
Mawer Canadian Bond Fund

Annual Management Report of Fund Performance

For the Year Ended December 31, 2021

This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements at no cost by calling 1-844-395-0747, by writing us at Suite 600, 517 – 10th Avenue SW, Calgary, Alberta T2R 0A8, or by visiting our website at www.mawer.com or SEDAR at www.sedar.com.

Unitholders may also contact us using one of the above noted methods to request a copy of the investment fund's proxy voting policies and procedures, interim financial reports, proxy voting disclosure record, or quarterly portfolio disclosure.

This Annual Management Report of Fund Performance includes certain statements that are "forward looking statements". All statements, other than statements of historical fact, included in this report that address activities, events or developments that the portfolio manager, Mawer Investment Management Ltd. (the "Manager"), expects or anticipates will or may occur in the future, including such things as anticipated financial performance, are forward looking statements. The words "may", "could", "would", "should", "believe", "plan", "anticipate", "expect", "intend", "forecast", "objective" and similar expressions are intended to identify forward looking statements. These forward looking statements are subject to various risks and uncertainties, including the risks described in the Simplified Prospectus of the Fund, uncertainties and assumptions about the Fund, capital markets and economic factors, which could cause actual financial performance and expectations to differ materially from the anticipated performance or other expectations expressed. Economic factors include, but are not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

All opinions contained in forward looking statements are subject to change without notice and are provided in good faith but without legal responsibility. The portfolio manager has no specific intention of updating any forward looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation. Certain research and information about specific holdings in the Fund, including any opinion, is based upon various sources believed to be reliable, but it cannot be guaranteed to be current, accurate or complete. It is for information only, and is subject to change without notice.

Management Discussion of Fund Performance

Investment Objectives and Strategies

The investment objective of the Mawer Canadian Bond Fund (the "Fund") is to invest for interest income and capital returns primarily from bonds and debentures of Canadian government and corporate issuers. The Fund is primarily invested in a diversified portfolio of high-quality Canadian government and corporate bonds. The Fund may also invest in mortgage-backed securities, asset-backed securities or foreign securities. The Manager focuses on security, sector, credit and curve analysis in making investment decisions. Investment considerations may include interest rates, yield spreads, exchange rates, structures, credit spread and fundamental analysis of sovereign, government, corporate and structured finance issuers.

Risk

The risks of investing in the Fund remain as discussed in the Prospectus. The Fund is suitable for investors seeking income returns with low risk. The major risks for the Fund are interest rate risk and credit risk. To reduce interest rate risk we constrain the duration of the portfolio within narrow limits versus our benchmark. To reduce credit risk in the portfolio, we hold only investment grade securities and diversify our corporate holdings by issuer and sector.

During the calendar year, we maintained the portfolio duration approximately neutral relative to the benchmark. We maintained an overweight position relative to the benchmark in investment grade corporate bonds and continued to favour higher quality holdings in our corporate bond allocation.

Results of Operations

The Fund's net assets increased 14.6% to \$4,274.3 million from \$3,728.5 million at December 31, 2021. Of this change, \$84.6 million is attributable to negative investment performance and \$630.4 million was due to net contributions to the Fund. The portfolio manager does not believe that cash flows associated with subscriptions and/or redemptions during the period had a material impact on the management of the Fund.

The Fund's A series returned -3.00% (after management fees) in comparison to the FTSE Canada Universe Bond Index return of -2.54% for the year ended December 31, 2021. All performance values provided are in Canadian dollar terms. The Fund's relative performance was a result of a combination of the duration, yield curve, sector positioning and security selection decisions throughout the year. In particular, the Fund benefitted from positive duration, curve and favourable sector positioning within corporates. In contrast, security selection negatively impacted relative performance, driven by the Fund's federal spread selection as well as infrastructure and industrials holdings.

Mawer Canadian Bond Fund

The Fund had a short duration bias relative to the index for the first half of 2021 as the economy, supported by continued accommodative policy, was on track to improve. With rates pricing in a considerable amount of future monetary tightening, the Fund's duration was increased as risk and reward changed in our view. The Fund reduced its exposure to the short end of the yield curve while increasing exposure to the long end of the curve as the probability that central banks raise rates increased. With respect to sector allocation, the Fund modestly increased spread products as spreads widened. The Fund continued to build exposure in issuers with strong business fundamentals and attractive valuation opportunities guided by our credit assessment. The Fund increased exposure to issuers such as North West Redwater, Canadian Pacific Railway and JP Morgan. Meanwhile, the Fund added to financials and energy industries while reducing exposure to communication.

Recent Developments

The portfolio manager continues to believe that both the Bank of Canada and the U.S. Federal Reserve will tighten policy with rate hikes in the first quarter of 2022. Our view is that this is necessary at this stage of the cycle to combat inflation. As the reopening and fiscal impulse are behind us, the pace of growth is expected to decline. Add on central bank tightening, the portfolio manager believes growth is likely to become weaker than expected, however remaining above trend. A slowing pace of growth alongside tighter financial conditions creates the conditions for increased volatility in 2022.

In the base case, the portfolio manager expects rates to rise modestly and the curve to flatten as the path of tightening begins. The Fund is positioned to be slightly shorter duration relative to the index. With respect to yield curve, the Fund increased its relative exposure to the long end of the curve which will be beneficial as we expect longer rates to outperform. From a bottom-up perspective, we continue to emphasize resilient business models and committed management teams that offer attractive valuation through our credit process. We continue to seek relative valuation and portfolio construction opportunities across sectors and curve utilizing our in-house research platform.

Effective December 31, 2021, Mr. Robert Algar retired from the Independent Review Committee (the "IRC"). Mr. Derek Mendham replaced Mr. Robert Algar on January 1, 2022.

On February 24, 2022, Russia launched a military invasion of Ukraine. Following economic sanctions imposed on Russian corporate and banking entities, closures to Russian securities markets, and Russian government-imposed capital controls, the liquidity of Russian securities and its currency has experienced significant declines. In the immediate term, the major risks centre around the repercussions of Russia's invasion: the significant human toll, sanctions on Russian entities, and the associated economic upheaval in Russia and Ukraine. The third and fourth-order effects of the conflict are difficult to predict but may be more meaningful to investors from a risk perspective. For example, the broader effect on commodity markets, inflation, the potential for greater geopolitical conflict with the West, and so on. At the time of the invasion, the Fund did not have any direct exposure to Russian securities. The Manager is actively monitoring the situation.

Related Party Transactions – Management Fees

The Portfolio Manager receives management fees, which are calculated for Series A units as 0.60% per annum of the net asset value of the Fund calculated on a daily basis. Management fees for Series O and Series S Units are payable directly to the Manager by Series O and Series S investors and not by the Fund.

The terms of the Management Agreement were amended January 4, 1994, to grant the Manager of the Fund the ability, at their discretion, to reduce the management fees for large investors. This reduction is effected by means of a management fee distribution and will be automatically reinvested in additional units of the Fund at the net asset value of the Fund on the date of distribution. Mawer also receives fees for performing administrative services. As at December 31, 2021 the Fund owes Mawer \$0 related to these administrative services.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five years. This information is derived from the Fund's audited annual financial statements which are prepared in accordance with IFRS.

Mawer Canadian Bond Fund

The Fund's Net Asset Value (NAV) per Unit¹

SERIES A	2021	2020	2019	2018	2017
Net Assets, beginning of year	13.77	13.19	12.67	12.83	12.91
Increase (decrease) from operations:					
Total revenue	0.33	0.35	0.38	0.35	0.33
Total expenses	(0.09)	(0.09)	(0.09)	(0.09)	(0.09)
Realized gains (losses) for the year	(0.15)	0.46	0.12	(0.07)	0.01
Unrealized gains (losses) for the year	(0.54)	0.37	0.38	(0.08)	(0.09)
Total increase (decrease) from operations²	(0.45)	1.09	0.79	0.11	0.16
Distributions:					
From net investment income (excluding dividends)	(0.24)	(0.26)	(0.29)	(0.26)	(0.24)
From capital gains	-	(0.29)	-	-	-
Total Annual Distributions ³	(0.24)	(0.55)	(0.29)	(0.26)	(0.24)
Net Assets, end of year	13.11	13.77	13.19	12.67	12.83

SERIES O	2021	2020	2019	2018	2017
Net Assets, beginning of year	12.82	12.38	11.92	12.07	12.14
Increase (decrease) from operations:					
Total revenue	0.30	0.33	0.36	0.33	0.31
Realized gains (losses) for the year	(0.14)	0.43	0.11	(0.06)	0.01
Unrealized gains (losses) for the year	(0.42)	0.36	0.34	(0.08)	(0.10)
Total increase (decrease) from operations²	(0.26)	1.12	0.81	0.19	0.22
Distributions:					
From net investment income (excluding dividends)	(0.30)	(0.33)	(0.35)	(0.32)	(0.31)
From capital gains	-	(0.39)	(0.03)	-	-
Total Annual Distributions ³	(0.30)	(0.72)	(0.38)	(0.32)	(0.31)
Net Assets, end of year	12.21	12.82	12.38	11.92	12.07

SERIES S	2021				
Net Assets, beginning of year	12.00				
Increase (decrease) from operations:					
Total revenue	0.16				
Realized gains (losses) for the year	(0.06)				
Unrealized gains (losses) for the year	0.01				
Total increase (decrease) from operations²	0.11				
Distributions:					
From net investment income (excluding dividends)	(0.25)				
Total Annual Distributions ³	(0.25)				
Net Assets, end of year	11.90				

⁽¹⁾ This information is derived from the Fund's audited financial statements.

⁽²⁾ Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. Due to the different methods of calculating individual components of the table, the sum of the individual components will not necessarily equal the ending net asset value.

⁽³⁾ Distributions were reinvested in additional units of the Fund and paid in cash.

Ratios and Supplemental Data

SERIES A	2021	2020	2019	2018	2017
Total net asset value (000's) ¹	152,041	175,169	151,086	138,641	132,378
Number of units outstanding (000's) ¹	11,595	12,722	11,456	10,941	10,318
Management expense ratio ²	0.67%	0.68%	0.67%	0.68%	0.69%
Management expense ratio before waivers or absorptions	0.67%	0.68%	0.67%	0.68%	0.69%
Trading expense ratio ³	-	-	-	-	-
Portfolio turnover rate ⁴	132.10%	90.07%	41.18%	23.87%	29.07%
Net asset value per unit¹	13.11	13.77	13.19	12.67	12.83

SERIES O	2021	2020	2019	2018	2017
Total net asset value (000's) ¹	3,987,541	3,553,378	2,879,500	2,378,132	2,048,668
Number of units outstanding (000's) ¹	326,639	277,265	232,543	199,503	169,759
Management expense ratio ²	0.01%	0.01%	0.01%	0.01%	0.01%
Management expense ratio before waivers or absorptions	0.01%	0.01%	0.01%	0.01%	0.01%
Trading expense ratio ³	-	-	-	-	-
Portfolio turnover rate ⁴	132.10%	90.07%	41.18%	23.87%	29.07%
Net asset value per unit¹	12.21	12.82	12.38	11.92	12.07

SERIES S	2021				
Total net asset value (000's) ¹	134,750				
Number of units outstanding (000's) ¹	11,320				
Management expense ratio ²	0.02%				
Management expense ratio before waivers or absorptions	0.02%				
Trading expense ratio ³	-				
Portfolio turnover rate ⁴	132.10%				
Net asset value per unit¹	11.90				

⁽¹⁾ This information is provided as at December 31 of the year shown, as applicable.

⁽²⁾ Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated year and is expressed as an annualized percentage of daily average net assets during the year.

⁽³⁾ The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the year.

⁽⁴⁾ The Fund's portfolio turnover rate indicates how actively the Fund's Portfolio Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Past Performance

Sales commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the Prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any investor that would have reduced returns. Mutual funds are not guaranteed. Their value changes frequently and past performance may not be repeated.

Mawer Canadian Bond Fund

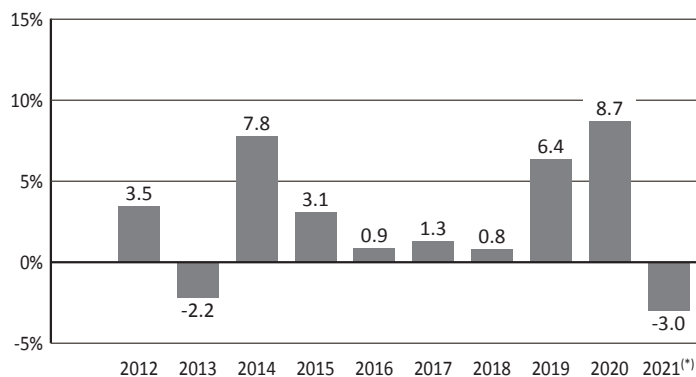
The Fund's performance numbers assume that all distributions are reinvested in additional units of the Fund. If you hold this Fund outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes whether paid to you in cash or reinvested in additional units. The amount of the reinvested taxable distributions is added to the adjusted cost base of the units that you own. This would decrease your capital gains or increase your capital loss when you later redeem from the Fund, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

The past performance of the Fund is set out in the following charts. Series S Units became available to investors on June 14, 2021 therefore there is no past performance to report for this Series.

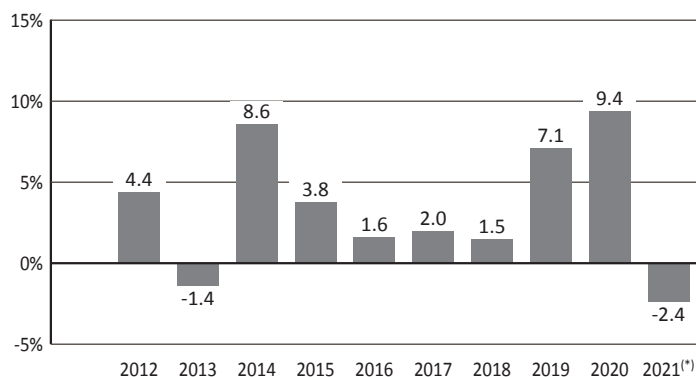
Year-by-Year Returns

The bar charts below show the Fund's annual performance in each of the past 10 years, if applicable, to December 31. The charts show in percentage terms how an investment made on January 1 would have increased or decreased by December 31 of the fiscal year.

Series A



Series O



^(*) Series A start date was June 21, 1991; Series O start date was December 1, 2004.

Annual Compound Returns

The following table shows the historical annual compound total return of units of the Fund for the periods shown ending on December 31, 2021. The annual compound total return is also compared to the FTSE Canada Universe Bond Index calculated on the same compound basis. All index returns are calculated in Canadian dollars on a total return basis, meaning that all distributions are reinvested.

	1 Year	3 Year	5 Year	10 Year	Since Inception ^(*)
Mawer Canadian Bond Fund – Series A	(3.0)%	3.9%	2.7%	2.7%	5.6%
FTSE Canada Universe Bond Index	(2.5)%	4.2%	3.3%	3.3%	6.6%
Mawer Canadian Bond Fund – Series O	(2.4)%	4.6%	3.4%	3.4%	4.5%
FTSE Canada Universe Bond Index	(2.5)%	4.2%	3.3%	3.3%	4.4%
Mawer Canadian Bond Fund – Series S	-	-	-	-	-
FTSE Canada Universe Bond Index	-	-	-	-	-

^(*) Series A start date was June 21, 1991; Series O start date was December 1, 2004; Series S start date was June 14, 2021.

The FTSE Canada Universe Bond Index is designed to be a broad measure of the performance of the Canadian investment-grade fixed income market, covering bonds with term to maturity of more than one year. The purpose of this index is to reflect performance of the broad Canadian bond market.

Summary of Investment Portfolio

A summary of the Fund as at December 31, 2021 is as follows:

	% of Portfolio
Cash	0.0
Total Cash	0.0
Treasury Bills	7.7
Total Short-Term Reserves	7.7
Fixed Income	
Federal	10.3
Provincial	40.3
Corporate	41.7
Total Fixed Income	92.3
Total Portfolio	100.0

Totals may not add to 100% due to rounding.

Mawer Canadian Bond Fund

The following table lists the 25 largest holdings of the Fund as at December 31, 2021.

Holding	% of Net Asset Value
Province of Ontario 2.60% Jun 02/25	5.9%
Province of Ontario 4.65% Jun 02/41	3.8%
Province of Ontario 2.60% Jun 02/27	3.7%
Province of Ontario 2.05% Jun 02/30	3.5%
Government of Canada 2.00% Dec 01/51	3.4%
Province of Quebec 1.50% Sep 01/31	3.0%
Province of Quebec 3.10% Dec 01/51	2.8%
Thomson Reuters Corporation 2.24% May 14/25	2.5%
Canada Housing Trust No. 1 1.55% Dec 15/26	2.4%
Province of Alberta 3.10% Jun 01/50	2.0%
JPMorgan Chase & Co. 1.90% Mar 05/28	1.9%
The Toronto-Dominion Bank 2.50% Dec 02/24	1.7%
Province of Ontario 1.90% Dec 02/51	1.7%
Canadian Pacific Railway Company 2.54% Feb 28/28	1.7%
TransCanada Pipelines Limited 3.80% Apr 05/27	1.5%
Province of Quebec 6.25% Jun 01/32	1.5%
Government of Canada 3.50% Dec 01/45	1.5%
Province of Ontario 2.70% Jun 02/29	1.4%
Bank of America Corporation 2.60% Apr 04/29	1.3%
Province of Alberta 2.55% Jun 01/27	1.2%
Royal Bank of Canada 2.35% Jul 02/24	1.2%
Canada Housing Trust No. 1 1.10% Dec 15/26	1.1%
Province of Ontario 4.70% Jun 02/37	1.1%
Enbridge Pipelines Inc. 3.52% Feb 22/29	1.1%
Province of Alberta 1.65% Jun 01/31	1.1%
Total	54.0%

The investments and percentages may have changed by the time you purchase units of this fund. The top 25 holdings are made available quarterly, 60 days after quarter-end and may be obtained by contacting your registered representative or by contacting the Manager toll-free at 1-844-395-0747 or by e-mail at info@mawer.com.