
AltaGas Ltd.	0.6%
iA Financial Corporation Inc.	0.6%
Canadian Commercial Mortgage Origination Trust 3 2.19% Jun 12/20	0.5%
Merrill Lynch Canadian Mortgage Pools 1.81% Jan 01/24	0.5%
Ford Credit Canada Company 5.12% Mar 21/24	0.5%
Power Financial Corporation	0.5%

Total Fund Net Asset Value \$2,553,652,132

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 <http://www.compassportfolios.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 Portfolio. These statements “Results from Operations” and “Recent Developments” may involve, but are not limited to, forward-looking statements about the Portfolio 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 portfolio 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 Portfolio 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 Portfolio’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 Portfolio does not undertake to update any forward-looking statement contained in this report.

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