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# Mawer International Equity Fund

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## 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](http://www.mawer.com) or SEDAR at [www.sedar.com](http://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 objective of the Mawer International Equity Fund (the "Fund") is to create a portfolio of non-North American equities that is diversified by both geography and industry. This is done by choosing companies that we believe will be wealth-creating in the long term and are trading at a discount to their intrinsic value. We prefer companies with enduring competitive advantages that will allow them to earn a return greater than their cost of capital over the long term. The Fund has a long-term buy and hold strategy and seeks to keep turnover low.

### Risk

This Fund is suitable for investors seeking long-term growth and who have a medium tolerance for risk. General risks of investing in this Fund are outlined in the Prospectus and include the possibility of reduction in value of any given investment, liquidity risk, interest rate risk and currency risk amongst others.

The Manager attempts to reduce the exposure to these risks by not concentrating more than 20% of the net assets of the Fund in a particular Industry as defined by the Global Industry Classification Standards (GICS).

The Fund was invested in 8 of the 11 Global Industry Classification Standards (GICS) sectors as of December 31, 2021. The Fund's largest sector weightings were in Industrials (26%), Financials (24%), and Information Technology (14%). Combined, the weight in the three largest sectors represented 64% of the portfolio versus 54% at the end of 2020. In aggregate, the ten largest individual holdings accounted for 36% of the portfolio versus 33% at the end of 2020.

### Results of Operations

The Fund's net assets increased 10.6% to \$8,918.7 million from \$8,067.2 million at December 31, 2021. Of this change, \$696.3 million is attributable to positive investment performance and \$155.2 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.

Over the year, the Fund's A series returned 7.30% (after management fees) in comparison to the MSCI ACWI ex USA (Net) return of 6.91%. All performance values provided are in Canadian dollar terms.

The Fund's relative performance was helped by both positive stock selection and sector allocation. Security selection was driven by the strong performance of the Fund's holdings in Industrials, Health Care, and Consumer Discretionary.

From a geographic perspective, security selection was negative, as the Fund's holdings were negatively impacted in the Asia Pacific and the Middle East/Africa. Regional allocation was, however, positive over the period, offsetting the negative relative performance.

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## Mawer International Equity Fund

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Overall, the top contributors to the Fund's performance were Wolters Kluwer NV, Aon Plc, and LVMH Moët Hennessy Louis Vuitton SE. Meanwhile, Autohome, Inc., TSURUHA Holdings, Inc., and Alibaba Group Holding Ltd. were the biggest detractors.

The Fund initiated the following positions over the period:

1. Ashtead Group PLC
2. AutoStore Holdings Ltd
3. Novo Nordisk A/S
4. Eurofins Scientific SE
5. Allfunds Group PLC
6. Azelis Group NV
7. IMCD NV
8. Epiroc AB
9. Alfa Laval AB
10. Naspers Ltd
11. Grupo Mexico SAB de CV
12. ASML Holding NV
13. FincoBank Banca Finco SpA
14. Kaspi.KZ JSC
15. Bridgepoint Group PLC
16. TCS Group Holding PLC
17. Sberbank of Russia PJSC
18. Dino Polska SA
19. momo.com Inc
20. NU Holdings Ltd/Cayman Islands
21. Genmab A/S
22. Antin Infrastructure Partners SA
23. Autohome Inc
24. New Oriental Education & Technology Group Inc

The Fund eliminated the following positions over the period:

1. InterContinental Hotels Group PLC
2. Novartis AG
3. Nestle SA
4. Croda International PLC
5. Diageo PLC
6. AIA Group Ltd
7. SGS SA
8. Glanbia PLC
9. IHS Markit Ltd
10. Seven & i Holdings Co Ltd
11. Kerry Group PLC
12. Fuyao Glass Industry Group Co Ltd
13. Shanghai International Airport Co Ltd
14. Rathbone Brothers PLC
15. Alcon Inc
16. Autohome Inc
17. New Oriental Education & Technology Group Inc

The Fund also eliminated a position in Industrivarden AB which was received as a dividend from portfolio holding Handelsbanken.

### Recent Developments

Equity markets performed strongly in 2021, as generally strong company earnings releases outweighed any market nervousness over the potential accelerated tightening of monetary policy. An exception was emerging markets, which continued to face headwinds in China related to regulatory changes and imbalances in the property market (heavily indebted property developers).

There was no shortage of volatility as market participants navigated risks from inflation pressures, supply chain disruptions, and central bank tapering. The emergence of the COVID-19 Omicron variant initially led to some caution, as investors sought to understand the severity and potential government response, though by the end of 2021, the impact on global markets was ultimately subdued. Overall, it was an excellent year for developed market equities as the recovery of the economy drove investor enthusiasm.

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 had exposure to Russian securities representing 0.6% of the Fund's net asset value at December 31, 2021. As risks increased in January 2022, the Manager began reducing the exposure to Russian securities. These securities have subsequently been written-down to nil as a direct result of the inability to trade them. 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 1.20% 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.

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## Mawer International Equity Fund

### 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.

#### The Fund's Net Asset Value (NAV) per Unit<sup>1</sup>

SERIES A	2021	2020	2019	2018	2017
Net Assets, beginning of year	71.44	63.74	56.29	61.28	50.66
<b>Increase (decrease) from operations:</b>					
Total revenue	1.43	1.23	1.70	1.46	1.39
Total expenses	(1.23)	(1.06)	(1.00)	(1.00)	(0.93)
Realized gains (losses) for the year	3.89	3.63	1.47	3.26	2.84
Unrealized gains (losses) for the year	1.08	3.65	5.96	(6.28)	8.03
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>5.17</b>	<b>7.45</b>	<b>8.13</b>	<b>(2.56)</b>	<b>11.33</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.22)	(0.17)	(0.67)	(0.40)	(0.43)
From capital gains	(1.59)	-	-	(2.09)	(0.41)
Total Annual Distributions <sup>3</sup>	(1.81)	(0.17)	(0.67)	(2.49)	(0.84)
<b>Net Assets, end of year</b>	<b>74.82</b>	<b>71.44</b>	<b>63.74</b>	<b>56.29</b>	<b>61.28</b>

SERIES O	2021	2020	2019	2018	2017
Net Assets, beginning of year	66.90	61.07	53.88	59.41	49.91
<b>Increase (decrease) from operations:</b>					
Total revenue	1.34	1.18	1.60	1.40	1.37
Total expenses	(0.21)	(0.17)	(0.16)	(0.16)	(0.14)
Realized gains (losses) for the year	3.64	3.51	1.40	3.18	2.81
Unrealized gains (losses) for the year	1.08	3.94	5.75	(6.10)	8.10
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>5.85</b>	<b>8.46</b>	<b>8.59</b>	<b>(1.68)</b>	<b>12.14</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(1.12)	(0.99)	(1.41)	(1.21)	(1.15)
From capital gains	(2.74)	(1.64)	-	(2.67)	(1.50)
Total Annual Distributions <sup>3</sup>	(3.86)	(2.63)	(1.41)	(3.88)	(2.65)
<b>Net Assets, end of year</b>	<b>68.85</b>	<b>66.90</b>	<b>61.07</b>	<b>53.88</b>	<b>59.41</b>

SERIES S	2021	2020	2019	2018	2017
Net Assets, beginning of year	17.00	15.32	13.52	14.77	12.29
<b>Increase (decrease) from operations:</b>					
Total revenue	0.34	0.30	0.41	0.35	0.34
Total expenses	(0.06)	(0.05)	(0.04)	(0.04)	(0.04)
Realized gains (losses) for the year	0.93	0.87	0.35	0.81	0.70
Unrealized gains (losses) for the year	0.28	0.97	1.44	(1.47)	1.99
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>1.49</b>	<b>2.09</b>	<b>2.16</b>	<b>(0.35)</b>	<b>2.99</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.30)	(0.25)	(0.36)	(0.31)	(0.29)
From capital gains	(0.59)	(0.19)	-	(0.53)	(0.21)
Total Annual Distributions <sup>3</sup>	(0.89)	(0.44)	(0.36)	(0.84)	(0.50)
<b>Net Assets, end of year</b>	<b>17.59</b>	<b>17.00</b>	<b>15.32</b>	<b>13.52</b>	<b>14.77</b>

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

<sup>(2)</sup> 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.

<sup>(3)</sup> 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) <sup>1</sup>	1,033,802	981,873	953,498	910,834	927,071
Number of units outstanding (000's) <sup>1</sup>	13,817	13,744	14,960	16,180	15,129
Management expense ratio <sup>2</sup>	1.38%	1.40%	1.39%	1.40%	1.40%
Management expense ratio before waivers or absorptions	1.38%	1.40%	1.39%	1.40%	1.40%
Trading expense ratio <sup>3</sup>	0.06%	0.05%	0.08%	0.11%	0.09%
Portfolio turnover rate <sup>4</sup>	33.14%	21.28%	24.30%	27.34%	22.65%
<b>Net asset value per unit<sup>1</sup></b>	<b>74.82</b>	<b>71.44</b>	<b>63.74</b>	<b>56.29</b>	<b>61.28</b>

SERIES O	2021	2020	2019	2018	2017
Total net asset value (000's) <sup>1</sup>	7,447,795	6,661,649	5,697,255	4,854,212	4,917,192
Number of units outstanding (000's) <sup>1</sup>	108,175	99,569	93,287	90,099	82,762
Management expense ratio <sup>2</sup>	0.03%	0.03%	0.03%	0.04%	0.04%
Management expense ratio before waivers or absorptions	0.03%	0.03%	0.03%	0.04%	0.04%
Trading expense ratio <sup>3</sup>	0.06%	0.05%	0.08%	0.11%	0.09%
Portfolio turnover rate <sup>4</sup>	33.14%	21.28%	24.30%	27.34%	22.65%
<b>Net asset value per unit<sup>1</sup></b>	<b>68.85</b>	<b>66.90</b>	<b>61.07</b>	<b>53.88</b>	<b>59.41</b>

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SERIES S	2021	2020	2019	2018	2017
Total net asset value (000's) <sup>1</sup>	437,087	423,713	382,152	352,537	409,279
Number of units outstanding (000's) <sup>1</sup>	24,855	24,925	24,951	26,073	27,703
Management expense ratio <sup>2</sup>	0.04%	0.05%	0.04%	0.06%	0.06%
Management expense ratio before waivers or absorptions	0.04%	0.05%	0.04%	0.06%	0.06%
Trading expense ratio <sup>3</sup>	0.06%	0.05%	0.08%	0.11%	0.09%
Portfolio turnover rate <sup>4</sup>	33.14%	21.28%	24.30%	27.34%	22.65%
Net asset value per unit <sup>1</sup>	17.59	17.00	15.32	13.52	14.77

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

<sup>(2)</sup> 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.

<sup>(3)</sup> 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.

<sup>(4)</sup> 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.

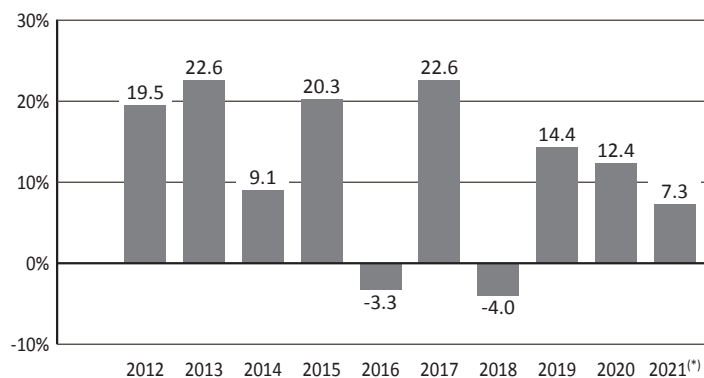
The Fund's performance numbers assume that all distributions are reinvested in additional units of the Fund. If you hold this Fund outside of a registered plan, income and capital gains distributions that are paid to you increase your income for tax purposes whether paid to you in cash or reinvested 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.

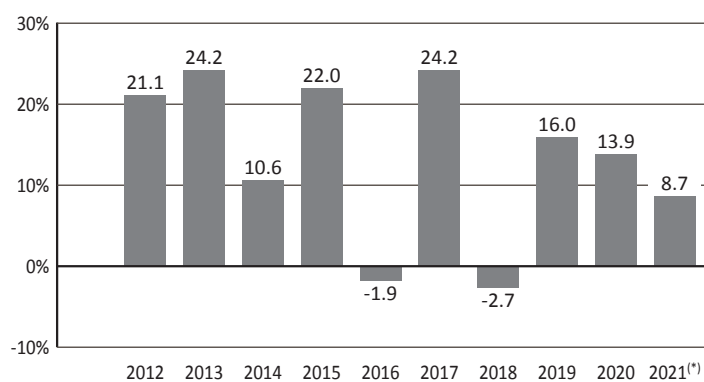
### Year-by-Year Returns

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.

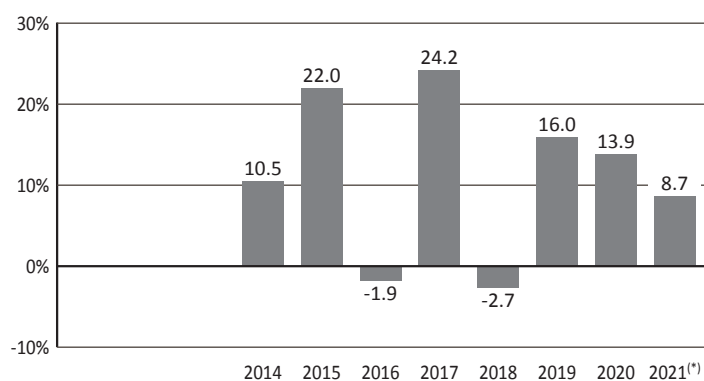
#### Series A



#### Series O



#### Series S



<sup>(\*)</sup> Series A start date was November 6, 1987; Series O start date was November 3, 2003; Series S start date was November 7, 2013.

## Mawer International Equity Fund

### Annual Compound Returns

The following table shows the historical annual compound total return of the Fund for the periods ending on December 31, 2021. The annual compound total return is benchmarked to the Mawer International Equity Benchmark (IE Benchmark) and calculated on the same compound basis. The IE Benchmark is a composite return stream consisting of the MSCI EAFE Index (net) from inception to September 30, 2016 and the MSCI ACWI ex-USA Index (net), as of September 30, 2016. The MSCI ACWI ex-USA Index (net) represents large and mid-cap stocks across 22 of 23 Developed Markets countries (excluding the U.S.) and 26 Emerging Market countries. 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 <sup>(*)</sup>
Mawer International Equity Fund – Series A	7.3%	11.3%	10.2%	11.7%	8.2%
Mawer International Equity Fund Benchmark	6.9%	10.3%	8.3%	10.4%	5.6%
Mawer International Equity Fund – Series O	8.7%	12.8%	11.7%	13.2%	10.2%
Mawer International Equity Fund Benchmark	6.9%	10.3%	8.3%	10.4%	6.4%
Mawer International Equity Fund – Series S	8.7%	12.8%	11.7%	-	10.9%
Mawer International Equity Fund Benchmark	6.9%	10.3%	8.3%	-	7.5%

<sup>(\*)</sup> Series A start date was November 6, 1987; Series O start date was November 3, 2003; Series S start date was November 7, 2013.

### Summary of Investment Portfolio

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

	% of Portfolio
Cash	0.0
<b>Total Cash</b>	<b>0.0</b>
Treasury Bills	1.7
<b>Total Short-Term Reserves</b>	<b>1.7</b>
<b>Equities</b>	
Africa	1.1
Asia	23.4
Europe	67.3
Latin America	1.3
North America	5.2
<b>Total Equities</b>	<b>98.3</b>
<b>Total Portfolio</b>	<b>100.0</b>

Totals may not add to 100% due to rounding.

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

Holding	% of Net Asset Value
Wolters Kluwer NV	5.3%
Aon PLC Cl. A	5.2%
LVMH Moet Hennessy Louis Vuitton SE	4.5%
Taiwan Semiconductor Manufacturing Company Limited	4.2%
Bunzl PLC	4.1%
RELX PLC	3.2%
Roche Holding AG Non-Voting	2.6%
Recordati Industria Chimica e Farmaceutica SPA	2.5%
Sika AG Registered Shares	2.2%
Nomura Research Institute, Ltd.	2.1%
Samsung Electronics Co., Ltd.	2.1%
Ashtead Group PLC	2.1%
AutoStore Holdings Ltd.	2.0%
Adyen NV	2.0%
Air Liquide SA	2.0%
ASSA ABLOY AB Series B	2.0%
HDFC Bank Limited	2.0%
Novo Nordisk A/S Cl. B	1.9%
Eurofins Scientific SE	1.9%
Sampo OYJ Series A	1.9%
Tencent Holdings Limited	1.9%
DBS Group Holdings Limited	1.8%
Admiral Group PLC	1.8%
Svenska Handelsbanken AB Series A	1.7%
Tsuruha Holdings, Inc.	1.7%
<b>Total</b>	<b>64.7%</b>

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](mailto:info@mawer.com).